



# IAAI Newsletter

June 2014, Ist Fortnight Issue

## Air India starts flights on “Delhi-Rome-Milan” Triangular route

Air India Ltd. has started direct flights to Italy. The triangular route from Indira Gandhi International Airport, Delhi to Leonardo da Vinci-Fiumicino Airport, Rome, and further to Malpensa Airport, Milan is being operated with a Boeing 787 Dreamliner.

The Delhi-Rome-Milan-Delhi route operate on Mondays, Wednesdays, Fridays and Sundays. AI 123 departs from Delhi at 1420 hrs and arrives in Rome at 1905 hrs. The flight AI 122, leaves Rome at 2040 hrs and reaches Milan at 2200 hrs. The return flight AI 122 departs from Milan at 2330 hrs and arrives in

Delhi at 1015 hrs the following day.

The opposite route Delhi-Milan-Rome-Delhi operates on Tuesdays, Thursdays and Saturdays. Flight AI 123 leaves from Delhi at 1420 hrs and arrives in Milan at 1930 hrs. It then proceeds to Rome as AI 122 at 2100 hrs and lands at 2210 hrs. The return flight AI 122 from Rome departs at 2335 hrs and arrives in Delhi on the following day at 1015 hrs.

Air India's B787 Dreamliner has a two-class configuration, with 18 Business Class seats and 238 Economy Class.



## River Cruise to start between Varansi & Kolkata

A cruise up the river Ganges from Kolkata to Varanasi and touching Buddhist religious sites in Bihar would soon set sail attracting foreign tourists, mainly from the East and far East. The cruise service would start from Kolkata and wind its way up the Ganges touching various Buddhist sites in Bihar and Uttar Pradesh. The metropolis would serve as the gateway for the Buddhist tourist circuit in East India.

Various sites of Buddhist interest like Bodh Gaya, Rajgir, Nalanda in Bihar and Sarnath and Vikramshila in Uttar Pradesh attract lakhs of tourists from China, Japan, Sri Lanka, Indonesia and other eastern and far-eastern countries.



## No late fees on Credit Card dues for a month

In a relief to credit card users, RBI has put curbs on late payment fees that banks can charge. Henceforth, banks can charge a late payment fee only if the payment is not made by the next billing date. Most card issuers charge between Rs 600 to Rs 700 as late fee even if the bill is paid a few days after the due date.

While the RBI directive does away with the late fee, banks will continue to charge their interest expenses which are around roughly 3% per month. In a move that will bring relief to

credit card holders, RBI has told banks that they can charge late fees only in the next billing cycle following a missed payment. At present, card issuing banks charge a late fee for any payment made after the due date.

The late fee imposed by card issuers ranges between Rs 100 and Rs 700, depending on the outstanding amount. For amounts above Rs 20,000, most banks charge a late fee of between Rs 600 and Rs 700.

## Accor to purchase 97 hotels in Europe via HotelInvest



Accor has announced that its HotelInvest business has agreed to purchase two real estate portfolios representing 86 and 11 hotels each (12,838 rooms), for a total consideration of about EUR 900 million. The first portfolio, representing 86 hotels and 11,286 rooms across Germany (67 hotels) and the Netherlands (19 hotels), has been operated by Accor since

2007 under variable-rent leases and the brands ibis (29 hotels), ibis budget (31 hotels), Mercure (17 hotels) and Novotel (nine hotels). The total consideration for this acquisition is EUR 722 million. The sellers are two funds, Moor Park Fund I and II, advised by Moor Park Capital Partners, a pan-European real estate private equity investment advisory business.

## Kempinski Hotels to operate 3 more hotels in India by 2020

European luxury hotel chain Kempinski Hotels is to operate three hotels in India by 2020. Currently, it has one property operational in India—Kempinski Ambience Hotel Delhi. The three hotels will come up in Mumbai, Kolkata and Kerala through management contract model. Each of these hotels will feature 150-250 keys and the

property in Kerala is planned to be a resort, the first for Kempinski Hotels in India. The brand currently has 73 hotels operational globally, with plans to open 112 hotels by 2017.

HOTELS & RESORTS

## GoAir plans to increase capacity by 21% in 2014-15

Wadia group-owned budget carrier GoAir plans to enhance capacity by 21 per cent in this fiscal year (2014-15) by expanding its route network across metro and non-metro cities and higher aircraft utilisation. It is planning to increase capacity by 21 per cent, offering over 8.5 million seats in the current fiscal. The airline's strategy to achieve this goal is based on few pillars that constitute its 'Vision 2015'. Vision 2015 entails offering customers the most attractive and sustainable fares; high aircraft utilisation, an efficient cost structure and further strengthening of services between metro airports and tier II and tier III cities, particularly to those markets that have consistently grown at remarkable rates in the recent years.

