

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3437
ANSWERED ON:15.12.2005
OPTIMUM UTILISATION OF AIRPORTS
Adhalrao Patil Shri Shivaji

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has finalised any optimum utilisation programme for the National and International Airports in the country;
- (b) if so, the details of the airports to be given top priority; and
- (c) the details of the leasing conditions, project appraisal report and benefits to be accrued by such leasing of airports particularly Mumbai airport?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) & (b) Yes, Sir. Optimum utilization of infrastructure facilities at National and International Airport managed by Airports Authority of India (AAI) is a continuous process. Improvement of infrastructure facilities have been taken up at Delhi - Mumbai, Chennai, Kolkata and other non-metro international airports to increase runway, apron and terminal capacity in a phased manner. 35 Non-metro airports have also been tentatively identified for improvement of infrastructure facilities in a phased manner.

(c) The details of the leasing conditions are spelt out in the Transaction Documents issued to the Pre-Qualified Bidders which inter-alia include rights and obligations of contracting parties. As per these documents, after the end of the concession period the airport would revert to AAI. The International airports at Delhi and Mumbai are being restructured and modernized through Public Private Partnership. In the Joint Venture for Mumbai and Delhi, AAI and other Government PSUs will be holding 26% equity. The balance 74% will be held by the private partners. Foreign Direct Investment (FDI) in this transaction has been capped at 49%. Development of these airport through leasing have several short / medium / long term tangible and intangible benefits which inter-alia include capacity enhancement, performance improvement, revenue and capital gains etc. It has also been estimated on preliminary basis that the capital investment to the extent of Rs.7961 crores and Rs.6131 crores would be required for Delhi and Mumbai airports, respectively over a period of 20 years in 4 stages of 5 years each.