

Revue de presse Semaine 47 (18-24 Novembre 2018)

Even as you read this, one of Indian aviation's biggest deals may be coming together. **The Tata Group may finally buy out the beleaguered Jet Airways which, for a third quarter in a row, posted huge losses (to the tune of Rs 1,297 crore) last week.** Tata Sons Chairman N Chandrasekaran is said to be keen on the acquisition, and has apparently set the ball rolling with a feasibility study. If it works out, the Tatas will become a majority player in the skies, with this third acquisition after Vistara and Air Asia.

Or not. When Chandrasekaran ran the idea by the Board recently, he did not exactly receive an enthusiastic response. **Among other things, a \$2 billion capital infusion may be too large a price to pay to acquire only 24 per cent of market share.** Analysts say at the heart of the dilemma is a clash of personalities. **Chairman Emeritus Ratan Tata is allegedly not in favour of a deal unless Jet Airways Chairman Naresh Goyal, who owns a 51 per cent stake, steps down.** "Jet Airways might survive, but I don't know if Naresh Goyal will," says Kuljit Singh, a partner at Ernst & Young. Jet Airways has outlasted post-Liberalisation industry shakedowns; global fuel crises; and the 2008 recession. But, as of June 30 this year, the company's net debt stood at Rs 7,364 crore – down from Rs 8,149 crore on March 31, 2018. Its stock price has also dipped sharply -- from Rs 883 in January to Rs 163 recently.

18/11/18 Satish Nandgaonkar and Labonita Ghosh/Bangalore Mirror Bureau

Chennai: Around 40 passengers of a Chennai-Vijayawada SpiceJet flight had a harrowing experience after the plane returned 10 minutes after take-off because of a technical snag on Saturday.

Flight SG3403, scheduled to depart at 12.40pm, took off after a delay of 10 minutes. It, however, returned after flying for 10 to 20 minutes citing a technical snag. Sources said the pilot announced that there was some snag on the **Bombardier plane.**

The passengers had a tough time as the airline tried to rectify the snag and take off on the same aircraft. They were made to sit in the parked plane for around half-an-hour, then made to board a passenger shuttle bus which was driven to the terminal, but returned to the aircraft after a ride around the airport.

Passengers were made to sit inside the bus for half-an-hour again before re-boarding the plane. A passenger said **there was no clear communication from the crew or the pilot about the status of the flight for two hours.** "We thought they moving us to the terminal when we were told to board the bus. The bus was driven around for a long time and we returned to the aircraft. Passengers including senior citizens and children were holed up in the bus till 3.35pm when we were asked to board again," he added.

18/11/18 Times of India

Kanpur: After successful launch of flights for three destinations from Ahirwan airport in the city, possibilities are being looked into if cargo could be transported from the civil aerodrome for which a cargo hub has to be raised. Though the entire project is in an initial stage, but it may become a reality because the first round of meeting on this agenda was held on Wednesday in which officials of **Airport Authority of India, SpiceJet and civil aviation ministry** took part. The meeting was chaired by Ahirwan airport director, Jameel Khaliq.

If a cargo hub is developed, and the industrialists and tannery owners get a chance to transport their

goods to various destinations via air route, **it will give boost to their business. Also, it would also give business to the airline company which would operate more flights from the city.** Since Kanpur is an industrial city, cargo hub would go a long way in fuelling the growth in the industrial sector.

Talking to TOI, Jameel Khaliq said as of now everything is in a very initial stage, but it is being worked out whether such a possibility is feasible or not. "We are working out if this is possible. A list of the industrialists requiring such a facility and the number of industries in the city which could transport their goods from here, is being prepared", he said.

For this project, participation of industrialists and traders is must as the facility would be exclusively for them, he said. "It has to be seen as to what are the requirements of the industrialists and traders. They would be taken into confidence", he added.

17/11/18 Times of India

It was March 6, 2009. **A 14-seater prototype aircraft called Saras Prototype 2 crashed during a trial flight in the outskirts of Bengaluru, killing all three crew members — two pilots of the Indian Air Force and a flight engineer.**

During the investigation, the cockpit voice recorder disclosed the commander calling out, "aircraft has departed", just 10 seconds before the crash, indicating that the **plane had gone out of control as soon as it took off.**

The 75-page investigation report pinpointed human errors, but did not spare the manufacturer of the plane, Bengaluru-based National Aerospace Laboratories (NAL), for devising engine relight procedures — a midair test that involves switching off an engine before switching it on again — without consulting the propeller manufacturer MT-Propeller of Germany.

The plane had lost altitude and crashed, but the tragedy had a direct fallout: India's dream project of manufacturing a small civilian plane, the Saras — the Sanskrit word for crane — was stuck in limbo. By 2016, NAL, the agency that comes under the administrative control of the Council of Scientific and Industrial Research (CSIR), announced that its Rs 300 crore fund for the project had dried up, forcing it to suspend Saras for the time being.

It was a project that began in 1991. In fact, there was another prototype — the Saras PT, which flew successfully many times since 2004. It has been modified as the 14-seater Saras PT1N and flown again earlier this year, for a surprise trial.

Something much bigger than Saras is in the offing now. Nine years after the PT-2 crash, the Centre is thinking of indigenously manufacturing aeroplanes for civilian use.

Earlier this week, a 21-member jumbo expert committee, headed by the civil aviation secretary, was set up to look into the various aspects of manufacturing planes and helicopters in India, apart from finding ways to upscale and diversify production of aero-components.

Significantly, this is the second panel being set up in the last two and a half months; the first was headed by the ministry's economic adviser, Vandana Aggarwal, with a mandate to give a roadmap for creating a special purpose vehicle (SPV) to develop what it calls regional transport aircraft, or RTA.

The need for such a segment has been increasingly felt after the government rolled out its UDAN scheme for regional connectivity a couple of years ago.

18/11/18 Shantanu Nandan Sharma/Economic Times

Surat: Air traffic congestion at Surat airport in the last couple of months has prompted Airports Authority of India (AAI) to put infrastructural work on a fast track. With a view to create facility for

parking of smaller aircraft like ATRs and Q400, the AAI has issued tender for development of old apron at the airport. The redevelopment of the old apron will create new hanger space for smaller aircraft for parking, loading, unloading and refuelling.

Official sources said the old apron will be up and ready for use by small aircraft in next four months and that expansion of main apron is likely to be completed by November 2020. At present, there are total 58 flight movements per day-29 arrivals and 29 departures-from Surat airport. The airport terminal remains chock-a-block throughout the day due to arrival and departure of passengers. As per AAI data, the total passenger traffic in October crossed 1 lakh mark and that it is expected to further increase to 1.5 lakh passengers per month by February 2019.

The airport is served by Air India, AirAsia, IndiGo, SpiceJet, Air Odisha and Ventura Air Connect.

Sources said that the daily flight movements will increase from 29 to 33 by November-end with the launch of four new flights by SpiceJet connecting Surat to Udaipur, Jaisalmer, Varanasi and Goa.

18/11/18 Times of India

Amritsar: Security of the viewers' gallery at the Attari border and at Sri Guru Ram Das International Airport here has been beefed up following intelligence reports about infiltration of Pakistan-based terrorists in the region.

Not only contingency plans have been put in place at both hypersensitive sites but the deployment of security forces has also been increased. Sources said, "Threat is not from across the border at Attari but militants could sneak into the viewers' gallery in guise of visitors and strike, so we are being watchful both about visitors arriving to see Beating the Retreat ceremony as well as any cross-border misadventure."

Over 10,000 visitors arrive at Attari to see the flag-lowering ceremony everyday and the number increases during weekends. In 2014, a suicide bomber of the terror outfit Jammāt-ul-Ahrar had blown himself near a parking lot of the viewers' gallery at Wagah (Pakistan) killing over 60 Pakistani visitors.

When asked about the security arrangements at Attari viewers' gallery in the wake of the movement of terrorists and possibility of their strike, BSF inspector general (Punjab Frontier) Mahipal Yadav said that, "I don't have any information. If there is an operational information, I can't share it with anyone." However, Punjab's border range IGP S P S Parmar said that they had increased the deployment of security personnel. **"In addition to the existing force we have added 57 more security personnel,"** he added.

18/11/18 Yudhvir Rana/Times of India

Siliguri: The Airports Authority of India (AAI) has agreed to pay Rs 25 crore as compensation for land to be acquired by the Bengal government for the expansion of Bagdogra airport, clearing the decks for a project that has not taken off in five years because of problems over land acquisition. The AAI will now request the government to expedite the process of taking over a 110-acre plot, which had been leased out to a tea garden, so that a new terminal can be built to accommodate the increased number of passengers.

