

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

STARRED QUESTION NO:50  
ANSWERED ON:25.02.2010  
LEVY OF USER DEVELOPMENT FEE  
Paranjpe Shri Anand Prakash

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether the Airports Authority of India has proposed to levy a user development fee on the passengers of domestic and international flights;
- (b) if so, the details of the amount and the airports where this fee is proposed to be levied and the reasons therefor;
- (c) whether the Government has examined its likely impact particularly on the passengers; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b), (c) & (d) A Statement is laid on the Table of the House.

statement in reply to parts (a), (b), (c) & (d) of Lok Sabha Starred ( ) Question No. 50 for 25.02.2010 regarding Levy of User Development Fee.

(a)& (b): Yes, Madam. Airports Authority of India (AAI) has submitted a proposal for levy of UDF at Amritsar, Udaipur, Varanasi, Manglore, Trichy and Vizag airports. In respect of Ahmedabad & Trivandrum airports, which are major airports, proposals have been submitted to the Airports Economic Regulatory Authority (AERA). The details of User Development Fee (UDF) to be levied at the above airports is under examination. Most of the above airports are loss making airports and at these airports, airport infrastructure has been modernised, upgraded for providing better passenger facilitation. UDF proposed is for improving the financial viability of these airports and also to achieve a reasonable rate of return on the investments made by the AAI.

(c) & (d) Section 22A of the Airports Authority of India Act, 1994 empowers to levy and collect development fee. Section 29 of International Civil Aviation Organisation's (ICAO) policies on Airport Charges state that where an airport is provided for international use, the users shall ultimately bear their full & fair share of the cost of providing the airport. The likely impact on the passengers will be taken into consideration while deciding the amount of UDF to be charged at the AAI managed airports.