

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:3646

ANSWERED ON:24.08.2011

AGENCY TO MONITOR AIR FARES

Biju Shri P. K.;Das Shri Ram Sundar;Shankar Alias Kushal Tiwari Shri Bhisma

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) the details of the policy of the airlines for determining fares and the basis thereof;
- (b) whether the Government is aware that some airlines are charging unreasonable fare on various routes;
- (c) if so, the details thereof;
- (d) whether the Government/Directorate General of Civil Aviation (DGCA) has issued any warning to domestic airlines regarding exorbitant rates of fares;
- (e) if so, the details and the outcome thereof;
- (f) whether the Government has appointed any agency to monitor the air fares; and
- (g) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

(a):- Airlines tariffs are market determined and takes into account all relevent factors, including the cost of operation, characteristics of service and reasonable profit to the airlines.

(b) and (c):-Generally Scheduled airlines offer different fare buckets for each flight, in line with the practise followed in other parts of the world. As the lower fare buckets get sold out, the passengers pay progressively higher fare with the increase in demand for seats.

(d) and (e):- No, Madam.

(f) and (g):- A Tariff Analysis Unit has been set up in Directorate General of Civil Aviation (DGCA) to monitor tariff on regular basis.