

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:527
ANSWERED ON:03.03.2005
DEVELOPMENT OF DEVANAHALLY AIRPORT
Shivanna Shri M

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Agreements/Memorandum of Understanding have been signed for the construction of Devanahally International Airport near Bangalore;
- (b) if so, whether the Government of Karnataka has also agreed to provide assistance for execution of the project;
- (c) if so, the details thereof;
- (d) the total estimated cost of this project; and
- (e) the steps taken/proposed to be taken by the Government to take up the project at the earliest?

Answer

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

(a) Concession Agreement, Shareholders Agreement, State Government Support Agreement, State Support Agreement and Land Lease Agreement have been signed and executed. The communication, Navigation & Surveillance/Air Traffic Management (CNS/ATM) Agreement has been approved by Airports Authority of India for execution.

(b)&(c): Yes, Sir. The assistance provided by Government of Karnataka are

- (i) Rs.350 crores interest free financial support
- (ii) 4000 acres of land at a token rent of Rs.1/- for the entire land till commencement of operations.
- (iii) Exemption of Property Tax for five years
- (iv) Exemption of Stamp Duty on land lease deed
- (v) Exemption of road cess and Entry Tax for goods for construction purposes
- (vi) provision of infrastructure like water, power at the site etc.

(d): The estimated cost of the project is Rs.1400 crores.

(e) Government has taken necessary steps to ensure that the financial closure is achieved by Bangalore International airport Ltd at the earliest.