

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 493
(TO BE ANSWERED ON THE 12th December 2022)

AIRPORTS NOW OPERATIONAL BY PRIVATE COMPANIES

493. SHRI ELAMARAM KAREEM

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

(a) the number of airports operated earlier by the Airports Authority of India (AAI) that were handed over to private players during the last five years and the reasons for such decision by Government;

(b) the companies that took over each of the airports and the details of the amount for which each airport was handed over to private players; and

(c) whether the air fare has any impact after the privatisation of these airports?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

(a) During last 5 years, AAI has leased out six of its airports at Lucknow, Ahmedabad, Mangaluru, Jaipur, Guwahati and Thiruvananthapuram for better operations, management and development of these airports under Public Private Partnership (PPP).

(b) These airports were awarded through open competitive bidding process to M/s Adani Enterprises Limited who quoted the highest bid for all the 6 airports. The details of one time upfront payment received by AAI, comprising investment in capital work in progress and investment in Regulated Asset Base, at which these airports have been handed over to the Concessionaires are as under:

Ahmedabad- Rs.314.03 crore

Jaipur- Rs. 271.11 crore

Lucknow- Rs. 602.51 crore

Guwahati- Rs. 507.56 crore

Mangaluru- Rs. 221.88 crore

Thiruvananthapuram- Rs. 431.97 crore

Further, till October' 2022, AAI has received concession fees of Rs. 710.88 crore from the concessionaires for these six airports.

(c) No, Sir. Cost of air ticket prices is not directly linked to the airports being managed by the private companies under PPP. An Economic Regulator namely Airports Economic Regulatory Authority (AERA) of India has been established under an Act of Parliament i.e. AERA Act, 2008 to determine the charges in respect of the Aeronautical Services rendered at major airports in the country. AERA determines the charges at these airports including those leased out by AAI based on its regulatory philosophy of return on investment without differentiating between the PPP airports and State / AAI managed airports for all major airports.
