

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION**

**Rajya Sabha**

**UNSTARRED QUESTION NO. : 1770**

**TO BE ANSWERED ON THE 10th March 2021**

**CONSULTATIONS ON INCREASE IN AIR FARES**

**1770. SHRI SANJAY SETH**

**SHRI RAJEEV SATAV**

**Will the Minister of CIVIL AVIATION be pleased to state:-**

- (a) whether Directorate General of Civil Aviation (DGCA) has announced an increase in the fares of air travel in the country;**
- (b) if so, the details thereof and the reasons therefor along with the action taken by Government in this regard;**
- (c) whether Government has consulted all the stakeholders before increasing the fares and if so, the details thereof;**
- (d) whether increase in the fares will adversely affect air passengers and if so, whether Government has received any representation from the air travelers in this regard; and**
- (e) if so, the details thereof and the action taken by Government thereon?**

**ANSWER**

**Minister of State (IC) in the Ministry of CIVIL AVIATION  
(Shri Hardeep Singh Puri)**

**(a) to (e) Due to the outbreak of COVID 19, scheduled domestic operations were suspended w.e.f. 25.03.2020 which were subsequently resumed in a calibrated manner w.e.f. 25.05.2020 with fare capping (lower and upper limit) to ensure that airlines do not charge excessive fare and the journey is performed only for essential purpose. The fare band serves the dual purpose of protecting the interests of the travelers as well as the airlines. One of the inputs while fixing these fare bands was the cost of operation of airlines. The**

**price of Aviation Turbine Fuel( ATF) is an important component of the cost of operation. When the domestic aviation was opened the price of crude oil was about \$ 20 a barrel which touched about \$ 60 a barrel in January 2021. The Ministry reviewed the situation and consulted with the scheduled airlines of India. In order to keep the sector viable as well as to protect the interest of passengers, the lower fare in the fare band was increased by 10% and the upper band was increased by 30% in February 2021 and the fare bands are currently applicable upto 31.03.2021. Airlines, however, are free to decide on the fares within the fare bands with at least twenty percent of the tickets of a particular flight to be sold for the fare less than the mid fare between minimum and maximum fares of a fare band.**

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