

F.No. AV-20015/12/2019-AD  
Government of India  
Ministry of Civil Aviation  
AD Section

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R.G. Bhawan, SJ Airport, New Delhi  
Dated: 1<sup>st</sup> July, 2021

To,  
MD & CEO  
Bangalore International Airport Limited,  
Kempegowda International Airport, Bengaluru  
Bengaluru-560300

**Subject: Extension of term of the Concession Agreement in respect of Kempegowda International Airport, Bengaluru.**

- Ref:** 1. Concession Agreement dated 5<sup>th</sup> July 2004 and 20<sup>th</sup> November, 2006.  
2. BIAL Letter No. BIAL/MD&CEO/2019-20 dated 17<sup>th</sup> September, 2019.  
3. BIAL Letter No. BIAL/MD&CEO/2019-20 dated 18<sup>th</sup> November, 2019.  
4. MoCA Letter No. AV.20015/12/2019-AD dated 26<sup>th</sup> November, 2019.  
5. GoK Order No. IDD 120 DIA 2019 dated 16<sup>th</sup> October, 2020.  
6. GoK Letter No. IDD 120 DIA 2019 dated 20<sup>th</sup> October, 2020.  
7. BIAL Letter No. BIAL/MoCA/MD & CEO dated 22<sup>nd</sup> October, 2020.  
8. BIAL Letter No. BIAL/SEC/2020-21 dated 3<sup>rd</sup> March, 2021.

Sir,

This is with reference to the Concession Agreement signed on 5<sup>th</sup> July, 2004 between Government of India, acting through the Secretary, Ministry of Civil Aviation (MoCA) and Bangalore International Airport Limited (BIAL) for Development, Construction, Operation and Maintenance of Kempegowda International Airport, Bengaluru (KIAB).

2. Bangalore International Airport Limited had requested Government of India for extension of Term of Concession, with the approval of their Board having Chief Secretary, Government of Karnataka (GoK) as its Chairman, by notifying its intentions and decision to exercise its option of extending the term of Concession Agreement for further period of 30 Years as provided in Article No 13.7.1 of the Concession Agreement, vide letter dated 17<sup>th</sup> September, 2019 (**Annexure-I**). This request was followed with another representation from BIAL vide letter dated 18<sup>th</sup> November, 2019 (**Annexure-II**).

3. The submissions made by BIAL were examined in this Ministry and following have been noted:

- i. Article 3.1.1 of the Concession Agreement grants right and privilege (Concession) to BIAL for carrying out the Development, Design, Financing, Construction, Commissioning, Maintenance, Operation and Management of the Airport (excluding the right to carry out the Reserved Activities and to provide communication and navigation surveillance/air traffic management services

which are required to be provided by AAI). This Concession Agreement (CA) had been accorded approval of the Union Cabinet on 20<sup>th</sup> January, 2004.

