



IAAI Newsletter

July 2016, 1st Fortnight Issue

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IAAI Column



On 15th July, Mr. Madhava Reddy, Chairman-IAAI Ad Hoc Committee for AP, and Co-Chairman, Mr. Padhi Srinivas, met with Shri Ashok Gajapati Raju, apprised the Hon'ble Minister for Civil Aviation of IAAI's findings during the discussions and handed over a formal request for incorporation of the suggested changes into the new National Civil Aviation Policy (NCAP) impressing on the urgent need to

address the issues.

In the coming week, Shri H.S. Chawla and Shri Jagdeep Bhagat, IAAI Director & President of the Northern Region respectively, in a follow-up action, would be meeting with Shri Jayant Sinha - Hon'ble Minister of State for Civil Aviation, Shri Rajiv Nayan Choubey, Secretary-MoCA and Smt. M. Sathiyavathy, Director General - DGCA, in New Delhi for further discussions on the matter.

As the matter is in the best interests of the country and its citizens, on behalf of the entire Travel Agent Fraternity, IAAI has earnestly requested the Hon'ble Civil Aviation Minister Shri Ashok Gajapati Raju ji to look into the suggestions to be effected into the NCAP that would require strict adherence and compliance by all carriers operating from/to/through India.

IAAI National Managing Committee Meet

IAAI NMC meet is been held at Kochi from 22nd July to 24th July. The venue for the meet is The Gokulam Park Hotel, Kaloor, Kochi.

IAAI Column

IAAI suggests amendments in the new NCAP

The Government of India's new National Civil Aviation and the FDI Policies of 2016 augur well for Indian Aviation. The scrapping of the 5/20 Rule combined with development of better regional connectivity including capping of fares and the liberalization of bilateral rights and code share agreements can eventually push India into becoming the third largest in the Global Aviation market by 2025.

The new National Civil Aviation Policy (NCAP) is albeit silent on many aspects and segments of airline operations like fare structuring, airport/ground handling, etc. that are in violation of relevant Indian Aircraft Rules and IATA Resolutions. This has led to losses being incurred by the travelers and the Passenger Travel Agents alike, deprivation of Travel Agency Commission, apart from causing huge losses of Revenue to the Government of India by way of Service Tax and Income Tax evasions.

IAAI's Committees that deal with the Government, IATA & Industry Affairs have identified the various factors that are the root causes and drawn up a comprehensive list of suggestions to rectify the same from which some of the prime ones are listed below :-

- Minimizing and standardizing ATF prices all over India enabling airlines to increase payloads
- Statutory right under Aircraft Rules - each passenger can carry a checked-baggage free of cost
- Aircraft operating fuel cost being accounted incorrectly and disproportionately under Tax code 'YQ' as "fuel surcharge" to avoid paying Travel Agents commission and evading government taxation
- Regulatory Auditing and Monitoring to tighten the Safety & Security requirements under Aircraft Act 1934 and Aircraft Rules 2003
- Enhancement of Service Quality and Standards for airport and ground handling jobs/staff as prescribed and mandated under the Aircraft Rules
- Regulatory control over airport fees and taxes - Illegal collection of 'convenience fees' by LCCs
- Fare capping requirement on all domestic segments to control fare hikes and seasonal pricing with Regulatory control so as to sustain domestic tourism
- Economic viability and sustainability of LCCs vis-à-vis apex fares and other financials - Counter guarantee from the Aircraft Operator
- Regulatory control on LCCs not to charge fares higher than those of the FSCs operating on the same route
- Agents' Remuneration - A statutory right under Aircraft Rules 1937, Travel Agency Commission having been defined as an integral part of the fare which forms the airline tariff
- Formation of a Regulatory Committee with Aviation Industry experts / stakeholders to monitor scheduled airline operations

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IAAI Column

- Economic viability and sustainability of LCCs vis-à-vis apex fares and other financials - Counter guarantee from the Aircraft Operator
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- Formation of a Regulatory Committee with Aviation Industry experts / stakeholders to monitor scheduled airline operations.

Copies of our above suggestions will be handed over to Shri Jayant Sinha - Hon'ble Minister of State for Civil Aviation, Shri Rajiv Nayan Choubey, Secretary-MoCA and Smt. M. Sathiyavathy, Director General – DGCA, and discussed in detail by Shri H.S. Chawla & Shri Jagdeep Bhagat at Delhi during the next week.

On behalf of the entire Travel Agent Fraternity and in the best interests of the country and its citizens, we have earnestly requested the Hon'ble Civil Aviation Minister Shri Ashok Gajapati Raju ji to look into our suggestions to be effected into the NCAP that would require strict adherence and compliance by all carriers operating from/to/through India.

Biji Eapen
National President

Aviation News

Air India adds seven more routes to its Rajdhani last minute fare scheme



Air India will now offer last minute ticket prices equivalent to AC II tier fares of Rajdhani trains on seven additional routes including from the national capital to Ahmedabad, Goa and Hyderabad.

These tickets priced from INR 2,240, would be available within four hours of the scheduled departure of the flights. The carrier is already offering these fares on four routes and with the new additions, the total number of such sectors would increase to 11.

