

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1286
ANSWERED ON:31.07.2000
AIR FARES RAISED BY VARIOUS AIRLINES
CHANDRAKANT BHAURAO KHAIRE

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government have permitted different Airlines in the country to raise the fares on domestic routes;
- (b) if so, details thereof;
- (c) whether the increase in fares will be the exact cost increase per mile per passenger due to increased fuel cost;
- (d) if so, details thereof; and
- (e) the action taken by the Government to ensure that the carriers do not make high increase in the name of increased fuel cost?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a), (b), (c), (d) and (e): Domestic air fares are not regulated and airlines keep adjusting their fares in accordance with the input cost and their perception of the market from time to time. Competition in the airline market is a healthy trend which is good for the travellers. The increase in Aviation Turbine Fuel (ATF) cost, hike in Sales Tax on ATF by the State Governments, increase in landing and navigational fees by airports authorities, increase in rate of exchange etc. have added substantially to the cost of operations of the airlines. The airlines may, therefore, consider various measures including fare increase to offset increase in the input costs.