- ii. As per Article 13.7.1 of CA, unless terminated earlier in accordance with Article 4.3.1, Article 13.4, or by mutual agreement between the Parties in writing, Concession Agreement shall continue in full force and effect from its commencement in accordance with Article 4 of the CA until the thirtieth (30<sup>th</sup>) anniversary of the Airport Opening Date, whereupon the term of the Agreement shall at the option of BIAL be extended for a further period of thirty (30) years.
  - iii. The Airport Opening Date, when the airport project was completed and commenced commercial operations, has been recorded as 24<sup>th</sup> May, 2008 (**Notification at Annexure-III**), which-in-turn sets the present term of the Concession Agreement upto 23<sup>rd</sup> May, 2038. As per the provisions of Article 13.7.1, BIAL may at any time prior to the twenty-seventh (27<sup>th</sup>) anniversary of the Airport Opening Date i.e. 23<sup>rd</sup> May, 2035, seek extension of the term of the Concession Agreement by another 30 years.
  - iv. As per its letter dated 22<sup>nd</sup> Oct, 2020 (**Annexure-IV**), BIAL has communicated that extension of CA is very critical to BIAL in view of significant investment being done for the large expansion of the airport and related infrastructure, required to meet the growing demands of aviation sector and economic growth in Karnataka. The extension is also essential from lenders perspective with expectations to have a clear term period available beyond the project loan repayment period for borrowings.
4. In view of the foregoing, MoCA, vide letter No. AV.20015/12/2019-AD dated 26<sup>th</sup> November, 2019 (**Annexure-V**), had sought comments /recommendations of the Government of Karnataka (GoK), being an important stakeholder and shareholder in BIAL. GoK, vide letter dated 20<sup>th</sup> Oct 2020 (**Annexure-VI**) informed MoCA about the GoK's concurrence to the proposal of BIAL for extension of Concession Agreement for a further period of 30 years from 24<sup>th</sup> May 2038 onward, subject to the conditions as envisaged in GoK Order dated 16<sup>th</sup> Oct., 2020.
5. GoK, vide Order dated 16<sup>th</sup> October, 2020 (**Annexure-VII**), accorded its approval for Extension of Concession Agreement for a further period of 30 years from 24<sup>th</sup> May, 2038 and revision of Land Lease Agreement co-terminus with the Concession Agreement, subject to the following:
- a. The Site Cost to be increased from present Rs.211.78 crores to a maximum of Rs.302.15 crores by including the costs towards Interest paid on HUDCO Loan(capitalized till handing over of the land) & additional compensation as & when paid to the landowners/losers (to be included the payment is made) and made effective from 24.05.2022.
  - b. The rate of Annual Increment to the Lease Rental be fixed at 6% per annum in the Extended Concession Period which becomes operational w.e.f. 24.05.2038 (i.e., commencement of the 31<sup>st</sup> year of the Airport Opening Date of 24.05.2008).
  - c. To execute revised Land Lease Agreement for extending the period of concession for a further period of 30 years from 24.05.2038 and subject to (a) & (b), above.
  - d. To communicate to Ministry of Civil Aviation, Government of India about the concurrence of Government of Karnataka on the proposal to extend the term of

Concession Agreement for a further period of 30 years from 24.05.2038 onwards.

6. Based on the approval and recommendations of GoK, MoCA sought and received a confirmation from BIAL, vide their letter dated 3<sup>rd</sup> March 2021 (Annexure-VIII) informing that its Board in its meeting held on 14<sup>th</sup> August, 2020 had accorded its approval for the revisions/modifications suggested by KSIIDC to Land Lease Agreement (including but not limited to Site cost, rate of annual increment etc.).

7. In view of the above position, Ministry of Civil Aviation, with the approval of the Competent Authority is pleased to extend the term of Concession Agreement with BIAL, as signed on 05th July, 2004 (as amended in 2006), for a further period of 30 years w.e.f. 24<sup>th</sup> May, 2038, until 23<sup>rd</sup> May, 2068, in accordance with the provisions contained in Article 13.7.1 of the Concession Agreement. This approval is subject to the following:

A. Following Articles of Concession Agreement shall have no further force and effect from the thirtieth (30th) anniversary of the Airport Opening Date:

- i. Article 5.1.2 (Obligations of GoI),
- ii. Article 5.5 (Existing Airport),
- iii. Article 7.7 (Commissioning),
- iv. Article 8.17.2 (Minimum Disruption),
- v. Article 10.2 (Airport Charges), and
- vi. Article 15.5 (Change in Law).

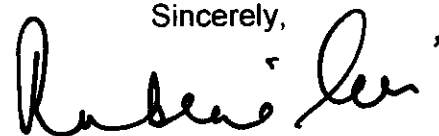
B. The extension of the term will not affect any change in the Rights of Government of India, including the receipt of 4% concession Fee as per Clause 3.3 of CA.

