

**GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 3020
ANSWERED ON 7TH AUGUST, 2025**

MOTOR VEHICLE AGGREGATOR GUIDELINES, 2025

3020. SMT. RACHNA BANERJEE:

MR. PATHAN YUSUF:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

(a) whether the Government has clarified the rationale behind allowing cab aggregators to charge up to twice the base fare during peak hours under the Motor Vehicle Aggregator Guidelines, 2025 and if so, the details thereof;

(b) the manner in which the Government plans to protect consumer interests from possible exploitation;

(c) whether the State Government would be allowed to override or modify the central guidelines of 2X surge in pricing based on local conditions and public interest, if so, the details thereof;

(d) the manner in which the Government plans to ensure that at least 80 percent of the fare reaches the drivers under the revised guidelines and the mechanism in place to audit and monitor this;

(e) the measures being taken to ensure transparency and prevent arbitrary fare hikes by cab aggregators like Ola, Uber and Rapido during peak hours; and

(f) whether the Government has conducted any impact assessment of this surge in pricing that affect daily commuters, especially in metro cities where public transport options are limited and if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) to (f) The Government of India issued Motor Vehicles Aggregators Guidelines, 2025 for providing a light-touch regulatory system while attending to issues of safety and security of the user and the welfare of the driver.

Amongst numerous safeguards for the passengers, the Guidelines provide for fare regulation under Clause 17. Understanding that the fare is determined by market forces of demand and supply of the aggregated vehicles, the Guidelines envisage dynamic pricing, allowing aggregators to charge 50% lower than the State notified base fares and capping the maximum surge pricing at twice the base fare for peak hours. In order to ensure transparency, accountability and passenger welfare, the fare notified by the State shall be the base fare.

The drivers' owned motor vehicle shall receive at least 80% of the fare and on the other hand for motor vehicles which are owned by the aggregator, the on-boarded driver shall receive at least 60% of the fare. Therefore, in case of surge pricing, the beneficiary will be the driver of the owned vehicle. This will spur supply and thereby enable better availability during periods of high demand.

The Guidelines provide for suspension and cancellation of Aggregator license on several grounds of violation including unjustified fare/ dynamic fare charged to the passengers.

The Guidelines ensure that no passenger is charged for dead mileage, except when the distance for availing the ride is less than three (3) kilometres, and the fare is charged only from the point of origin to the destination.

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