

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO : 1936**  
(TO BE ANSWERED ON THE 7<sup>th</sup> August 2023)

**RISE IN AIRPLANE TICKET PRICES**

1936.      SHRI TIRUCHI SIVA

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

- (a) whether Government is aware that the high airplane ticket prices of busy and most frequented commercial routes in India, is among the costliest globally and even 'Low Cost Carriers' are unaffordable for the public;
- (b) if so, the details thereof;
- (c) whether Government proposes to regulate ticket prices of airlines; and
- (d) the manner in which the rapid spike in prices of airlines tickets, especially the Delhi to Mumbai route, impacted the troubled aviation sector?

**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. Air Transport Undertakings engaged in scheduled air services are required 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 operational viabilities subject to compliance of Rule 135 of the Aircraft Rules, 1937. The prices are fixed by the airlines keeping in mind the market, demand, seasonality and other market forces.

The airline pricing system runs in multiple levels (buckets) which are in line with practices being followed globally. 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.

The recent increase in airfare noticed in a few sectors is primarily driven by seasonality and demand-supply constraints. The increase in airfare is also attributable to increase in fuel prices.

Government has taken steps to sensitise the airlines. The airfares in these select sectors are monitored daily and as a result of which they have shown a declining trend.

There is no proposal at present to alter the existing regulatory framework on airfare.

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