

**GOVERNMENT OF INDIA**  
**MINISTRY OF CIVIL AVIATION**  
**Lok Sabha**  
**UNSTARRED QUESTION NO. : 709**  
**( TO BE ANSWERED ON THE 7th December 2023 )**  
**PRICING MECHANISM FOR AIR FARE**

**709. SHRI S. JAGATHRAKSHAKAN**  
**SHRI GNANATHIRAVIAM S.**  
**SHRI K. NAVASKANI**  
**SHRI N.K. PREMACHANDRAN**  
**SHRI S. VENKATESAN**

**Will the Minister of CIVIL AVIATION**

**be pleased to state:-**

**(a) whether the Government has taken any initiatives to ensure that the private airlines publish the correct information on their websites regarding fares;**

**(b) if so, the details thereof and if not, the reasons therefor;**

**(c) whether it has come to the notice of the Government regarding huge increase in airfare of thirty to forty per cent for domestic travel in 2022- 23 and if so, the reaction of the Government thereto;**

**(d) whether the tickets to Ahmedabad for World Cup cricket finals went up hundred per cent increase for non-stop and 1000 per cent for one stop or two stops due to dynamic pricing and if so, the steps taken thereon;**

**(e) whether the Government proposes to formulate a pricing mechanism for air fares to ensure that passengers are not charged exorbitantly;**

**(f) if so, the details thereof and the initiatives proposed to be taken by the Government in this regard and if not, the reasons therefor;**

**(g) whether the Government has received any complaints or letters in this concern; and**

**(h) if so, the details thereof and the measures taken in this regard?**

### **ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION  
(GEN. (DR) V. K. SINGH (RETD))**

**(a) & (b) To ensure transparency and aid the traveler make an informed choice, in line with Sub Rule (2) of Rule 135 of The Aircraft Rules, 1937, Directorate General of Civil Aviation (DGCA) has issued Air Transport Circular 2 of 2010 wherein the scheduled airlines are directed to upload fare sheet displaying fare offered across their network on their respective websites and to furnish the copy of such tariff established to DGCA on every first day of calendar month and whenever, there is change in tariff.;**

**DGCA has set-up Tariff Monitoring Unit (TMU) that monitors airfares on selected 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, under the provision of Sub Rule (2) of Rule 135 of The Aircraft Rules, 1937;**

**The TMU analysis has shown that the airfares remained well within the fare bucket uploaded by the airline.;**

**(c) The domestic airline pricing runs in multiple levels (bucket or Reservation Booking Designator (RBD)) which is in line with the practice followed globally. The lower fare is available for advance booking much earlier (D-31). As time lapses and date of journey approaches closer, the fare on higher side is made available (D-7, D-1) as per the respective airline policy.;**

**(d) The fare comparison data for the sectors Delhi-Ahmedabad and Ahmedabad-Delhi during the world cup as monitored by the TMU is placed at Annexure I;**

**(e) to (h) The issue has been brought to the notice of the Government. As per prevailing regulation, airfares are neither established nor regulated by the Government. With the repeal of Air Corporation Act in March 1994, the process of airfare approval by Government has been dispensed with. Under the provision of Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking engaged in scheduled air services is 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 operation viabilities subject to compliance to above said rule.;**

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**Annexure – 1**

Date of Travel	18Nov.'23 (Fare in INR)		12Nov.'23 (Fare in INR)	26Nov.'23 (Fare in INR)	Variation % of 18 Nov.'23 vs. 12 Nov.'23	Variation % of 18 Nov.'23 vs. 26Nov.'23
	Average					
Delhi- Ahmedabad	Average	19302	4580	12254	321%	58%
	Min	9178	2819	5796	226%	58%
	Max	39116	13094	26510	199%	48%
Ahmedabad- Delhi	Average	6325	11652	4987	-46%	27%
	Min	4091	6705	3663	-39%	12%
	Max	10750	20796	8910	-48%	21%

Date of Travel	19Nov.'23 (Fare in INR)		12Nov.'23 (Fare in INR)	26Nov.'23 (Fare in INR)	Variation % of 19 Nov.'23 vs. 12 Nov.'23	Variation % of 19 Nov.'23 vs. 26Nov.'23
	Average					
Delhi- Ahmedabad	Average	17735	4580	12254	287%	45%
	Min	9573	2819	5796	240%	65%
	Max	30506	13094	26510	133%	15%
Ahmedabad- Delhi	Average	6417	11652	4987	-45%	29%
	Min	3099	6705	3663	-54%	-15%
	Max	20796	20796	8910	0%	133%

Date of Travel	20Nov.'23 (Fare in INR)		12Nov.'23 (Fare in INR)	26Nov.'23 (Fare in INR)	Variation % of 20 Nov.'23 vs. 12 Nov.'23	Variation % of 20 Nov.'23 vs. 26Nov.'23
	Average					
Delhi- Ahmedabad	Average	14318	4580	12254	213%	17%
	Min	7928	2819	5796	181%	37%
	Max	26050	13094	26510	99%	-2%
Ahmedabad- Delhi	Average	17841	11652	4987	53%	258%
	Min	9110	6705	3663	36%	149%
	Max	31999	20796	8910	54%	259%

**Note**

- All fares are one-way Economy Class only and inclusive of taxes & fees
- The fare taken for the sectors mentioned above are for non-stop direct flights
- Above analysis is based on fares captured on 31,14,7,& 1 day prior to the selected date of travel