

**Bill No. 101 of 2024**

THE AIRLINES PASSENGER SERVICES AUTHORITY  
BILL, 2024

By

SHRI HIBI EDEN, M.P.

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BILL

*to establish the Airlines Passenger Services Authority for the protection of passenger rights in airlines and to provide compensation for flight delay, cancellation, denied boarding, and baggage lost or damage and to regulate the rights of frequent travellers in India;*

WHEREAS, airlines passengers face various issues such as flight delay, cancellation, denied boarding, and baggage lost or damage, leading to inconvenience and financial loss;

AND WHEREAS, travellers shall be protected under regulations that guarantee their rights in case of any inconvenience or loss;

AND WHEREAS, it is necessary to establish the Airlines Passenger Services Authority to regulate and protect passenger rights and to provide compensation for any inconvenience or loss,

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Airlines Passenger Services Authority Act, 2024.

Short title and  
commencement.

(2) It shall come into force on such date as the Central Government, may by notification in the Official Gazette, appoint.

Definitions.

2. In this Act, unless the context otherwise requires:—

(a) “airline” means all commercial flights operating in the country either on domestic or international routes;

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(b) “Appellate Tribunal” means Appellate Tribunal established under section 6;

(c) "Authority" means the Airlines Passenger Services Authority established under section 3;

(d) "compensation" means the payment to be made to the passenger for any inconvenience, loss or damage caused to them while traveling in any airlines;

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(e) "frequent traveller" means a passenger who travels by any airlines at least twice a month for business or personal purposes;

(f) "passenger" means any person who travels by any airlines for any purpose;

(g) “prescribed” means prescribed by rules made under this Act.

Establishment of  
Airlines Passenger  
Service Authority.

3. (1) The Central Government shall, by notification in the Official gazette, establish an authority to be known as the Airlines Passenger Services Authority for carrying out the purpose of this Act.

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(2) The Authority shall consist of a Chairperson and such number of other members as the Central Government may deem fit.

(3) The Chairperson and members of the Authority shall be appointed by the Central Government on the recommendation of a Selection Committee consisting of,—

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(a) Union Cabinet Secretary — Chairperson, *ex-officio*;

(b) Secretary, Union Ministry of Civil Aviation — Member, *ex-officio*; and

(c) Chairperson, National Consumer Disputes Redressal Commission — Member, *ex-officio*.

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**(4) The Salary and allowances and other term of office of the Chairperson and Members of the Authority shall be such as may be prescribed.**

Functions of the  
Authority.

4. The Authority shall,—

(a) regulate and protect the rights of passengers traveling in any airline;

(b) formulate policies, guidelines, and procedures for the protection of right of passenger;

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(c) monitor and enforce compliance with the policies, guidelines, and procedures formulated by the Authority;

**(d) conduct research, collect data, and publish reports on the status of passenger rights in the country;**

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(e) promote awareness among passengers regarding their rights;

(f) issue directions to any person, entity, or organization engaged in any airlines to comply with the policies, guidelines, and procedures formulated by the Authority;

(g) impose penalties on any person, entity, or organization that violates the policies, guidelines and procedures formulated by the Authority;

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(h) adjudicate disputes arising out of any airline including but not limited to flight delay, cancellation, denied boarding, and baggage lost or damage;

(i) order compensation to be paid to passengers for any inconvenience, loss or damage caused to them while traveling in any airlines;

(j) conduct investigations into any alleged violation of the policies, guidelines, and procedures formulated by the Authority;

**(k) collect and maintain data on passenger complaints and grievances and take appropriate action to resolve them.**

(l) make recommendations to the Central Government for the improvement of passenger rights in the country; and

(m) undertake such other functions as may be prescribed.

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5. Any person aggrieved by an order of the Authority may prefer an appeal to the Appellate Tribunal established by the Central Government under section 6 in such manner as may be prescribed.

Appeals.

6. **(1) The Central Government shall, by notification in the Official gazette, establish an Appellate Tribunal for carrying out the purpose of this Act.**

Establishment of Appellate Tribunal.

**(2) The composition of, and other terms and conditions of the Appellate Tribunal shall be such as may be prescribed.**

7. The Appellate Tribunal shall have the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and shall have the power to pass interim orders and directions pending the disposal of the appeal.

Powers of the Appellate Tribunal

8. **The Central Government shall, after due appropriation made by Parliament by law in this behalf, provide requisite funds to the Authority for carrying out the purposes of this Act.**

Central Government to provide funds.

9. The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed.

Accounts.

10. No suit, prosecution, or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

Protection of action taken in good faith.

11. **(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:**

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

12. **(1) The Central Government, in consultation with the State Governments, may by notification in the Official Gazette, make rules for carrying out the purposes of this Act.**

Power to make rules.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## STATEMENT OF OBJECTS AND REASONS

The rapid growth of the transportation industry has led to an increase in the number of passengers who rely on various modes of transportation, such as airlines, railways, and roadways, to travel across the country. However, there have been numerous instances of passengers facing inconvenience and difficulties due to delays, cancellations, denied boarding, and loss or damage to baggage. Despite the existence of various laws and regulations, passengers often struggle to enforce their rights and receive proper compensation for such issues.

Therefore, the purpose of this Private Members Bill is to establish an All India Passenger Services Authority to ensure the protection of the rights of passengers traveling through various modes of transportation. The proposed authority will serve as a regulatory body that will oversee the functioning of passenger services provided by airlines, railways, and roadways.

The authority will have the power to enforce strict guidelines for the protection of passengers' rights, including compensation for flight delay, cancellation, denied boarding, and baggage loss or damage. The authority will also ensure that passengers who frequently travel to different destinations feel protected under the regulations.

The proposed bill aims to provide passengers with a sense of security and protection when traveling across the country. It is essential to establish a regulatory body that can safeguard passengers' rights and enforce strict guidelines to ensure that transportation service providers comply with the regulations.

Therefore, the proposed All India Passenger Services Authority Bill seeks to address the issue of protecting passengers' rights and improving the quality of passenger services provided by transportation service providers in the country.

NEW DELHI;  
*July 9, 2024*

HIBI EDEN

#### FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for establishment of a authority to be known as the Airlines Passenger Services Authority to carry out the purpose of this Act. Clause 6 provides for the establishment of Appellate Tribunal for carrying out the purpose of this Act. Clause 8 provides for Central Government to provide requisite funds to the Authority. The Bill, therefore if enacted, would involve expenditure from the Consolidated Fund of India. It is estimated that a recurring expenditure of rupees hundred crore will be involved.

A non-recurring expenditure of about rupees five crore is also likely to be involved.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 12 of the Bill empowers the Central Government to make rules for carrying out the purposes of this Bill. As the rules relate to matters of detail only, the delegation of legislative power is of a normal character.

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*(Shri Hibi Eden, M.P.)*