

**GOVERNMENT OF INDIA**  
**MINISTRY OF CIVIL AVIATION**  
**Rajya Sabha**  
**UNSTARRED QUESTION NO. : 342**  
**TO BE ANSWERED ON THE 24th July 2023**  
**AIRFARES**

**342. SHRI IRANNA KADADI**

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

- (a) whether Government is keeping track of the unusual fluctuations in airfares, if so, the data on the average airfare increase across different domestic and international routes over the past five years;**
- (b) whether Government has considered introducing regulations to limit the extent of fare fluctuations, to prevent excessive pricing and ensure affordability for all passengers, details thereof; and**
- (c) whether Government has taken any steps to address the issue of dynamic pricing, where airfares fluctuate based on demand and details thereof?**

**ANSWER**

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

**(a) 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 data on average airfare over the last five years is not compiled by DGCA.**

**(b) & (c) 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 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. The fare structures stated above have been displayed by airlines on their websites. The airlines are compliant to the Sub Rule(1) of Rule 135 of the Aircraft Rules, 1937 as long as fares charged by them is in line with tariff displayed on their website.**

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