

**GOVERNMENT OF INDIA**  
**MINISTRY OF CIVIL AVIATION**  
**Lok Sabha**  
**UNSTARRED QUESTION NO. : 5469**  
**( TO BE ANSWERED ON THE 3rd April 2025 )**  
**HIKE IN AIRFARES**

**5469. DR. T SUMATHY ALIAS**  
**THAMIZHACHI THANGAPANDIAN**  
**Will the Minister of CIVIL AVIATION**

**be pleased to state:-**

- (a) whether it is true that the Government has no control over the airfares fixed by airlines and if so, the details thereof;**
- (b) whether the Government proposes to constitute a high-level committee to look into the issues of dynamic pricing leading to exorbitant air ticket prices on certain domestic and international routes, if so, the details thereof and if not, the reasons therefor;**
- (c) whether the airline ticket prices are determined by the demand and supply theory and if so, the details thereof; and**
- (d) the proactive steps taken by the Government to improve demand and supply by increasing the number of airlines and seats available on such routes where the demand is very high?**

**ANSWER**

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

**(a) to (d): Airlines determine their airfares based on their operational needs, while adhering to Rule 135 of the Aircraft Rules, 1937. Airfares are not subject to regulation by the Government.;**

**;**

**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 data on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them.;**

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**Enhancement of capacity through the induction of additional aircraft fleets, the modernization of existing airports, and the development of new airports have rendered air travel more accessible to the general public. This expansion has consequently led to a significant increase in domestic air traffic, as evidenced by the rise in passenger volumes from 70 million in the fiscal year 2014-15 to 153 million in the fiscal year 2023-24. This upward trend continues in 2024-25. Further, the Indian airlines have placed an order for around 1150 new aircraft in last 02 years.;**

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**With continuous engagement with airlines & Online Ticketing Agents (OTAs) and keeping a watch on the movement of airfares, the airfares have moderated in 2024 relative to 2023 on sectors monitored by DGCA.;**

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**To maintain market competitiveness, the Government remains vigilant and intervenes to shift capacity from one sector to another to prevent exorbitant pricing to ensure passenger comfort and welfare.;**

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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.;**

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