

Paramount to add 2 aircraft this year

Our Bureau
CHENNAI

PARAMOUNT Airways on Thursday announced that it would be adding two more aircraft to its fleet to connect Trichy and Calicut to its circuit. With this, it hopes to saturate its operations in the south and enter western India in the second quarter of this year.

It will start with Pune and Goa, followed by Ahmedabad and Baroda, and cover Mumbai by year-end. Thereafter, like it did in the south, it will go to tier-II and tier-III cities in the west. The airline also plans to service north India after that. "Our goal is to saturate and dominate the western region by the end of 2009 and the north by 2010," Paramount Airways MD M Thiagarajan said here. The airline's market share in the south went up 1% to 27% during the last quarter.

Thiagarajan was talking to media on the occasion of the Century International Quality Era Award won by the airline at the International Quality Convention held in Geneva on March 10. He said considering that 103 nations had participated at the convention, it is a yet another recognition for the airline in terms of quality of service and customer satisfaction, which is now nearly 100%. "After augmenting our national presence, we want to funnel passengers to international

cities after 2010. We will first target cities in Europe and the Middle East and thereafter even fly to the US by mid-2011," Thiagarajan said.

The carrier currently has a fleet of five aircraft and is looking to increase this figure to 40 by 2010. It is in talks with Airbus for buying A-330 and A-350 crafts and with Boeing for the 787 series. It has planned aircraft acquisitions of close to \$2 billion and plans to fund about \$100 million-\$150 million internally. For the rest, it will look at the financial lease model. It currently has 60 flights daily, which is expected to rise to 212-215 flights a day by 2010.

An issue that he said needs the Centre's intervention is that although India makes its own aviation turbine fuel (ATF), the rate at which it exports the fuel is 70% to 80% cheaper than is sold in the domestic market. Thiagarajan feels that if this anomaly was corrected, fuel charges would go down, easing pressure on airlines.

Asked if Paramount was looking to acquire any low-cost airline, Thiagarajan said it got offers but decided to stay away from acquiring low-cost airlines as it does go well with its business model. "We are fighting in the market based on everything other than price," Thiagarajan said. He claimed its market share was higher than most low-cost carriers. He denied the airline is incurring loss and said it has started making profits.



Paramount Airways MD M Thiagarajan with Century International Quality Era Award the airline received at the International Quality Convention held in Geneva recently