

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3207
ANSWERED ON:29.08.2013
FARES IN GULF KERALA SECTOR
Rajesh Shri M. B.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Air India has increased fare between Gulf-Kerala sector in the last six months;
- (b) if so, the details thereof;
- (c) whether Air India has taken any steps to bring back Indians affected by Nithaqath in Saudi Arabia;
- (d) if so, the details thereof;
- (e) whether any concessions were given to Nithaqath affected people; and
- (f) if so, the details thereof?

Answer

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

(a) & (b) : Air India being the National Carrier gives equal priority to its responsibility towards travelling public as well as to the commercial interest of the organization. Market Fares are product of a complex interplay of multiple factors ranging from demand and supply of capacity to practices employed by rival airlines. Also air fares are governed by seasonality with low fares available in lean season and high fares during peak season. Even during peak season low level fares are offered in the market with limited number of seats and passengers can avail these low fares by booking in advance. There are frequent upward and downward movements of fares in response to market dynamics. Air India adjusts its fares to meet any such change in market dynamics. In spite of this, at any given time on an average, Air India`s fares are at par with what is charged by other airlines. Cost of fuel is one of the major drives of total cost of operations. Increase in fuel prices over the years has put considerable pressure on the cost and in turn profit margins of operations. Yield Comparison (Economy Class) in June 2013 against June 2012 is annexed.

(c) to (f) : Air India is well equipped to bring back Indians affected by Nithaqath in Saudi Arabia as and when such a situation arises. Huge flow of such passengers has not been experienced so far. As and when requests are received from the Ministries concerned, Air India will make efforts to bring such passengers to India at the lowest possible fare.