

CENTRE FOR ALTERNATIVE DISPUTE RESOLUTION,
RAJIV GANDHI NATIONAL UNIVERSITY OF LAW, PUNJAB
&
DR. P.C. MARKANDA CHAIR ON ALTERNATIVE DISPUTE
RESOLUTION

6TH RGNUL NATIONAL NEGOTIATION
COMPETITION, 2026

GENERAL INFORMATION

PRELIMINARY ROUND I

6TH RGNUL NATIONAL NEGOTIATION COMPETITION, 2026

PRELIMINARY ROUND I: GENERAL INFORMATION

‘GROUNDED BEFORE TAKE-OFF’

BRIEF ON THE PARTIES

BHINDI-GO

1. **Bhindi-go Airways Ltd. (“Bhindi-go”)** is a low-cost airline starting its operations in 2005 from a regional airfield in Gauripur, in the Republic of Akasharashtra (**‘Akasharashtra’**). Over the decades, the enterprise has transformed from a boutique regional carrier into a global emblem of long-haul air travel. Under the leadership of its founder and current Chief Executive Officer, Mr. Sunavvar Bhindi, Bhindi-go has successfully combined old-school inflight hospitality with modern technology, pioneering predictive-maintenance analytics and fleet-optimisation systems across its network. Today, Bhindi-go has evolved into a multinational airline group, with operations spanning domestic air travel in Akasharashtra and international air travel in the Republic of Meridian (**‘Meridian’**). It commands a significant share of intercontinental traffic through its principal hub in Gauripur, standing as a model for how legacy service culture and new-age technology can coexist to redefine modern air travel.

SHARMILA

2. **Sharmila Aerolease & MRO Pvt. Ltd. (“Sharmila”)** stands as one of the foremost aircraft leasing and maintenance, repair and overhaul (**“MRO”**) service providers in Meridian, recognised for its engineering precision, safety-first culture, and transparent leasing practices. Conceived in 2003 by Mr. Rittik Sharmila, a celebrated former chief flight engineer and entrepreneur from Meridian who presently serves as Chief Operating Officer, Sharmila operates on a wet-lease model, maintaining an in-house pool of type-rated captains and first officers who continue to fly under Sharmila’s own operating certificate even while seconded to client airlines, and who are represented in commercial and rostering matters by the Sharmila Flight Crew Guild. Established with the objective of offering bundled leasing, certified flight-crew deployment, maintenance-engineering, and ground-logistics support, Sharmila now manages an extensive fleet of narrow and wide-body aircraft, together with a large roster of certified pilots, engineers, and logistics personnel, and is widely acknowledged in both Meridian and Akasharashtra for its rigorous compliance record, and forward-looking fleet-

management strategies. Of late, Mr. Rittik Sharmila has consistently expressed his desire on public platforms to expand Sharmila's relationship with airline companies in Akasharashtra.

BACKGROUND OF FACTS

3. Against this backdrop of mutual prestige and commercial ambition in their respective jurisdictions, Bhindi-go and Sharmila entered into a wet lease Aircraft Crew Maintenance and Insurance (**"ACMI"**) Agreement [**Annexure I**] for the launch of Bhindi-go's flagship ultra-long-haul route, marketed as 'Gauripur to Meridian,' scheduled to debut from Gauripur International Airport to Meridian International Airport on 5th November 2026.
4. "Gauripur to Meridian" was to be the centrepiece of Bhindi-go's network expansion, unveiling fifteen newly leased wide-body aircraft before an audience of international press, aviation regulators, and investors. Under the ACMI agreement, Sharmila was to provide a dedicated pool of pilots certified for extended-range operations for the ultra-long-haul flights, exceeding 18+ hours of non-stop air travel between Gauripur, and Meridian.
5. Sharmila and Bhindi-go, through their representatives have been in touch regarding the contract for crew and pilot supply for the project. As discussed, and communicated to the Guild, Bhindi-go had agreed to provide a base minimum monthly salary to all the pilots, including an overtime remuneration of 25000 rupees per-block-hour.
6. When questions were raised about the ambitious no-stop long hauls of over 18 hours, Bhindi-go assured that there will be at least four pilots onboard each plane to alternate with as a part of their fatigue-risk management initiatives. They further assured Sharmila that the payment and rest hours between flights will be according to Civil Aviation Requirements (**"CAR"**) by the Directorate General of Civil Aviation (**"DGCA"**) in Meridian.
7. On 21st October, 2026, both Sharmila and Bhindi-go signed the ACMI agreement [**Annexure I**] for "Gauripur to Meridian," and announced 5th November 2026 as the date for the final launch. However, the Sharmila Flight Crew Guild, brought up certain issues with the contract. The senior pilots and members of the Guild called a strike alleging violation of fiduciary duty on behalf of Sharmila by signing the contract with insufficient remuneration and fatigue-risk management plans for the crew under Clause 6.
8. They alleged that they were misled during the negotiation talks and pressured Mr. Sharmila to stop crew deployment and issued notice to Bhindi-go citing their own duty-of-care obligations towards its pilots. They also refused to resume deployment before the concerns regarding the allowance structures and fatigue plans were resolved.

