

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 3537  
(To be answered on the 24<sup>th</sup> March 2022)

CONVENIENCE FEES

3537. SHRI A.K.P. CHINRAJ

Will the Minister of CIVIL AVIATION  
नागर विमानन मंत्री

be pleased to state:-

- (a) whether it is true that as per paragraph nineteen of appeal filed by Federation of Indian Airlines (FIA) to the Secretary, Ministry of Civil Aviation under rule 3B of Aircraft Rules, 1937 against Circular No.9/76/2012-IR dated 17.12.2012, convenience fee is not charged from customers when they choose to book tickets directly on airline website and if so, the details thereof; and
- (b) the details of appeal filed by FIA to the Secretary, Ministry of Civil Aviation under rule 3B of Aircraft Rules, 1937 against Circular No.9/76/2012-IR dated 17.12.2012?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION  
नागर विमानन मंत्रालय में राज्य मंत्री

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

(a) & (b): The Directorate General of Civil Aviation(DGCA), vide its Order dated 17.12.2012 had clarified that all Indian and foreign air carriers (operating to/from India) must conform to the provisions of Rule 135 of the Aircraft Rules, 1937 on charging of the tariff, which does not allow any transaction fee as part of airfare. Further, as per the Order dated September 16, 2013 issued by the Ministry of Civil Aviation, the term "Commission", "Transaction Fees", "Convenience Fees" or any other terms used for the purpose means the same i.e. payment of remuneration to the intermediaries for the services rendered by them and therefore, all these terms are treated as "Commission", mentioned in the existing rule 135 of the Aircraft Rules, 1937 as a part of the tariff to be determined by the airlines. Therefore, "Convenience Fee" being charged by the airlines is as per the prevailing regulations, and the same are to be displayed on the website of the respective airlines as per the provisions of Rule 135 of Aircraft Rules, 1937. Ministry of Civil Aviation / Directorate General of Civil Aviation has been receiving grievances related to air transport including on the airfare charges payable by the public. They are redressed as per the established mechanism / extant guidelines in the matter.

In the appeal filed by FIA, the main thrust of the arguments taken by FIA through hearing and their written submissions is that neither the Aircraft Act nor the Aircraft Rules prohibit the airlines to include the Transaction Fee payable to the travel agents in the air-tickets. The definition of "tariff" provided in clause 54 A of rule 3 of the Aircraft Rules recognizes the commission payable to the agents and under Rule 135(1), airlines have the right to establish the airfare in line with criteria as set out in rule 135(1). Therefore, contrary to the purported non-compliance of Rule 135 by the airlines in the impugned Circular, Rule 135 allows airlines to fix its own airfares and give its break-up.

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