

DA/MKT/001/08/2022- 44

Date: 28th June 2022

CIRCULAR

To: All KB Sales Outlets From: Commercial Division

Subject: Re-structuring of airfares and discount categories

The tourism industry has seen the hardest impact of COVID-19 pandemic, with airlines being impacted the most globally. Consequently, there has been a severe impact on Drukair's overall revenue since the onset of pandemic, with flight operations almost coming to a standstill and drastic reduction in passenger numbers.

The global tourism trend is still showing a very marginal probability of the tourism industry rebounding in 2022. Therefore, in order to ensure financial stability post pandemic and in line to Drukair's long term goal of maintaining one level of airfare for all nationals, the 3-tier airfare will be re-structured to 2 tiers that is Local and Rest of the World airfares. This is as approved by the Bhutan Civil Aviation Authority (BCAA) vide letter number BCAA/LEG/06/2021-2022/900 dated 28th June 2022.

The airfare structure will be revised into the following categories:

- 1. Local Airfares (S & C Class)- Applicable to all Bhutanese nationals.
- 2. RoW Airfares (Y & J Class)- Applicable to rest of the world.

The following discount categories will also be discontinued:

- 1. Student discount (SD30).
- 2. Permanently disabled discount (SB30).
- 3. Senior citizen discount (CD25).

This will be effective for sale on or after 1st July 2022.







(Drukair Corporation Limited)

DA/MKT/008/01/2022-47

Date: 30th June 2022

CIRCULAR

To: All KB Sales Outlets
From: Commercial Division **

Subject: Re-structuring of airfares and discount categories

This is with reference to the circular number DA/MKT/008/01/2022-44 dated 28th June 2022. The following processes are to be implemented in line to the aforementioned circular.

1. Airfare Difference:

- A. The new airfare category is applicable for all the tickets issued on or after 01st July 2022, even if the booking is made before 01st July 2022.
- B. If a ticket is issued in Q class or under any discontinued discounted airfares before 01st July 2022, and the passenger submits for sector or route change the new airfares will apply and the difference amount is to be collected.

2. Penalty:

- A. For all the tickets issued before 01st July 2022 on Q class or under any discounted airfare class, and in the event of date change, no show or name change; only applicable penalty is to be collected.
- B. However, in case of sector or route change, both airfare difference and penalty (as per TFS) is to be collected.

3. Airfare class categorization and collection:

- A. S Class and C Class airfares are applicable for Bhutanese.
- B. Y Class and J Class airfares are applicable for Rest of the World.
- C. J Class airfare is open for all sectors.
- D. For walkin customers, sales outlets to collect airfares in ngultrum equivalent for those nationalities eligible to pay in ngultrum.



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पर्चियाःशामयः पर्चीताः तथाः पह्रथः क्री

(Drukair Corporation Limited)

Sincerely,



Wangchuk Tshering Head- Commercial Division

CC:

Chief Executive Officer, for kind information
All Directors, for kind information
Internal Audit, for kind information
Revenue Manager, for kind information
Station Managers, for kind information
Sales & Distribution Manager, for kind information
Fare Administrator, for kind information and necessary action.



त्रमुगार्थापत् त्रमुयायश्वातहें मुर्जि । (Drukair Corporation Limited)

Thank you,



Wangchuk Tshering Head of Division- Commercial

CC:

Chief Executive Officer, for kind information
All Directors, for kind information
Internal Audit, for kind information
Revenue Manager, for kind information
Station Managers, for kind information
Sales & Distribution Manager, for kind information
Fare Administrator, for kind information and necessary action.