

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Rajya Sabha
UNSTARRED QUESTION NO. : 348
TO BE ANSWERED ON THE 24th July 2023
SOARING AIRFARES

348. DR. JOHN BRITTAS

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

- (a) whether Government has noticed spiralling airfares, both domestic and international;**
- (b) if so, the per centage of average airfare hike in domestic and international routes vis-a-vis pre-COVID level;**
- (c) the details thereof;**
- (d) whether Government has noticed emergence of airline duopoly in domestic aviation sector;**
- (e) if so, response of Government thereto in protecting the interests of passengers; and**
- (f) whether Government will revisit its stand of non-interference in airfares, considering the necessity to safeguard the interests of passengers?**

ANSWER

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

(a) to (c) 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.

As the monitoring is done on variable routes selected on random basis, the data on average airfare hike vis-a-vis pre-COVID level is not compiled by DGCA.

(d) & (e) As on 20.07.2023, a total of 08 Indian scheduled operators with 649 aircraft are operating commercial passenger services in the country. Ticket prices are fixed by the airlines keeping in mind the market, demand, seasonality and other market forces. Airline ticket prices are determined by the demand and supply theory and are governed under the competition laws (Competition Act, 2002). Anti-competitive practices are kept in check by the Competition Commission of India (CCI)

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