The routes are Delhi-Ranchi-Delhi, Delhi-Ahmedabad-Delhi, Delhi-Hyderabad-Delhi, Delhi-Bhubaneswar-Delhi, Delhi-Goa-Delhi, Delhi-Patna-Delhi and Delhi-Raipur-Delhi. Fares on on Delhi-Ranchi would be INR 2,770, Delhi-Ahmedabad INR 2,270, Delhi-Hyderabad INR 3,275, Delhi- Bhubaneswar INR 3,475, Delhi-Goa INR 3,665, Delhi- Patna INR 2,315 and Delhi- Raipur INR 2,240 respectively.

It is already available on four trunk routes — Delhi-Mumbai-Delhi, Delhi-Kolkata-Delhi, Delhi-Bangalore-Delhi and Delhi-Chennai-Delhi. These fares would be available for sale within four hours of the scheduled departure of the flights. By introducing these fares we are not only able to generate additional revenue but also able to fill each and every seat till last minute. The 'Spot Fares' scheme where ticket price equivalent to Rajdhani Express AC I fares are also available till September 30, 2016. It is available for more than 100 flights across the country. Air India's current move might pose challenges for private carriers, which are alleged to charging exorbitant fares for last minute bookings.

Source : Travelbizmonitor.com

Air India to operate direct flights on Bengaluru-Hubli route from July 20



Air India Ltd (AI) is set to commence operations from Bengaluru to Hubli on July 20 with an ATR-72-600 aircraft. AI will operate this service under its 'Connect India' programme. Flight AI 9509 on Bengaluru-Hubli shall operate three days a week on Mondays,

Wednesdays, and Fridays. The flight will take-off from Bengaluru at 1545 hrs and reach Hubli at 1705 hrs. On the return leg, flight AI 9510 will take-off from Hubli at 1725 hrs to reach Bengaluru at 1835 hrs.

Aviation News

Go Air doubles A320neo order to 144 as part of ambitious expansion



GoAir, has chosen Airbus for its further expansion plans by signing a Memorandum of Understanding (MoU) for 72 A320neo aircraft. The carrier announced its latest order following a similar agreement for 72 A320neo placed in 2011 bringing the total order book to 144 aircraft. The first two aircraft from this order were delivered in June. With the NEO induction, GoAir will expand its network and offer fliers better connectivity and continue its growth as one of India's preferred low-cost airline. It also reaffirms GoAir's commitment to deliver the most modern, comfortable and excellent air travel experience to all customers as well as to strengthen the sustained positive growth and business expansion of the company. The new aircraft will help us in unlocking new domestic routes while providing a spring-board for continued international network expansion in the years to come.

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Aviation News

AirAsia to purchase 100 A321neo aircraft from Airbus



AirAsia signed a firm order with Airbus for the purchase of 100 A321neo aircraft. The contract marks the first order placed by AirAsia for the largest model in the best-selling A320 Family. Seating up to 236 passengers in a single class layout, the A321neo will enable the airline to increase capacity while benefitting from the lowest operating costs in the single aisle category. This announcement sees the total number of A320 Family ordered by AirAsia rise to 575, reaffirming the carrier's position as the largest airline customer for the Airbus single aisle product line. To date, over 170 A320s have already been delivered to the airline and are flying with its units in Malaysia, Thailand, India, Indonesia and the Philippines. AirAsia Group currently operates close to 1,000 flights per day to more than 120 destinations in 24 countries. The A321neo will help airline to meet ongoing strong demand as well as further reduce their cost per Available Seat Kilometre across the group, which will translate to lower air fares for the guests. The A321neo will be operated on our most popular routes and especially at airports with infrastructure constraints.

Delhi Airport check-in facility commences from Shivaji Stadium Metro Station



Delhi International Airport (P) Limited (DIAL) a GMR led in association with Delhi Metro Rail Corporation (DMRC) announced the Delhi Airport City check-In facility from Shivaji Stadium Metro station. Jet Airways has started the operations from both New Delhi Railway Station as well as Shivaji Stadium Metro Station. This facility would help many airport bound passengers who can now check-in at these two city centres for their convenience. So far, limited city-check-in facility was available for Air India passengers only at New Delhi station of the Airport Express Line. Passengers of Air

India and Jet Airways can check in their baggage from these two Metro stations from 02 hours to 12 hours before the scheduled departure of the flight. The flight check-in facility from the stations would close two hours prior to the departure time. The airport passengers can obtain their boarding pass at the city check-in counter and check-in the luggage as well. The checked-in baggage will be transferred to Indira Gandhi International (IGI) Airport's T-3, through a secured Baggage Handling System (BHS). The highly sophisticated BHS ensures that baggage reaches airport in time. Free luggage trolleys are also available for passengers at the entry gates and platforms at all Metro stations of the Airport Express Line.

Aviation News

Passengers have to pay extra for Extra Cabin Bags



Domestic flyers who don't travel light will not be able to avoid paying excess check-in baggage charges by carrying more 'free' cabin bags. Jet Airways will charge Rs 900/- for extra cabin bag for passengers flying from the six metros. Flyers will be allowed to take one hand bag weighing up to seven or 10 kg, depending on whether they are flying economy or business or are Jet's "privilege platinum and gold members", a laptop bag, and a purse for women without any extra charge. Any other cabin bag will attract the levy of Rs 900 on Jet.