C. The Definition of Major Airport shall be in accordance with the Airports Economic Regulatory Authority of India Act, 2008 (as amended from time to time).

D. BIAL shall adhere to the conditions envisaged by Government of Karnataka's order dated 16<sup>th</sup> Oct 2020.

E. BIAL shall fulfill all the requirements as per the Concession Agreement dated 5<sup>th</sup> July 2004 (as amended in 2006).

Sincerely,



(Rubina Ali)

Joint Secretary to the Government of India

**Copy to:**

1. The Chief Secretary, Government of Karnataka, Vidhan Souda, Bengaluru
2. The Principal Secretary, Infrastructure Development, Ports & Inland Water Transports Department, Vikas Soudha, Bengaluru
3. The Managing Director, KSIIDC, Khanija Bhavan, Bengaluru
4. The Chairperson, AERA, AERA Building, SJ Airport, New Delhi
5. The Chairman, Airports Authority of India, R.G. Bhawan, New Delhi
6. The DG, DGCA, Safdarjung Airport, New Delhi
7. The DG, BCAS, Janpath, New Delhi

**Copy also to:**

1. PS to HMCA
2. Sr. PPS to Secretary(CA)
3. All Joint Secretaries of MoCA
4. All Divisions of MoCA





**Kempegowda**  
INTERNATIONAL  
AIRPORT  
BENGALURU

By way of this letter, BIAL hereby notifies Government of India, its intention and decision to exercise its option of extending the term of the Concession Agreement for a further period of 30 years as provided for in Article No. 13.7.1 of the Concession Agreement.

Look forward to your concurrence on the matter and continued support.

Yours Sincerely  
for Bangalore International Airport Limited

**Hari Marar**  
Managing Director & CEO

Copy to: Chief Secretary, Government of Karnataka.

**481220/2019/Secretary Office-MOCA**

Bangalore International Airport Limited  
 Alpha 2, Kempegowda International Airport  
 Bengaluru - 560 300, India.  
 T + 91 80 6678 2050 F +91 80 6678 3366, feedback@bialairport.com  
 www.bengaluruairport.com  
 CIN U45203KA2001PLC028418

**BIAL/MD&CEO/2019-20****18/11/2019**

To,

Ministry of Civil Aviation,  
 Government of India  
 Rajiv Gandhi Bhawan  
 New Delhi 110003

Attn: Secretary Ministry of Civil Aviation

Sub: Regarding Extension of Concession of Term of the Concession Agreement in respect of Kempegowda International Airport, Bengaluru (KIAB).

Ref: 1. Concession Agreement dated 5<sup>th</sup> July 2004 and dated 20<sup>th</sup> Nov. 2006  
 2. BIAL/ MD&CEO/ 2019-20 dated. 17.09.2019.

Respected Sir,

This is with reference to the Concession Agreement entered into between Government of India, acting through Secretary, Ministry of Civil Aviation and Bangalore International Airport Limited ("BIAL") for development, construction, operation and maintenance of Kempegowda International Airport (KIAB) at Bengaluru and our letter cited in ref.2.

As you may be aware, *KIAB is the 3<sup>rd</sup> busiest and the fastest growing airport in the country. KIAB has witnessed Cumulative Average Growth Rate (CAGR) of more than 10% since Airport Opening Date. BIAL is rated as one of the most successful PPP models in infrastructure field in Karnataka. The Board lead by Chief Secretary, Government of Karnataka, BIAL has pioneered in developing state of the art airport infrastructure, to serve the growing demand for capacity enhancement and to enhanced passenger experience.*

- ↓ The *vision & values* of BIAL shareholders as well as management has ensured huge *investments required for large scale expansion projects are met through internal accruals & debt* there by ploughing shareholders dividend back to business in 8 out of 10 years of business.
- ↓ BIAL through its *highest standard of passenger facilities & service* has ensured KIAB a dominant position in world aviation map.
- ↓ *The Airport Service Quality (ASQ)* survey rating of KIAB has always been very high which clearly demonstrates our commitment to provide world class service to passengers & other users.
- ↓ BIAL's core principle of *collaboration & consultation* with airlines/aviation partners, commercial concessionaires and all sovereign functions has become a benchmark in the industry.
- ↓ *Technology driven digital initiatives* are nurtured at BIAL in partnership with IT giants like Accenture, IBM & Unisys.