The AAI had earlier refused to pay for the land, but the pressure on the limited infrastructure of Bagdogra, the gateway to Darjeeling, may have prompted it to change its decision, sources said. During discussions on land for the expansion of the airport, the Bengal government had told the AAI that it would have to pay the compensation amount that the state would have to give to the planter for the land whose lease would be revoked.

"The AAI board met on November 8 and decided that the agency would pay Rs 25 crore for the land because the infrastructure at Bagdogra airport has to be augmented," an AAI source said.

"If required, AAI officials would now hold talks with representatives of the tea company concerned. The idea is to get the land at the earliest," the source added.

Tea gardens are set up on land leased out to companies by the government under the West Bengal Land Reforms Act, 1955. According to the act, the state can cancel the lease if it wants and also change the land's character. But the tea company will have to be compensated.

18/11/18 Telegraph

Mumbai : Tata Sons said it's in preliminary discussions with Jet Airways but is yet to make any formal proposal to take over India's second-biggest airline by revenue.

"Over the last few days there has been growing speculation in the print and electronic media about Tata's interest in Jet Airways," the Tata group holding company said in a release on Friday, going public with the news for the first time. "We would like to clarify that any such discussions have been preliminary and no proposal has been made."

The **Tata** Sons board, which met earlier in the day, fully backed chairman N Chandrasekaran's efforts to strengthen the airline business of the group, multiple sources told ET. The group **has two joint ventures in the sector — full-service Vistara with Singapore Airlines and low-cost AirAsia India with AirAsia Bhd.**

Talks are being led by Chandrasekaran and the Tata mergers and acquisitions team with inputs from chairman emeritus Ratan Tata, said people with knowledge of the matter. ET first reported on November 15 that the Tata group was in talks with Jet for an allstock merger with its joint venture with Singapore Airlines. ET reported Friday that the group may seek to end its partnership with AirAsia to focus on Vistara.

Tata and Naresh Goyal-promoted Jet Airways are planning a two-step transaction, the first leg of which could see the merger of Jet with Tata SIA Airlines, the joint venture that operates Vistara. The second step of the deal could involve the purchase of the Goyal family's stake in the combined entity by Singapore Airlines, sources have told ET.

17/11/18 Economic Times

Hundreds of passengers of Jet Airways were left stranded at the city airport after the carrier cancelled 10 domestic flights from here on Sunday, an airline source said.

The Jet Airways said the flights were cancelled from the Chhatrapati Shivaji Maharaj International Airport (CSMIA) due to "operational issues". However, the airline source claimed it was due to **pilots' scarcity**. "Jet Airways had to cancel a few domestic flights of date (November 18) due to operational reasons. Guests of the affected flights were duly informed about their flight status via SMS alerts. In accordance with regulatory policy, guests have been re-accommodated and or compensated," the airline said in a statement.

The airline said it regrets the inconvenience caused to its guests **The airline source said the carrier has not been regular in paying salaries to pilots, engineers and senior management for quite some time now.**

Facing cash crunch, the Naresh Goyal-controlled private carrier has lost a good number of pilots in the recent past and many a time they have to work overtime to make up for the shortage, the source said. "Due to the abrupt cancellations, passengers who had booked their journey on these flights were left stranded," the source said. He said the shortage of pilots at the airline has been going on for months together as it has not hired new ones to replace those who have quit the airline in this period due to financial issues.

The Economic times of India 19/11/2018

Low-cost carrier SpiceJet's net worth fell to a negative Rs 461.5 crore at the end of September 2018, according to data available on the company's website. The net worth as on March 31, 2018 was a negative Rs 42.9 crore.

According to a report by Crisil dated October 9, 2018, the company's liquidity will remain stretched due to continued cost pressure "in the near to medium term, driven by significant increase in the operating cost and limited ability to pass on the increased cost to customers due to intense competition. Further, SpiceJet was expecting some cash infusion from the sale and lease back transactions that got delayed due to late delivery of the new aircrafts. Hence, liquidity profile has weakened".

The agency has downgraded ratings for the airline's bank loans for the short and well as long term. The airline's earnings before interest, tax, depreciation, amortisation and rentals (Ebitdar) slipped into the red in the three months to September at a negative Rs 145 crore and it reported a net loss of Rs 389 crore. Borrowings at the end of September were Rs 1,217 crore.

The carrier has maintained a 91% passenger load factor, the highest among the Indian carriers in the 41 months up to August, 2018. While the company had cash and bank balances of Rs 248 crore at the end of March quarter, it has fallen to Rs 109 crore by end of September.

20/11/18 Financial Express

New Delhi: **India's civil aviation minister has ordered a safety audit of all domestic airlines, including struggling carrier Jet Airways Ltd**, news channel CNBC-TV18 reported on Monday. The aviation safety watchdog, Directorate General of Civil Aviation, has been asked to conduct the audit, the channel cited federal minister Suresh Prabhu as saying.

Jet Airways is cutting costs and seeking funds to stay afloat. It owes money to vendors and employees alike, the airline said earlier this month after it reported its third consecutive quarterly loss.

20/11/18 Aditi Shah/Reuters

The Tata-SIA-run full service airline Vistara posted a net loss of Rs 431 crore on revenues of Rs 2,137.4 crore during FY18, according to a regulatory filing with the Registrar of Companies by the unlisted entity.

Vistara says it hasn't been able to escape the excess capacity addition by market leader IndiGo impacting its revenues and also the infrastructure constraints at the key airports in India that restrict its operations in profitable markets.

The Tata-SIA-run full service airline Vistara posted a net loss of Rs 431 crore on revenues of Rs 2,137.4 crore during FY18, according to a regulatory filing with the Registrar of Companies by the unlisted entity. The losses narrowed from Rs 518 crore it registered in FY17. The airline that has operated now for over three years has accumulated losses of Rs 1,556 crore and its debt has risen to Rs 332 crore from Rs 202.8 crore in FY17.

Vistara's cash flow from operations remains negative at Rs 3,941 crore whereas cash flow from financing went up to Rs 600 crore from Rs 400 crore in FY17. More seats (because in FY17 the airline expanded its capacity) meant total income went up 54% year-on-year at Rs 2,137.43 crore. Total expenses during the year at Rs 2,634.63 saw an increase of 38%.

Vistara, which is expanding moderately in the domestic market and awaits to fly international, has seen a steady erosion of networth. During FY18 its networth was Rs 63.56, a slight improvement from a negative of Rs 105.35 crore in FY17. This was primarily the reason why Tata and its foreign JV partner Singapore Airlines pumped in Rs 2,000 crore in October by issuing fresh shares. **Aviation experts say Vistara's poor performance is primarily due to its high cost structure, which industry pegs a bit higher than its full service competitor, the struggling Jet Airways.**

20/11/18 Manisha Singhal/Financial Express

New Delhi: **In order to repay the short-term loans raised to fund the acquisition of widebody aircraft, Air India has floated a tender to sell and lease back seven of its aircraft that would help the airline raise at least \$856 million.** While the proceeds from the sale of these aircraft will be primarily used to finance their acquisition, it will also partially help Air India in meeting its immediate liquidity requirements. This assumes significance given the delay faced by the airline in raising Rs 500 crore from the market. A senior airline official, however, said that Air India is expecting the Rs 500 crore loan to come in by next week.

In a tender document posted by Air India, it plans to sell six of its Boeing 787-8 Dreamliner aircraft and one Boeing 777-300ER aircraft. The six Dreamliners were delivered to Air India between November 2016 and October 2017, while the 777-300ER was delivered in March 2018. **"Air India intends to finance its aircraft through operating Sale & Lease Back (SLB). It is proposed to use the sales proceeds under SLB for the repayment of bridge loans taken for acquisition of these aircraft,"** the airline noted.

Under the SLB agreement, **Air India will sell the aircraft to the lessor and immediately lease the same planes back under an operating lease for a period of up to 12 years with an option to extend by three more years.** Based on the age of these aircraft, Air India has set a reserve price for the Dreamliners ranging between \$105 million and \$123 million. For the 777-300ER, the airline has set a reserve price of \$157 million. As per Boeing, the 787-8 aircraft has an average list price of \$239 million, while the 777-300ER has an average list price of \$361.5 million.

