

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 1448
(TO BE ANSWERED ON THE 5th August 2024)

UNPRECEDENTED HIKE IN AIRFARES

1448. DR. V. SIVADASAN

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

- (a) whether Government has noticed the unprecedented hike in airfares during calamities and festive seasons; and
(b) whether there is any plan to control the aggressive pricing by airlines by introducing price band so that the commuters are not exploited?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Murlidhar Mohol)

(a): India has a highly seasonal market. Traffic is usually high in the months of May and June, through mid-July the international traffic flows are high, thus contributing to the domestic feed as well. July to September is traditionally leaner period as travel is restricted due to monsoon and other religious reasons. In October, with the festive season starting Dussera, traffic picks up again and by middle of January the demand diminishes. Till about the last week of April, this trend of softening of demand continues and again, due to summer holidays, the demand increases.

Special attention is paid to fares in coordination with scheduled domestic airlines during occurrence of natural calamity, especially for evacuation of stranded passengers at nominal charges, carriage of relief material, operation of additional flights and ensuring that airline does not revise their already published upper airfare limit during such period by active airfare monitoring.

(b): As per prevailing regulation, the government does not establish or regulate airfares. Following the repeal of the Air Corporation Act in March 1994, the government's role in approving airfares has been dispensed with. According to Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking involved in scheduled air services must establish tariffs considering various factors

such as operational costs, service characteristics, reasonable profit, and prevailing tariffs.

However, in order to enhance the transparency in airfare pricing, DGCA has set-up Tariff Monitoring Unit (TMU) that monitors airfares on select domestic sectors on random basis by using airlines websites on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them, under the provision of Sub Rule (2) of Rule 135 of The Aircraft Rules, 1937.
