

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1861
(TO BE ANSWERED ON THE 30th July 2026)

REGULATION OF AIRFARE

1861. SHRI BISHNU PADA RAY

Will the Minister of CIVIL AVIATION

be pleased to state:-

(a) whether the Government has received any representation from the Member of Parliament representing Andaman and Nicobar Islands seeking urgent intervention to regulate the exorbitant airfares on the Sri Vijaya Puram–mainland sectors and if so, the details thereof;

(b) the steps taken/proposed to be taken by the Government to regulate and control the exorbitant airfares on these sectors particularly during peak travel seasons and emergencies;

(c) whether the Government proposes to introduce any mechanism including fare regulation, enhanced competition, additional flight services or financial support to ensure affordable air connectivity for the residents of the Andaman and Nicobar Islands; and

(d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a): Yes. A representation has been received from the Hon'ble Member of Parliament, Andaman and Nicobar Islands regarding exorbitant airfares from Andaman and Nicobar (Sri Vijaya Puram) to mainland sectors & seeking intervention of the Government in the matter.;

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(b) to (d): With the repeal of Air Corporation Act in March 1994, airfares are not subject to be regulated by the Government.;

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Airlines have the autonomy to establish airfare based on their operational & economic viability on a particular route while adhering to Rule 135 of the Aircraft Rules, 1937.;

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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, seasonal fluctuations and other relevant factors significantly impact airline ticket pricing.;

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The Government generally refrains from regulating airfares to maintain market competitiveness, however, it retains vigilant oversight role, intervening in exceptional

circumstances by redistributing capacity across various sectors and imposing temporary fare caps, such as during the Covid Pandemic, festivals like Maha kumb or other extraordinary instances like Pahalgam incident & the Indigo flight disruptions.;

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In a deregulated aviation market airlines are free to induct capacity with any aircraft type, free to select whatever markets and network they wish to service & operate with the compliance of Route Dispersal Guidelines (RDGs) issued by Government, slot allocation by the concerned airport operators and further approval by Directorate General of Civil Aviation (DGCA).