GoAir has registered a very healthy traffic growth of 12.5 and 14.6 per cent in the first two months of fiscal year 2014-15. This has been achieved with consistently lowest number of passenger complaints in the industry in the last fiscal year along with profitable and sustainable growth. GoAir operates over 900 flights a week to 21 domestic destinations with a fleet of 19 aircraft. It is set to add delivery of one more aircraft in July. Besides, GoAir has ordered for 72 NEO Airbus aircraft and the deliveries of these planes are expected between 2016 and 2020.



## New Flights of Spicejet starting from 15th June 2014

Flight No.	From	To	Departure	Arrival	Fare (Rs.)	Days of Operation
SG 277	Chennai	Madurai	16:15	17:20	2,499	Tuesday & Saturday
SG 275	Madurai	Chennai	18:05	19:00	2,499	Tuesday & Saturday
SG 512	Bengaluru	Hyderabad	15:35	16:35	2,499	Saturday
SG 513	Hyderabad	Bengaluru	17:10	18:05	2,499	Saturday
SG 628	Mangalore	Bengaluru	16:35	17:25	2,499	Daily
SG 629	Bengaluru	Mangalore	18:10	19:05	2,499	Daily
SG 213	Delhi	Lucknow	05:25	06:30	2,499	Except Saturday
SG 217	Lucknow	Delhi	07:00	08:05	2,499	Except Saturday

## DGCA blocks AirAsia's baggage fee plan

Low cost carrier AirAsia's global practice of putting a price tag on almost every service provided has run into regulatory hurdles in India. AirAsia India Pvt Ltd (AAIPL) had decided not to allow any free check-in baggage and also not to refund base fares to passengers who cancel their tickets. It had also levied some new charges in India. DGCA have asked AAIPL to immediately take off all these charges from their website. Airlines have to submit their charges to the regulator and get them approved. That did not happen in this case for charges like those for check-in baggage and a few others.

AAIPL's pre-booked baggage charges on the website started at Rs 199 for up to 15 kg. This charge will keep getting heavier as the bags get heavier. But flyers checking in at airport counters were required to pay Rs 300 for up to 15 kg and then Rs 250 per kg for every kilo beyond 15 kg. It is

not yet clear if the DGCA will allow AirAsia India to levy charges like those for check-in baggage after clearing them or strike them down completely. Earlier, the regulator had to curb the number of seats airlines were allowed to sell for pre-assignment as carriers put a large number of them on sale after this move was allowed in India. All Indian carriers currently allow check-in baggage up to 15 kg free of cost for domestic flyers.

Apart from no free check in baggage, AAIPL was also planning not to refund base fares and only return taxes after deducting a certain cancellation charge -another of its global practices brought to India. DGCA officials read out the Indian rules on the subject to the airline after which it changed its stance.



Ministry of Civil Aviation  
Government Of India

DIRECTORATE GENERAL  
OF CIVIL AVIATION



**Qatar Airways will start non-stop flights from Doha to Zagreb, capital of Croatia, three times a week, starting from October 1, 2014.**

**Schedule of the non-stop Doha-Zagreb flights: Mondays, Fridays and Saturdays**

**QR 217 departs from Doha at 0705 hrs; arrives in Zagreb at 1155 hrs**

**QR 218 departs from ZAG at 1255 hrs; arrives in Doha at 1915 hrs.**

## Luxury Hotel Chains eyeing North-East for expansion

Increased inflow of tourists has made Northeastern states the next big destination for the hospitality industry, with hotel chains, including Taj, Marriott, Carlson, Accor, Hyatt and Best Western readying expansion plans for the region. North East India has very few branded hotels and offers immense potential to hotel chains that plan to invest in the region. According to the latest data, for 2012-13, Manipur, Tripura and Nagaland saw 20-29% increase in foreign tourist arrivals while Arunachal Pradesh and Nagaland recorded 36-41% surge in the number of domestic travellers. Luxury hotel chain Taj is planning to bring its upscale brand Vivanta to Guwahati by June 2015. The 150-room Vivanta Guwahati is being built at an estimated cost of Rs.166.80 crore. Taj group already has its budget Ginger hotels in Guwahati (Assam) and Agartala (Tripura).

Hotel chains face considerable challenges in the region, though. Poor infrastructure and limited connectivity, both within the region and with the rest of the country, are the key constraints for setting up hotels in the Northeast.

In the recent years, local governments, travel companies and airlines have taken several measures to encourage hotel companies and corporate investors to explore these destinations.

In 2013, the tourism ministry organised a three-day 'International Tourism Mart' in Guwahati that saw participation of tourism representatives from India and foreign countries including United States, Thailand and Japan.



