

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 719
(To be answered on the 21st July 2022)**

INCREASE IN AIR FARE

719. PROF SOUGATA RAY

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the details of existing airfares in various airlines flying between Gulf countries and various airports in the country since the last three months;**
- (b) whether the Government is aware of the exaggerated hike in airfares in the sector;**
- (c) if so, the steps taken to check the sharp rise in airfares; and**
- (d) the details of the functioning of the concerned Regulatory Commission in this regard?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

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

(a) Under the provision of sub-rule (2) of Rule 135 of Aircraft Rules, 1937, the airlines are required to display the fare structures on their websites. Details of existing airfares are available on the website of the respective airlines.

(b) and (c) The Government has received few references regarding airfares in the Gulf sector from Hon'ble Members of Parliament and from the Government of Kerala.

With the repeal of Air Corporations Act in March, 1994, tariff fixation has been deregulated and airlines are free to fix reasonable tariffs under the provisions of sub-rule (1) of Rule 135 of Aircraft Rules, 1937 having regard to all relevant factors, including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff.

The airfare, in normal circumstances, is market driven and is neither

established nor regulated by the Government. Air ticket prices generally vary depending upon the market forces. Airline pricing runs in multiple levels {buckets or Reservation Booking Designator (RBDs)} which are in line with the practice being followed globally. Due to dynamic fare pricing, the tickets bought in advance are much cheaper than those purchased near the date of travel.

(d) The Directorate General of Civil Aviation (DGCA) is the safety regulatory authority for civil aviation sector. Under sub-rule (4) of Rule 135 of Aircraft Rules, 1937, where the DGCA is satisfied that any airline has established excessive or predatory tariff under sub-rule (1) or has indulged in oligopolistic practice, the DGCA may, by order, issue directions to such airline.