20/11/18 Pranav Mukul/Indian Express

Agartala: **The Tripura government has decided to reduce Value Added Tax (VAT) on aviation turbine fuel to attract airline operators to function from Maharaja Bir Bikram Kishore Manikya Airport** here, a minister said Monday. Law Minister Ratan Lal Nath told reporters that a decision had been taken to **reduce VAT from 18 per cent to 16 per cent, as a result of which aviation fuel would cost significantly lesser in Tripura compared to Gopinath Bordoloi International Airport in neighbouring Guwahati or Netaji Subhash Chandra Bose International Airport in Kolkata.**

Tripura's state exchequer would take a hit of Rs 1.2 crore annually following the decision, Nath said. **VAT on aviation fuel is charged at 23.65 per cent at Guwahati Airport and 25 per cent in Kolkata.** This move is expected to incentivise airlines to buy fuel from Tripura which can ultimately benefit passengers in terms of ticket price.

"Tripura used to charge aviation fuel at 18 per cent and the new decision would bring it down to 16 per cent, which in terms of money, would make the fuel cost lower at Agartala than its nearest two major airports Guwahati and Kolkata," Nath said.

19/11/18 ETNow News

The government is providing required support to debt-laden Air India from time to time and no money is being given to the airline without checks and balances, a senior official said Monday. The national carrier, which is staying afloat on taxpayers' money, is working on ways to revive its fortunes.

Civil Aviation Secretary R N Choubey said that from time to time, whatever support Air India needs that is being provided.

"Without checks and balances, no money would be given to them. Efficiency and improvement, which Air India has to ensure, are being monitored," he told reporters here.

Earlier this year, the government's efforts for strategic disinvestment of Air India failed to take off as no bidders evinced interest when the deadline for initial bids ended on May 31.

Choubey also said that equity infusion has been made into the airline.

19/11/18 PTI/Economic Times

New Delhi: **In a first, India may soon rank its airlines based on the quality of services they provide to flyers. The quality could be determined by the ratio of passengers flown by an airline and the number of complaints received against it.**

Aviation minister **Suresh Prabhu said this on Monday while launching an upgraded version of the ministry's portal for consumers, "AirSewa 2.0" that promises to make registration of grievances and their redressal faster.** "We can look at categorisation of airlines. For this, we can take the help of Quality Council of India to determine the parameters for ranking airlines. Accordingly, customer feedback received on AirSewa can be used to rank airlines," Prabhu said.

Airlines ranked lower, he said, will work to improve their ranking as passengers will choose carriers that are perceived to be more customer-friendly. And that way, the overall level of service from airlines will improve.

Prabhu, from his earlier stint as railway minister and his deputy in aviation ministry Jayant Sinha, has been proactive on social media to solve consumer grievances.

"Individually, I have been trying to do that as much as possible like Prabhu from his days in railway and Sushma Swaraj in external affairs. My social media inbox is flooded with issues faced by flyers.

Given the volume of complaints, we needed a systematic thing for registering grievances and redressing them for which AirSewa was launched and has now been upgraded," Sinha said.

19/11/18 Saurabh Sinha/Times of India

Thiruvananthapuram: **Kerala's start-up ecosystem got a major fillip as the state government on Saturday signed a memorandum of understanding (MoU) with Airbus BizLab, a global aerospace accelerator which is part of the Airbus group.**

The MoU was inked between Siddharth Balachandran, Airbus Bizlab India and Saji Gopinath, CEO, Kerala Startup Mission (KSUM), in the presence of Chief Minister Pinarayi Vijayan. Under the MoU, **an Innovation Centre will be set up here which will be the nodal body for planning and executing all the activities to help start-ups.** "We are confident that this partnership with Airbus Bizlab will help the industrial ecosystem of Kerala. It will up-skill the local youth and enhance employability," said Vijayan.

Airbus BizLab will also provide support and mentoring for start-ups in Kerala and conduct regular workshops and discussions with experts from the aerospace and defence sectors.

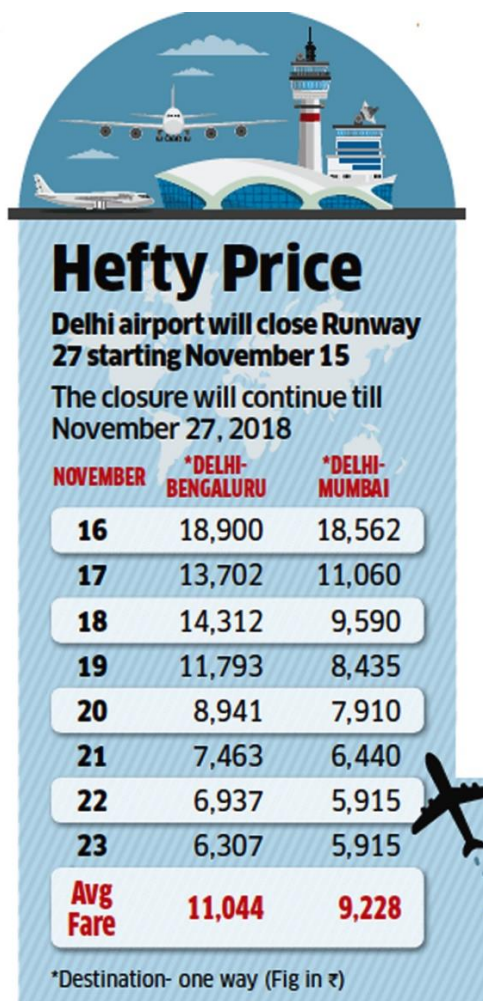
Further, the France-headquartered company, which has set up facilities in Bengaluru, Toulouse (France), Hamburg (Germany) and Madrid (Spain) to create a global network of business

accelerators, is to run training programmes to acquaint participants with aerospace technologies.
18/11/18 IANS/Sify

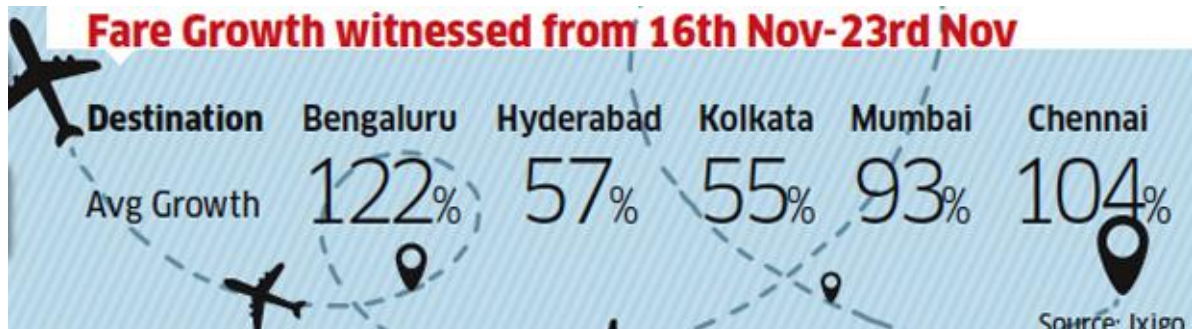
With the closure of one runway at New Delhi's airport reducing capacity by 10%, air fares in and out of the Indian capital have shot up to three times the normal level. "Last-minute fares on key routes from Delhi have surged up to three times due to the temporary closure of the runway and high travel demand," said Alope Bajpai, cofounder of ixigo, an online travel portal.

"Fares for flights from Delhi to Bengaluru and Chennai have seen a spike of over 100% from 16-27 November." Bajpai added that the runway closure has led to cancellations, too. "There has also been a 5% increase in cancellations for air travel originating to and from Delhi. The fares are expected to normalise by next week once the runway is restored," he said.

The closure of one of the three runways at New Delhi's Indira Gandhi International Airport started on November 15 and will continue till November 27. **The closed runway, primarily for flights using Terminal 1D, needed repair and had the maintenance planned in coordination with all stakeholders, including airlines, the airport operator said.** IGIA is the nation's busiest airport, handling about 75 flights per hour and close to 70 million passengers annually.



The shutdown was planned well in advance and it had been agreed that the capacity reduction would be carried out in a manner to ensure minimum inconvenience to passengers. **“This capacity reduction leading to spike in fares is a clear indication of the fact that the Indian market needs more and more capacity to keep fares in check,”** said a senior airline industry official who did not want to be identified. He added that **airlines should continue to add capacity to ensure that fares in the domestic sector remain in control, leading to more people flying.**



While Delhi airport has been able to absorb the impact of closure due to its two other runways, the situation in Mumbai will get severe when it shuts its runway for maintenance. The Mumbai airport, which has effectively one runway, will be closed from 11am to 5 pm during a 52-day period starting February 7.