## Uber offers Chopper Tours at Mumbai & Bangalore

San Francisco-based taxi-hailing mobile app Uber, is giving a chance to Mumbai and Bangalore residents to take a tour of their city in a chopper for Rs 4,999/-.

The much-storied Californian startup, is taking couples for a 30-minute helicopter ride at 11,000 feet along with a luxury car service and a brunch at a swish restaurant. Uber's aviation partner for the promotion is Deccan Charters, which would fly the guests in a Eurocopter.

➤ Uber & Deccan Charters will take couples for a 30-minute chopper ride at 11,000 ft

➤ Total fare for 2 persons is ₹4,999 (including door-to-door car service)

➤ The rides start from 9am on June 15 in Mumbai & Bangalore only



## No Respite, Hills Too Have Heat This Summer

This summer, several tourists were found heading back home from their hill station holidays as

it was no different up there. The summer has been pretty severe in the plains, but the hills have not been spared either. Nainital has already hit 40 degrees Cel-

s i u s , while Shimla went as high as 36 degrees Celsius recently.

**Tour operators and hoteliers say business is down 15-20% and more cancellations are expected if the heat persists. A large portion of business for hotels across hills stations was**

wiped out last year after the June 16 cloud-burst followed by a flash flood in parts of Uttarakhand devastated towns, including the famous Kedarnath town. While only a few places in Uttarakhand were impacted in the floods, business

across hill stations, some as far as 500 km away and in Himachal Pradesh, was impacted and occupancy at hotels dropped to abysmally low numbers. Most hills stations in north India such as Shimla, Nainital, Mussoorie, Kasauli and others are six to eight hour drives from Delhi, and much shorter from cities in Punjab.

Summer is usually the time when impromptu plans to the hills are made over the weekend, but hearing that the hills are probably as bad, many are preferring to stay back. Easily accessible weather apps on smartphones have not helped either.

Some people have even cut short their visits as they had little to do than stay indoors. The main arterial roads in these hill stations is usually called the Mall Road, which are normally milling with people at all times, now wear a deserted look during the day when the sun is at its fiercest.



## Ministry of Culture to introduce e-ticketing for Monuments

The Ministry of Culture, Government of India, as part of enhancing visitor experience and making access to monuments and national museums simple for visitors, is planning to introduce electronic ticketing system. Government of India, the Ministry is mulling various options including engaging a private service provider or delivering the service through established portals like [www.irctc.co.in](http://www.irctc.co.in).

Inbound Tourism into India has a strong cultural component, and Ministry of Tourism is serious on removing the bottlenecks at places associated with culture. Ministry would soon introduce mobile application (app) to access and get information about all the popular cultural events taking place in the country.



## Compulsory Demat in Insurance sector coming



After stock markets, compulsory dematerialisation will be introduced in the insurance segment. The Insurance Regulatory and Development Authority (IRDA) has decided to launch an Insurance Repository System on a pilot basis to move towards an electronic paperless environment. According to Irda, it will be mandatory for all the life Insurers and insurance

repositories (IRs) to participate in the pilot launch. During the pilot launch, each life insurer should convert a minimum of 1,000 or 5 per cent of the existing individual policies whichever is less for each of the IRs into electronic form. This will be, however, subject to a minimum of 250 policies per IR.

## Australia, VFS Global opens Second Visa Application Centre in Mumbai

Australia's Department of Immigration and Border Protection (DIBP) and VFS Global have agreed to provide visa application services through three new and ten upgraded Australia Visa Application Centres (VACs) in India and Nepal. A Centre was recently opened in South Mumbai, and two more in India will be launched soon in Jalandhar (Punjab) and Pune (Maharashtra).

VFS has also upgraded nine centres in India and one in Nepal. The upgraded Centres in

India are in Ahmedabad (Gujarat), Bengaluru (Karnataka), Chandigarh, Chennai (Tamil Nadu), Hyderabad (Andhra Pradesh), Kochi (Kerala), Kolkata (West Bengal), North Mumbai (Maharashtra) and New Delhi, while the upgraded Centre in Nepal is in Kathmandu.

## *Lighter Moment*

### **Don't be on this Flight**

**"This is Captain Sinclair speaking. On behalf of my crew I'd like to welcome you aboard flight 602 from New York to London. We are currently flying at a height of 35,000 feet midway across the Atlantic."**

**"If you look out of the windows on the starboard side of the aircraft, you will observe that both the starboard engines are on fire."**

**"If you look out of the windows on the port side, you will observe that the port wing has fallen off."**

**"If you look down towards the Atlantic ocean, you will see a little yellow life raft with three people in it waving at you."**

**"That's me your captain, the co-pilot, and one of the air stewardesses. This is a recorded message. Have a good flight!"**

## *Thought for the Fortnight*

**Try to learn something about everything & everything about something.**

**— Thomas Henry Huxley**



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