

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Rajya Sabha
UNSTARRED QUESTION NO. : 1471
TO BE ANSWERED ON THE 9th December 2024
RISING AIRFARES AND PASSENGER RIGHTS

1471. SHRI K.R.N. RAJESHKUMAR

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

(a) whether Government is aware of the recent surge in domestic airfares and the impact it has had on air travel affordability for the common public;

(b) the steps taken by Government to regulate airfares and ensure fair pricing practices by airlines;

(c) the measures being implemented to strengthen passenger rights, particularly in cases of flight cancellations, delays, and denied boarding; and

(d) Government's plans to promote regional connectivity and make air travel more accessible to people in smaller cities and towns?

ANSWER

**Minister of State in the Ministry of CIVIL AVIATION
(Shri Murlidhar Mohol)**

(a) & (b): The enhancement of capacity through the induction of additional aircraft fleets, the modernization of existing airports, and the development of new airports have rendered air travel more accessible to the general public. This expansion has consequently led to a significant increase in domestic air traffic, as evidenced by the rise in passenger volumes from 70 million in the fiscal year 2014-15 to 153 million in the fiscal year 2023-24. Furthermore, during the current fiscal year 2024-25, as of October, domestic passenger traffic has reached 93,002,510, surpassing the

corresponding figure of 87,995,187 for the fiscal year 2023-24, thereby reflecting an impressive growth rate of 5.7%.

Further, it is stated that airfares are not regulated by the Government, allowing airlines the autonomy to establish their pricing based on operational requirements, market dynamics, seasonal fluctuations, and other relevant factors, in accordance with Rule 135 of the Aircraft Rules, 1937. Nevertheless, the Government maintains a vigilant oversight role. With continuous engagement with airlines and monitoring of airfares by the Government, the airfares have moderated in 2024 relative to 2023.

(c): To ensure appropriate protection for air travellers due to flight delay/cancellation, DGCA has issued Civil Aviation Requirement (CAR) Section 3, Series M, Part IV titled "Facilities to be provided to passengers by airlines due to denied boarding , cancellation of flights and delays in flights."

Further, the AirSewa portal, an initiative by the Ministry of Civil Aviation (MoCA) enables grievance redressal in a time bound manner and provides a one-stop solution for hassle-free air travel. It allows passengers to submit and track grievances related to various stakeholders such as Airlines, Airports, Security, DGCA, Customs, Immigration, BCAS, Helicopter Services under various grievance categories viz. Refunds, Cancellations, Baggage Claim, Flight delay etc.

(d): To promote regional connectivity and make air travel more accessible, the Government is actively implementing the Regional Connectivity Scheme (RCS)-UDAN.A total of 87 unserved and underserved airports, including 13 heliports and 2 water aerodromes have been developed and operationalized under the scheme.

To ensure the affordability of regional air travel, the UDAN scheme provides financial incentives to airline operators on regional routes that include: Concessions by the Central Government, State Governments/ Union Territories and airport operators to reduce airline operation costs. Viability Gap Funding (VGF) to bridge the gap between operational costs and expected revenues on such routes.

The airfare on the RCS seats on which VGF is provided to the Selected Airline Operators (SAOs) is for a 3-year tenure and Airfare is capped at a subsidized rate and which is liable to be indexed at every quarter. There is a maximum permissible Airfare cap for RCS seats as specified under the contract, and no airfare cap is fixed for Non-RCS seats.

The above measures aim to strengthen affordability, accessibility and overall passenger convenience in the aviation sector, thereby promoting regional development and economic growth.
