



# Operation of Hotels near IGI Airport

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The Delhi International Airport Private Limited (DIAL) has undertaken development and operation of ten hotels in the Aerocity and one hotel within terminal-3 of the IGI Airport, New Delhi through third parties. Out of 11 hotels, 9 hotels are operational in the premises of IGI Airport.

The Ministry of Civil Aviation has not raised any objections in respect of hotels at the airport. DIAL has undertaken development of these hotels in compliance with the provisions of Operation, Management and Development Agreement (OMDA). DIAL has also issued instructions to all the hotel developers to ensure complete compliance with security guidelines issued by the Government Authorities.

The OMDA permits DIAL to undertake certain commercial activities including hotel at the airport land subject to maximum ceiling of 5% of the total demised area. DIAL is also permitted to undertake these activities through third parties. Accordingly, DIAL has licensed 45 acres (approx.) of land for the development of hotels in the Aerocity through competitive bidding process. In case of hotel in the terminal area, DIAL has only provided space to the developer for operating hotel in the terminal.

The DIAL is a Joint Venture Company, led by the GMR consortium, established solely for the purpose of operation, management and development of the Delhi airport. DIAL has only sub-leased the land to the developers for operating hotels in Aerocity through competitive bidding process and on annual license fee basis, in compliance with OMDA. During the last three years, DIAL has earned a revenue of Rs. 101.11 cr. (2014-15), Rs. 97.93 cr (2015-16), Rs. 98.62 cr (2016-17) from Hotels in Aerocity & Transit Hotel in Terminal-3. The Airports Authority of India receives 45.99% of DIAL's revenue from the Hotels.

This information was given by the Minister of State in the Ministry of Civil Aviation Shri Jayant Sinha in written reply to a question in Lok Sabha today.

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