

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2274
ANSWERED ON:22.08.2013
VIABILITY GAP FUNDING
Sudhakaran Shri K.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the State Government of Kerala has submitted the complete roadmap of the project for Kannur Airport;
- (b) if so, the details thereof;
- (c) the status of Viability Gap Funding (VGF) support for the airport;and
- (d) the present status of Kannur Airport project?

Answer

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

(a), (b), (c) & (d) Government of India has granted `in-principle` approval for setting up of a Greenfield airport at Kannur in Kerala. State Government of Kerala has appointed M/s Kerala Industrial Infrastructure Development Corporation (KINFRA) as nodal agency for the construction of the Kannur Airport. M/s KINFRA has formed a Special Purpose Vehicle (SPV) namely M/s Kannur International Airport Limited (KIAL) for development of the airport. The project is to be implemented on Build Own and Operate (BOO) model. Ministry of Environment & Forest has granted necessary environment clearance to the project. M/s KIAL has acquired 1278 acres of land so far. M/s KIAL has requested for financial assistance under Viability Gap Funding (VGF) scheme. Ministry of Civil Aviation has supported the request of M/s KIAL and requested Ministry of Finance to grant the VGF. The project is at Request for Proposal (RFP) stage for awarding the contract for airside works. As per the schedule of bidding process, the contract is to be awarded by end of September, 2013. This project is closely monitored by the Ministry of Civil Aviation and the Prime Minister's Office.