

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI HARDEEP SINGH PURI): (a) and (b) Ministry of Civil Aviation has launched Regional Connectivity Scheme (RCS UDAN) on 21st October, 2016, to connect un-served and under-served airports in the country, to provide air connectivity. Government of India has granted ₹ 4500 crores for revival of these under-served and un-served airstrips/airports in India. The scheme is demand driven and the bids are invited from airline operators for operation of flights from these airports. The airport for which firm bid is received is developed for operations.

(c) and (d) A proposal was received on 24.04.2018 from State Government of Himachal Pradesh to develop a greenfield airport in Nagchala, District Mandi, Himachal Pradesh. Pre-feasibility study report along with master plan was finalized and forwarded to Government of Himachal Pradesh.

#### **Increasing air ticket prices**

1911. SHRIMATI VIPLOVE THAKUR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government is aware of the increasing air ticket prices in the country;

(b) if so, the details thereof along with the reasons therefor;

(c) whether Government has noticed that the air ticket prices for Delhi-Dharamshala and Dharamshala-Delhi sectors are sometimes raised unbelievably very high;

(d) if so, whether Government has monitored airfare movements of the above sectors and has taken any action with the concerned airlines; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI HARDEEP SINGH PURI): (a) and (b) As per prevailing regulation, air fare is neither regulated nor established by the Government. Airlines are free to fix the reasonable tariff under the provision of Sub-rule (1) of Rule 135, Aircraft Rules 1937 having regard to all relevant factors including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff. The airline pricing system runs in multiple levels [buckets or Reservation Booking Designator (RBDs)] which are in line with practice being followed globally. The prices are fixed by

airlines keeping in mind the market, demand, seasonality and other market forces. The airfare increases with increase in demand of seat as the lower fare buckets get sold out fast when bookings are offered by airlines. Some of the airlines have introduced Apex-90, in addition to existing advance purchase schemes of 60 days, 30 days, 14 days etc., in which highly discounted fares being offered which would entail travelling even during peak seasons on low fares. The fare structures stated above have been displayed by airlines on their websites. The airlines are compliant to the Sub Rule (2) of Rule 135 of the Aircraft Rules, 1937 as long as the fare charged by them is in line with fare displayed on their website.

(c) Very close to the date of departure, it has been observed that airlines sometimes offers seats in higher side of fare bucket as per the respective airline policy. However, the airfares remained well within the fare bucket uploaded by the airlines on the respective websites.

(d) and (e) As per prevailing regulation, all scheduled domestic airlines are required to display route-wise and category-wise fares on their respective websites. With a view to maintain transparency, DGCA monitors airfares on certain routes selected on random basis to ensure that the airlines do not charge airfares outside the range declared by them. The fare monitoring analysis carried out by Directorate General of Civil Aviation (DGCA) in the recent past has shown that the airfares remained well within the fare bucket uploaded by the airlines on the respective websites. In case, any steep fare hike is observed, Ministry of Civil Aviation/Directorate General of Civil Aviation sensitize the airlines for necessary intervention.

#### **Report on postponing disinvestment of Air India**

1912. SHRI SUSHIL KUMAR GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has received any report indicating that postponing disinvestment of Air India would further lower its valuation;

(b) if so, what are the details in this regard; and

(c) what is the present status of disinvestment of Air India?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI HARDEEP SINGH PURI): (a): No, Sir.

(b) Does not arise in view of (a) above.

(c) The Government is committed to the strategic disinvestment of Air India. The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 28.06.2017,