The Economic times of India 20/11/2018

Flight cancellations by Jet Airways on Monday increased to 25 from 10 on Sunday as pilots reported sick in what is seen as a reaction against non-payment of salaries on time. “Flight cancellations by the airlines increased to 25 on Monday along with several delays and is set to increase further as pilots are protesting independently against the non-payment of salaries,” said a senior Jet executive, who did not want to be identified.

The airline has, however, refuted it and said that the cancellations were not due to pilots not reporting to duty but due to a roster error. Another executive added that pilots are independently protesting as pilots’ association of Jet Airways — National Aviators Guild (NAG) — has not issued any order to its members on protests. “The NAG, in fact, has asked its members to support the management, which is trying to revive the airline. The pilots are acting independently, which is impacting operations,” said another executive on a condition of anonymity.

Jet Airways said that only a few of their flights were cancelled on Monday. “Jet Airways refutes both the number as well as the indicated cause of some of its flights that were cancelled on Monday. The cancellations were a result of a system error instead of pilot non-cooperation as is being conjectured. The Company’s operations continue as per schedule,” the airline said in a statement.

“All employees of the Company, including its pilots and engineers, continue to actively cooperate to ensure its successful operations. Your query on the airline’s pilots reporting sick and impacting its operations are speculative,” the statement added. Jet Airways is in deep financial trouble, primarily, on the back of lower fares coupled with rising crude prices and depreciating rupee.

The airline has also lost about Rs 2,500 crore during the first half of the current fiscal and is talking to buyers for a possible stake sale. Jet has been in talks with both strategic and financial investors to sell

assets and a major chunk of its business to stay afloat. It had informed stock exchanges of its plan to sell a stake in the frequent flyer business, JetPrivilege.

The Economic times of India 21/11/2018

Air India's former director for operations Capt Arvind Kathpalia, who lost the post early this month for twice failing to clear alcohol tests before operating a flight, has been reverted to the position of executive director (ED), an airline source said.

The senior pilot, who has been serving the national carrier since late 1980s, was elevated to the post of director in March 2017 from the position of ED, just about two months after his flying licence was suspended for three months for skipping a breath analyser (BA) or alcohol test.

The Appointments Committee of the Cabinet had approved his appointment as director for operations, which is a board-level position, for a period of five years.

"Kathpalia has been reverted to the position of executive director in the airline. He has, however, not been given any department to handle," the source said.

Air India spokesperson was not available for comments.

Following the positive findings in the alcohol test on November 11, the airline took him off flying duties while aviation regulator DGCA suspended his flying licence for three years

Later, the Civil Aviation ministry relieved him from his position.

"Taking (into consideration) serious nature of the transgression and failure to course correct even after earlier suspension of flying licence for three months, the Minister of Civil Aviation has accorded approval for relieving Capt Arvind Kathpalia from the charge of director of operations of Air India Ltd with immediate effect," the ministry said in its November 13 order.

In 2017, Kathpalia was suspended for three months when he had allegedly refused to undergo the alcohol test before and after his flight, which he operated on the Bengaluru and New Delhi and back in January that year.

The Economic Times of India 20/11/2018

Airlines in India are asking the government to help them obtain unsecured credit from oil companies and airports, as fuel-price increases push them deeper into losses and imperil their survival.

Competition and aggressive pricing are stopping fares from rising to reflect higher input costs, the Federation of Indian Airlines said in a letter sent to the aviation ministry's top bureaucrat last week and obtained by Bloomberg News. Ujjwal Dey, a spokesman for the group, confirmed the letter and its contents, but couldn't immediately comment further.

Airlines are “facing challenging times and substantial losses in the domestic environment,” the communication addressed to Aviation Secretary Rajiv Nayan Choubey said.

The plea is the latest signal of the crisis facing airlines in India, where the world’s fastest-growth in air travel has created a capacity glut that’s keeping fares below cost, while fuel prices and a weaker rupee squeeze them further. Jet Airways India Ltd., the market’s second biggest player, is struggling to stay afloat after delayed payments to staff and lessors, and is in talks with investors to raise funds.

The FIA consists of Jet, InterGlobe Aviation Ltd.’s market leading IndiGo, SpiceJet Ltd. and Go Airlines India Ltd., which together account for almost 80 percent of the domestic market.

Losses at Indian carriers will balloon to as much as \$1.9 billion in the year ending March 2019, and they need to raise more than \$3 billion in working capital in the near term, according to Sydney-based consultancy CAPA Centre for Aviation. Most of them have cash balances that can cover expenses for only two to three weeks, according to CAPA.

“There is a considerable cash-flow mismatch between costs and revenues earned,” the letter said, urging the aviation ministry to assist airlines in obtaining a penalty-free, one-month unsecured credit line from oil companies, as well as state-run Airports Authority of India and private airports. Carriers already receive credit from both groups on an ad hoc basis.

Base air fares can be as low as 1 rupee (1 cent) in India, while states charge taxes as high as 30 percent on jet fuel. Airlines are unable to pass on those costs to customers without hurting passenger growth, the FIA said. The rupee has weakened almost 11 percent this year against the dollar, driving up financing costs on overseas borrowings.

Indian carriers would need to raise fares by 12 percent to offset the double blow from fuel and currency depreciation, and their eagerness to fill seats and gain market share will prevent ticket prices from going up, according to CRISIL Ltd., the local unit of Standard & Poor’s. They are facing their worst losses in a decade, it said earlier this month.

The Economic times of India 21/11/2018

A trainer aircraft crashed in an agriculture field in Mokila area here on Wednesday resulting in minor injury to the trainee pilot, police said.

The aircraft belonged to the city-based Rajiv Gandhi Aviation Academy, they said adding the accident occurred at around 11.30 am.

"As per preliminary information, the aircraft crashed due to some **technical problem**. The trainee pilot is safe," Deputy Commissioner of Police (Shamshabad Zone) N Prakash Reddy said. The pilot has been hospitalised, he added.

The Economic times of India 21/11/2018

Low-cost carrier IndiGo has come out with its winter sale offer with all inclusive fares starting Rs 899 for travel between December 6, 2018 and April 15, 2019.

Bookings will open from November 21 till November 25. Around ten lakh seats are being offered by the low cost carrier during the sale, reported Times of India.

"This being a yearend season when most of our customers plan their vacation, we hope to create through this festive sale more flexibility of choice for customers to fly at low fares. We are sure that the market will quickly take up the seats we have available, starting at fares as low as Rs 899," William Boulter, chief commercial officer, IndiGo, said.

The Economic times of india 21/11/2018

New Delhi, Nov 21 (PTI) **The European Union Wednesday unveiled a 'strategy paper' outlining the broad roadmap for stepping up cooperation with India in a range of key sectors, including trade, investment, defence and security, innovation, and on dealing with various global challenges.**

Releasing the paper, European Union's Ambassador to India Tomasz Kozlowski said the two sides are also going to have military cooperation in the Indian Ocean region.

He said India and the EU are significantly deepening their counter-cooperation to effectively deal with the challenge of terrorism in the region.

"India is on the top of the agenda of the EU in the field of external relations," Kozlowski told reporters.

On the stalled **negotiations for the India-EU free trade agreement**, he said both sides are actively engaged on the issue.

The strategy paper provides a broad overview of the EU's plan to expand ties with India in several key sectors for the next two decades.

Des consultations aéronautiques ont été organisées le 20 et 21 novembre à New Delhi, à la demande des autorités indiennes. Elles se sont déroulées dans une excellente atmosphère. Leur objectif était de clarifier un certain nombre de dispositions du cadre bilatéral régissant les services de transport aérien entre la France et l'Inde et d'élargir concomitamment le tableau des routes et les possibilités de partages de codes domestiques, afin de permettre à Air France et Jet Airways d'approfondir leur partenariat.

1) Ces consultations ont permis de clarifier les modalités d'application d'un certain nombre de dispositions du cadre bilatéral en vigueur : modifications de l'accord aérien de 1947 apportées lors des consultations de 2009, application des clauses européennes de désignation et de révocation, confirmation de la possibilité de desservir des points intermédiaires et au-delà sans exercice de droits de 5ème liberté, confirmation des possibilités de partages de codes autres que domestiques.

