

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1131
ANSWERED ON:04.03.2010
LEVY OF USER CHARGES
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has given freedom to developers to levy user charges at Bangalore and Hyderabad airports;
- (b) if so, the details thereof;
- (c) whether the Government had stipulated this clause in the initial contract with the developers;
- (d) if so, the details thereof; and
- (e) the reasons for not informing the general public about the levy of user charges?

Answer

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

(a), (b), (c), (d) & (e): As per Clause 10.2 and Schedule 6 of Concession Agreement entered into by the respective JVCs (i.e. Bangalore International Airport Limited (BIAL) for Bangalore International Airport at Devanahalli and Hyderabad International Airport Limited (HIAL) for Rajiv Gandhi International Airport at Shamshabad) with the Government of India (GoI), the JVCs are allowed to charge User Development Fee (UDF) to meet the revenue gap, if any, with prior approval of the GoI.

For the Rajiv Gandhi International Airport at Shamshabad near Hyderabad belonging to HIAL, GOI have approved, on an adhoc basis, levy of a UDF @ Rs.1000/- (inclusive all taxes) on international embarking passengers and @ Rs.375 (inclusive all taxes) on domestic embarking passengers. For Bangalore International Airport at Devenahalli near Bangalore belonging to BIAL, GoI have approved, on an adhoc basis, levy of UDF @ Rs.1070/- (inclusive all taxes) on international embarking passenger and @ Rs.260/- (inclusive all taxes) on domestic embarking passengers. However, these levying shall be reviewed by Airport Economic Regulatory Authority on detailed basis.