

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 13
(TO BE ANSWERED ON THE 18th July 2022)**

UNPRECEDENTED HIKE IN AIRFARES

13. SHRI ABDUL WAHAB

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

- (a) whether it is a fact that the base price for tickets on different domestic routes has recently been increased by an amount that has never been seen before
- (b) if so, the reason for the same
- (c) the measures taken by Government to control this hike and
- (d) the current base fare for flights being charged by private airlines on different domestic routes within the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) to (d): The airfares are market driven and are neither regulated nor established by the Government. Airlines are free to fix reasonable tariffs taking into consideration all relevant factors which include the cost of operation, characteristics of service and reasonable profit. Airlines, however, remain compliant with the regulatory provisions under Aircraft Rules, 1937 as long as the fare charged by them does not exceed the fare established and displayed on their website.

Airfares are high due to rush constraints due to holiday/festival season. Due to unprecedented geo-political situation, the Aviation Turbine Fuel (ATF) prices have increased manifold, which accounts to about 50% of the fare charged.

The Government, however, as an extraordinary measure during the COVID 19 pandemic and in exercise of special powers conferred under the Aircraft Act, 1934, notified fare bands for economy tickets for scheduled domestic sector. This was done to ensure that the airlines do not charge excessive fare on one hand and also to ensure that the journey is performed only for essential purposes. The Fare Capping orders are currently operational on a rolling basis of 15 days cycle.

Base fares (excluding User Development Fee, Passenger Service Fee and GST) are charged by airlines on the basis of broad parameters like duration of flight, distance, demand on the route etc.
