

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 4075
(To be answered on the 12th December 2019)

HIKE IN AIR FARE

4075. SHRI KANAKMAL KATARA

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the prices of air tickets are increased manifold by the aviation companies during festivals, holidays and various special occasions;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the Directorate General of Civil Aviation (DGCA) has set up any monitoring mechanism to regulate air fares;
- (d) if so, the details thereof; and
- (e) the action taken by the DGCA against the aviation companies violating rules during the last three years?

ANSWER

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

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र पक्ष)

(Shri Hardeep Singh Puri)

(a) to (e): Air fare is neither regulated nor established by the Government. Under the provision of Sub-rule (1) of Rule 135 of the Aircraft Rules 1937, airlines are free to fix the reasonable tariff having regard to all relevant factors including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff. The prices are fixed by airlines keeping in mind the market, demand, seasonality and other market forces. The airfare increases with increase in demand of seat as the lower fare buckets get sold out fast. The airlines remain compliant to the Sub Rule (2) of Rule 135 of the Aircraft Rules, 1937 as long as the fare charged by them is in line with fare displayed on their websites.

Directorate General of Civil Aviation (DGCA) has set up a Tariff Monitoring Unit that monitors air fares on certain routes selected on random basis to ensure that the airlines do not charge air fares outside the range declared by them. The fare monitoring analysis carried out by DGCA in the recent past has shown that the air fares remained well within the fare bucket uploaded by the airlines on the respective websites. In case, any steep fare hike is observed, Ministry of Civil Aviation/Directorate General of Civil Aviation sensitize the airlines for necessary intervention.
