

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 5
(TO BE ANSWERED ON THE 29th November 2021)

REPORT SUBMITTED TO PPPAC BY GOVERNMENT

5. SHRI K.C. VENUGOPAL

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether it is fact that assets of Mangaluru, Lucknow and Ahmedabad Airports Authority of India are valued at Rs. 1,300 crore in the year 2018;
- (b) if so, the details of the report submitted to Public Private Partnership Appraisal Committee (PPPAC) by Ministry of Civil Aviation; and
- (c) the reasons for selling these airports below the value assessed by the Ministry?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) & (b): At the time of bidding in December 2018, the estimated Regulatory Asset Base (RAB) value of Lucknow, Ahmedabad and Mangaluru airports was Rs. 1330 Crores and the same was submitted to Public Private Partnership Appraisal Committee (PPPAC) in its meeting held on 11 December, 2018.

(c): The Lucknow, Ahmedabad and Mangaluru airports have not been sold but have been given on lease for a period of 50 years to the highest bidder i.e. M/s. Adani Enterprise Limited only for the purpose of Operation, Management and Development during the concession period. AAI remains the owner of these airports and will receive revenues from the PPP Partners in the form of Per Passenger Fee (PPF) in respect of these airports throughout the concession period. Moreover, AAI gets back its investment in these airports to the tune of approximately Rs. 1300 Crores as upfront payment which can be used for development of airport infrastructure by AAI at Tier II and Tier III cities. Moreover, AAI is not required to incur any CAPEX and OPEX at these airports during the lease period. Further, all these airports will come back to AAI once the Concession Period is over.
