Public-Private Partnerships: A Case Study of Delhi Airport T3

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Abstract—*PPP is neither nationalized nor privatized. The evolution of PPPs took place in the 19th century and got extensively recognized after 2006.*

The success of the PPP model in Indian airports has led to a significant improvement in infrastructure and collection of revenues, says the Economic Survey 2014-15. The Built- Operate Transfer (BOT) Model is the most frequently used PPP model amongst Airports in India.

Rationalizing the PPP Model is a way to developa partnership between the public and private sector, and helping them enhance their cooperative structure together.

This research paper discusses the case study of the Indira Gandhi International Airport- Terminal 3. Acute shortage of funds led the government to invite private parties to uphold the standards of infrastructural developments. Therefore in January 2006, a joint venture between the GMR Group and the government came into existence.

This research also focuses on the developments and failures of PPP. A significant development for the same- Delhi Airport has been awarded the most improved airport in the world for service quality. Also, the Airport has increased trade and tourism which has improved the economy of India.

Similarly, a drawback of the PPP model- In April 2006, an airport line- Delhi Airport Metro Express Private Ltd (DAME) was set up by Delhi Metro Rail Corporation Ltd. (DMRC), Reliance Infrastructure Ltd. (R-Infra) and a Spanish based infrastructure Co. called CAF. DAME underwent civil structure and technical problems during their annual inspection, '12. Due to suspension and closing down of services, heavy loss occurred which caused a steep rise in fare. Reliance Infra wanted to quit the project, which showcases the failure of PPP.