# <u>CENTRAL CONSUMER PROTECTION AUTHORITY</u> Krishi Bhawan, Dr. Rajendra Prasad Road, New Delhi-110001

### Ref: F. No. CCPA-2/10/2024-CCPA

In the Matter of: Suo Moto case against InterGlobe Aviation Ltd. (herewith also referred as IndiGo Airlines)

### CORAM:

## NIDHI KHARE, CHIEF COMMISSIONER ANUPAM MISHRA, COMMISSIONER

#### Dated: 19.06.2024

#### ORDER

- Based on the grievances lodged at National Consumer Helpline regarding deficient services such as luggage damage, last-minute flight cancellations, inadequate assistance during departure delays, and unsatisfactory customer service the Central Consumer Protection Authority issued notice to InterGlobe Aviation Limited (IndiGo) on 13.02.2024 wherein *inter alia* following issues were raised:
  - i. Unfair Seat Allocation Practices.
  - ii. Confirm Shaming on Indigo Airlines App.
  - iii. Lack of Transparent Communication on Seat Assignment.
  - iv. 813 Grievances Registered with National Consumer Helpline out of which 234 grievances remain unresolved.
- 2. In response to the aforementioned notice, the airline vide its response dated 10.05.2024 submitted that all the complaints registered on NCH have been resolved by IndiGo. The airline further submitted their response on the issues which are provided as under:
  - (i) Unfair Seat Allocation Practices: 'Preferential Seating' is permitted to be offered as an Unbundled Service' on an opt-in basis, by the aviation regulator i.e., the Directorate General of Civil Aviation (`DGCA') vide Air Transport Circular 01 of 2024 dated 23rd April 2024. The relevant provisions of the said Circular does not impose any restrictions or qualifications upon airlines offering Preferential Seating. Thus, airlines are at complete freedom to decide the number

and manner of offering Preferential Seating services, while ensuring compliance with the Circular. Accordingly, IndiGo offers such Preferential Seating on an opt-in basis, while ensuring utmost compliance with the said Circular.

IndiGo offers an Unbundled Service to its passengers called "Seat Select" which allows an option to the passenger to select a seat on a flight of their choice and comfort. As part of Seat Select, IndiGo's pictography displays the Preferential Seating plan/layout along with the respective fees and charges. It is further clarified that such offering is entirely optional and IndiGo does not mandate that the customer select a paid seat at the time of booking their tickets.

There are a fixed number of seats offered by IndiGo under the paid seating category across its flights. However, it may be noted that at the time of booking a customer can choose any one of the following options:

- (A) a paid seat of their choice (`through Seat Select');
- (B) a free seat of their choice; or
- (C) a free seat (`through the skip option/button'), which means that their seat will be auto-assigned.

In the event that a customer opts to skip the seat selection process: they will be auto-assigned a seat, which is on a random basis, either during web check-in or at the airport check-in counter; and such random seat assignment may include any seat which may originally be designated as a paid or free seat on the seat map displayed on the website/app at the time of booking.

Additionally, IndiGo also makes available certain seats, which would otherwise be designated as "paid seating", free of cost when purchased as part of the special fares offered by IndiGo such as the "6E Flexi" and "Super6E" Fare".

ii. Confirm Shaming on Indigo Airlines App: It is submitted that travel assistance is an add-on service provided by a third-party service provider and the customer is given a choice to opt out of the service. The intention behind providing the service is only to make the travelling experience hassle -free for a customer and never to

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create any sense of fear, shame, ridicule or guilt in the mind of the customer., IndiGo has changed the verbiage to "No, I will not add to the trip" making their choice clearer and unbiased.

