

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO. : 3368
TO BE ANSWERED ON THE 23rd March 2026

HIGH AIR FARES ON BHUBANESWAR-DELHI ROUTE

3368. SHRI DEBASHISH SAMANTARAY

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

- (a) whether Government has taken note of the high air fares on the Bhubaneswar-Delhi sector;
- (b) the steps taken to monitor and regulate airfare pricing on this route;
- (c) whether Government proposes to increase flight frequency or airline competition to reduce fares; and
- (d) the measures being considered to ensure affordable air travel for passengers?

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 every air transport undertaking shall establish a tariff having regard to all relevant factors, including the cost of operation, characteristics of service, reasonable profit, while adhering to Rule 135 of the Aircraft Rules, 1937.

The Government generally refrains from regulating airfares to maintain market competitiveness, however, it remains vigilant and intervenes in exceptional circumstances by adopting measures like redistributing capacity across various sectors and imposing temporary fare caps, such as during Pandemic, Maha kumb, Pahalgam incident.

Recently during massive Indigo flight disruptions, Government has taken note of increased airfare across country and has capped maximum fare, stage-length wise, to be charged by domestic airline operators in order to ensure affordable air travel for passengers.

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 on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them.

With the repeal of Air Corporation act in March 1994, the Indian domestic aviation was totally deregulated. Airlines are free to induct capacity with any aircraft type, free to select whatever markets and network they wish to service and operate with the compliance of Route Dispersal Guidelines (RDG) issued by Government, slot allocated by airport operator and further approval from DGCA. Hence, it is up to the airlines operator to consider the introduction of air services to/from any airport in the country depending upon their operational and commercial viabilities.

Further, 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, providing connectivity to un-served and underserved airports of the country through Regional Connectivity Scheme (RCS) - Ude Desh ka Aam Nagrik (UDAN).
