

# Landmark ruling orders AAI to pay Aer Lingus INR10m in costs

16 January 2025



Bombay City Civil Court has significantly shaped aviation law and operational liabilities in its landmark ruling on 3 January 2025 in a commercial suit, *Airports Authority of India v Aer Lingus Ltd*, that began in 1997.

Bombay City Civil Court delivered its verdict in commercial suit No. 1143 of 2024 (formerly HC suit No. 366 of 1997).

K Singhania & Co represented Ireland's flag carrier Aer Lingus. The team successfully argued that the Airports Authority of India (AAI) had no legal basis to recover landing and parking charges from Aer Lingus as the owner/lessor of aircraft leased to East-West Airlines, which is currently in liquidation.

The court deemed AAI's claims vexatious, imposing INR10 million (USD115,633) in exemplary costs and INR5 million in litigation expenses, both with 9% interest per annum.

It also ordered AAI to reimburse the INR9.625 million that Aer Lingus spent to maintain a bank guarantee for 27 years, again with interest. The judgment clarified that the liability for operational charges lies solely with airline operators under the Airports Authority of India Act, 1994, dismissing claims against aircraft as they are neither natural nor juristic persons.

Managing partner Krrishan Singhania led the K Singhania team in Mumbai, which included advocates Srishti Singhania and Anjana Devi, and supporting advocate Archana Deshmukh, who was arguing counsel.