



AIR INDIA  
AGENCY DEBIT MEMO (ADM) POLICY –  
GLOBAL DISTRIBUTION SYSTEMS - (GDS)  
MISUSE



## Introduction

Travel service providers (Agents) along with representative associations and GDSs (Global Distribution System) are partners of airlines in the travel industry. Within the framework of local laws, IATA guidelines, recommendations, laid down rules and regulations, they are jointly responsible for delivering the best possible service in the most efficient and effective manner to the passenger.

Since its existence Air India has continued issuing good booking practices advisory in regular communication to its agents worldwide. We request all Travel Agents making use of GDS to distribute Air India's inventory to abide by our policy guidelines given in this document.

## **Booking and GDS usage Policy**

Global Distribution System (GDS) forms an important component of the Indirect Channel of distribution of an airline's inventory. Recognizing its importance Air India today is distributing its inventory through all major GDS worldwide. There is a cost involved in using the GDS and which is borne by the Airline. The cost includes that for booking, cancellation, wait listing, ticketing etc.

Violation of booking guidelines and best practices while accessing Air India's inventory through GDS results in a high cost which is borne by Air India. Also, there is an opportunity cost in terms of wasted seats and denial of inventory to other agents and passengers. Air India conducts regular audit for all booking transactions for identifying booking violations and raises ADMs (AGENCY DEBIT MEMO) and invoices to recover excessive GDS cost.

The various booking violations for which ADMs or invoices are raised as per IATA Resolutions 824, 830a, 850m, 852, 890, 838 and 049x. are as follows:

## **Churn Violation**

Churning refers to the process of repeated bookings for same sector or overlapping sectors for same passenger through a PNR or across multiple PNRs (Passenger Name Record) on same GDS or across various GDS's by an agent. For bookings created in Economy Class 4 (four) churns will be permitted. Thereafter ADM of US\$10 would be charged for each additional churn done per passenger per segment. For Premium class bookings the threshold is set at 10.

Parameters for judging churn will include same- origin, destination, passenger name, flight number, IATA PCC code.

### **Duplicate Booking Violation**

All multiple active bookings for a passenger with same origin & destination, segment date, same or different flight number, same or different RBD or Overlapping itineraries, from same IATA BSP/ARC PCC code constitute duplicate booking violation.

ADM of US\$10 will be charged per passenger per segment for every duplicate booking.

## **Speculative Booking Violation**

Travel Agents are prohibited from creating PNRs for nonexistent passengers,

- i) in anticipation of future sale
- ii) to procuring lower RBDs closer to departure date by releasing inventory held
- iii) for test purpose
- iv) with fake names

v) with names of famous personalities (AI will evaluate and checks will be done as per evaluation)

For every speculative booking an ADM of US\$10 per passenger per segment will be charged and once identified, such a booking is subject to automatic cancellation.

Ticketed PNRs will be excluded from fictitious name booking violation check.

## **Invalid Class Booking Violation**

Invalid class booking violation happen when an agent makes a booking through GDS in RBDs prohibited by Air India

The prohibited RBDs are I, O, X and P. ADM of US\$ 10 per passenger per segment will be raised if the agent using GDS makes a booking in these RBDs namely I, O, X and P which are non-revenue RBD's.

Bookings made by PCCs of airlines with whom Air India has an agreement for redemption of frequent flyer miles are excluded from this violation check.

## **Passive Booking Violation**

Passive booking should be created only for the purpose of ticketing. It must match an existing booking in Air India's Passenger reservation system. The use of mismatched segments to issue tickets constitutes a violation of Air India's booking policy.

Bookings with transactions having status codes like AL, AN, BK, BN, GK, MK, ML, MN, PK, AK, XN, YK, YL and YN are considered as passive booking All passive bookings made in month if remained un-cancelled and non-ticketed till the end of that month will be considered a passive booking violation.

ADM of US\$ 10 per passenger per segment will be raised for each passive booking violation.

## **Waitlist Booking Violation**

All un-confirmed waitlist segments should be cancelled by agents 48 hours before departure or before the time-limit expiry, whichever is earlier.

Waitlist bookings can be identified by their status codes like HL, LL, PA, PB, PC, PD, RL, TL, US and UU.

All waitlist bookings made in month if remained un-cancelled and non-ticketed till the end of that month will be considered a waitlist booking violation. And ADM of US\$ 10 per passenger per segment will be raised.

