

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:422

ANSWERED ON:09.12.2010

REGULATION OF AIR FARES

Owaisi Shri Asaduddin;Yadav Shri M. Anjan Kumar

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the domestic air fares have increased sharply during the past one month;
- (b) if so, the details thereof;
- (c) whether the Directorate General of Civil Aviation (DGCA) is looking into the matter and has issued notices to all airlines seeking clarification for charging excessive fares in the absence of any hike in the operating cost;
- (d) if so, the details thereof;
- (e) whether DGCA is also engaged in studying the domestic air travel demand supply situation in the peak seasons that has led to charging of such a high air fare;
- (f) if so, the outcome thereof; and
- (g) the steps taken/proposed to be taken by DGCA to find a lasting solution to the unwarranted fare hike particularly in the peak seasons?

Answer

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

(a) to (g):- The statement is laid on the table of the House.

STATEMENT TO BE LAID ON THE TBAL E OF THE LOK SBAHA IN REPLY TO STARRED QUESTION NO. 422 DATED 9.12.2010 REGARDING REGULATION OF AIR FARES.

(a) & (b):- The airfares on some domestic sector were on higher side during festive season and mid November 2010.

(C) & (d):- Yes, Madam. Directorate General of Civil Aviation (DGCA) has issued a letter dated 17th November 2010 and Air Transport Circular dated 19th November 2010 to all scheduled domestic airlines seeking details of the route-wise tariff established under Sub-rule (1) of Aircraft Rule 135 across the network in various fare categories for the month of November 2010 latest by 10th December 2010 and thereafter regularly on monthly basis.

(e) & (f):- DGCA undertakes such studies from time to time to study the impact of market forces on fares.

(g):- DGCA has taken following steps to find a solution:

- (i) Air Transport Circular (ATC) 2/2010 dated 19th November 2010 has been issued to maintain transparency in tariff publication.
- (ii) Dialogue with airlines to seek compliance of above ATC to ensure that airlines do not charge excessive fares.
- (iii) A Tariff Analysis Unit has been set up recently to periodically and regularly monitor air fare.