

India introduces 48-hour free cancellation window, stricter refund policies on airline tickets

- A Monitor Desk Report

Date: 27 February, 2026



Dhaka: India's Directorate General of Civil Aviation (DGCA) has unveiled a set of comprehensive reforms aimed at improving the airline ticket cancellation and refund process. The new regulations, set to take effect on March 26, include a 48-hour free cancellation and amendment window, stricter refund timelines, and clearer cancellation charges.

The DGCA explained that these changes were in response to growing passenger complaints about delays, partial refunds, and airlines offering vouchers instead of cash refunds. "Ticket refunds have become a major source of grievance," the regulator stated in its February 24 release.

Under the new rules, passengers who book directly through an airline's website can cancel or amend their tickets within 48 hours of booking without incurring additional fees. This applies if the flight is at least

seven days away for domestic travel and 15 days for international routes. After the 48-hour window, passengers will be subject to applicable cancellation fees.

The reforms also establish clear guidelines for refund processing. Airlines will be required to process credit card refunds within seven working days, while tickets purchased through agents or online platforms must be refunded within 14 working days. Cash refunds must be provided immediately at the airline office where the ticket was purchased.

To further protect passengers, the DGCA has set a cap on cancellation charges. No airline can charge more than the basic fare plus fuel surcharge for cancellations. Additionally, all fees, including agent charges, must be fully disclosed at the time of booking.

The new regulations also provide passengers with the option to opt for a "credit shell" or voucher for future travel if they prefer that over a refund. Airlines must also offer full refunds in cases of medical emergencies, such as hospitalization of the passenger or an immediate family member.

The DGCA emphasized that these changes are intended to make the process of ticket cancellations and refunds more transparent, timely, and passenger-friendly. Airlines failing to comply with the new rules will face penalties under the Aircraft Rules, 1937.

With rising complaints and the growing need for consumer protection, the DGCA believes these measures will enhance the travel experience for passengers while ensuring fairness in the refund process.

V