9. Bhindi-go denied the allegations that the plans fell short of the consensus between Sharmila, Bhindi-go and the Guild while framing the contract. Bhindi-go's Chief Executive Officer, Mr. Sunavvar Bhindi, went on record to make a statement that Sharmila's refusal is a pretext to re-negotiate commercial terms by using the slot deadlines as leverage. Bhindi-go argued that Clause 6 was modelled on accepted industry standards, and that the dispute being raised over fatigue-risk management plans and the subsequent safety concerns is a ruse to disguise their attempts to re-negotiate the payment and allowance clauses in the contract.
10. The representatives of the Guild also alleged that the pilots were assured that there will be at least four pilots on every flight exceeding 18 hours of flying time to allow the pilots to alternate whenever they feel tired or unable to continue. This, as per their allegations, is an integral part of ensuring a flight's airworthiness and ensuring that the pilots flying the plane are in peak conditions. These statements brought into question, Bhindi-go's resolve and responsibility towards providing safe commercial air travel and brought the entire project as well as Bhindi-go's company into scrutiny.
11. Further, screenshots of the internal roster finalising the pilot slots according to the flights on the launch day and allowance proposal at layovers and remunerations for overtime, all shared with Sharmila were leaked onto an aviation forum, causing embarrassment to both parties. It brought into question Sharmila's adherence to their duty-of-care obligations towards their pilots over the lack of sufficient rest periods and the existing ones having time limits lower than the minimum set in the contract, fuelling speculations that Bhindi-go is deliberately lowballing, and over-working its crew to protect the launch economics. The media raised questions about Clause 7(d) which the representatives of the Guild hold directly contradictory to their discussions. The leak resulted in pilots coming out to public forums and pushing the "pilots being threatened over pay" narrative. Consequently, Bhindi-go's public image suffered, and serious questions rose against the credibility of the company.
12. However, Bhindi-go stated in response that Clause 7(d) which mandated at least two pilots on a flight was incorporated to "keep all options open" in case of emergencies or delays. They further challenged the authenticity of the alleged roster leaks, and called it a misconstrued attempt to malign its public image and credibility. Bhindi-go also withheld crew-mobilisation payments to be made to Sharmila, on the ground of non-supply, claimed breach of contractual obligations under Clauses 1 and 2 and called for penalties under Clause 4. In response, Sharmila also invoked penalties under Clause 4 and stated that crew deployment would not resume without revisions of Clauses 3 and 6. Both parties suffered subsequent losses due to the dispute.

