GOVERNMENT OF INDIA CIVIL AVIATION LOK SABHA

STARRED QUESTION NO:36
ANSWERED ON:23.02.2011
REGULATION OF DOMESTIC AIR FARES
Botcha Lakshmi Smt. Jhansi;Khan Shri Hassan

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the number of domestic air passengers in the last three years and the current year, year-wise;
- (b) the framework in existence for regulating domestic air fares in the country;
- (c) whether the domestic airlines have increased/proposed to increase the fares;
- (d) if so, the details thereof;
- (e) whether inspite of the Directorate General of Civil Aviation issuing air transport circular on 19 November 2010 to all scheduled domestic airlines seeking details of the route-wise fares, several airlines are still levying hidden charges in their fares;
- (f) if so, the details of such airlines; and
- (g) the steps taken/proposed to be taken by the Government to regulate the fee hike and instruct all scheduled domestic airlines to maintain transparency in announcing fares for peak and non-peak seasons?

Answer

MINISTER OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

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

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN REPLY TO STARRED QUESTION NO. 36 DATED 23.2.2011 REGARDING REGULATION OF DOMESTIC AIR FARES.

(a):- The details of domestic passengers during the last three years from 2008-2010 are as follows:

```
Year Domestic Pax Carried
  (in million)

2008   41.27
2009   43.84
2010   52.02
2011   04.93

(Till 31st January, 2011)
```

- (b):- Air fares applicable for domestic passengers are determined by market forces and therefore are not fixed by Government. The framework for Regulation of Domestic Air fares in the Country is governed by Rule 135 of the Air Craft Rules 1937 which lays down broad principles including for maintaining transparency of tariff publication by the Airlines.
- (c) and (d):- In view of increase in ATF price by the oil companies, full service airlines viz. Air India Ltd., Jet Airways and Kingfisher Airlines have increased the airline fuel charge effective mid Dec. 2010 between Rs. 50/- to Rs. 200/- per passenger.
- (e) and (f):- No, Madam.
- (g):- With a view to maintain transparency in tariff publication, Directorate General of Civil Aviation (DGCA) has taken following steps:
- # Scheduled domestic airlines have been directed to display established tariff route-wise and fare category-wise in their websites, on monthly basis and also to notify any significant and noticeble changes to DGCA within 24 hrs of effecting such a change.
- # A Tariff Analysis Unit has been set up in DGCA to monitor tariff on regular basis.