

**GOVERNMENT OF INDIA**  
**MINISTRY OF CIVIL AVIATION**  
**Lok Sabha**  
**UNSTARRED QUESTION NO. : 2931**  
**( TO BE ANSWERED ON THE 12th December 2024 )**  
**MECHANISM TO REGULATE AIRFARE**

**2931. ADV. CHANDRA SHEKHAR**  
**Will the Minister of CIVIL AVIATION**

**be pleased to state:-**

**(a) the specific policy initiatives that the Government considers to implement a price control mechanism for regulating airfares;**

**(b) the action taken by the Government in light of the recent recommendations from the Parliamentary Standing Committee on Transport, Tourism and Culture for route-specific fare capping and the establishment of a quasi-judicial entity to oversee airfare regulation; and**

**(c) the manner in which the Government proposes to address concerns regarding excessive fare hikes during peak travel seasons ensuring fair pricing for the passengers?**

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**  
**(Shri Murlidhar Mohol)**

**(a) to (c): The airfares have moderated in 2024, relative to 2023. The airlines have also been sensitized to ensure reasonability while fixing the airfares and to keep passengers' interest in mind. Notably, during festival seasons, a decrease in airfares was observed in various sectors.;**

**;**

**The airlines are mandated to display the Tariff Sheet at a prominent location on the home page of airlines' website.;**

**;**

**Directorate General of Civil Aviation (DGCA) has setup a Tariff Monitoring Unit (TMU) that monitors airfares on select domestic sectors on random basis by using airlines' websites on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them.;**

**;**

**The airfares are dynamic in nature and follow the principle of demand & supply. The trends in airfare prices in India exhibit considerable seasonality, prevailing fuel price, the capacity of the aircraft operating on the route, competition on the sector, season, holidays, festivals, long weekends, events (sports, fairs, contests) etc. Besides this, the pricing of airfares is significantly influenced by operational constraints at airports. Routes experiencing high tourist demand, are subject to limitations imposed by terrain, weather conditions, and restricted operating hours. The combination of constrained capacity and elevated demand leads to fluctuations in airfares.;**

**;**

**Airfares are not subject to regulation by the Government and airlines have the flexibility to determine their airfares based on their operational needs, while adhering to Rule 135 of the Aircraft Rules, 1937. While the government generally refrains from regulating airfares to maintain market competitiveness, however, it remains vigilant, and the Government intervenes to shift capacity from one sector to another to prevent exorbitant pricing to ensure passenger comfort and welfare.;**

**;**

**DGCA with quasi-judicial powers has been entrusted with the task of monitoring airfares charged by the airlines. Further, Anti-competitive practices are kept in check by the Competition Commission of India (CCI). As such, there is no requirement for another separate body to monitor airfares**

**;**

**Given the complex dynamics of the Indian aviation industry, Government is playing the role of a facilitator by way of creating enabling environment to support the growth of the sector.**

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