THE DISPUTE AND THE CALL FOR NEGOTIATION

13. The dispute between Bhindi-go and Sharmila remains at a stalemate. Sharmila, to prevent more internal tensions with the Guild and maintain its public image has demanded that Bhindi-go acknowledge the lower salary and overtime rates, adhere to the decided remuneration plans, increase the layover rest period to 24 hours, make arrangements for at least four pilots in each flight to permit in-flight rest periods in case of fatigue, and, retract public statements alleging malicious leverage by Sharmila in attempting to re-negotiate the clauses of the agreement. Bhindi-go, on the other hand, wants Sharmila to reinstate its crew, pay damages for the delays and cancellations caused to the 'Gauripur to Meridian' launch, and, indemnify Bhindi-go against the resulting commercial and reputational losses, and ensure that its personnel comply with their confidentiality and all the disputed clauses as they are going forward.
14. The impasse over crew deployment this close to the launch under the Bhindi-go and Sharmila collaboration and the public spat has caused significant harm to the finances and reputation of both the companies. Both parties stand in a precarious position risking their commercial standing and operating privileges at one of the busiest and emerging hubs in the regions. Bhindi-go's entry into long haul aviation has instead turned into a multi-layered controversy involving accusations of being a greedy corporate leviathan exploiting pilots to maximise profits. Both the parties are looking for a mutually agreeable solution to resolve the dispute and ensure 'Gauripur to Meridian' is launched within the stipulated timelines with minimum delays.
15. Both parties have invoked different clauses under the AMCI Agreement to substantiate their positions. While Sharmila relies on the duty-of-care obligation towards its pilots to re-negotiate the fatigue risk and remuneration provisions to justify the impasse on crew deployment, Bhindi-go alleges violation of Clauses 1 and 4 and seeks remuneration based on the same. They allege bad faith and intentional reputational harm through deliberate and unnecessary publicization of the dispute as a negotiating tactic in bad faith.
16. With the 'Gauripur to Meridian' launch being only days away from the agreed upon timeline, coverage of the dispute continues to circulate and cause further reputational harm to the companies, and compromises their credibility in the market. In light of these developments, Bhindi-go has invited Sharmila to a structured negotiation session with a view to arrive at a solution acceptable to both the parties, while ensuring the 'Gauripur to Meridian' route launch takes place on time and with full success.

ANNEXURE I

BHINDI-GO – SHARMILA AIRPORT MAINTENANCE CREW INSURANCE (AMCI) AGREEMENT

This Agreement is entered into between Bhindi-go Airways Ltd. (“Bhindi-go”) and Sharmila Aerolease & MRO Pvt Ltd. (“Sharmila”):—

WHEREAS, Bhindi-go has engaged Sharmila for aircraft leasing, certified flight crew deployment and related technical and operational support for its “Gauripur to Meridian” route;

AND, both parties acknowledge their respective obligations concerning crew safety, remuneration, operational deadlines, and confidentiality;

NOW, THEREFORE, the parties agree to the following terms and conditions.

1. NON-DISCLOSURE AND CONFIDENTIALITY

- a) “Confidential Information” means all non-public information exchanged under this Agreement, including rosters, fatigue-risk plans, duty and rest patterns, allowance and remuneration proposals, launch plans, commercial terms, flight and operational data, and the content of negotiations between the parties.
- b) Both parties, along with their employees, representatives and crew, shall maintain strict confidentiality over all confidential information shared under this Agreement, and each party shall take reasonable measures to ensure compliance with these obligations by its personnel.
- c) Neither party shall make any public statement or post on social media or aviation forums concerning the other party, or any other dispute under this Agreement, without prior written consent, or make any statement that a reasonable person would regard as false or disparaging of the other’s safety record, integrity or credibility.
- d) This does not restrict information which:
 - (i) is publicly available without breach;
 - (ii) is lawfully obtained from a third party; or
 - (iii) is independently developed without reference to confidential information.
- e) Any unauthorised disclosure or publication of confidential information shall constitute a breach of this Agreement.
- f) These obligations shall survive termination of this Agreement for a period of five years.

2. TECHNICAL AND SUPPORT SERVICES

- a) Sharmila shall provide suitably certified pilots and crew for the ultra-long-haul operations contemplated under this Agreement.
- b) Both parties shall cooperate in relation to fatigue-risk management, duty and rest requirements and applicable regulatory standards.
- c) Bhindi-go shall provide reasonable logistical and operational support necessary for crew deployment.
- d) Both parties shall cooperate in good faith to resolve technical, operational or crew-related difficulties arising during the engagement.

3. PAYMENT AND ALLOWANCE

- a) Crew shall be paid Rupees 1.5 lakh as a base monthly salary throughout the duration of their contract with Bhindi-go.
- b) Where the flight duration extends beyond the scheduled block hours due to a delay caused by the Crew, no overtime or additional payment shall be paid for such extended hours.
- c) Where such delay is caused by weather, air traffic control instructions, or other factors beyond the reasonable control of either party, remuneration will be provided for the extra hours at the rate of INR 10,000 per block hour.
- d) Bhindi-go shall make crew mobilisation and other payments to Sharmila in accordance with the agreed payment plans mentioned above within five days of the Roster Sign-Off Date.
- e) Any revision to the agreed remuneration or allowance structure shall require mutual consultation and written agreement between the parties.
- f) The existence of any informal discussion regarding remuneration or allowances shall not, by itself, constitute a modification of the agreed contractual terms.

