

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1347

ANSWERED ON:17.08.2012

PRIVATISATION OF KOLKATA AND CHENNAI AIRPORTS

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Bhoi Shri Sanjay;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government proposes to privatise the Kolkata and Chennai Airports;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Airports Authority of India is opposed to the proposed move of the Government;
- (d) if so, the details thereof and the reasons therefor;
- (e) the reaction of the Government thereon; and
- (f) the details of the final decision taken by the Government, if any?

Answer

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a) & (b): A Task Force had been constituted by the Planning Commission under the Chairmanship of Member, Planning Commission, to review the implementation of the Financing Plan and to prepare a Financing Plan for development of airports and also to identify potential projects which could be implemented on Public Private Partnership (PPP) mode. The Task Force has recommended that the operations and management of Kolkata and Chennai airports could be taken up through PPP mode.

(c) & (d): Airports Authority of India (AAI) had suggested to the Task Force that the management and operation of these airports may be undertaken through formation of Joint Venture between AAI and Foreign Airport Operator.

(e) & (f): The Task Force has emphasized that projected investment at these airports can fructify only if the PPP approach was adopted extensively. This would not only help attract the requisite volumes of investments but it would also ensure generation of significant volumes of non-aeronautical revenues that would help reduce the passenger charges to affordable levels. No final decision has been taken on the recommendation of the Task Force.