

# CENTRAL CONSUMER PROTECTION AUTHORITY

Ref: F. No. J – 25/25/2021 – CCPA

In the Matter of: Suo Moto case against Yatra Online Ltd.

**CORAM:**

**NIDHI KHARE, CHIEF COMMISSIONER**

**ANUPAM MISHRA, COMMISSIONER**

Dated: 30/06/2022

## ORDER

1. Based on the grievances lodged at National Consumer Helpline regarding non refund of cancelled air tickets on account of COVID – 19 lockdown, the Central Consumer Protection Authority issued notice to Yatra Ltd. (opposite party) on 09.03.2021.
2. In response to the aforementioned notice, opposite party vide email dated 14.04.2021 submitted that as per DGCA circular dated 07.10.2020, the primary onus of refund has is on the airlines and they are merely travel agents who are required to pass on refund to the customer upon receipt of the same from airlines.
3. It was further submitted that, in certain cases, if there is lapse of time between original date of payment and the date of refund (by airlines) by 180 days, the amount of refund might not be initiated to the original source of payment, hence NEFT/banking details of the customers is required for processing the refund. After receiving the said details from the customers, company takes immediate steps to process the refunds.
4. The Authority heard the submissions of the opposite party through video conference held on 08.07.2021 the company was directed to file their written submissions stating the steps taken by them fort expediting refunds and their future course of action, how many refunds against cancelled air tickets are still pending due

to non-refund from concerned airlines, how many refunds have been processed till date, number of refunds which were unable to be processed due to non-availability of customer details.

5. Further, Central Authority also advised the opposite party to make suitable modifications on their website by way of banner or pop up prominently highlighting the step by step process for claiming refunds of cancelled air tickets on the account of Covid 19 lockdown, refund status, information required for processing refunds etc.

6. Subsequently, opposite party vide email dated 23.07.2021 submitted that there are 1,44,425 bookings that have been affected due to Covid -19 lockdown. Out of which, refunds have already been successfully initiated on 1,00,200 bookings, on 30,505 bookings refund is pending due to non-availability of bank details of consumers details and customers have already been sent communications in this regard advising them to provide their details for processing the refund or to visit website of the Company to claim their refunds, on 5,771 bookings refund has still not been received from the Airlines and they are being followed up in this regard and on 7,949 bookings customers have either opted to use the credit shell, as provided by the airlines, by rescheduling their travel to a future date or customers have opted to exchange tickets directly with Airlines for future travel date and hence no need to provide refund by the company.

7. After examining the reply of the opposite party, the Central Authority vide order dated 10.08.2021 passed the following directions:

- i. In so far as those customers who are unable to receive their refunds due to lack of financial details, the Opposite Party may make suitable arrangement by way of sending SMS or calling to these customers clearly stating that refunds against cancelled air tickets has been received from the concerned airlines and for the same the customers, if required, would have to furnish their bank account details to the Opposite Party. No additional charges would be charged for receiving the refund and the Opposite Party shall ensure privacy of the financial details of the customers.
- ii. The Opposite Party is requested to submit their written submission at the earliest stating the steps taken by them for expediting refunds and their future course of action, how many refunds against cancelled air tickets are still

pending due to non-refund from concerned airlines, how many refunds have been processed till date, numbers of refunds which were unable to be processed as the customers have not responded.

- iii. The Opposite Party should also make suitable modifications on their website by way of banner or pop up prominently highlighting the step by step process for claiming refunds of cancelled air tickets on account of COVID - 19 lockdown, refund status, information required for processing refunds etc.

8. As per the above directions, opposite party through email dated 03.09.21 submitted that from the date of last reply i.e 23.07.2021 and till 23.08.2021 the Company has initiated refunds against 9,171 more booking in past few days and the figures are constantly changing and refunds on total 1,09,371 bookings have been provided.

9. It was further submitted that, for 4892 bookings refund has still not been received from the airlines, on 22,200 bookings where the refunds have not been processed to the customers even after receiving the amount from airlines, the customers have been duly communicated through SMS asking them to claim the refund from website: Yatra.com by updating banking details and 'Check your Refund' and 'Not able to Claim Refund' tab is very much visible on Company's website and the customers can easily find the pop up tab of the same on homepage of the Company's website.

10. The Central Authority vide communication dated 01.04.22 directed the opposite party to submit an updated status report on refund processed till date along with details of refund pending from specific airlines.

11. Through email dated 11.04.22 the opposite party submitted its latest status of refunds pending on tickets affected due to Covid -19 lockdown. As per the report, out of 144,425 booking affected, a total of 113,489 bookings have been refunded, 4434 bookings are pending for refund due to airlines and 18,540 bookings are pending for refund due to non-availability of bank/NEFT details of the consumers. Total of 22,974 booking are pending for refund.

12. It is pertinent to observe that in the period of 8 months i.e. from 03.09.21 to 11.04.22, the opposite party has provided refund on 7,778 bookings only and a total 22974 bookings are still pending for refunds. Out of total bookings pending for refund,

majority i.e 18,540 bookings are pending for refund due to non-availability of consumer bank details.

13. Time and again the opposite party has submitted that the Company has done its efforts to reach out to the customers for seeking bank details to initiate refunds and has also submitted to the Central Authority, the copy of communication sent to the consumers. Further the opposite party has repeatedly stated that, it is always their endeavor to prevent delay in refund of the booking amount to the customers once the same has been received from the airlines. However, the data as per their submission does not reflect the same. Contrarily, in the span of 8 months only 15% of the previous pending has been processed. It is quite unlikely that consumers who have paid their hard earned money have not approached the opposite party to provide necessary details required for processing of refund. It appears that, the opposite party has not made sincere efforts in approaching the consumers.

14. 5,771 bookings were pending for refund due to refunds pending from airlines as on 23.07.21 and even after 8 months 4,434 bookings are pending for refund due to refund pending from airlines. The opposite party has shifted the onus of pending refunds of cancelled air tickets on airlines without sufficiently showing that they have initiated necessary action against any airlines for claiming refunds on behalf of their customers.

15. The Apex Court in its decision in *Pravasi Legal Cell vs Union of India* (W.P.(C)D.No.10966 of 2020) dated 01.10.2020 has directed as follows under para 19:

*2. 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. On such refund, the amount shall be passed on immediately by the agent to the passengers.*

*6. In all other cases, 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 31<sup>st</sup> March, 2021. It is open to the passenger either to utilize such credit shell upto 31<sup>st</sup> 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 honor such a transfer.*

16. It is very unfortunate that even after 2 years consumers have still not been able to receive their refund. The opposite party cannot shun their responsibility by simply stating that they do not have requisite bank details of consumers. It is their duty to ensure that consumers who had availed their services and whose air tickets got cancelled due to Covid 19 lockdown receive either refund or credit shell as per their requirement.

17. Therefore, in light of the aforementioned reasons, the opposite party is directed to start a campaign in mission mode to collect relevant details and take necessary action towards airlines from which refunds are pending and right away expedite to provide refund on all the remaining 22,974 bookings (18,540 + 4434 bookings) within a month from the date of receipt of this communication and submit a compliance report to this authority within 45 days.



(Nidhi Khare)

Chief Commissioner



(Anupam Mishra)

Commissioner