

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 820  
(To be answered on the 21<sup>st</sup> July 2022)**

**FARE IN DOMESTIC ROUTES**

**820. SHRI S. VENKATESAN**

**Will the Minister of CIVIL AVIATION**

**[REDACTED]**

**be pleased to state:-**

- (a) whether it has come to the notice of the Government that the fares are hiked by 20 percent during the last two months and 50 percent during the last one year in respect of popular domestic routes and if so, the details thereof;**
- (b) whether the Government has any mechanism for intervention of price control;**
- (c) whether steep hike is the result of withdrawal of the Government from aviation transport altogether by the strategic sale of Air India since presence of it in the hands of the Government was an instrument for price control and if so, the details thereof; and**
- (d) the details of the steps taken by the Government to make air travel affordable for middle class customers?**

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**[REDACTED]**

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

**(a) to (c):** Airfares are neither established nor regulated by the Government. 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 therefore free to fix reasonable tariffs under the provision of Sub-rule (1) of Rule 135 of Aircraft Rules, 1937. However, due to the unprecedented circumstances prevailing due to the COVID-19 pandemic, fare bands with upper and lower limits were introduced by the Government vide Order No. 02/2020 dated 21st May, 2020 under Section 8B of the Aircraft Act, 1934 as a temporary measure. The fare bands have been revised from time to time in view of substantial hike in price of Aviation Turbine Fuel (ATF) in order to keep the aviation sector viable while protecting the interests of the passengers. Fare capping is, presently, applicable on a rolling basis for a 15 days cycle. M/s Air India was disinvested by the Government in January, 2022 only, while the fare capping is applicable from May, 2020 till date.

**(d):** Ministry of Civil Aviation has launched Regional Connectivity Scheme (RCS)-UDAN (Ude Desh ka Aam Nagrik) on 21-10-2016 to enhance regional air connectivity from unserved and underserved airports in the country and making air travel affordable to the masses.