2) Jusqu'ici, les transporteurs français pouvaient desservir jusqu'à 6 points en Inde, plus 4 points supplémentaires exclusivement destinés à des opérations de partages de codes domestiques en Inde et les transporteurs indiens, jusqu'à 4 points en France, plus 4 points supplémentaires exclusivement destinés à des opérations de partages de codes domestiques en France.

Afin de permettre à Air France d'étendre les possibilités de coopération avec son partenaire indien Jet Airways, ces consultations ont permis d'ajouter 19 points supplémentaires pour leurs opérations

de partage de codes respectives en France et en Inde, plus 10 autres avant le début de la saison aéronautique IATA d'hiver 2019-2020 (soit, au total, 4+19+10=35). En outre, le nombre de points pouvant être desservis par les compagnies indiennes désignées sera porté de 4 à 6 en contrepartie de la confirmation, par les autorités indiennes, de l'ajout des 10 points supplémentaires susmentionnés.

3) Afin de faciliter l'élargissement du tableau des routes, ainsi que des possibilités de partages de codes entre transporteurs, les deux autorités ont convenu que l'augmentation ultérieure (au-delà de 6) des points d'entrées sur leur territoires respectifs et celle (au-delà de 35) des points de desserte en partage de codes par des liaisons domestiques, seront en principe accordées sur simple demande, sur la base de la réciprocité. Cela permettra, par exemple, d'ouvrir la possibilité aux compagnies indiennes de desservir, si elles le souhaitent, les aéroports régionaux en métropole (seuls Nice, Lyon et Toulouse sont actuellement listés) et dans l'océan indien, ce qui irait dans le sens des demandes formulées dans le cadre des Assises du transport aérien d'amélioration de la connectivité des territoires.

4) Les autorités indiennes ont expliqué en quoi consistait leur politique dite « de ciel ouvert », à savoir la libéralisation des droits de 3ème et 4ème libertés vers un nombre limité de destinations. Conformément au mandat de négociation (cf. note n°180756/DG du 12 novembre 2018), et compte tenu des larges possibilités encore offertes à chaque pavillon pour développer ses services aériens, la délégation française a expliqué que la libéralisation des services aériens entre les deux pays devrait s'inscrire dans un cadre européen, en indiquant que la France était prête à soutenir l'octroi d'un mandat à la Commission européenne pour négocier un accord en ce sens entre l'Union européenne et l'Inde, en contrepartie de l'adoption d'une clause relative à la concurrence loyale. Aucune augmentation du nombre de fréquences n'a donc été actée lors de ces consultations.

Les autorités indiennes, ainsi qu'Air France, ont paru satisfaites du résultat de ces consultations.

Les industriels menacés par des enquêtes anti-corruption se retrouvent à la merci des batailles internes indiennes. **La révocation le 24 octobre du patron du Central Bureau of Investigation (CBI), Alok Verma, par le gouvernement indien, augure de nouvelles incertitudes pour les industriels occidentaux inquiétés par la justice locale.** Le bureau du premier ministre **Narendra Modi a démis le patron de l'office en charge des enquêtes financières, principalement car il avait déclenché une enquête anti-corruption sur le contrat Rafale de Dassault et son partenaire local, Reliance Industries.** L'équipe de Modi reproche à Verma de ne pas avoir prévenu sa tutelle de l'ouverture de l'enquête préliminaire. **Le conglomérat d'Anil Ambani, partenaire surprise des compensations industrielles (offset) du groupe français, se retrouve au cœur de la tornade.** Intelligence Online avait décortiqué ce contrat en 2016 ici.

De plus, le **CBI est en plein conflit interne : Verma était en guerre ouverte avec son adjoint Rakesh Asthana, considéré comme un proche de Nripendra Misra, Principal Secretary de Modi.** Les deux hommes se sont accusés mutuellement de corruption devant la Central Vigilance Commission (CVC), le corps de contrôle du CBI, à l'autonomie toute relative.

Conséquence : **la CVC a nommé fin octobre un directeur par intérim, Nageshwar Rao, un fidèle du président du parti BJP au pouvoir, Amit Shah.**

Pour les sources en Inde d'Intelligence Online, le CBI inquiète habituellement peu les groupes de défense étrangers présents en Inde : le bureau est surtout connu pour lancer de très nombreuses enquêtes, qui aboutissent très rarement à des condamnations.

En parallèle du jeu de chaises musicales au CBI, le gouvernement a procédé à de nombreuses réaffectations au sein des unités de police de New Delhi dédiées à la lutte contre les crimes économiques.

Au-delà de l'enjeu politique - l'opposition incarnée par le Parti du Congrès canonise le contrat Rafale -, Dassault reste sous la menace de la plainte déposée devant la Cour suprême par deux anciens ministres du BJP, Yashwant Sinha et Arun Shourie, assistés de l'avocat activiste Prashant Bhushan. De manière opportune, l'Enforcement Directorate (ED), organe dédié aux poursuites pour blanchiment d'argent placé sous la tutelle du gouvernement, a envoyé le 29 octobre des notices d'accusation à sept responsables, impliqués dans un contrat de vente de 42 avions d'Airbus Group pour 1,25 milliard \$ en 2005 à Indian Airlines. Le premier à avoir reçu sa notification judiciaire est Kiran Rao, ancien bras droit du directeur commercial d'Airbus John Leahy. Ces inculpations font suite à une enquête du CBI lancée en 2013. Airbus se reposait notamment à l'époque sur l'agent Sanjay Bhandari (IOS, IOL n°759). Quatre autres contrats de livraisons d'avions avec Air India et Indian Airlines par Airbus et Boeing sont aussi scrutés par l'ED. Tous ont été signés par l'ancienne majorité du Parti du Congrès. **La notification judiciaire lancée contre Rao a d'ailleurs été envoyée par le gouvernement quelques jours après le chaos provoqué au CBI par le lancement de l'enquête sur Dassault.**

Intelligence online 22/11/2018

The Minister of State for Civil Aviation, Jayant Sinha on Tuesday said that the government's disinvestment plan in Air India has been put aside for time being as it is working on the revival of the debt-ridden enterprise.

The strategic sale of the airline has been put on hold in the backdrop of Industry condition.

"The government will consider all option only after the industry condition changes", said Sinha.

Earlier, the Union government reportedly planned to initiate the strategic sale of the four subsidiaries of the airlines. The debt burden carrier has Rs 480 billion as debt by the end of March last year.

20/11/18 ANI/Business Standard

New Delhi: **India's aviation industry, which has had to historically burn cash to sustain aggressive pricing, has once again hit deep air pockets.**

While the crash and burn of Jet Airways has assumed centre-stage in the last few months, most major carriers have reported losses in recent quarters. The red ink comes primarily from higher fuel prices at one end and lower ticket prices at the other, as airlines scramble to get more passengers in a market riddled with over-capacity.

The question now is: will the Narendra Modi government come to the rescue?

On Wednesday, sources told The Wire that the aviation lobby has asked the Centre to help them obtain unsecured credit from airports and oil companies.

There are hints of broader government help on the horizon as well. Last week, **Bloomberg reported that the NDA-II government had sought the help of Tata Sons to help bailout Jet Airways.** In particular, Tata Sons was reportedly in talks with the Centre about a potential haircut on loans that Jet Airways owed to state-run banks.

While this was denied by aviation minister Suresh Prabhu a few days later, it's unclear where more sustainable growth is going to come from in the future.

Because mere growth has never been a problem: from a measly 14 million passengers in 2000-2001 to over 140 million passengers by 2017, Indian aviation has seemingly done well.

The problem has been profits. Even market leader IndiGo reported its worst quarterly performance ever in June 2018, down 97% year-on-year.

"For fiscal 2019, airline industry is expected to see a domestic capacity growth of about 20% driven by a faster capacity expansion from Low Cost Carriers. This capacity driven passenger traffic growth is

expected to put downward pressure on air fares, despite an adverse movement of crude oil and INR-USD exchange rate," Hetal Gandhi, director, CRISIL Research, told The Wire.

"Despite being a negative working capital based industry, majority of the players have significant working capital debt on account of losses posted during the past decade," Gandhi added.

21/11/18 The Wire

New Delhi: **The government is actively pushing for establishment of air freight stations as it looks at ways to reduce costs involved in air cargo operations**, a senior official said Tuesday.

The Civil Aviation Ministry is expected to soon come out with an air cargo policy that would seek to address various problems faced by the industry players.

