GOVERNMENT OF INDIA MINISTRY OF CIVIL AVIATION LOK SABHA

UNSTARRED QUESTION NO.: 2895 (To be answered on the 8th August 2024)

HIKE IN AIRFARE

2895. SHRI CAPTAIN BRIJESH CHOWTA

Will the Minister of CIVIL AVIATION नागर विमानन मंत्री

be pleased to state:-

- (a) the reasons for the steep surge in airline ticket prices of flights from Mangalore to Bengaluru and Mumbai recently;
- (b) the steps taken/proposed to be taken by the Government to regulate airfares to prevent such sudden surges in the future; and
- (c) whether the Government proposes to increase the air connectivity between Mangalore and other important cities like Bengaluru, Mumbai, Pune, Tirupathi and Delhi and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION वागर विमानन मंत्रालय में राज्य मंत्री (Shri Murlidhar Mohol)

- (a): The pricing of airfares is subject to dynamic fluctuations influenced by the fundamental economic forces of supply and demand. Various determinants such as current seat occupancy, fuel costs, aircraft capacity, and competitive factors have a significant impact on the pricing of airline tickets.
- (b): As per prevailing regulation, the Government does not establish or regulate airfares. With the repeal of Air Corporation Act in March 1994, the process of airfare approval by Government has been dispensed with. Under the provision of Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking engaged in scheduled air services require 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 free to charge reasonable air fares as per their operation viabilities subject to compliance to above said rule.

However, in order to enhance the transparency in airfare pricing, DGCA has

set-up Tariff Monitoring Unit (TMU) that monitors airfares on selected routes on a random basis by using airlines websites on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them, under the provision of Sub Rule (2) of Rule 135 of The Aircraft Rules, 1937.

(c): As per DGCA approved 'Summer Schedule-2024' effective from 31st Mar 2024 till 26th Oct 2024 Mangalore airport is connected with Kannur, Bangalore, Mumbai, Chennai, Hyderabad, Pune & Delhi airports.

Further, with the repeal of Air Corporation act in March 1994, the Indian domestic aviation was totally deregulated. Airlines are free to induct capacity with any aircraft type, free to select whatever markets and network they wish to service and operate with the compliance of Route Dispersal Guidelines (RDG) issued by Government, slot allocated by airport operator and further approval from DGCA. Hence, it is up to the airlines operator to consider the introduction of air services to/from any airport in the country depending upon their operational and commercial viabilities
