

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 16
(TO BE ANSWERED ON THE 18th July 2022)

SOARING AIR FARES

16. SHRI JOHN BRITTAS

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

- (a) whether Government has taken note of the unprecedented increase in the airfare in the post COVID situation
- (b) if so, the details thereof and reasons therefor
- (c) whether Government would bring in a mechanism to regulate the fares or to deal with unconscionable fares and
- (d) whether Government would take steps for fixing upper ceiling for air fares in all domestic and international air routes?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

(a) to (d): Airfares are neither established nor regulated by the Government. Under the provision of Sub Rule (1) of Rule 135 of The Aircraft Rules, 1937, every air transport undertaking engaged in scheduled air services require to establish tariff having regard to all relevant factors, including cost of operation, characteristic of services, reasonable profit and the generally prevailing tariff. Airlines are therefore free to fix reasonable tariffs under the provision of Sub-rule (1) of Rule 135 of Aircraft Rules, 1937. However, due to the unprecedented circumstances prevailing due to the COVID-19 pandemic, fare bands with upper and lower limits were introduced by the Government under Section 8B of the Aircraft Act, 1934 as a temporary measure. The fare bands have been revised from time to time in view of substantial hike in price of Aviation Turbine Fuel (ATF) in order to keep the aviation sector viable while protecting the interests of the passengers. Fare capping is, presently, applicable on a rolling basis for a 15 days cycle. The Government does not intend to regulate airfares on International routes.
