

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3200
(TO BE ANSWERED ON THE 6th August 2026)

CAP ON AIRFARE

3200. SMT BHARTI PARDHI
SHRI RAVINDRA DATTARAM WAIKAR
DR. SHRIKANT EKNATH SHINDE
SHRI SHRIRANG APPA CHANDU BARNE
SHRI NARESH GANPAT MHASKE

Will the Minister of CIVIL AVIATION

be pleased to state:-

- (a) the details of the regulatory mechanism currently available with the Government to prevent financial exploitation of passengers by domestic airlines through steep fare hikes - surging from Rs. 5000 upto Rs. 50,000 - during peak travel dates or festive seasons;
- (b) whether the Government is aware that due to dynamic pricing algorithms used by airlines, air travel has become unaffordable for the common man and if so, the details thereof;
- (c) whether the Government proposes to fix an upper cap on domestic airfares and if so, the details thereof;
- (d) whether the Government proposes to amend Rule 135 of the Aircraft Rules, 1937, to bring transparency and prevent airlines from misusing the pricing autonomy granted to them under the said Rule; and
- (e) the special measures being taken by the Government to check predatory pricing across all routes during emergencies or peak periods in view of the Tariff Monitoring Unit of the Directorate General of Civil Aviation (DGCA) monitoring airfares only on limited routes?

ANSWER

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

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

;

The pricing of airfares is subject to dynamic fluctuations influenced by the 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.;

;

Airline pricing runs in multiple levels {buckets or RBDs} which are in line with the practice being followed globally. The lower fare is always available for the passengers for advance booking which enables passengers to get more affordable fares even during peak travel dates or festive seasons. As

time lapses and date of journey approaches closer, the fare moves to higher buckets, since lower buckets fare get sold out.;

;

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.;

;

In order to enhance the transparency in airfare, Directorate General of Civil Aviation (DGCA) has set-up Tariff Monitoring Unit (TMU) that monitors airfares on selected 78 routes on a random basis by using airlines websites on monthly basis to ensure that the airlines do not charge airfares outside the range declared by them. This covers about 27% of the domestic traffic. By doing so, the TMU plays a critical role in maintaining airfare levels within the boundaries of the airlines' prescribed tariffs.;
