

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Rajya Sabha
UNSTARRED QUESTION NO. : 2580
TO BE ANSWERED ON THE 24th March 2025
MEASURES TO ADDRESS HIGH AIRFARES

2580. SMT PRIYANKA CHATURVEDI

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

(a) whether Government has taken measures to address the rise in airfares due to the existing duopoly in the sector;

(b) if so, the details thereof, and if not, the reasons therefor; and

(c) the measures taken by Government to allow more airlines to function in the country?

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.

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.

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.

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.

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 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.

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.
