

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:365
ANSWERED ON:02.12.2004
LOW FARE AIR TRAFFIC
Thomas Shri P.C.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether some airlines companies have proposed to start low fare, budget, flights on domestic and International Sectors including Gulf region,
- (b) if so, the response of the Government thereto;
- (c) whether NRI's in Gulf region have demanded low cost flights; and
- (d) if so, the steps being taken by the Government to reduce in fare?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

- (a) and (b) :- Air India has decided to launch a new budget airline- Air India Express- under its wholly owned subsidiary, Air India Charters Limited, for operations to Gulf and South East Asia regions. Government has initiated necessary action to designate Air India Express for these operations. As regards domestic sector, fares are deregulated and airlines are free to charge any fare depending on their commercial consideration.
- (c) Yes, sir
- (d) Air India Express will be offering lower fares on Gulf routes.