

India likely to lease out 11 more airports soon

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India continues to be the fastest growing aviation market in the world and the signs of revival post the Covid-19 pandemic are clearly visible. Post Omicron, domestic air travel hit a fresh high on Monday, December 5, when the number of domestic passengers peaked 4,13,716.

Civil aviation minister Jyotiraditya Scindia is very bullish on the country's aviation sector and is hopeful that India's air passenger number will touch about 40 crore a year in the next five years. In a move to further boost the country's aviation industry, Scindia has shared that the government is looking to lease out 11 more airports.

He said, "Our plan is to lease out the assets for a period and gain cash flow, which will then be reinvested to build out more airports in tier 2 and tier 3 cities. Our plan is to lease out another 11 airports. So, that process is on and shortly you will be hearing about that."

The list of airports identified to be given to private players include Chennai, Kolkata, Jabalpur, Indore, Rajkot, Vijaywada, Raipur and Amritsar. The Centre will soon float tenders to lease out 11 airports of Airport Authority of India (AAI) to private players.

The minister added that from just 74 airports before 2014, we now have about 145 airports, and waterdromes. We had a fleet of around 400 aircraft which has increased to 700 aircraft. The growth is not only led by narrow bodies, but also wide bodies, which is very heartening.

I think we should be able to grow at roughly 200 planes per year, Scindia underscored.

The AAI expects over Rs 8,000 crore as upfront payment for leasing these airports and the aviation ministry is preparing a cabinet note for leasing the airports for 50 years, according to the minister.

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