GOVERNMENT OF INDIA

OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION

TECHNICAL CENTRE, OPP SAFDURJUNG AIRPORT, NEW DELHI

CIVIL AVIATION REQUIREMENTS
SECTION 3 – AIR TRANSPORT
SERIES 'M', PART II
DATED 24 February, 2026 **EFFECTIVE: 26 March 2026**

File No. 23-16/2016-AED

Subject: Refund of Airline Tickets to Passengers of Public Transport Undertakings.

1. **Introduction**

1.1 The issue of refund of tickets by airlines has become a major source of grievance amongst airline passengers. A large number of complaints are regularly received which can broadly be divided into the following categories:

(a) Delay in refund of unused tickets

(b) The amount which is refunded by the airlines against cancelled tickets.

(c) Policy of not to refund the ticket amount but to adjust against tickets to be purchased by the passenger for future travel in the same airline that too valid for a limited period of time.

1.2 While the Government is committed not to interfere in the commercial practices of the airlines, the volume of the complaints necessitates some affirmative action to safeguard the interest of the traveling public. The matter has been discussed in several meetings with the airlines with no improvement in the system adopted by airlines for refund of tickets. It is now considered that the onus rests with the Government to fix some minimum bench marks, as far as the refund policy is concerned in order to stem the growing dissatisfaction among the passengers regarding the refund procedures adopted by some airlines.

2. This CAR prescribes minimum requirements for refund of ticket purchased by persons/passengers with respect to air transport undertakings including scheduled domestic/non-scheduled operators/ foreign carriers operating to/from India.

This CAR is issued in public interest as per Rule 133A of the Aircraft Rules and Ministry of Civil Aviation Order No. AV 13030/105/2007-DT dated 12 May, 2008.

3. Requirements

a) In case of credit card payments, refund shall be made by the airlines within seven days of the cancellation to the account of credit card holder.

b) In case of cash transactions, refund shall be made immediately by the airlines office from where the ticket was purchased.

c) In case of purchase of ticket through travel agent/portal, onus of refund shall lie with the airlines as agents are their appointed representatives. The airlines shall ensure that the refund process is completed within 14 working days.

d) The airlines shall refund all statutory taxes and User Development Fee (UDF)/Airport Development Fee (ADF)/Passenger Service Fee (PSF) to the passengers in case of cancellation/non-utilisation of tickets/no show. This provision shall also be applicable for all types of fares offered including promos/special fares and where the basic fare is non-refundable.

e) The airline shall provide "Look-in option" for a period of 48 hours after booking ticket. During this period passenger can cancel or amend the ticket without any additional charges, except for the normal prevailing fare for the revised flight for which the ticket is sought to be amended. This facility shall not be available for a flight whose departure is less than 7 days for domestic flight and 15 days for international flight from booking date when ticket is booked directly through airline website. Beyond 48 hours of initial booking time, this option is not available and the passenger has to pay the relevant cancellation fees for amendment.

f) The option of holding the refund amount in credit shell by the airlines shall be the prerogative of the passenger and not a default practice of the airline.

g) The airlines should indicate in an unambiguous manner the amount of refund of money admissible on cancellation of a ticket. For this purpose, the amount and its break-up may be indicated on the ticket itself or through separate form used for the purpose, and the policy and amount of refund shall also be displayed by the airlines on their respective websites.

h) Cancellation charges must be indicated prominently at the time of booking.

i) Under no circumstances, the airline or its agent shall levy cancellation charge more than the basic fare plus fuel surcharge. This will exclude any charges levied by the travel agent, which have been fully disclosed at the time of booking. It shall be the responsibility of the airline to ensure this through their contracts with travel agents/portals.

j) The airlines shall not levy any additional charge to process the refund.

k) Foreign carriers operating to/from India shall refund the tickets in accordance with regulations of their country of origin. The mode of refund shall be in accordance with Para 3 (a), (b) & (c) of this CAR.

l) Airline shall not levy any additional charge for correction in name of the same person when the error is pointed out by the passenger within 24 hours of making the booking, when ticket is booked directly through airline website.

m) In the event of ticket cancellations due to a medical emergency, where the passenger or a family member listed on the same PNR gets admitted/hospitalized during the travel period, airlines may provide either a refund or a credit shell. For all other situations, refunds will be issued once an opinion on the passenger's fitness to travel certificate is received from an airline's Aerospace Medicine specialist/ DGCA empanelled Aerospace Medicine specialist.

24/2/26

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