

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2132
ANSWERED ON:06.08.2001
BILATERAL AGREEMENTS ON PRICING
MINATI SEN;RADHIKA RANJAN PRAMANIK;VILAS BABURAO MUTTEMWAR

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether according to the bilateral agreements on pricing, the fare for the Air India flights has to be fixed according to a mutually agreed formula between the parties concerned;
- (b) if so, whether his Ministry has proposed amendments to the Aircraft Rules, 1937 to allow freedom to international carriers in fixing the fares;
- (c) if so, the extent to which the proposed amendments are likely to violate the bilateral agreements;
- (d) the reaction of the international carriers in this regard; and
- (e) the extent to which the same is to be beneficial to the country?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

- (a): The tariff provision of bilateral Air Services Agreements normally requires approval of tariffs by the respective aeronautical authorities.
- (b), (c), (d) and (e): There is a proposal regarding change in pricing mechanism for international flights. No final decision has been taken.