

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1779
ANSWERED ON:16.07.2009
AIR INDIA TO BECOME LOW FARE CARRIER
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Air India is set to become a low fare carrier and surrender full service status on domestic routes;
- (b) if so, the details thereof and its impact on international flights;
- (c) whether Airlines have been warned to be consumer friendly and switch over to single, all-inclusive fare;
- (d) if so, the details thereof; and
- (e) the action proposed to be taken in case of non-compliance?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) and (b): Air India would continue to be a full service carrier in the domestic market. However, in order to compete effectively with other domestic low fare carriers, and to get a share of the low fare market segment, Air India is considering a proposal to extend low fare services to some of the domestic routes also. Air India's subsidiary - Air India Express operates low fare services on short haul international routes covering Gulf and South -East Asian Countries. However, no change is under consideration regarding Air India's international services.

(c), (d) and (e):- Government had noticed that many airlines were giving misleading advertisements regarding fares. In order to rectify the situation, the Aircraft Rules have been amended wherein airlines shall display tariff in a unified manner to show the total amount payable by a passenger as also a break-down of the total amount, indicating the fare, tax, fees or any other charge, if any, separately.

All Scheduled domestic airlines except Go Air, have complied with the requirement with regard to display of total airfares payable on their respective websites. Since the website of Go Air is being maintained by an outside agency, they have sought time for necessary amendments.