

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Rajya Sabha
UNSTARRED QUESTION NO. : 1130
TO BE ANSWERED ON THE 31st July 2023
CHARGING OF EXORBITANT FARES BY PRIVATE
AIRLINES

1130. SHRI RAJMANI PATEL

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

- (a) the reasons Government has allowed private airlines to charge exorbitant airfares ranging from 50 to 400 per cent increase on several sectors;**
- (b) the amount of the airfare in May and June, 2023 as compared to airfares in the same period last year; and**
- (c) the reasons for removing caps on airfares and whether practice of cap on airfares will again be issued and if not, reasons therefor?**

ANSWER

**Minister of State in the Ministry of CIVIL AVIATION
(GEN. (DR) V. K. SINGH (RETD))**

(a) & (b) Airfares are neither established nor regulated by the Government. Under the provisions of Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking engaged in scheduled air services is required to establish tariff having regard to all relevant factors including cost of operation, characteristic of services, reasonable profit and the generally prevailing tariff. The prices are fixed by the airlines keeping in mind the market, demand, seasonality and other market forces.

Directorate General of Civil Aviation (DGCA) has established Tariff Monitoring Unit which monitors fares on select domestic 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. As the monitoring is done on variable routes selected on random basis, the comparison of airfare on same routes during the same period last year is not compiled by DGCA.

(c) No such proposal is under consideration. The fare capping measure was adopted at the time of the pandemic as an extraordinary measure. As such, the fare capping orders were withdrawn from 24.08.2022.