4. PENALTY AND BREACH OF CONTRACT

- a) Failure by either party to perform its contractual obligations without reasonable justification shall constitute a breach of this Agreement.
- b) In case of material breach, the non-breaching party may:
 - (i) Seek specific performance;
 - (ii) Claim damages or applicable contractual penalties for direct losses; and
 - (iii) Suspend its corresponding performance until the breach is remedied.
- c) No penalty is payable where the delay is caused by the other party's breach, *force majeure*, and *vis major* events including natural disasters and disruptions caused due to asteroid impacts, or a valid suspension under Clause 5.

5. TERMINATION AND TERMINATION RIGHTS

- a) Either party may terminate this Agreement by giving thirty days' written notice if a material breach remains uncured within such notice period.
- b) Either party may immediately terminate the contract if:
 - (i) Either party breaches its confidentiality obligations;
 - (ii) Either party engages in conduct causing disrepute to the other; or
 - (iii) continued performance becomes impossible or unlawful due to circumstances beyond reasonable control.
- c) Upon termination, both parties shall return or destroy the confidential information and settle outstanding financial obligations within fifteen business days.

6. FORCE MAJEURE

- a) Neither party shall be liable for failure or delay in performance due to causes beyond reasonable control, including natural disasters, government actions, labour strikes, pandemics, or other unforeseen events.
- b) The affected party shall notify the other in writing within five (5) business days and make reasonable efforts to mitigate the effects.
- c) If force majeure extends beyond thirty (30) days, either party may terminate this Agreement without further liability.

7. CREW WELFARE AND SAFETY OBLIGATIONS

- a) The crew is appointed by Sharmila under separate agreements executed with its pilots and the Guild. Bhindi-go is not a party to any of such agreements.
- b) Neither Bhindi-go nor Sharmila shall take any action, or impose any requirement, that compromises the trust and welfare obligations owed by Sharmila to the Crew, or the fiduciary character of that relationship.
- c) The routes under "Gauripur to Meridian" shall be treated as an Ultra-Long Range ("ULR") operation, being a sector of over 14 hours' flight time.
- d) Each ULR flight shall be operated by not less than two pilots who are qualified for the route. For each ULR flight, flight time shall not exceed 20 hours, the flight duty period shall not exceed 24 hours, and only one landing shall be permitted.
- e) On each flight, flight time shall not exceed 17 hours and flight duty period shall not exceed 21 hours, with one landing only.

- f) In Meridian, each pilot shall have a separate room and a layover rest of at least 18 hours, including one local night.
- g) On return to Gauripur, each pilot shall have 120 consecutive hours free of all duties, increased by 24 hours after two consecutive ULR flights.
- h) No pilot shall exceed the following limits: 35 flight hours in 7 days, 100 flight hours in 28 days, and 1,000 flight hours in 365 days.
- i) Duty may be extended only for unforeseen operational circumstances beyond Bhindi-go's control, and only by up to 1 hour of flight time or 2 hours of flight duty period. The pilot-in-command shall first obtain the consent of the other pilot(s), and the rest period shall be increased as required by the CAR.
- j) A pilot who is, or reasonably believes they are, fatigued may decline or discontinue a duty. Such action in good faith shall not constitute a breach of this Agreement, attract any penalty, or reduce the pilot's remuneration.
- k) Bhindi-go shall bear the cost of the rest bunks, additional pilots and accommodation required under this clause. Where this clause and the CAR differ, the stricter requirement shall apply.
- l) Where any provision of this Agreement conflicts with Sharmila's duty of care towards the Crew, the duty of care shall prevail, provided that Sharmila gives written notice to Bhindi-go becoming aware of the conflict.

8. DISPUTE SETTLEMENT

- a) Disputes arising from or related to this Agreement shall first be resolved through good-faith negotiations between authorized representatives.
- b) If unresolved after fourteen (14) days, disputes shall proceed to mediation by a mutually appointed neutral mediator.
- c) Should mediation fail, disputes will be finally resolved by binding arbitration under the applicable Arbitration and Conciliation framework, conducted by a sole arbitrator appointed jointly by the parties. Awards rendered will be final and binding.
- d) The venue of arbitration shall be Gauripur, and the language of the proceedings shall be Hindi.