

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**STARRED QUESTION NO : 54**  
(TO BE ANSWERED ON THE 12<sup>th</sup> December 2022)

**EXORBITANT INCREASE IN PRICES OF FLIGHT TICKETS**

\*54. SHRI RAM NATH THAKUR

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

- (a) whether it is a fact that the rates of flight tickets to Purvanchal and Bihar had exorbitantly increased during the festival season;
- (b) the amount of increase in ticket prices for flights to Purvanchal and Bihar during Diwali and Chhath Puja this year in comparison to last year and the mechanism to control ticket prices to avoid limitless burden on the pockets of common consumers; and
- (c) the details of upper cap on flight tickets?

**ANSWER**

MINISTER OF CIVIL AVIATION

(Shri Jyotiraditya M. Scindia)

(a) to (c): A Statement is laid on the Table of the House.

\*\*\*\*\*

STATEMENT IN RESPECT OF RAJYA SABHA STARRED QUESTION NO. 54 REGARDING "EXORBITANT INCREASE IN PRICES OF FLIGHT TICKETS" TO BE ANSWERED ON 12.12.2022.

(a) to (c): As per prevailing regulation, airfares are not 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 free to charge reasonable air fares as per their operation viabilities subject to compliance to above said rule.

The airline pricing system runs in multiple levels [buckets or RBDs (Reservation Booking Designators)] which are in line with practice being followed globally. The prices are fixed by airlines keeping in mind the market, demand, seasonality and other market forces. The airfare increases as the lower fare buckets get sold by the airlines. Some of the airlines have introduced Apex-90, in addition to existing advance purchase schemes of 60 days, 30 days, 14 days etc., in which highly discounted fares being offered which would entail travelling even during peak seasons on low fares. The fare structures stated above have been displayed by airlines on their websites. Directorate General of Civil Aviation (DGCA) has a Tariff Monitoring Unit that monitors airfares on certain routes on monthly basis to ensure that the airlines do not charge airfares outside a range declared by them. The airlines are compliant to the Sub Rule (2) of Rule 135 of the Aircraft Rules, 1937 as long as fare charged by them is in line with fare displayed on their website.

With the repeal of the Air Corporations Act in March 1994, tariff fixation has been deregulated and airlines are free to fix reasonable tariffs under the provisions of sub-rule (1) of rule 135 of the Aircraft Rules, 1937. The prices are accordingly fixed by the airlines keeping in view the market forces including, inter-alia, the operating cost, demand, seasonality, sustainability etc.

\*\*\*\*\*