

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1267

ANSWERED ON:09.02.2017

Regulation of Air Fare

Chavan Shri Harishchandra Deoram;Choudhary Shri Ram Tahal;Kesineni Shri Srinivas;Kodikunnil Shri Suresh;Singh Dr.
Nepal;Trivedi Shri Dinesh

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether airline companies are exploiting the passengers often travelling by air by charging them 25 to 50 thousand rupees as fare for one sector and if so, the reaction of the Government thereto;
- (b) the reasons for not fixing the fares of each sector on minimum basis by the Government;
- (c) whether the Government is conducting an enquiry into allegations of domestic airlines charging exorbitant rates for tickets even in events of natural calamities as allegedly happened during the period for Chennai floods, if so, the details thereof;
- (d) whether the Government proposes to revise existing fare calculation and determination policies and set a limit or bar dynamic pricing to prevent exorbitant pricing for tickets by domestic airlines during calamities and if so, the details thereof;
- (e) whether there are monitoring mechanisms to ensure that airline companies follow the above regulations and if so, the details thereof; and
- (f) whether the Government has made any announcement regarding the airfare being 2500/- rupees per hour which was published in the newspapers and if so, the details thereof?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

- (a): No such analysis has been carried out by Directorate General of Civil Aviation (DGCA) as airline remain complaint to the statutory provisions of regulation by keeping airfare within the fare bucket limits displayed by them on their respective website.;
- (b): With the repeal of Air Corporation Act in March 1994, the provision of air fare approval was dispensed with by the Government. Under the provision of Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937, every air transport undertaking engaged in Scheduled air services require to establish tariff having regard to all relevant factors, including cost of operation, characteristic of services, reasonable profit and the generally prevailing tariff. The fares so established, are required to be displayed by the airlines on their websites in compliance of Sub Rule (2) of Rule 135 of the Aircraft Rule, 1937. ;
- (c) to (e): There is no complaint received substantiating the allegation of exorbitant airfare charging. Airlines remain compliant to the regulations as long as the fare charged by them does not exceeds the fare structure displayed on their website. Special attention is paid by DGCA in coordinated with scheduled domestic airlines during occurrence of natural calamity period specifically for evacuation of stranded at nominal charges, carriage of relief material, operation of additional flights and ensuring that airline does not revise their airfare during such period by active airfare monitoring. ;
- (f): No, Madam.