

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Lok Sabha
UNSTARRED QUESTION NO. : 1413
(TO BE ANSWERED ON THE 13th February 2025)

HIKE IN AIRFARE

1413. MR PATHAN YUSUF
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SHRI N K PREMACHANDRAN
SHRI RAJEEV RAI
SHRI JANARDAN SINGH SIGRIWAL
SHRI CHARANJIT SINGH CHANNI

Will the Minister of CIVIL AVIATION

be pleased to state:-

(a) whether the Government is aware of the recent surge in airfares during festive seasons and peak travel periods across the country, including the recent example of Kumbh, Prayagraj, Uttar Pradesh which leads to make air travel unaffordable for the common people and if so, the details thereof;

(b) the specific measures being taken by the Government to regulate and control such price hikes, especially for routes connecting Tier-2 and Tier-3 cities;

(c) whether the Directorate General of Civil Aviation (DGCA) has issued any guidelines to rationalize airfares during the said periods and if so, the details thereof;

(d) whether the Government is considering capping airfares during emergencies, natural disasters and medical emergency to ensure affordability for the passengers and if so, the details thereof;

(e) whether the Government proposes to amend the Airports Economic Regulatory Authority (AERA) Act to enhance oversight on fare increases and protect

consumer interests and if so, the details thereof along with the steps taken in this regard;

(f) whether the Government proposes to fix the maximum ticket charge for a particular destination and if so, the details thereof;

(g) the amount paid to airlines under Viability Gap Funding to compensate for low fares, year and airline-wise; and

(h) the measures taken by the Government to ensure transparency in airfare pricing and make it mandatory for airlines to disclose fare components clearly?

ANSWER

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

(a) to (d) & (f) & (h): Regular consultations are held with airlines and airlines are sensitized to exercise moderation/ self- regulation while fixing the airfares and to keep passengers' interest in mind. As the festival's peak days approach, especially during the forthcoming Maha Kumbh's and other important Shahi Snans, airlines have taken further steps to enhance capacity to accommodate in order to ease pressure on airfare.;

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The airfares to Prayagraj for the Maha Kumbh 2025 saw a decline after govt intervention.

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The airlines have committed to ensure that airfares do not surge during events such as natural disasters, calamities, pandemic, Mahakumbh etc.;

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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.;

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Rule 135 (2) of the Aircraft Rules, 1937 requires airlines to display established tariff on their respective website with a 'single consolidated fare' and give its complete break-up also for consumer's benefit.;

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

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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. The months of May and June experience heightened traffic, with a notable peak in international travel commencing in mid-July, which concurrently influences domestic demand. From July to September, there is typically a decline in travel activity due to the monsoon season. Nevertheless, the arrival of the festive season in October, particularly during the celebration of Diwali, triggers a notable resurgence in travel demand. By mid-January, travel demand begins to wane, continuing its decline until the final week of April. Following this period, a renewed interest in travel coincides with the summer holidays, contributing to an increase in demand once again.;

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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.;

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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.;

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(e): There is no such proposal for regulation of Airfare by AERA.

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(g): The details of amount paid to airlines under Viability Gap Funding, year and airline wise for last 3 years may be seen at Annexure.;

					Annexure
DETAIL OF VGF DISBURSED TO AIRLINES (YEAR WISE IN CRORES)					
		VGF Disbursed to Airlines			
SN	Airline	2022-23	2023-24	2024-25	Total
1	AIR ODISHA	0		0	0
2	ALLIANCE AIR (VGF to selected air line operators)	177.54	130.05	81.82	389.41
3	ALLIANCE AIR (VGF to Alliance air for NER & VGF to Alliance air for Dornier operations in NER)	148.81	204.22	121.17	474.2
4	AIR TAXI	0	3.75	8.72	12.47
5	BIG CHARTERS	86.63	64.52	42.2	193.35
6	DECCAN CHARTERS	0	0	0	0
7	GHODAWAT	75.17	116.76	138.19	330.12
8	GSEC MONARCH	5.94	16.83	16.32	39.09
9	HERITAGE	12.78	15.22	13.81	41.81
10	INDIGO	298.61	296.98	100.82	696.41
11	JET AIRWAYS	0	0		0
12	PAWAN HANS	25.5	32.52	11.92	69.94
13	SPICEJET	116.17	129.99	19.09	265.25
14	TRUJET	0	0	0	0
15	ZOOM AIR	0	0	0	0
16	Just Udo Aviation P. Ltd.	0	0.4	52.59	52.99
	TOTAL	947.15	1011.24	606.65	