



GOVERNMENT OF INDIA
OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION
TECHNICAL CENTRE, OPP. SAFDARJUNG AIRPORT, NEW DELHI

AIR TRANSPORT CIRCULAR 02 OF 2016

F. No. Tariff/1/2013-AED

Dated: 10th June 2016

Effective: 1st July 2016

Subject: Unbundle of services and fees by scheduled airlines

1. Sub-rule (1) of rule 135 of the Aircraft Rules, 1937 states that every air transport undertaking engaged in scheduled air services shall establish tariff having regard to all relevant factors, including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff.
2. The airfares so established by the airlines also include charges for some of the services rendered by them. On the basis of various feedback received, it is felt that many a times these services provided by the airlines may not be required by the passengers while travelling. Considering the fact that unbundling of services and charges thereto has the potential to make basic fare more affordable and provides consumer an option of paying for the services which he/she wishes to avail, it has been decided by the Government to allow following services to be unbundled and charged separately on opt-in basis:
 - (i) Preferential seating
 - (ii) Meal/snack/drink charges (except drinking water)
 - (iii) Charges for using airline lounges
 - (iv) Check-in baggage charges (above 15 kgs. of free check-in baggage allowance. Between 15-20 kgs of checked-in baggage, the charge per kg shall not be more than INR 100). However, airlines are allowed to offer "no check-in baggage/ hand baggage only" fare scheme subject to the condition that the penalty to be imposed on a passenger, who avails such schemes but turns up with baggage for check-in at airline counter, cannot exceed the amount of incentive offered compared to lowest fare.
 - (v) Sports equipment charges
 - (vi) Musical instrument carriage

- (vii) Fee for special declaration of valuable baggage (allow for higher unit on carrier liability)
3. While Safety, schedule integrity and reliability of operations are integral components of air travel which cannot be compromised, the unbundling of above services and fees by scheduled airlines is subject to following guiding principles:
- 3.1 Services permitted for unbundling shall be distinct with a clear description and without any ambiguity.
- 3.2 Customer should have clear information of these services and their charges so that he/she opts-in only for the services they would like to avail thereby reducing potential confusion and chances of selecting the services he/she would not like to avail/purchase at the time of booking.
- 3.3 The unbundled services **must** be provided on “opt-in” basis and **not on** “opt out” basis.
- 3.4 Scheduled airlines may offer special package/allowance for carriage of sports equipment and musical instruments for the international/national level players and artists respectively representing India.
- 3.5 Charges for the unbundled services shall be a fixed amount and shall not vary with the base fare for a particular sector/flight.
- 3.6 Changes, if any, should be announced at least 30 days in advance by the airlines.
- 3.7 Scheduled airlines shall display the unbundled services and charges thereto on their respective website in a transparent and conspicuous manner.
- 3.8 Scheduled airlines shall also display on their respective website in a transparent and conspicuous manner that the booking/reservation can be made without opting/ availing the unbundled services as indicated in Para 2.
- 3.9 It shall be the responsibility of the scheduled airlines that their travel portals/travel agents display the unbundled service and charges thereto in a similar manner as displayed by the airlines on their website.
- 3.10 Scheduled airlines shall also ensure that their travel portals/travel agents charge the consumer for only those services he/she would require.
- 3.11 Scheduled airlines shall not discriminate passengers with disability and/or reduced mobility with regard to provision of wheel chair/other assistive devices. Airlines

shall continue to follow the provisions of CAR Section 3, Series M, Part I in this regard.

- 3.12 In case of revision of charges/fee for such services by the scheduled airlines, the difference, if any, shall not be charged from the consumer who has already paid for.
- 3.13 In case of failure to provide any service already paid for by the consumer, it shall be the sole responsibility of the scheduled airline to refund the same.
- 3.14 Scheduled airlines shall ensure that while pre-assigning emergency row seats, all regulatory provisions are strictly adhered to i.e. to ensure appropriateness of persons occupying those seats.
4. Airlines seeking to charge for unbundled services mentioned in Para 2 of this Circular, shall file the same to DGCA in the following format:
 - a) Product description
 - b) Charge/fees
 - c) Manner of disclosure to public
 - d) Terms and conditions that are applicable to each of the unbundled services
5. Scheduled domestic airlines are also required to ensure the following:
 - a) Furnish the list of the unbundled services and their fees to DGCA on every first day of the calendar month.
 - b) Maintain all records pertaining to such services in its office as envisaged in sub-rule (3) of rule 135 of the Aircraft Rules, 1937.
6. Although scheduled airlines are free to fix the charges/fee for the unbundled services, yet DGCA reserves the right to intervene and stop the scheduled airlines from charging for any specific unbundled service if principles such as opt-in, transparency, non-discrimination are found to be violated by the airlines.
7. This supersedes Air Transport Circular 03 of 2015 dated 08th Nov 2015.



(M. Sathiyavathy)
Director General of Civil Aviation

To: All scheduled domestic airlines