"We are actively pushing for establishment of offsite Air Freight Stations. **This is against financial interests of the airport operators... but that is the way forward...** We are committed to making air cargo affordable," Civil Aviation Secretary R N Choubey said here.

Air Freight Station (AFS) is an off-airport common user facility that offers service for handling and temporary storage of import and export cargo.

Noting that the air cargo policy would have answers to many problems faced by the industry, he said the ministry would try to **transfer many functions related to air cargo operations offsite since space at airports is expensive.**

20/11/18 PTI/Times of India

Passengers of an IndiGo flight from Hyderabad to Port Blair experienced anxious moments on Tuesday as the A320 neo aircraft tilted mid-air, according to a senior regulatory official.

Aviation regulator DGCA has started a probe into the incident, which is the latest in a series of issues involving IndiGo's fleet of A320 neo planes powered with Pratt & Whitney engines.

After it tilted to one side mid-air, the pilot managed to balance the aircraft, a senior DGCA official told PTI.

An IndiGo spokesperson said the pilot observed a **minor engine sensor issue** that did not warrant any automated caution and that the plane made a normal landing at Port Blair.

The number of passengers on board could not be ascertained. A320 neo plane has more than 180

seats. **The A320 neo aircraft suffered "yawing" and the regulator might also ask for the flight's DFDR (Digital Flight Data Recorder) to assess the angle of tilt and fix responsibility for the incident**, the official said.

Generally, yaw motion is side-to-side movement of an aircraft's nose and can result in asymmetrical lift on the wings.

"The pilot's report says the aircraft yawed. Now, the angle or the degree of the yaw is to be determined and that would reveal the seriousness of the matter. We have already started our investigation," the official noted. Further, the official said that after gathering the requisite data, the DGCA will be able to find out whether the incident happened due to lapses at the end of engineers or pilots.

In a statement, the IndiGo spokesperson said that neither its Hyderabad-Port Blair flight, 6E-293 had any emergency landing nor was there any mid-air engine failure.

"The pilot observed a minor engine sensor issue which did not warrant any automated caution. Hence, the pilot continued the flight and made a normal landing at Port Blair," it said.

As per live flight tracking website Flightradar24, the snag-hit plane remained grounded in Hyderabad for more than 48 hours after performing the return flight from Port Blair on November 20.

The Economic Times of India 22/11/2018

Former diplomat Ranjan Mathai has resigned from the board of Jet Airways as independent director, the airline said late Thursday.

This comes weeks after former Shell CEO Vikram Singh Mehta resigned from the airline's board as independent director and audit committee member.

Jet's statement attributed Mathai's resignation to "increasing pressure on his time from other commitments and consequent inability to devote the time required to discharge his obligations as an independent director," similar to reasons it had attributed to the resignation of Mehta.

The Economic Times of India 22/11/2018

Canada's Public Sector Pension Investment Board, or **PSP Investments**, and **Spanish airport operator Ferrovial**, which runs Heathrow of London, among others, **are the two final suitors advancing on a large share purchase in GVK Airport Holdings**, people directly familiar with the matter said. GVK owns and operates the country's second busiest Mumbai International Airport, and will manage the proposed Navi Mumbai International Airport too. **Citigroup is said to be advising the transaction, which could conclude with one of the two bidders in the next two months.** Financial details of the potential transaction could not be ascertained at this stage.

Earlier this month, GVK Power & Infrastructure sought shareholder nod to sell over 50% stake in the privately held airports holding company for raising up to Rs 8,000 crore. The capital raised will be deployed to pare debt and for developing the Navi Mumbai airport. GVK Airport Holdings has over Rs 8,000-crore debt, while the group's overall debt hang is well over Rs 20,000 crore.

One of the sources cited earlier said the share sale to one of the bidders would be up to 49%. However, GVK Airport is likely to go ahead with an IPO plan sometime next year, which would see the promoter stake fall below 50%. The company is a fully owned subsidiary of GVK Power & Infrastructure.

PSP and Ferrovial were in the final lap after the latest phase of protracted deal-making in GVK Airport had attracted several bidders, including Australian infrastructure investor AMP Capital, Abu Dhabi Investment Authority and Malaysia Airports, among others.

When contacted, a GVK spokesperson declined to comment on speculation. PSP Investments, too, declined to comment, while Ferrovial could not be reached immediately.

Canadian pension asset manager PSP Investments controls German airport operator AviAlliance, which owns stakes in Düsseldorf, Hamburg, Athens and Budapest airports. In fact, AviAlliance has had multiple conversations with GVK going back to more than three years when media first reported it in 2015.

Several global pension managers have been showing interest in snapping up Indian infrastructure assets for stable annuity returns. PSP is stepping up interest in India, tracking other Canadian pension funds like CPPIB and CDPQ.

Ferrovial operates four airports in the United Kingdom - Heathrow, Glasgow, Aberdeen and Southampton. The Spanish infrastructure conglomerate is also into toll roads, construction and urban

and environmental services. GVK Airport Holdings owns 50.5% stake in Mumbai International Airport, which in turn, through a step-down subsidiary, has won the rights to develop the Rs 15,000-crore Navi Mumbai project. India's domestic airport passenger traffic is scheduled to touch 150 million next year, reporting 15-20% year-on-year growth in recent past.

The Economic times of India 23/11/2018

Flying from New Delhi will become costlier from December 1 because the airport charges have been hiked. Departing flyers will be required to pay Rs 77 as passenger service fee (PSF)-facilitation (taxes extra) in place of the user development fee of Rs 10 and Rs 45 that domestic and international flyers, respectively, were paying since last July. This implies a hike of Rs 67 and Rs 32 for domestic and international flyers. For tickets issued in foreign currency, the PSF-facilitation will be \$1.93.

The Economic Times of India 21/11/2018

The proposed heli-taxi services between HAL airport and Kempegowda International Airport (KIA) is delayed. Thumby Aviation, currently running shuttle helicopter services between Electronic City and KIA, has not received clearances to operate shuttle services between the two airports.

The company is struggling to strike a deal with the operators of HAL airport and the Bangalore International Airport (BIAL). "We are in talks with HAL and BIAL. Both of them have extended support, but there are a few issues that have to be sorted out," Govind Nair, director (business development) at Thumby Aviation, told ET.

Nair did not set a timeline for the project to take off, but denied reports that the company had dropped plans to run shuttle services between the two airports. "We are already running air charter services from the HAL airport to different places. As running shuttle services between two airports requires a number of permissions, it takes time. We are on it," Nair said.

Kerala-based Thumby Aviation believes shuttle helicopter services between HAL airport and the KIA would have better footfall, given the distance between the two airports. **While it takes nearly two hours by road to cover the 40-km stretch to the international airport near Devanahalli, a helicopter can cover the distance in about 15 minutes.**

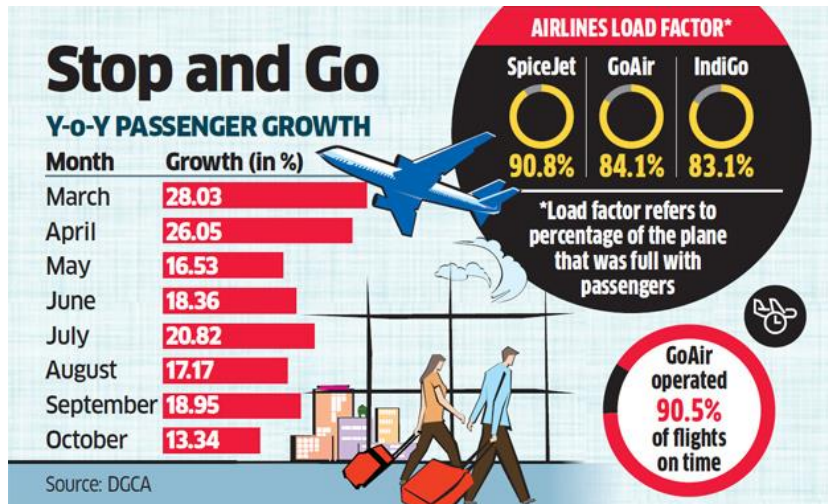
Both HAL and BIAL did not divulge details of Thumby's proposal. "We are open to the deal as long as the company agrees to pay helicopter parking fees," Gopal Suthar, a spokesperson for HAL, said. BIAL declined to respond to queries.

The Economic times of India 22/11/2018

Domestic air traffic growth during October slowed down a bit, registering a growth of about 13.34 per cent from a year ago, data released by the aviation regulator showed. The data, released by the Directorate General of Civil Aviation (DGCA) on Monday, showed that Indian carriers carried 11.8 million passengers during the month, up from 10.5 million in October last year.

