

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
STARRED QUESTION NO. 297
ANSWERED ON FRIDAY, THE 18TH DECEMBER, 2015
[AGRAHAYANA 27, 1937 (SAKA)]**

AIR FAIR CARTELISATION

QUESTION

***297. SHRI V. PANNEERSELVAM:
SHRIMATI KOTHAPALLI GEETHA:**

**Will the Minister of CORPORATE AFFAIRS कारपोरेट कार्य मंत्री
be pleased to state:**

- (a) whether the Competition Commission of India (CCI) has held some leading airlines responsible for cartelisation;**
- (b) if so, the details thereof along with the name of airlines and action taken by the Government in the matter;**
- (c) whether the Government imposes penalty on airlines found to be involved in air fare cartelisation and if so, the details thereof;**
- (d) whether there is any mechanism/policy for providing compensation to victims of such cartelisation and unfair trade practices and if so, the details thereof; and**
- (e) the corrective steps taken/being taken by the Government/CCI to recover the penalty and to contain cartelisation by companies in future?**

ANSWER

**THE MINISTER OF CORPORATE AFFAIRS
कारपोरेट कार्य मंत्री**

**(SHRI ARUN JAITLEY)
(अरुण जेटली)**

(a) to (e) A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA
STARRED QUESTION NO. 297 FOR 18.12.2015 REGARDING AIR FAIR
CARETELISATION**

(a) to (c) Yes, Madam. The Competition Commission of India (the Commission) vide order dated 17/11/2015 in case No.30 of 2013 titled “Express Industry Council of India vs Jet Airways India Ltd. and others” has held that Jet Airways, Indigo Airlines and Spicejet have acted in a concerted manner in fixing and revising the fuel surcharge rates and have thereby contravened the provisions of the Competition Act, 2002 (the Act) prohibiting anti-competitive agreements. The Commission has levied a penalty of Rs.151.69 crore on Jet Airways, Rs.63.74 crore on Indigo Airlines and Rs.42.48 crore on Spicejet at the rate of one percent of their average turnover for the years 2010-11, 2011-12 and 2012-13.

(d) As per section 53N of the Act, Competition Appellate Tribunal has the power to order recovery of compensation from any enterprise for any loss or damage shown to have been suffered, by the Central Government or a State Government or a local authority or any enterprise or any person as a result of cartelization by enterprises.

(e) The above-mentioned 3 airlines were directed to deposit the penalties within 60 days from the receipt of the order dated 17/11/2015 passed by the Commission. Anti-competitive agreements including cartelization are prohibited under section 3 of the Act and the Commission can initiate action under section 19 thereof on receipt of any information or reference in this regard.
