

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:2014

ANSWERED ON:05.12.2012

AIRFARES BY PRIVATE AIRLINES

Rajukhedi Shri Gajendra Singh;Thakur Shri Anurag Singh

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

- (a) whether the DGCA has accepted the fare band of private airlines;
- (b) if so, the reasons for accepting higher band of airfares;
- (c) whether the public and private sector aviation companies have recently increased the fares for various services including ticket print out fee, best seat fee, charges for unaccompanied minor, user development fee and cancellations, or reschedule charge etc.;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether permissions of the Government was sought for increasing such charges;
- (f) if so, the details thereof and if not, the reasons therefor along with the date on which Government has permitted the airlines to increase the fares/charges, and;
- (g) the steps taken by the Government to check inordinate hike in fares/charges by public and private airlines?;

**Answer**

Minister of State in the Ministry of CIVIL AVIATION (SHRI K. C. VENUGOPAL)

(a) to (d):- Air fares applicable for domestic passengers are determined by the market forces and are not fixed by the Government. Airfares are dependent upon ATF prices, Airport Development Charges, Passenger Services fee, Foreign exchange rates, Service Tax, etc. Fluctuations in any of these components affect the airfares. Scheduled airlines offer different fare buckets for each flight and the airfares offered by the airlines in lower bucket are affordable. The airfares increase with the increase in demand for seat, as the lower fare buckets get sold out fast. Random monitoring of domestic airfares revealed that the airfares are remaining within the fare band made available by the scheduled airlines on their respective websites.

(e) to (f):- No, Madam. Air fares applicable for domestic passengers are determined by the market forces and are not fixed by the Government.

(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 asked to display established tariff route-wise and fare category-wise on monthly basis and also to notify noticeable changes to DGCA within 24 hrs. of effecting such a change. The intention behind the above directions is to keep the passengers informed of pricing pattern of airlines. Further, DGCA also monitors tariff on specific sectors on regular basis.