## **Blocking of Inventory by selling seat without end transaction**

Agents are supposed to end the transaction and save the same through end transaction before the end of the booking session when they sell a segment. A Passenger name record (PNR) gets created only at the end of transaction and in this booking violation since transaction is not ended no PNR gets created. An act where an agent doesn't end the transaction after selling the segment results in unnecessary blocking of Air India's inventory. The seat remains blocked till the end of booking session and Air India suffers an opportunity cost in form of denying another passenger or agent from taking that seat. An ADM of UD\$100 per passenger segment will be raised.

## Inactive Segments

Inactive segments are segments in a PNR affected by a time limit, schedule change or flight cancellation or response to a non-direct sell. Inactive segments are sent to the Travel Service Provider's queue in the GDS/CRS and can be identified with a status code of UC/UN/US/NO/HX/HN/HL/PN. All inactive segments must be cancelled or removed from the GDS / CRS PNR at least 48 hours prior departure. Inactive segments that are not cancelled or removed 48 hours prior to departure are subject to Cost recovery fee charges from Air India in form of ADM worth US\$ 10 for every such segment.

## Hidden Groups

As per Air India group policies, which is in line with Industry practice, ten (10) or more passengers travelling in the same flight on the same dates to the same O&D irrespective of the booking class (RBD) as a group.

Air India requires such bookings to be made directly with Air India Group Desk.

We will consider a booking to be a part of or as a hidden group, when multiple individual PNRs are created by a Travel Agent

- i) Through one PCC or multiple PCC'S belonging to the same agent, identified by Air India through available resources.
- ii) On overlapping segments or itineraries that cannot be fulfilled.

ADM of US\$ 10 per passenger segment will be raised for such un-ticketed PNR segments, if inventory is held with the objective of misuse.

## Other Misuses

Any nonproductive booking practices followed by agency partners, which are not mentioned above, resulting in loss of revenue, missed opportunities and nonproductive GDS Cost, will fall under Other Misuse. Below are a few examples.

- i) **Invalid flight** – Bookings on non-existent flight numbers
- ii) **Invalid date of operations** – Bookings on dates/days when booked flight does not operate.
- iii) **Invalid City Pair** – Bookings on nonexistent city pairs.
- iv) **MCT violations** – overriding of minimum connections time set by airline through forced bookings.
- v) **Passive segments without intention to ticket** – Status codes GK GL PK - Passive segments are ghost/dummy segments created in a GDS terminal by a Travel Agent to ticket a live PNR in airline system created by their customer. Passive segments shall not be created for any other purpose other than ticketing.



## Raising of ADMs: Penalty for booking violations.

Air India carries out regular audit of all booking transactions and reserves the right to raise ADMs or Invoices, in order to recover excess GDS cost, to travel agents for non-compliant booking practices. If the travel agent is found continuing with such practices, then Air India reserves the right to take additional actions including blocking access of travel agent to Air India's inventory.

### ADM or Invoice Fee structure for various Booking violations

Sr No	Types of GDS Abuse	Exceptions	Penalty
1	Churning	Up to 4 in Economy Class and 10 in Premium	US\$ 10
2	Duplicates	If clarification is provided in PNR or if removed on time.	US\$ 10
3	Hidden Groups	Ticketed	US\$ 10
4	Passive Bookings	Ticketed	US\$ 10
5	Speculative Bookings	If clarification is provided in PNR or if removed on time.	US\$ 10
6	Waitlist	Ticketed	US\$ 10
7	Invalid Booking Class		US\$ 10
8	Inactive Segments		US\$ 10
9	Holding inventory without end transaction		US\$ 100
All penalties are on per passenger segment			
Air India reserves the right to raise ADMs for reasons not specified in this document on its discretion. Air India also reserves rights to amend our policies and debit memo charges, when deemed necessary.			

An Admin fee equal to 10.5% of the total ADM value will be charged in addition to the above fee structure for ADMs raised for identified abusive practices from 01<sup>st</sup> Oct 2023 Applicable GST @18% will be charged to the admin fee as well as to the ADM value for the ADM issued in India effective 01<sup>st</sup> October 2023.



## Scope of policy

Air India has appointed a third-party to be the rightful party handling the ADMs.

ADM's will be handled as per IATA Resolution 850m & 830a for IATA agents.

Air India reserves the right to penalize both IATA and non-IATA agents if violation of AI booking policies are noticed.