

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:2038

ANSWERED ON:05.12.2012

AUCTION/LEASE OF LAND AT IGI

Bais Shri Ramesh;Bundela Shri Jeetendra Singh;Das Shri Khagen;Karunakaran Shri P.;Manjhi Shri Hari;Singh Dr. Raghuvansh Prasad;Singh Shri Ganesh

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

- (a) whether an audit report has observed that there is a big loss to the Government due to auction/lease of prime land at Indira Gandhi International Airport in Delhi to a private operator;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) the losses incurred by the Government/AAI as a result of violations committed by the said private operator and escalation of costs by dubious means;
- (d) the details and names of those companies to whom land has been given on meagre rates and since when;
- (e) whether the Government proposes to conduct any investigation in this regard and to take stringent action against the guilty for violating the terms and conditions of the Agreement;
- (f) if so, the details thereof and if not, the reasons therefor along with the reason for allotment of land at a higher rate to Government departments by Airports Authority of India; and
- (g) the corrective steps taken by the Government in this regard?

**Answer**

Minister of State in the Ministry of CIVIL AVIATION ( SHRI K. C. VENUGOPAL )

(a), (b), (c) : No, Madam. In para 2.6 of his report tabled in Parliament about Delhi airport, the Comptroller & Auditor General (C&AG) has, inter-alia, observed that 'using Delhi International Airport Pvt. Ltd. (DIAL)'s own projection for earning potential of Rs.681.63 crore per acre, the same amounts to Rs.1,63,557 crore for 240 acres of land for 58 years. 45.99 per cent of the same amounting to Rs.75220 crore would be Airports Authority of India's share. The net present value at a discount rate of 10 per cent amounts to Rs.3566 crore. The share of DIAL would amount to Rs.88337 crore, net present value of which is Rs.4187 crore`.

(d): Task of restructuring and modernisation of Delhi airport has been assigned to a Joint Venture Company namely M/s DIAL under PPP model. The airport has been given on lease to the Company for a period of 30 years further extendable to 30 years. The private partner was selected through an international bidding process. Highest revenue share, which also captures the earning potential of land assigned for commercial development, was the sole bidding criterion. The lease deed, however, was executed on a stamp paper of Rs.100/-.

(e): No, Madam.

(f) & (g): Terms and conditions of the agreement have not been violated.