

DECISION 2015-06-15
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Charvi Tours and Travels Pvt Ltd.
115-118 DM Tower
21/1 Race Course Road
Indore, Madhya Pradesh
India
Represented by Mrs. Archana Vijayvargiya, Director.

Respondent:

Agency Administrator, International Air Transport Association, IATA
Geneva, Switzerland
Represented by Ms. Nadya Widjaja, Manager Agency Management Asia/Pacific,
IATA, Singapore

The Case and Decision

The Agent contacted this Office on 26 May 2015 seeking a review of IATA's action in issuing a Notice of Irregularity (NoI) and, consequently, placing the Agency in default on 21 May 2015.

In its description of the events leading to the default the Agent advised that its cheque for payment of the BSP billing for 14 May 2015 of INR 42,010.00 (USD 656.53) had been issued inadvertently dated "9 May 2014". On being advised of this error by the NoI on 19 May 2015, the Agent took immediate steps to have its Bank settle the outstanding payment by an electronic transfer that day. Unfortunately, as a result of a fault in the Bank's electronic payment system, settlement was not made until 21 May 2015. The Agent attached its Bank's confirmation that it had adequate funds to cover the payment at the time of the transaction. The Agent sought removal of the NoI and the waiving of the IATA fees associated with the reinstatement of its ticketing authority.

IATA advised that the Agent's late payment had missed the 20 May 2015 BSP disbursement of funds to Airlines.

The Agent has complied with the 30 day time frame to seek a review as provided for in sub paragraph 1.2.2.1 of Resolution 820e and the Parties have been placed on notice that the writer has decided to base his decision on the written information

submitted rather than to have an oral hearing, as allowed in sub paragraph 2.3 of the same Resolution.

On examining the factors involved in this case, while the Agent took commendable steps to rectify its cheque dating error, it is a fact that settlement was made after the BSP disbursement of funds to Airlines. The fact that the Agent's Bank was at fault, but does not admit same, was unfortunate but does provide an avenue for the Agent to attempt to recover the cost of the fees associated with its reinstatement from that entity. Those fees cover the costs associated with this incident.

With regard to the removal of the NoI the writer accepts that the Agent, on becoming aware of the issue, took prompt steps to rectify its error and one expects that this experience will ensure that the Agent completes its future BSP settlement cheques with total accuracy.

Based on the foregoing therefore it is hereby decided as follows:-

1. The Notice of Irregularity issued to the Agent is to be expunged.

Decided this 15th day of June 2015 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. As per Resolution 820e, Section 4, any Party has the right, if it considers itself aggrieved by this Decision, to seek review by Arbitration in accordance with the provisions of Resolution 824, Section 14.
2. The Parties are advised that according to Subparagraph 2.10 of Resolution 820e, any of them may request an interpretation of this Decision, or for a correction of any error in computation, any clerical or typographical error, or any omission in this Decision. Such request must be made within 15 days of receipt of the electronic version of this Decision.