

Paramount in talks with Embraer for repair centre

Ashwini Phadnis

New Delhi, Sept. 19

The Madurai-based Paramount Airways is in talks with aircraft manufacturer Embraer for setting up the first maintenance, repair and overhaul centre in the Asia-Pacific region in India, the Managing Director, Mr M. Thiagarajan, said on Wednesday. "We are in discussion with Embraer and could sign the deal as early as next month. The project which involves an invest-

ment of \$40-60 million could become functional by the end of 2009. We will hold a 51 per cent equity in the project. There is enough land near Madurai airport for the project," Mr Thiagarajan told *Business Line*. The MRO project would be set up as a separate profit centre and not as part of the airline.

The management feels that the venture would be a profitable as at present most Embraer aircraft in the region including those operat-

▶ *The project which involves an investment of \$40 million-60 million could become functional by the end of 2009.*

ed by the Australian airline Virgin Blue and by several airlines in the Gulf fly to Portugal for maintenance checks.

The airline, which has signed up for 40 Embraer aircraft, is also in talks with both Boeing and Airbus for acquiring wide body aircraft that would be used to oper-

ate on international routes. "Our talks with Boeing are at an advance level, while with Airbus we have just had initial talks. We are evaluating the Boeing 787 and the A-350 aircraft."

Paramount is also evaluating the option of picking up an equity in an airport although this was unlikely to

happen in the immediate future. "We will concentrate on inducting the aircraft and in setting up the MRO. Investment in an airport is an idea we are open to but it is not something that would happen immediately," Mr Thiagarajan said.

The airline is to induct a new Embraer aircraft next month that would be used to operate Kochi-Thiruvananthapuram-Kozhikode and Kozhikode to Bangalore flights.