

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1495

ANSWERED ON:06.03.2013

HIKE IN AIR FARES

Danve Shri Raosaheb Patil;Dhotre Shri Sanjay Shamrao;Mahtab Shri Bhartruhari;Patel Shri Devji;Premajibhai Dr. Solanki
Kiritbhai;Thakur Shri Anurag Singh

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government is aware of the massive differential between the lowest and highest air fares in the price bands in the Indian civil aviation sector;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Supreme Court has directed the Directorate General of Civil Aviation (DGCA) in the recent past to examine the issue of different fares charged by airlines for flights having identical origin and destination points and also restrained airlines from charging transaction fee from passengers;
- (d) if so, the details thereof;
- (e) whether the Government/DGCA has conducted any enquiry in this regard;
- (f) if so, the details thereof along with the action taken/being taken by the Government against the erring airlines, casewise; and
- (g) the steps taken by the Government to minimise the differential between the highest and the lowest fares and to stop the collection of transaction fee from the already burdened customers?

Answer

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

(a) and (b): Scheduled airlines offer different fare buckets for each flight and the airfares offered by the airlines in lower buckets are generally affordable. The airfare increases with the increase in demand for seat, as the lower fare buckets get sold out fast. Random monitoring of airfare revealed that the airfares are remaining within the fare band made available by the scheduled airline on their respective websites.

(c) to (d): Yes, Madam. Hon'ble Supreme Court vide order dated 23rd January, 2013 against Civil Appeal No. 8771 of 2012 has asked Directorate General of Civil Aviation (DGCA) to give a fresh look at the tariff structure submitted to it by the airlines, particularly when in the said table there is no indication as to which fare band would be applicable when the ticket is booked in a period less than seven days in advance.

(e) to (g): DGCA has asked the airlines to furnish information on prevalent best practices adopted internationally especially in countries like U.S.A., U.K., Australia, UAE, Japan and China in fixing tariff structure, fare bands, display of inventory allocation in each of the fare band applicability of period as to when each fare band would apply etc.