

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 183
(To be answered on the 2nd February 2023)**

INITIATIVES TO CHECK AIRFARE

183. SHRI THOMAS CHAZHIKADAN

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government proposes to direct/ instruct airlines to increase their frequency to avoid an increase in air-fares during the holidays;**
- (b) if so, the details of the proposal;**
- (c) whether the Government has taken/proposes to take any other measures to curb/check the rise in airfare; and**
- (d) if so, the details thereof?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a) & (b): After repeal of the Air Corporation Act in March 1994, the Indian domestic aviation market has been deregulated. Consequently, airlines are free to induct capacity with any aircraft type for selecting whatever markets and network they wish to service and operate with compliance of Route Dispersal Guidelines (RDGs) issued by Government across the country. Thus, it is up to the airlines to provide air services to/from any airport in country depending on their operational and commercial viabilities.

(c) & (d): After deregulation of airline sector, the airfare is market driven and is neither established nor regulated by the Government. Air ticket prices generally vary depending upon the market forces. Airline pricing runs in multiple levels {buckets or Reservation Booking Designator (RBDs)} which are in line with the practice being followed globally. Due to dynamic fare pricing, the tickets bought in advance are much cheaper than those purchased near the date of travel.

The airlines are free to fix reasonable tariffs under the provisions of sub-rule (1) of Rule 135 of the Aircraft Rules, 1937 having regard to all relevant factors, including cost of operation, characteristics of services, reasonable

profit and the generally prevailing tariff.

Directorate General of Civil Aviation (DGCA) has a Tariff Monitoring Unit that monitors airfares on certain routes on monthly basis to ensure that the airlines do not charge airfares outside a range declared by them. The airlines are compliant to the Sub Rule (2) of Rule 135 of the Aircraft Rules, 1937 as long as fare charged by them is in line with fare displayed on their website.
