

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3066
(To be answered on the 11th July 2019)

COMPLAINTS AGAINST ARBITRARY AIR FARE

3066. ADV. DEAN KURIAKOSE
SHRI DILIP SAIKIA
SHRI SANTOKH SINGH CHAUDHARY

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether a number of complaints have been received from the public that the airline companies are charging arbitrarily from the customers during peak time and if so, the details thereof and the action taken by the Government in this regard; and
(b) whether there are any plans to bring aviation turbine fuel under Goods and Services Tax (GST) and if so, the details thereof and if not, the reasons therefor including the steps taken by the Government to make air travel affordable for Indians?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) Yes, Sir. The Government has received representations about airlines charging high airfares. Such representations are received by the respective airlines also. The airlines have responded that they have received 159 complaints from January 2018 to May 2019. As per prevailing regulations, air fares are neither established nor regulated by the Government. All scheduled domestic airlines are required to display route-wise and category-wise fares on their respective websites in compliance to the applicable regulation. However, with a view to maintain transparency, DGCA on a random basis monitors airfares on certain routes to ensure that the airlines do not charge airfares outside the range declared by them. During monitoring, it was observed that the airfares remained within the fare bracket established.

(b) Central Excise Duty on Aviation Turbine Fuel (ATF) has been reduced from 14 per cent to 11 per cent with effect from 11 October 2018. A few State Governments levy Value Added Tax (VAT) or Sales Tax at 29 or 30 per cent at some airports. Article 279A(5) of the Constitution provides that Goods and Services Tax (GST) Council shall recommend the date on which GST shall be levied on petroleum crude, high speed diesel, motor spirit, natural gas and ATF. Therefore, the decision to include ATF under GST rests with the GST Council. No decision has been taken in this regard.

The Government has made flying affordable for the common man through the flagship scheme of RCS-UDAN(Regional Connectivity Scheme-Ude Desh ka Aam Naagrik).
