

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:616

ANSWERED ON:27.02.2013

HIKE IN AIRFARES

Bais Shri Ramesh;Biju Shri P. K.;Choudhry Smt. Shruti;Gandhi Shri Dilip Kumar Mansukhlal;Mala Rajya Laxmi Smt. Shah;Manjhi Shri Hari;Ponnam Shri Prabhakar;Punia Shri P.L. ;Rajesh Shri M. B.;Reddy Shri Modugula Venugopala ;Sampath Shri Anirudhan;Sugavanam Shri E.G.

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

- (a) whether the public and private airlines are constantly increasing their airfares in various domestic and international sectors including Gulf region especially during the festive season;
- (b) if so, the details thereof and the reasons therefor along with the justification for accepting the fare band fixed by private airlines/market determined forces;
- (c) whether such a hike in airfares is likely to hit the plans to make Delhi an aviation hub in the country;
- (d) if so, the details thereof along with the corrective steps taken by the Government in this regard;
- (e) whether instances of cancellation of Air India flights are also highest during festival season, especially the period from August to September and if so, the details thereof and the reasons therefor, and:
- (f) the steps taken by the Government to make fares affordable to the common man?;

**Answer**

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

(a) & (b) : No, Madam. Air fares are not fixed by the Government as these are determined by market forces of demand and supply. Airfares depend on Aviation Turbine Fuel (ATF) prices, Airport Charges, Passenger Services fee, Prevalent Foreign Exchange Rate, 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 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) & (d): Not applicable in view of (a) and (b) above.

(e): No, Madam.

(f) : Ministry of Civil Aviation has been taking up the matter relating to ATF prices and tax related issues with Ministry of Petroleum and Natural Gas and Ministry of Finance respectively with a view to make air travel more and more affordable. 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. Further, DGCA also monitors tariff on specific sectors on regular basis.