

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
STARRED QUESTION NO : 228
(TO BE ANSWERED ON THE 11th August 2025)

RISING AIRFARES

*228. SMT PRIYANKA CHATURVEDI

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

- (a) whether Government is aware of the fact that domestic airfares had increased by over 43 per cent in the first half of 2024 compared to pre-pandemic levels, if so, the details thereon;
- (b) whether Government had put forth its reservation regarding the increasing airfares to airline operators, if so, the response from the operators;
- (c) the steps taken by Government to make air-travel affordable to middle and low income people;
- (d) the steps taken by Government to induce competition in the air travel market; and
- (e) the domestic air-traffic in the country during the last three years?

ANSWER

MINISTER OF CIVIL AVIATION

(Shri Kinjarapu Rammohan Naidu)

(a) to (e) A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) IN RESPECT OF RAJYA SABHA STARRED QUESTION NO. 228 FOR REPLY ON 11.08.2025 REGARDING "RISING AIRFARES" BY "SMT. PRIYANKA CHATURVEDI"

(a) to (d) In order to enhance the transparency in airfare, DGCA has set-up Tariff Monitoring Unit (TMU) that monitors airfares on selected 78 routes on a 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. This covers about 27% of the domestic traffic.

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.

To ease surge in air fare, Ministry remains vigilant and holds regular consultations with airlines sensitizing them to exercise moderation/ self- regulation while fixing the airfares keeping passengers' interest in mind. Measures like increasing number of flights, reallocating capacity, etc are also adopted, as done during the pandemic, festivals, Mahakumbh and Pahalgam like Incidents.

The Regional Connectivity Scheme (RCS) - Ude Desh ka Aam Nagrik (UDAN) envisages providing connectivity to un-served and underserved airports of the country through revival of existing air strips and airports, which in turn also promotes tourism, increase employment opportunities and regional growth across the country.

Airlines operating costs are dynamic in nature and their individual component varies due to multiple factors such as price of Aviation Turbine Fuel (ATF) in international markets, foreign exchange rates, excise duties and Value Added Tax (VAT), lease rentals, etc. ATF alone accounts for 35% to 40% of total operating expenses of airlines.

The government is taking proactive steps to make air travel more affordable, such as, enactment of the Protection of Interests in Aircraft Objects Act, 2025 to lower interest rates and lease rentals, rationalization of Central Excise Duty & GST on MRO components and contracts, and reduction of high VAT on ATF by requesting States/UTs, among other measures.

As a result, passenger traffic surged to an impressive 239.4 million in the fiscal year 2024-25, up from 116 million in 2014-15, making India the third-largest domestic aviation market in the world, behind only the United States and China.

(e) The number of scheduled domestic passengers in India was 13,60,28,656 in 2022 - 23, 15,36,74,682 in 2023 - 24, and 16,55,41,692 (provisional) in 2024 - 25.
