GOVERNMENT OF INDIA MINISTRY OF CIVIL AVIATION

Rajya Sabha

UNSTARRED QUESTION NO.: 1761 TO BE ANSWERED ON THE 17th March 2025

HIGH COST OF AIR TICKETS

1761. SHRI PRAKASH CHIK BARAIK

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

- (a) whether Government is aware of the high cost of air tickets on certain routes across the country;
- (b) if so, the reasons for the high airfare and the steps taken to regulate and make air travel affordable for passengers; and
- (c) whether any measures are being implemented to increase competition and improve connectivity to reduce airfares, particularly on underserved routes?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION (Shri Murlidhar Mohol)

(a) to (c): With continuous engagement with airlines & Online Ticketing Agents (OTAs) and keeping a watch on the movement of airfares by the government, the airfares have moderated in 2024 relative to 2023.

The National Civil Aviation Policy, 2016 aims at creating an ecosystem to make flying affordable to masses while ensuring safe, secure, affordable and sustainable travel for air passengers and transportation of cargo with access to various parts of India and the world.

Directorate General of Civil Aviation (DGCA) has setup a 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.

Rule 135 (2) of the Aircraft Rules, 1937 requires airlines to display established tariff on their respective website with a 'single consolidated fare' and give its complete break-up also for consumer's benefit. The airlines are mandated to display the Tariff Sheet at a prominent location on the home page of airlines' website.

Airfares are not subject to regulation by the Government and airlines have the flexibility to determine their airfares based on their operational needs, while adhering to Rule 135 of the Aircraft Rules, 1937. While the government generally refrains from regulating airfares to maintain market competitiveness, however, it remains vigilant, and the Government intervenes to shift capacity from one sector to another to prevent exorbitant pricing to ensure passenger comfort and welfare.

Regular consultations are held with airlines who are sensitized to exercise moderation/ self- regulation while fixing the airfares and to keep passengers' interest in mind.

Enhancement of capacity through the induction of additional aircraft fleets, the modernization of existing airports, and the development of new airports have rendered air travel more accessible to the general public. This expansion has consequently led to a significant increase in domestic air traffic, as evidenced by the rise in passenger volumes from 70 million in the fiscal year 2014-15 to 153 million in the fiscal year 2023-24. Furthermore, during the current fiscal year 2024-25, as of December, domestic

passenger traffic has reached 122.2 million surpassing the corresponding figure of 114.53 million for the fiscal year 2023-24, thereby reflecting an impressive growth rate of 6.7%.

The Regional Connectivity Scheme (RCS)- Ude Desh ka Aam Nagrik (UDAN) was envisaged in National Civil Aviation Policy (NCAP) 2016. The scheme envisages providing connectivity to un-served and underserved airports of the country through revival of existing air strips and airports. In pursuance of the policy, the Government has been taking concrete steps to take flying to the masses by making it affordable, convenient and also provide safe, secure, affordable and sustainable air travel for passengers as well as air transportation of cargo with access to various parts of India and the world and establish an integrated ecosystem which is leading to significant growth of the civil aviation sector which in turn is also promoting tourism, increasing employment and leading to balanced regional growth across the country.

Given the complex dynamics of the Indian aviation industry, Government is playing the role of a facilitator by way of creating enabling environment to support the growth of the sector.
