

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO. : 1612
TO BE ANSWERED ON THE 3rd August 2026

**REGULATION OF VOLATILE AIRFARES AND IMPLEMENTATION OF
RULES UNDER BHARATIYA VAYUYAN ADHINIYAM, 2024**

1612. DR. SIKANDER KUMAR

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

(a) the current status of implementation and finalisation of new regulatory aviation rules framed under the Bharatiya Vayuyan Adhiniyam, 2024;

(b) the statutory mechanisms included within these rules to strictly curb predatory pricing, arbitrary ancillary fees and extreme airfare volatility deployed by private airlines during peak holiday seasons, festivals and emergency situations;

(c) whether Government is considering the establishment of an autonomous, high-powered independent aviation regulator specifically mandated to protect consumer interests, streamline dynamic pricing algorithms and safeguard passenger rights; and

(d) if so, the details thereof?

ANSWER

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

(a): The Bharatiya Vayuyan Adhiniyam, 2024 (BVA,24) came into effect on 01.01.2025. Nine rules are to be re-framed under BVA, 2024. Out of nine rules, four rules have been notified in the Official Gazette of India and the remaining rules are under various stages of formulation and deliberations.

(b) 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 pricing of airfares is influenced by dynamic fluctuations based on the forces of supply and demand. Various determinants such as current seat occupancy, fuel costs, aircraft capacity, seasonal fluctuations and other relevant factors significantly impact airline ticket pricing.

The Government generally refrains from regulating airfares to maintain market competitiveness, however, it retains vigilant oversight role, intervening in exceptional circumstances by redistributing capacity across various sectors and imposing temporary fare caps, such as during the Covid

Pandemic, festivals like Maha kumb or other extraordinary instances like Pahalgam incident & the Indigo flight disruptions.

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.