Registered Office: Administration Block, Kempegowda International Airport, Bengaluru - 560 300

LEED® Gold Certified Terminal, Golden Peacock Award - Environment ACI Airport Carbon Accreditation Level-3, Certified Model Employer - Ministry of Labour & Employment (GoI) Golden Peacock Award - Training Dream Company to Work for World HRD Congress



- ↓ **Sustainability** remains key pillar of our operations through continuous advancement done in areas like Water management, Energy management, Environment management & Waste management.
- ↓ BIAL has taken **Corporate Social Responsibility** to new heights by making meaningful/constructive contribution through both infrastructure & programmatic intervention to the larger eco-system around the airport.

**Article 13.7.1 of the Concession Agreement** provides that, at any time prior to the twenty-seventh (27th) anniversary of the Airport Opening Date, **the term of the Concession Agreement shall at the option of BIAL** be extended for a further period of 30 years. By way of this letter, **BIAL hereby notifies Government of India, its intention and decision to exercise its option of extending the term of the Concession Agreement.**

This extension is not only necessary but essential in view of the large expansion of airport and related infrastructure and significant investment required to meet the growing demand in the aviation sector and economic growth of the state of Karnataka. The extension is also critical from lenders expectations to have a clear term period available beyond the project loan repayment period for all our future borrowings.

We would wish to submit that during **the tender process** of development of this greenfield airport, **to attract huge investments & to make this a long-term viable project, assurance was provided to the prospective bidders for a longer concession period.** This commitment was subsequently reflected in the Concession Agreement by the way of Article 13.7.1, where an **un-conditional lease term extension option for additional 30years** was offered to the airport operator.

It is also important to note that the National Civil Aviation Policy (NCAP) 2016 while proposing various new initiatives, categorically talks about abiding by the provisions of existing concession agreements and contracts in the sector. At this crucial time when India is aggressively marketing for more foreign investments, to uphold and to attract more private and international investments its necessary to honor the contractual arrangements.

In light of the above facts, we look forward to your concurrence on the matter and continued support.

Yours Sincerely  
for **Bangalore International Airport Limited**

**Hari Marar**  
Managing Director & CEO

Copy to: The Chief Secretary, Government of Karnataka.



721753/2021/AD Section-MOCA-MOCA

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99



# भारत का राजपत्र The Gazette of India

असाधारण  
EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (ii)  
PART II—Section 3—Sub-section (ii)

प्राधिकार से प्रकाशित  
PUBLISHED BY AUTHORITY

सं. 686]  
No. 686]

नई दिल्ली, बुधवार, मई 21, 2008/वैशाख 31, 1930  
NEW DELHI, WEDNESDAY, MAY 21, 2008/VAISAKHA 31, 1930

नागर विमानन मंत्रालय

अधिसूचना

नई दिल्ली, 21 मई, 2008

का.आ. 1181(अ).—सांविधिक आदेश संख्या 1170(अ) के तहत अधिसूचित तथा दिनांक 16 मई, 2008 की समसंख्यक फाइल के तहत जारी अधिसूचना के आंशिक परिवर्तन में केन्द्र सरकार एतद्वारा अधिसूचित करती है कि बेंगलोर अंतर्राष्ट्रीय हवाई अड्डा, देवनहल्ली में पूर्व अधिसूचित अनुसार 23 मई, 2008 को 00.01 बजे के स्थान पर 24 मई, 2008 को 00.01 बजे आरंभ होगा।

[फा. सं. ए.वी. 20014/001/2008-ए.डी.]