Travel industry insiders said that the growth in October this year has slowed down due to the higher base effect of last year. A larger number travelled in October last year, as Diwali fell in the same month.

As a result, all key scheduled carriers reported lower load factors than the past month but flew their planes with close to 80 per cent of their seats full. **Gurgaon-based SpiceJet continued to maintain its pole position in terms of load factor by flying its planes 90.8 per cent full, followed by GoAir, which flew its planes with 84.1 per cent, and IndiGo that flew with 83.1 per cent seats full. SpiceJet said that they have been reporting highest load factors for the past 43 months.**



“This is the 43rd month-in-a-row that we have flown with the highest loads in India. This has set a new benchmark in global aviation and we are proud of that. We at SpiceJet make every effort to offer our customers a top-notch experience every time they fly with us,” said Shilpa Bhatia, chief sales & revenue officer, SpiceJet, in a statement to the media. GoAir topped the list by operating 90.5 per cent of flights on time, followed by Vistara that operated 88.5 per cent of its flights on time.

IndiGo remained the market leader in terms of passenger carriage by flying 42.8 per cent of the total passengers during October. Jet Airways followed IndiGo in terms of market share, by flying 14.9 per cent of the passengers flown during the month. The national carrier, Air India, was the third largest carrier in terms of market share, accounting for 12.2 per cent of the passengers flown in the same time.

The Economic times of India 22/11/2018

New Delhi: The government plans strategic stake sale in Air India Air Transport Services, the ground handling arm of Air India, by March end, a senior finance ministry official said on Thursday.

“The administrative ministry is in talks with Air India on the issue of stake sale in certain non-core assets. Air India Air Transport Services seems the right candidate at the moment and the bids may be invited soon and the process may be concluded by March end,” the official said.

Air India has been selling non-core assets, including some prime properties, to reduce its debt. As of March 31, 2017, the national carrier had outstanding debt of Rs 48,500 crore on its book.

Air India Air Transport Services, a wholly-owned subsidiary of Air India, is primarily involved in ground handling and cargo handling services. The company had reported a profit of Rs 61.66 crore in 2016-17. The Centre is considering a strategic sale in the subsidiary after it failed to sell 76% stake in the airline.

The government had invited initial bids for stake sale in Air India in March, but failed to solicit even a single expression of interest, despite extending the deadline twice. **This week, Minister of State for**

Civil Aviation Jayant Sinha said the government will be ready with a plan to revive the debt-laden carrier in two-three weeks.

23/11/18 Hans India

Following the poor performance of the airlines and their inability to operate flights regularly on the assigned routes, the Airports Authority of India (AAI) has cancelled the operating licenses of Air Odisha and Air Deccan on various routes. Due to the cancellation, many flights under the government's ambitious project UDAN have also been affected.

A senior AAI official told ZeeBiz.com that the licenses for two routes of Air Odisha - Chhattisgarh and Chennai and one route of Air Deccan - Maharashtra, have been cancelled due to their inability to operate flights on the routes.

The Airport Authority of India (AAI) has sent a letter mentioning the termination clause to both the airlines. **The airlines failed to operate 75% of flights in last three months.**

In fact, Air Odisha has even failed to continue its flight operations from the Veer Surendra Sai Airport, which was recently inaugurated by PM Narendra Modi.

Now, Air Deccan has license to operate only on two routes - North East and Kolkata. Air Odisha has only one route left but since it has already given that to Air Deccan, it now stands grounded, revealed an official.

The AAI official informed that a fresh notice has also been sent to Air Deccan warning them of cancellation of their remaining licenses if they fail to operate flights on the remaining routes.

Air Deccan and Air Odisha had bagged as many as 84 routes under the first round of UDAN last year.

The AAI has issued notices to both the airlines in March this year to maintain the continuity of the flights on routes assigned to them.

23/11/18 Akash Sinha/ZeeBiz

Raipur: The air service to tribal Bastar region, launched by PM Modi with much fanfare in June, has been discontinued due to nonfulfillment of contractual promises, allegedly by Air Odisha.

Raipur's Swami Vivekanand Airport director Rakesh R Sahay told TOI that air connectivity between Raipur and Jagdalpur, the divisional headquarters of Bastar, had been suspended because Air Odisha "was not able to fulfil the terms mentioned in the agreement between Airport Authority of India and Air Odisha". The agreement was that the operator will operate at least 70% of the scheduled flight.

Sahay said bidding will be held afresh.

23/11/18 Nisreen Naaz/Times of India

The Airports Authority of India (AAI) has terminated the Ude Desh ka Aam Naagrik (Lupin eyes product acquisition in India) contract of private airliner Air Odisha covering three states — Chhattisgarh, Andhra Pradesh and Odisha — for poor performance.

Air Odisha, through an agreement with the AAI, had to operate 70 per cent of the flights in three months. But, it hardly operated them. By invoking clause 17 of the agreement, the private flier was issued a termination letter.

"A letter (of termination) has been sent to Air Odisha issued by our corporate headquarters, who had an agreement for regional connectivity scheme (RCS) operations in these states," said S C Hota, director, Biju Patnaik International Airport, Bhubaneswar.

23/11/18 Nirmalya Behera/Business Standard

New Delhi: Jharkhand's steel city Bokaro has become the first airport to get a mobile air traffic control (ATC) tower at its airport. The state-run Airports Authority of India (AAI) has acquired eight

trailer-mounted towers at a cost of Rs 64.6 crore from a Slovak company for being used at small airports for regional connectivity scheme (RCS) flights.

"With the ude desh ke aag nagrik (UDAN or the subsidised regional flying scheme where fares are capped at Rs 2,500 per hour of flying) we will see a number of small airports getting one or two flights a day. In the past also we had used mobile ATC towers but now we are doing it in a systematic manner given the demand for RCS flights. It is better to use these mobile towers at small airports," said AAI chairman Guruprasad Mohapatra.

The mobile towers have been purchased from MSM Martin Company Slovakia, Slovak Republic.

The first eight will be used at regional airports at Bilaspur, Ambikapur, Jagdalpur, Jeypore, Utkela, Vellore, Bokaro and Mithapur (Gujarat).

A senior AAI official said: "These mobile ATC towers have been developed keeping in mind Indian ATC requirements. Technically, these mobile towers are top class and allow operations in any airport in India, enabling shipment by road on own trailer and fast deployment and setting up for operation. Mobile tower provides latest technologies including communication, navigation and surveillance and automated weather observation system equipment used for ATC."

These towers have a lifting system for elevation of tower cabin up to 8 metre from cabin rooftop. It is configured to operate with two to four operators without being removed from the trailer. "The AC cabin is made of aluminum and has windows with 360 degree vision, anti-reflective, with fittings for anti-fogging and de-icing, blast proof double glass windows," the official said.

23/11/18 Saurabh Sinha/Times of India

Lucknow/Noida: **The Uttar Pradesh government has approved a fund of Rs. 1,260 crore for acquisition of land for the proposed Jewar airport in Gautam Buddh Nagar,** according to an official document.

The amount, released for acquisition in the first phase of airport construction, is to be spent for land acquisition and payment to the farmers concerned, the letter stated.

A total of 5,000 hectare land is required for the development of the proposed Greenfield international airport and cost Rs. 15,000 crore to Rs. 20,000 crore, the officials said.

For the first phase of the airport- the second in the National Capital Region (NCR) - 1,334 hectare land is required. 1,239 hectare land from six villages (Rohi, Dayanatpur, Parohi, Kishorpur, Ranhera and Banwariwas).

"The Governor has approved sanction of Rs. 1,259 crore for the acquisition of land for the Jewar Airport in the financial year 2018-19," Special Secretary Surya Pal Gangwar wrote in a letter to the director of state Civil Aviation Ministry.

At a meeting held in Lucknow to discuss the progress of the project on November 14, Uttar Pradesh Chief Minister Yogi Adityanath had directed officials of the Noida International Airport Limited and the Gautam Budh Nagar administration to expedite work on the airport.

23/11/18 PTI/NDTV

Demand for Indian aviation is soaring and this is reflected in the massive numbers. The latest report says that India's domestic air passenger traffic grew by 13.34 per cent in October, 2018. Directorate General of Civil Aviation (DGCA) data shows that 1.18 crore passengers were ferried by domestic airlines during the month under review, up from 1.045 crore reported during the corresponding month of 2017.

