

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2363
(To be answered on the 3rd August 2023)**

DIFFERENCE IN AIRFARE

2363. SHRI GOPAL CHINNAYA SHETTY

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether there is difference in airfare from Mumbai to Bengaluru and Mumbai to Mangalore despite having almost same distance from Mumbai;**
- (b) if so, the reasons therefor;**
- (c) whether the Government has observed that airlines increase the fares in an unprecedented way during the festivals and emergent situations;**
- (d) if so, the reasons therefor;**
- (e) whether the Government has taken or proposes to take any steps to maintain uniformity in airfare keeping in view the distance between the cities and also determine a fixed maximum airfare; and**
- (f) 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) to (d): Airfares are neither established nor regulated by the Government. Air Transport Undertakings engaged in scheduled air services are required to establish tariff having regard to all relevant factors, including cost of operation, characteristic of services, reasonable profit and the generally prevailing tariff. Airlines are free to charge reasonable air fares as per their operational viabilities subject to compliance of Rule 135 of the Aircraft Rules, 1937. The ticket prices are not solely dependent on distance of route. The prices are fixed by the airlines keeping in mind the market, demand, seasonality and other market forces.

The airline pricing system runs in multiple levels (buckets) which are in line with practices being followed globally. The airfare increases with increase in demand of seats as the lower fare buckets get sold out fast when bookings are offered by airlines. The airlines have introduced advance purchase schemes of 60 days, 30 days, 14 days etc in which discounted fares are being offered

which would entail travelling even during peak seasons on low fares.

Directorate General of Civil Aviation (DGCA) has established Tariff Monitoring Unit which monitors fares on select sectors on random basis. This ensures that the airfares charged by the airlines are within the established tariff of the airlines, which is displayed on their website.

Government has also taken steps to sensitise the airlines on maintaining reasonable price levels by self regulating airfares during emergency. Consultations are held with airlines on regular basis to keep passenger interest in mind and exercise moderation.

(e) & (f) There is no proposal at present to alter the existing regulatory framework on airfare.
