

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2316
(To be answered on the 5th March 2020)**

ARBITRARY AIRFARE

2316. **SHRI JASBIR SINGH GILL**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government is aware that the airlines are charging exorbitant rate in Delhi-Chandigarh route;
- (b) whether any process has been initiated to keep these fares in check and if so, the details thereof; and
- (c) whether any initiative has been taken to fix the ceiling on upper limit of fare by the Government?

ANSWER

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

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) to (c): With repeal of Air Corporation Act in March, 1994, the provision of air fare approval was dispensed with by the Government. At present, air fare is neither regulated nor established by the Government. Airlines are free to fix the reasonable tariff under the provisions of Aircraft Rules, 1937. Airlines offer fares on various levels which are driven by demand and market forces and as the demand goes up, the seats on lower fare levels get filled. This is a global practice in the aviation industry.

The airlines remain compliant to the prevalent regulatory provisions, as long as fare charged by them does not exceed the fare established and displayed on their website. Directorate General of Civil Aviation (DGCA), however, has set up a Tariff Monitoring Unit to monitor 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 analysis has shown that the air fares remained well within the fare bucket uploaded by the airlines on their respective websites.
