

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 1632
(TO BE ANSWERED ON THE 18th December 2023)

HIGH PRICE OF AIR TICKETS

1632. DR. V. SIVADASAN

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

- (a) whether any steps have been taken to regulate the skyrocketing prices of tickets in the festive months;
- (b) whether Government plans to bring in any price band for preventing the extraction of hefty amounts by airlines from NRIs; and
- (c) whether the privatization of the national carrier has resulted in any benefits for passengers like reduction in ticket rates?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) to (c): As per prevailing regulation, airfares are neither established nor regulated by the Government.

With the repeal of Air Corporation Act in March 1994, the process of airfare approval by Government has been dispensed with. Under the provision of Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking engaged in scheduled air services require 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 operation viabilities subject to compliance to above said rule.

It has been informed that Air India has placed orders for a large number of aircraft which includes wide-body as well as narrow-body aircraft. These aircraft are to be delivered over a period of time in a staggered manner which will ease out the demand supply situation leading to positive impact on airfares.
