

Six airports set to be privatised

'In principle' nod by Cabinet to PPP projects for 'world-class' non-metro airports

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The Union Cabinet on Thursday gave an "in principle" approval for operating, managing and developing six non-metro airports – Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru – under the Public Private Partnership (PPP).

The Cabinet, chaired by Prime Minister Narendra Modi, has given "...in-principle approval for leasing out

six airports of Airport Authority of India (AAI)...for operation, management and development under PPP," the government said in a statement.

'Increase in revenues'

At present, airports at Delhi, Mumbai, Bangalore, Hyderabad and Cochin are managed under the PPP model. The PPP mode has helped create world-class airports, while also helping the AAI increase its revenues, IT and

Law Minister Ravi Shankar Prasad told reporters.

This will be done through the Public Private Partnership Appraisal Committee (PPPAC). Additionally, a committee headed by NITI Aayog CEO with the Aviation Secretary, Economic Affairs Secretary and Expenditure Secretary as its members, has been set up to decide on any issue falling beyond the scope of the PPPAC.

"PPP in infrastructure projects brings efficiency in

service delivery, expertise, enterprise and professionalism, apart from harnessing the needed investments in the public sector," the official statement said.

The airport sector is a top contender among infrastructure sectors in terms of international interest. "International operators and investors prefer brownfield airport expansion opportunities with having more than 3-4 million passenger capacity," the statement said.