अरुण मिश्रा, संयुक्त सचिव

MINISTRY OF CIVIL AVIATION

NOTIFICATION

New Delhi, the 21st May, 2008

S.O. 1181(E).—In partial modification to the notification issued *vide* file of even number dated 16th May, 2008 and notified *vide* S.O. 1170(E), the Central Government hereby notifies that the Bangalore International Airport at Devanahalli would be commissioned with effect from 00.01 hours of 24th May, 2008, instead of with effect from 00.01 hours of 23rd May, 2008 as notified earlier.

[F.No. AV. 20014/001/2008-AD]

ARUN MISHRA, Jt. Secy.

**611762/2020/Secretary Office-MOCA**

Bangalore International Airport Limited  
Administration Block, Alpha 2  
Kempegowda International Airport  
Bengaluru - 560 300, India  
T: +9180 6678 2050 F: +9180 6678 3366  
E: feedback@bialairport.com, www.bengaluruairport.com  
CIN: U45203KA2001BLC028418



Ref: BIAL/MoCA/MD & CEO

22<sup>nd</sup> October 2020

Shri Pradeep Singh Kharola, IAS  
Secretary to the  
Government of India  
Ministry of Civil Aviation  
Rajiv Gandhi Bhawan  
Safdarjung Airport  
New Delhi 110 003

**Sub: Concurrence of MoCA for Extension of Term of the Concession Agreement with BIAL for further 30 years**

- Ref: 1. BIAL/MD&CEO/2019-20 dated 17<sup>th</sup> September 2019  
2. Concession Agreement dated 5<sup>th</sup> July 2004 and 20<sup>th</sup> November 2006  
3. BIAL/MD&CEO/2019-20 dated 18<sup>th</sup> November 2019  
4. MoCA Letter No. AV.20015/12/2019-AD dated 26<sup>th</sup> November 2019  
5. Government Order No. IDD 121 DIA 2019 dated 16<sup>th</sup> October 2020

Respected Sir,

This is with reference to the Concession Agreement entered into between Government of India, acting through the Secretary, Ministry of Civil Aviation and Bangalore International Airport Limited (BIAL) for development, construction, operation and maintenance of Kempegowda International Airport, Bengaluru (KIAB).

After due approval from its Board of Directors, with Chief Secretary, Government of Karnataka (GoK) as Chairman, BIAL vide its letter dated 17<sup>th</sup> September 2019 (Ref 1) had communicated to your good office its intention and decision to exercise its option of extending the term of Concession Agreement for further period of 30 Years as provided in the Article No 13.7.1 of the Concession Agreement cited in Ref.2. Further representation was also made by BIAL on 18<sup>th</sup> November 2019 requesting for concurrence on the said matter (Ref 3).

Further to the request from BIAL, in a letter dated 26<sup>th</sup> November 2019, your good office had sought comments from GoK for the extension sought by BIAL. GoK, after careful examination of the proposal and also in consultation with Hon'ble Advocate General, GoK has issued Government Order cited in Ref. 4 (addressed to you), according its approval for Extension of Concession Agreement for a further period of 30 years from 25<sup>th</sup> May 2038 and revision of Land Lease Agreement co-terminus with the Concession Agreement.

As was brought out in our letters earlier, Extension of Concession Agreement is very critical to BIAL in view of the significant investment being done for the large expansion of the airport and related infrastructure, required to meet the growing demands of aviation sector and economic growth in Karnataka. The extension is also essential from lenders perspective with expectations to have a clear term period available beyond the project loan repayment period for borrowings.