"Passengers carried by domestic airlines during January-October 2018 were 1,146.37 lakh (11.46 crore) as against 954.45 lakh (9.54 crore) during the corresponding period of previous year thereby registering a **growth of 20.11 per cent**," the DGCA said in its **monthly domestic traffic report**.

SpiceJet had the highest passenger load factor (PLF) -- a measure of capacity utilisation of the airline -- at **90.8** per cent during October.

"This is the 43rd month-in-a-row that we have flown with the highest loads in India. This has set a new benchmark in global aviation and we are proud of that," said Shilpa Bhatia, Chief Sales and Revenue Officer, SpiceJet.

SpiceJet was followed by GoAir with a PLF of 84.1 per cent and IndiGo at 83.1 per cent and AirAsia India at 82.8 per cent.

"The passenger load factor in the month of October 2018 has shown increasing trend compared to previous month due to the onset of tourist season," the monthly statistical analysis statement said. The data noted that GoAir led the industry with 90.5 per cent punctuality rate (on-time performance) at the four major airports of Bengaluru, New Delhi, Hyderabad and Mumbai. It was followed by Vistara (88.5) and SpiceJet (86.5).

"It is indeed gratifying that GoAir continues to top the on-time performance for second consecutive month," said Cornelis Vrieswijk, CEO, GoAir. "Stringent processes and systems along with a committed ground force of staff drives our operations...."

Besides, the overall cancellation rate of scheduled domestic airlines for October stood at 1.16 per cent.

In addition, a total of 669 passenger-related complaints were received last month. IndiGo led the industry with the highest market share of 42.8 per cent, followed by Jet Airways (13.3), Air India (12.2), SpiceJet (11.7) and GoAir (8.8).

AirAsia India had a market share of 5.4 per cent, followed by Vistara (3.7), JetLite (1.6) and Trujet (0.5).

"High travel demand in the upcoming winter holiday season, will further catalyse the growth of passengers in the coming months," according to Alope Bajpai, CEO and Co-Founder, ixigo.

23/11/18 ZeeBiz

New Delhi: The aviation sector has suffered a big blow since the international crude oil prices have started to move up early this year. Airlines across the board have to bear the brunt of high ATF prices coupled with depreciating rupee and intensified competition. The impact on private carrier Jet Airways and state-run Air India seems to have been more pronounced.

Despite its troubles, it seems that Jet is in better condition than Air India, at least in terms of operational parameters. The last declared results for AI - in 2016/17 - showed that the national carrier couldn't benefit from the up-cycle in the sector, and reported a net loss of Rs 5,765.16 crore. Jet, on the other hand, reported net profits of Rs 438.45 crore in the same financial year. While Jet Airways has reported losses for two consecutive quarters of 2018/19, the financial numbers of Air India, being a non-listed entity, has not yet come out.

In terms of operational performance, Jet has been consistently ahead of Air India, in the recent months, in areas like lower cancellation rates, passenger complaints per 10,000 passengers, on-time performance (OTP), and market share. In addition, Jet has reported higher passenger load factors (PLF) than AI in seven out of past 10 months of 2018.

The OTP rates of Jet at four major airports - Bangalore, Delhi, Hyderabad and Mumbai - stood at 85.9 per cent, 86.6 per cent, and 82.6 per cent in three months to October. Air India's corresponding OTP stood much lower at 74.7 per cent, 74.3 per cent, and 75.3 per cent. Broadly, it shows that nearly one out of every four flight operated by AI at four metro airports were not on time. OTP is an indicator of whether an airline is operating flights on time, and plays a major role in building brand perception.

Similarly, airlines with higher cancellation rates are not preferred by passengers in general. In this parameter too, AI has not fared well when compared with Jet. AI (domestic) had cancellation rates of 4.17 per cent, 1.6 per cent and 3.17 per cent in three months to October. Jet Airways' corresponding rates were 0.15 per cent, 1.2 per cent (including JetLite), and 0.69 per cent.

23/11/18 Manu Kaushik/Business Today

New Delhi: **In a first for Indian airlines, IndiGo has flown more than 50 lakh domestic passengers in a month. This feat was achieved in October 2018 when the low-cost carrier had 196 aircrafts and is on its way to become the first desi carrier to cross 200-mark in fleet size.**

Among big airlines, Air India is the only one with no planes on order and no growth plan charted out. Jet's order for new planes is mainly to replace its ageing fleet.

However, higher fuel prices and weaker rupee in October have forced airlines to hike spot fares, leading to a fall in aircraft occupancy.

23/11/18 Times of India

The European Aviation Safety Agency has suspended its certification for Hyderabad-based GMR Aero Technic, which provides maintenance and overhaul services for aircraft, and the re-approval would depend on the progress made by the organisation, according to the regulator.

With the suspension of certification effective November 12, the facility would not be able to service planes that are registered in a European Union member state.

GMR Aero Technic provides extensive airframe maintenance, repair, overhaul (MRO) and line maintenance services on the commercial and general aviation aircraft, as per its website.

Specific reasons that led to the European Aviation Safety Agency (EASA) suspending the certification could not be ascertained. When contacted, the regulator told PTI that the suspension of its certification "only affects the ability of this organisation to maintain and release to service aircraft that are registered in an European Union member state or components to be fitted on such aircraft".

Without providing specific details about the reasons for suspension, the watchdog said the move does affect other approvals held by this organisation, such as from the Directorate General of Civil Aviation (DGCA) and privileges obtained under such approvals Query sent to a spokesperson of GMR Group on Friday morning remained unanswered.

As per GMR Aero Technic's website, **GoAir, SpiceJet, Jet Airways, IndiGo, Vistara, TruJet, Malaysia Airlines and Oman Air** are among its customers.

"The process for getting EASA certification again depends on the progress made by the organisation," the European watchdog said in an e-mailed response on Friday. A query sent to domestic aviation regulator DGCA on whether it would be initiating any action in the wake of EASA certification suspension did not elicit any response.

Located at Hyderabad international airport, GMR Aero Technic is a wholly-owned subsidiary of GMR Aerospace Engineering Ltd.

According to its website, GMR Aero Technic also provides line maintenance services for A320 aircraft of Gulf Air and Air Asia, for B787 and B767 planes of British Airways and at Kathmandu airport.

The Economic times of India 25/11/2018

NEW DELHI: **The government, worried over its past failures to implement key decisions in the aviation sector such as privatisation of Air India, has formed an empowered group of secretaries to ensure that the privatisation of six airports doesn't fall through the cracks.**

"The empowered group of secretaries will ensure that all issues are resolved for a successful completion of the privatisation process," said a senior government official, who did not want to be identified. **The panel will be headed by NITI Aayog CEO, and will have secretaries of aviation, expenditure and economic affairs as its members.**

The Cabinet had during the first week of November approved **privatisation of six airports – Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru – on a Public-Private Partnership (PPP) basis.**

This was decided after the Airports Authority of India (AAI) failed to award airports in Jaipur and Ahmedabad on operations and management, as they could not find enough takers. Similarly, the aviation ministry also did not find takers for Air India, where the government was trying to sell 74% to a private player.

Officials said that the Prime Minister's Office and NITI Aayog have been concerned over the distress in the aviation sector and believe that the sector, which could have been a sunrise sector, failed to achieve its potential and is in distress with airlines such as Jet Airways reporting financial stress.

Clearing the Air

Cabinet has cleared privatisation of 6 airports:

- ▶ Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru
- ▶ Privatisation will be done on PPP basis

Empowered group of secretaries to ensure all issues are resolved

Panel to be headed by NITI Aayog CEO

Secretaries of aviation, expenditure & economic affairs to be its members

Recently, AAI failed to find takers for airports in Jaipur and Ahmedabad

"The PMO and NITI Aayog are not happy with the sector's performance and have registered the displeasure over the ministry's performance. The committee is part of their attempt to ensure that plans are implemented and growth continues in the sector," said the government official. The government's focus is on the aviation space, and it has also launched a regional connectivity scheme to subsidise flights to the unserved and underserved parts of the country.

But the sector has been in distress due to rising crude prices and falling rupee, which has led to all listed airlines making losses in the second quarter of the current fiscal.

The government is discussing a move to reduce the cost of fuel by tax cuts to bring the aviation sector out of this mess. The Centre reduced excise duty on jet fuel to 11% from 14% during October but the respite wasn't enough for airlines which continued to bleed.

The Economic Times of India 24/11/2018