- iii. Lack of Transparent Communication on Seat Assignment: It is submitted that the "Skip" and "Continue" button on the website of IndiGo at the seat selection page are prominently and clearly visible. IndiGo has used a contrasting color scheme and ensures both toggle buttons are in different colors to ensure that there is no confusion in the minds of the consumer.
- iv. Grievances Registered with National Consumer Helpline: It is further stated by the airline that regarding the 813 grievances registered on NCH, they all have been resolved by the airline and given the size of operations of IndiGo, there may be instances/grievances of alleged unsatisfactory or deficient services. However, IndiGo remains committed to monitor and ensure the highest level of customer satisfaction.
- The Authority heard the submissions of the airline through video conference held on 05.06.2024 where in Counsels Mr. Amar Gupta, Ms. Priyanshi Saxena, Mr. Niraj Batra & Ms. Avni Sharma appeared on behalf of IndiGo Airlines.
- 4. The airline during the hearing submitted the following submissions which are as under:
  - i. "Preferential Seating" is permitted to be offered as an "Unbundled Service" on an opt-in basis by the Directorate General of Civil Aviation ("DGCA") vide Air Transport Circular No. 01 of 2024 dated April 23, 2024.
- ii. The said circular does not impose any restriction with respect or qualifications with respect to airlines offering Preferential Seating including the number of seats designated as "Preferential Seats".
- iii. IndiGo offers an "Unbundled Service" to its passengers called "Seat Select" which allows the passenger a choice and option to select a preferred seat of their choice and comfort on the concerned flight. This allows IndiGo to keep the basic fare low and provide affordable air transport across the country.

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- iv. Pertinently, "Seat Select" is a Preferential Seating service and not a charge for a seat on the flight. As part of fare paid by a passenger, they are guaranteed seating on the aircraft and no additional charge is levied for the same. By use of the "Seat Select" service, a passenger is paying a certain pre-informed amount to ensure that they are allotted a seat of their preference in the aircraft.
- v. As part of the "Seat Select" service, IndiGo pictographically displays the colorcoded Preferential Seating plan/layout along with the respective fees and charges and also displays the resultant additions of the fare on the right-hand side of the website screen.
- vi. It is to be noted that the customer who chooses a random seat/selection or board the seat on the last date of booking, he may end up at one of the seats which is not so conveniently allocated. The process provided is clear that if a customer chooses a preferred seat then he will be charged for it. The whole basis of this model is derived from the framework of DGCA.
- vii. The terms of Preferential Seating and the option available with the passenger with respect to seat selection/auto-assignment are clearly displayed on the website and/or mobile application and also in IndiGo's Conditions of Carriage.
- viii. Additionally, even if a passenger selects the "Continue" button without making a seat selection instead of the "Skip" button, the booking will continue and is not terminated.
- 5. Upon examination of the submissions submitted by the airline, CCPA observed that
  - a. The IndiGo Airline vide its response dated 10.05.2024 addressed the issue of "Dark Patterns" thereby rectifying the language of their pop-up message from "No I will take the risk" to "No, I will not add to the trip".
  - b. "IndiGo's Seat Select feature integrates visual depictions of the Preferential Seating layout emphasizing the pricing of available seats. The airline has asserted that this service is discretionary and consumers are not obliged to opt for a paid seat during the ticket booking procedure.

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- c. Regarding the 813 grievances registered on NCH, they all have been resolved by the IndiGo Airline.
- d. CCPA noted Para 3.1 and 3.2 of the DGCA Circular dated 23.04.2024 which provides as following:

" 3.1 Services permitted for unbundling shall be distinct with a clear description and without any ambiguity".

"4.2 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".

- e. CCPA further noted that in the web check-in process, the airline does not inform the consumer in a distinct clear & unambiguous manner that consumers can complete web check-in without choosing a preferred seat.
- 6. In view of the above, the Central Authority issues the following directions:

a. The Airline is hereby directed to comply with the directions of DGCA Circular dated 23.04.2024 and to examine the feasibility of introducing a feature in the web check-in process wherein the consumers are informed in distinct clear & unambiguous manner that web check-in can be completed without selecting a preferred seat as in such a scenario the same will be auto assigned.

b. The Airline is directed to submit their compliance report within 15 days of issuance of this Order.

(Nidhi Khare)

Chief Commissioner

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(Anupam Mishra) Commissioner