Registered Office: Administration Block, Alpha 2, Kempegowda International Airport Bengaluru - 560 300, India

SKYTRAX Best Regional Airport India & Central Asia 2017 | ACI Level 3- Carbon Neutral Airport, 2017 | 'Model Employer' Award by the Ministry of Labour & Employment, GoI  
GreenCo Platinum | LEED Gold-certified Terminal | Dream Company to Work For: World HRD Congress | Winner of Golden Peacock National Training Award 2017

611762/2020/Secretary Office-MOCA



In view of the above, your good office is humbly requested for according concurrence at the earliest, for extending the term of Concession Agreement for a further period of 30 Years from 24<sup>th</sup> May 2038.

Look forward to your early concurrence on the matter and continued support.

Yours Sincerely,  
for BANGALORE INTERNATIONAL AIRPORT LIMITED

Hari K Marar  
Managing Director & CEO

- Encl: 1. BIAL/MD&CEO/2019-20 dated 17<sup>th</sup> September 2019  
2. BIAL/ MD&CEO/ 2019-20 dated 18<sup>th</sup> November 2019  
3. MoCA Letter No. AV.20015/12/2019-AD dated 26<sup>th</sup> November 2019  
4. Government Order No. IDD 121 DIA 2019 dated 16<sup>th</sup> October 2020

REMINDER  
No. AV.20015/12/2019-AD  
Government of India  
Ministry of Civil Aviation  
AD Section  
\*\*\*\*

Safdarjung Airport, New Delhi  
Dated 26.11.2019

To,  
Shri Vijay Bhaskar T M,  
Chief Secretary, Government of Karnataka,  
Room No. 320, 3<sup>rd</sup> floor, Vidhanasoudha, Bangalore-01.

Sub: Extension of Concession of Term of the Concession Agreement in respect of Kempegowda International Airport, Bengaluru.

Sir,

I am directed to forward herewith a letter no. BIAL/MD&CEO/2019-20 dated 18.11.2019 received from Bangalore International Airport Limited (BIAL) regarding extension of Concession of term of the Concession agreement in respect of Kempegowda International Airport, Bengaluru.

2. Government of Karnataka is requested to kindly furnish the comments on the request of M/s. BIAL to this Ministry at the earliest.

Yours faithfully,

(S K Singh)

Under Secretary to the Govt. of India  
Tele-24610361

Encl.: As above.

64  
issued w.e  
2.12.19

**GOVERNMENT OF KARNATAKA**

No: IDD 120 DIA 2019

Karnataka Government Secretariat  
Vikasa Soudha,  
Bangalore, dated:20.10.2020**From:**The Principal Secretary to Government,  
Infrastructure Development Ports and  
Inland Water Transport Department,  
BANGALORE - 560 001.**To:**The Secretary to the Government of India,  
Ministry of Civil Aviation,  
Rajiv Gandhi Bhawan, Block B,  
Safdarjung Airport Area,  
Vasant Vihar,  
New Delhi 110003  
Sir,

Sub: Extension of Concession of Term of the Concession Agreement  
Proposal of Bengaluru International Airport Limited(BIAL) in  
respect of Kempegowda International Airport, Bengaluru.

Ref: D.O letter No. AV-20015/12/2019-AD Section from The Under  
Secretary MOCA, dated 13.12.2019.


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With reference to the subject mentioned above, I am directed to state that Government of Karnataka has examined the proposal for Extension of Concession of Term of the Concession Agreement of Bengaluru International Airport Limited (BIAL) in respect of Kempegowda International Airport, Bengaluru and here by accords Concurrence to the proposal of Bengaluru International Airport Limited (BIAL) to extend the term of Concession Agreement for further period of 30 years from 24.05.2038 onward, subject to the conditions as envisaged in Government of Karnataka Order No.IDD 120 DIA 2019 dated:16.10.2020 (copy of G.O enclosed).

Yours faithfully,

  
(S.N.Kalavathi)Under Secretary to Government-2  
Infrastructure Development Ports and  
Inland Water Transport Department.

