

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. : 166**  
TO BE ANSWERED ON THE 2nd February 2026  
**AIRFARE PRICING IN THE COUNTRY**

166. SHRI MALLIKARJUN KHARGE

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

(a) whether Government has data on the trend of airfare pricing in the country during the last five years;

(b) the average increase in airfares during this period, both for domestic and international routes;

(c) the data on changes in key cost components during this period, including Aviation Turbine Fuel (ATF) prices, airport and navigation charges, taxes and other statutory levies, profit margins and the extent to which each has contributed to changes in airfares; and

(d) the steps taken by Government to ensure affordability and prevent excessive pricing by airlines, particularly during peak travel periods and during distress/emergency situations?

**ANSWER**

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

(a) to (d): 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.

In a deregulated aviation market, where airfare is not controlled, the year-wise data is not being maintained for flights to various airports and cities in the country.

The Government generally refrains from regulating airfares to maintain market competitiveness, however, it remains vigilant oversight role, intervening in exceptional circumstances by redistributing capacity across various sectors and imposing temporary fare caps, such as during Pandemic, festivals like Maha kumb, Pahalgam incident & recently massive Indigo flight disruptions.

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.

Further, Government through Regional Connectivity Scheme (RCS) - Ude Desh ka Aam Nagrik (UDAN) provides 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.

In order to enhance the transparency in airfare, Directorate General of Civil Aviation (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. This covers about 27% of the domestic traffic. By doing so, the TMU plays a critical role in maintaining airfare levels within the boundaries of the airlines' prescribed tariffs.

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