

(b) if so, the details thereof; and

(c) the steps taken to address the issues of charging fares arbitrarily by the airlines, offering unreasonable fares by them to spoil the market and to protect the financial condition of these airlines?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) and (b) No, Sir. Air fares are not fixed by the Government as they are determined by the airline based on interplay of market forces. Under the provision of Sub rule (1) of Rule 135, Aircraft Rules 1937, airlines are free to fix reasonable tariff having regard to all relevant factors, including the cost of operation, characteristic of service, reasonable profit and the generally prevailing tariff. Airfare so established by the airlines is published on their respective website under the provision of Sub Rule (2) of Rule 135, Aircraft Rules 1937.

(c) While the Government no longer regulates the fares that are charged, it is ensured that considerable information is provided to the public in a transparent manner with respect to airline fares: Air Transport Circular 05 of 2009 was issued for scheduled domestic airlines to display the airfare as per the template given in the circular, compliant to Rule 135, Aircraft Rules 1937. To ensure transparency and aid the traveller make an informed choice, DGCA *vide* Air Transport Circular 02 of 2010 has directed the airlines to upload fare sheet displaying fare offered across their network. The fare sheet contains information on various levels of fares starting from the lowest (discounted fares) to full fare offered on all sectors. This is done on a monthly basis and updated whenever there is any revision of fares. DGCA has also set up a Tariff Monitoring Unit in 2010 that monitors airfares on certain routes selected on random basis to ensure that the airlines do not charge airfares outside the range declared by them.

#### **PPP model for new upcoming airports**

20. SHRI BAISHNAB PARIDA : Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is proposed to develop public-private participation (PPP) model for new airports in the country; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) and (b) Airports Authority of India has issued Request for Qualifications (RFQ) to implement Public Private Partnership (PPP) Projects at select four airports, namely, Chennai, Kolkata, Ahmedabad and Jaipur airports.