Encl: Government of Karnataka Order No.IDD 120 DIA 2019 dated:16.10.2020

  
MS-115

9-6025/3.11.20-107

**PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA**

**Sub:** Extension of Concession of Term of the  
Concession Agreement With BIAL.

**Read** BIAL Letter No: BIAL/MD&CEO/2019-20,  
dated:17.09.2020

**Preamble:**

The Development, Construction, Operation and Maintenance of a Greenfield International Airport at Bengaluru was taken up under Public Private Partnership (PPP) and is governed by the Concession Agreement which has been entered into between Government of India (GoI), acting through Secretary, Ministry of Civil Aviation and Bangalore International Airport Limited (BIAL) on 05.07.2004. Bangalore International Airport Ltd., M/s BIAL has requested Government of India for extension of Concession of Term of the Concession Agreement and GoI has sought opinion of the GoK. As per Clause 13.7.1 of this Concession Agreement, the Validity of the Concession Agreement is for a period of 30 years from the Airport Opening Date whereupon the term of the Agreement shall at the option of Bangalore International Airport Ltd., M/s BIAL be extended for a further period of 30 years.

2. M/s Bangalore International Airport Ltd., vide its letter dated:17.09.2019 had requested Ministry of Civil Aviation (MoCA), Government of India (GoI), quoting that for the large expansion of airport and related infrastructure and significant investment required to meet the growing demand in the aviation sector and regional development, an extension in term of Concession Agreement in respect of BIAL be extended for a further period of 30 years. Thereafter MoCA, GoI vide its letter dated 28.10.2019 had informed that the request for extension of the term of the concession period will require the approval of the Union Cabinet

~~and thus sought the comments of Govt. of Karnataka (GoK) on the request of M/s Bangalore International Airport Ltd., M/s BIAL.~~

3. Bangalore International Airport Ltd., M/s BIAL has notified of its intention and decision to exercise its option of extending the term of the Concession Agreement for a further period of 30 years as provided for an Article No.13.7.1 of the Concession Agreement.

4. The Matter has been examined in Government in consultation with the Hon'ble Advocate General, Government of Karnataka and hence the order:

**GOVERNMENT ORDER NO: IDD 120 DIA 2019,**  
**BENGALURU, DATED:16.10.2020**

In the circumstances explained in the preamble, after careful examination of the proposal, sanction of the Government of Karnataka is accorded for the following:

- a) The Site Cost to be increased from present Rs.211.78 crores to a maximum of Rs.302.15 crores by including the costs towards Interest paid on HUDCO Loan (capitalized till handing over of the land) & additional compensation as & when paid to the land owners / losers (to be included the payment is made) and made effective from 24.05.2022.
- b) The rate of Annual Increment to the Lease Rental be fixed at 6% per annum in the Extended Concession Period which becomes operational w.e.f. 24.05.2038 (i.e., commencement of the 31st year of the Airport Opening Date of 24.05.2008).
- c) To execute revised Land Lease Agreement for extending the period of concession for a further period of 30 years from 24.05.2038 and subject to (a) & (b), above.
- d) To communicate to Ministry of Civil Aviation, Government of India about the concurrence of Government of Karnataka on the proposal to extend the term of Concession Agreement for a further period of 30 years from 24.05.2038 onwards .

2. This order is issued with the concurrence of Finance Department vide Note No.FD/135 EXP-1/2020, dated:11.09.2020 and Law Department Opinion dated:22.07.2020.

By Order and in the name of the  
Governor of Karnataka,

(Chandrakala.S.N)

Under Secretary to Government (i/c),  
Infrastructure Development, Ports  
and Inland Water Transport Department.

**To:**

The Compiler Karnataka Gazette for publication in the next issue of Gazette and to supply 50 copies to this department.

