

wise and fare category-wise on monthly basis and also to notify noticeable changes to DGCA within 24 hrs. of effecting such a change.

DGCA also monitors tariff on specific sectors on regular basis.

Opening of new international sectors for flights

786. SHRI TARUN VIJAY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government proposes to open new international sectors under the bilateral Air Services Agreements to Air India as well as to the other Indian scheduled carriers;

(b) if so, the details thereof, route-wise and airport-wise;

(c) whether this move will assist Air India and other carriers to enhance the fiscal capacity; and

(d) if so, the details thereof and the follow up action proposed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K.C. VENUGOPAL): (a) to (d) Grant of traffic rights to scheduled carriers is an ongoing process and depends on availability of bilateral rights and requests received from designated carriers based on their commercial judgement to operate on new international sectors. Traffic rights on the following new international routes have last been granted in November, 2012 to Indian scheduled carriers by the Government under bilateral agreements:-

- Delhi-Rome-Madrid/Barcelona (Air India)
- Delhi-Moscow (Air India)
- Delhi-Sydney/Melbourne (Air India)
- Mumbai-Nairobi (Air India)
- Mumbai-Al Najaf (Air India)
- Lucknow-Al Najaf (SpiceJet)
- Varanasi-Al Najaf (SpiceJet)
- Delhi-Ho Chi Minh City (SpiceJet)
- Delhi-Macau (SpiceJet)

- Mumbai-Jakarta (Jet Airways)
- Mumbai-Zurich (Jet Airways)
- Delhi-Tashkent (Jet Airways)
- Mumbai-Ho Chi Minh City (Jet Airways)

This is a commercial decision of the concerned airlines based on their capacity, financial strength and demand on the sector.

Hike in airfares from Gulf countries

787. SHRI P. RAJEEVE: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has taken any steps to regulate the hike in airfares from Gulf countries during season period;

(b) if so, the details thereof; and

(c) the details of airfares during the peak time charged by Air India Express from different Gulf countries to Kochi, Kozhikode and Trivandrum?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K.C. VENUGOPAL): (a) and (b) Air fares are not regulated by the Government. It has been provided in Sub-rule (1) of Rule 135 of the Aircraft Rules, 1937 that every air transport undertaking engaged in scheduled air services shall establish tariff having regard to all relevant factors, including cost of operation, characteristic of services, reasonable profit and the generally prevailing tariff. The airfares so established by the airlines also include charges for some services rendered by them. Accordingly, airlines are free to fix reasonable charges/fee.

(c) In keeping with the low cost carrier model, the Air India Express follows a dynamic pricing system. There are several fare levels with a few seats allocated to each level. When the number of seats booked reaches the limit allocated for a particular fare level, the fare moves to the next level. Thus, the fare for a particular flight at a particular time depends on various factors like booking position on that flight, time to departure date etc. In the peak season, as more people book well in advance, flight gets filled up faster and hence fares move up quicker.

This is a standard practice across the world amongst airlines in general and low cost airlines in particular.