

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2081
ANSWERED ON:22.08.2013
CREDIT FACILITY TO AAI
Das Shri Ram Sundar

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether some commercial banks have expressed their reluctance to extend credit facilities to the Airports Authority of India (AAI) for its modernisation and expansion schemes;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether AAI proposes to issue bonds to raise the required capital for its infrastructure development programme; and
- (d) if so, the details thereof and if not, the manner in which the AAI proposes to meet its capital expenditure requirements?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K. C. VENUGOPAL)

(a) No, Madam.

(b) Does not arise.

(c) & (d) Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) has authorised the Airports Authority of India (AAI) to issue tax-free bonds aggregating to Rs.500 Crore to meet its developmental plans during the current financial year. AAI has, however, reported that this is still insufficient to meet its capital expenditure requirements, which it now plans to meet by way of internal resources and deposit work as well as through Government Grant & Budgetary Support and borrowings.