**Copy to:**

1. The Principal Accountant General in Karnataka (A & E), Office of the Principal Accountant General in Karnataka, Bengaluru-01.
2. The Secretary, Ministry of Civil Aviation, Government of India, New Delhi-110001.
3. The CEO & MD, Bangalore International Airport Limited, Devanahalli, Bengaluru (Rural) District.
- ✓ 4. The Managing Director, KSIIDC, Khanija Bhavan, Bengaluru.
5. The Senior Director, PF & R Div, Planning Department, M.S. Building, II Stage, Bengaluru.
6. The Under Secretary (Exp-I), Finance Department, Vidhana Soudha, Bengaluru.

**Copy to:**

- ✓ 1. The P.S to Principal Secretary, Infrastructure Development, Ports & Inland Water Transports Department, Vikasa Soudha, Bengaluru.
2. The GPA to Additional Secretary, (Airports), Infrastructure Development, Ports & Inland Water Transports Department, Vikasa Soudha, Bengaluru.
3. The Director, PPP Cell, Infrastructure Development, Ports & Inland Water Transports Department, Vikasa Soudha, Bengaluru to update in the IDD website.
4. Section Guard File / Spare Copies



Bangalore International Airport Limited

Administration Block, Alpha 2

Kempegowda International Airport

Bengaluru - 560 300 India

T: +91 80 6678 2050 F: +91 80 6678 3366

E: feedback@bialairport.com, www.bengaluruairport.com

CIN: U45203KA2001PLC028418



**Kempegowda**  
INTERNATIONAL  
AIRPORT  
BENGALURU

**Ref: BIAL/SEC/2020-21**

**Date: 3<sup>rd</sup> March, 2021**

To,  
**Ms. Rubina Ali,**  
Joint Secretary (RA),  
Ministry of Civil Aviation,  
"B" Block, Rajiv Gandhi Bhawan,  
Safdarjung Airport, New Delhi 110003.

Respected Madam,

Sub : Extension of Concession Agreement.

With reference to the above mentioned subject, we wish to inform that BIAL had requested Government of India ("GoI") through Ministry of Civil Aviation ("MoCA") for extension of the "Term" under the Concession Agreement ("CA") for further period of 30 years from the conclusion / expiry of the initial term of the Concession period.

It may be noted that the Ministry had requested the Government of Karnataka ("GoK") for its views on the extension of Term under the Concession Agreement by 30 years.

Consequent to this, GoK through Karnataka State Industrial Infrastructure and Development Corporation Limited ("KSIIDC") had proposed certain revision to the Land Lease Agreement, which is co-terminus with the Concession Agreement's extension for a further period of 30 years from 2038 until 2068.

We wish to inform that the Board of Directors of the Company at its meeting held on 14<sup>th</sup> August, 2020 had accorded their approval for the following revisions/modifications suggested by KSIIDC to Land Lease Agreement:

- a) The revision of the "Site cost" as defined in Schedule - C of the Land Lease Deed between KSIIDC and the Company, increasing the site cost from Rs.211.78 Cr., to a maximum of Rs.302.15 Cr., for the purpose of lease rental payable to Karnataka State Industrial Infrastructure Development Corporation Limited ("KSIIDC") to be effective from the Financial year 2022-23.
- b) The rate of annual increment to the Lease rental increase be fixed at 6% per annum in the extended Concession period from 24<sup>th</sup> May, 2038 to 23<sup>rd</sup> May, 2068.



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- c) The rate of annual incremental increase decided at SI No. (2) above become operational with effect from 24<sup>th</sup> May, 2038 (i.e.,) Commencement of the 31<sup>st</sup> year of the Airport Opening Date ("AoD").
- d) All the dates referred to be calculated from Airport Opening Date (i.e.,) 24<sup>th</sup> May, 2008."

It may be noted from the above that the conditions imposed by GoK / KSIIDC were agreed upon. This is for your kind information and record.

Thank you,  
For Bangalore International Airport Limited

*M.T. Siva Kumar*

**M.T. Siva Kumar**  
**Company Secretary**

Copy to : Mr Joyanta Chakraborty,  
Director, MoCA.