

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
Rajya Sabha  
STARRED QUESTION NO. : 42  
TO BE ANSWERED ON THE 24th July 2023  
RISE IN AIRFARES**

**42. SHRI SANDOSH KUMAR P**

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

- (a) whether Government is aware of the irrational increase in flight charges-both domestic and International;**
- (b) whether Government has taken any proactive measures to make the airfares rational and consumer-friendly;**
- (c) if so, the details thereof; and**
- (d) if not, the reasons for not regularizing the upper limit of the ticket charges?**

**ANSWER**

**Minister of CIVIL AVIATION (Shri Jyotiraditya M. Scindia)**

**(a) to (d) A STATEMENT IS LAID ON THE TABLE OF THE RAJYA SABHA**

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**Statement referred in reply to Part (a) to (d) of Rajya Sabha Starred Ques. No. 42 regarding "Rise in Airfares" to be answered on 24.07.2023.**

**(a) to (d) 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.**

**The airline pricing system runs in multiple levels (buckets) which are in line with practices being followed globally. The prices are fixed by airlines keeping in mind the market, demand, seasonality and other market forces. The airfare increases with increase in demand of seats as the lower fare buckets get sold out fast when bookings are offered by airlines. The airlines have introduced advance purchase**

**schemes of 60 days, 30 days, 14 days etc in which discounted fares are being offered which would entail travelling even during peak seasons on low fares.**

**Directorate General of Civil Aviation (DGCA) has established Tariff Monitoring Unit which monitors fares on select sectors on random basis. This ensures that the airfares charged by the airlines are within the established tariff of the airlines, which is displayed on their website. Increase in airfare has been noticed in a few sectors, primarily driven by seasonality and demand-supply constraints. Further, the increase in airfare is also attributable to increase in fuel prices. Government has taken steps to sensitize the airlines, and consultations are held with airlines on regular basis to keep passenger interest in mind and exercise moderation. The airfares in these select sectors are monitored on daily basis and as a result of which, they have shown a declining trend.**

**There is no proposal at present to interfere with the existing regulatory framework on airfare.**