

GOVERNMENT OF INDIA
OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION
OPPOSITE SAFDARJUNG AIRPORT, NEW DELHI-110003

No. 4/1/2020-IR
Dated: 07-10-2020

CIRCULAR

Sub: Refund on cancellation of air tickets during COVID 19 lockdown- Reg.

The Hon'ble Supreme Court of India has passed judgement in Pravasi Legal Cell & Ors Vs Union of India & Ors in Writ Petition (C) D.No. 10966 of 2020 with Writ Petition (C) No. 570 of 2020, Writ Petition (C) No. 595 of 2020 and Writ Petition No. 952 of 2020 on 01-10-2020 relating to refund on cancellation of air tickets during Covid -19 lockdown.

2. As per the directions issued by the Hon'ble Supreme Court of India in its above referred judgement, the passengers whose tickets were cancelled due COVID-19 and are seeking refund can be categorized as under:

- (i) Passenger who booked tickets during lockdown for travel during lockdown i.e. from 25th Mar 2020 to 24th May 2020.
- (ii) Passengers who booked tickets any time prior of lockdown but journey up to 24th May 2020 and cancelled due COVID-19.
- (iii) Passengers who booked ticket anytime but for Journey after 24th May 2020.

3. In respect of refund of fares to the passengers falling in Category (i) of para 2 above, the Hon'ble SC has issued the following directions for strict compliance of all stakeholders:

- (a) If a passenger has booked a ticket during the lockdown period (from 25th March, 2020 to 24th May, 2020) for travel during lockdown period and the airline has received payment for booking of air ticket for travel during the same period, for both domestic and international air travel and the refund is sought by the passenger against that booking being cancelled, the airline shall refund the full amount collected without any cancellation charges. The refund shall be made within a period of three weeks from the date of cancellation.
- (b) If the tickets have been booked during the lockdown period through a travel agent for a travel within the lockdown period, in all such cases full refund shall be given by the airlines immediately to the respective travel agent. On such refund by the airline, the amount shall be passed on immediately by the agent to the passengers.

- (c) Even for international travel, when the tickets have been booked on an Indian carrier and the booking is ex-India, if the tickets have been booked during the lockdown period for travel within the lockdown period, immediate refund shall be made.
- (d) If the tickets are booked for international travel on a foreign carrier and the booking is ex-India during the lockdown period for travel within the lockdown period, full refund shall be given by the airlines and said amount shall be passed on immediately by the agent to the passengers, wherever such tickets are booked through agents. In all other cases airline shall refund the collected amount to the passenger within a period of three weeks.

4. In respect of refund of fares to the passengers falling in Category (ii) of para 2 above, the Hon'ble SC has issued the following directions for strict compliance of all stakeholders:

- (a) In all other cases wherein the tickets have been booked for journeys up to 24th May 2020 and have been cancelled due to COVID situation, the airlines shall make all endeavors to refund the collected amount to the passenger within 15 days from today. If on account of financial distress, any airline / airlines are not able to do so, they shall provide credit shell, equal to the amount of fare collected, in the name of passenger when the booking is done either directly by the passenger or through travel agent so as to consume the same on or before 31st March, 2021. It is open to the passenger either to utilize such credit shell up to 31st March, 2021 on any route of his choice or the passenger can transfer the credit shell to any person including the travel agent through whom he / she has booked the ticket and the airlines shall honour such a transfer.
- (b) The credit shell issued in the name of the passenger shall be transferable which can be utilized up to 31st March, 2021 and the concerned airline shall honour such a transfer by devising a mechanism to facilitate such a transfer. It is also made clear that such credit shell can be utilized by the concerned agent through whom the ticket is booked, for third party use. It is also made clear that even in cases where credit shell is transferred to third party, same is to be utilized only through the agent who has booked the ticket at the first instance.
- (c) In cases where passengers have purchased the ticket through an agent, and credit shell is issued in the name of passenger, such credit shell is to be utilized only through the agent who has booked the ticket. In cases where tickets are booked through agent, credit shell as issued in the name of the passenger which is not utilized by 31st March, 2021, refund of the fare collected shall be made to the same account from which account amount was received by the airline.

(d) In all cases where credit shell is issued there shall be an incentive to compensate the passenger from the date of cancellation up to 30th June, 2020 in which event the credit shell shall be enhanced by 0.5% of the face value (the amount of fare collected) for every month or part thereof between the date of cancellation and 30th June, 2020. Thereafter the value of the credit shell shall be enhanced by 0.75% of the face value per month up to 31st March, 2021.

(e) However, If the passenger falling in this category have booked ticket for international travel on a foreign carrier and the booking is ex-India, then the airline shall make full refund to the passenger within three weeks from the date of Judgement of Hon'ble Supreme Court. In case such tickets are booked through agents then the airline shall immediately refund the amount to the agent and agent shall immediately pass on the amount to the passenger and the process shall be completed in three weeks from the date of Judgement by the Hon'ble SC.

5. In respect of passengers falling in Category (iii) of para 2 above, the Hon'ble Supreme Court has issued the following directions:

Passengers, both domestic or international (where booking is Ex –India) who have booked tickets at any period of time but for the travel after 24th May, 2020 – refund of fares to such passengers covered under this category shall be governed by the provisions of applicable Civil Aviation Requirements (CAR).

6. All stake holders are hereby instructed to ensure strict compliance of the directions issued by the Hon'ble Supreme Court in the above said judgement.

7. This issues with the approval of Director General.

8. Please acknowledge the receipt



(Sunil Kumar)

Joint Director General

To,

All scheduled Indian airlines;

All scheduled International airlines operating to/from India.