

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO. : 195

TO BE ANSWERED ON THE 2nd February 2026

PERSISTENT HIGH AIRFARES ON KEY DOMESTIC ROUTES

195. SHRI IMRAN PRATAPGARHI

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

- (a) the steps Government is taking to address the persistent high airfares on key domestic routes;
- (b) the reasons for not having effective fare regulation to ensure affordable travel for common citizens;
- (c) whether Government monitors the impact of airport privatization on ticket pricing and competition;
- (d) whether there have been instances of monopolistic practices or preferential treatment by private airport operators;
- (e) the measures being considered to prevent concentration of airport operations in the hands of select corporate groups; and
- (f) the manner in which Government will ensure fair access and competitive pricing in the domestic aviation sector?

ANSWER

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

(a) to (f): 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. The pricing of airfares is subject to dynamic fluctuations influenced by the fundamental economic forces of supply and demand.

While the government generally refrains from regulating airfares to maintain market competitiveness, however, it remains vigilant oversight role, intervening in exceptional circumstances, such as during Pandemic, Maha Kumbh & Pahalgam attack, in order to ensure air travel affordable for passengers.

Recently, in view of massive flight disruptions in early December, 2025 by one of the scheduled domestic airlines & abnormal surge in airfares, the Government vide order dated 6th Dec, 2025 has temporarily capped maximum fare (stage length wise) to be charged by scheduled domestic airline operators.

The Government has established an Independent Economic Regulator, i.e., Airports Economic Regulatory Authority of India (AERA), for determining tariff, including User Development Fee (UDF) for aeronautical service provided at major airports. AERA follows a uniform tariff methodology across major airports, regardless of ownership

Presently, there is no monopoly situation in the airport sector. There are many existing private airport operators viz. GMR Group, Adani Group, Fairfax Group and State Government Joint Venture Companies (JVCs) such as Cochin International Airport Limited (CIAL), Kempegowda International Airport Limited (KIAL), MIHAN, Chandigarh International Airport Limited (CHIAL) who are operating brown field airports besides Airports Authority of India (AAI). In addition, new greenfield airport at Jewar is being developed by a new operator namely Zurich Group.

Further, at the time of bringing six AAI airports under Public Private Partnership (PPP) during 2020-21, the criteria of airport experience was done away to enlarge the spectrum of bidders which resulted into a very good number of bids.