Since the issue of many passengers carrying multiple handbags is faced by all airlines, they may follow Jet's model to charge for extra bags. According to the Jet move was not meant to generate revenue but was supposed to act as a deterrent against carrying too many bags on aircraft as this causes several problems. Some guests carry hand baggage over and above limit, resulting in lack of storage in the overhead compartments in the aircraft. This leads to boarding delays, causes inconvenience to other guests and affects the airline's on-time performance. Jet Airways will therefore ensure adherence to the carriage of cabin baggage policy for the convenience of all guests. Duty-free bags will be exempted from additional cabin baggage charge.

Source : The Times of India

Pay less for flight ticket cancellations from August 1



Fliers will soon have a reason to smile as the revised norms that caps ticket cancellation charges and bars airlines from levying additional amount for refund process are coming into force from August 1. Besides, carriers would have to indicate in an "unambiguous manner" the amount of refund admissible on cancellation of a ticket. Under no circumstances, the airline shall levy cancellation charge more than the basic fare plus fuel surcharge. The Directorate General of Civil Aviation (DGCA) has also made it clear that airlines cannot levy additional charge to process the refund. The move would come as a relief to air passengers against the backdrop of many carriers hiking the cancellation charges in recent times.

Coming out with the fresh set of rules, carriers should refund all statutory taxes and User Development Fee (UDF)/Airport Development Fee (ADF)/Passenger Service Fee (PSF) to the passengers in case of "cancellation/ non-utilisation of tickets/no show". This provision shall also be applicable for all types of fares offered including promos/special fares and where the basic fare is non-refundable. To ensure more transparency, carriers would be required to indicate the refund amount in case of ticket cancellations. The amount and its break-up may be indicated on the ticket itself or through separate form used for the purpose. Also, the policy and amount of refund shall be displayed by the airlines on their respective websites. Further, passengers can choose whether the refund money should be kept in the airline's credit shell or not.

Source : The Times of India Website

Aviation News

TripAdvisor launches airline reviews to global audience



TripAdvisor has announced the launch of a new airline reviews platform. At the same time the review giant has revealed a redesigned flights search service and the beta launch of its “flyscore” feature that rates the quality of each air travel itinerary for consumers. The new enhancements to the site bring transparency to a marketplace that has become increasingly difficult for consumers to make direct comparisons between flight options. With the launch of the new airline reviews platform, which will include all major airlines globally, TripAdvisor expands its massive base of 350 million traveller reviews and opinions. Travellers now have a go-to resource for making more informed air travel decisions based not only on the price of the flight, but the total experience with the airline as viewed by TripAdvisor’s community of more than 340 million monthly unique visitors.

Hospitality News

AccorHotels completes acquisition of FRHI Hotels & Resorts



AccorHotels Group has completed the acquisition of FRHI Hotels & Resorts. The deal sees three prestigious luxury hotel brands - Fairmont, Raffles and Swissôtel - move into the AccorHotels stable. This addition of three remarkable brands positions AccorHotels as a leading player in the global luxury hotel market, increases long term growth potential and profitability, and significantly expands the company’s footprint in North America, the world’s largest and most influential consumer market. Joining AccorHotels’ global network is a portfolio of globally admired brands, which includes management of many of the world’s most iconic and historic hotels located in key strategic cities around the world. These include The Savoy in London, Raffles Singapore, Fairmont San Francisco, New York’s The Plaza, Fairmont Le Château Frontenac in Quebec City, and Le Royal Monceau Raffles Paris.

Visa News

Soon, e-visa for another 36 countries

Riding high on the success of the e-tourist visa scheme, the Union tourism ministry plans to extend online visas to 36 countries including Iran, Italy, Egypt and Nigeria among others. According to sources, the proposal has been sent for approval to the ministry of home affairs. If accepted, 186 countries will now be able to access online visa to travel to India. Among the countries that have been shortlisted are: Iran, Egypt, Qatar, Bahrain, Saudi Arabia, Maldives, Italy, Nigeria, Turkey, Ethiopia, Kazakhstan and Morocco. The online visa scheme that was launched in November 2013 has been steadily expanded and has become a popular alternative for tourists. Tourism ministry data shows that during January-June 2016, a total of 4,71,909 tourists arrived on e-tourist visa as compared to 1,26,214 during January-June 2015, registering a growth of 273.9%. The high growth may be attributed to introduction of e-tourist visa for 150 countries in February 2016 as compared to 76 countries earlier. A total of 36,982 tourists arrived in June 2016 as compared to 15,557 during the same period last year registering a growth of 137.7%.

PHOTO FEATURE**Shifen Waterfall, Taiwan**

Shifen Waterfall is a scenic waterfall located in Pingxi District, New Taipei City, Taiwan, on the upper reaches of the Keelung River. The falls' total height is 20 metres (66 ft) and 40 metres (130 ft) in width, making it the broadest waterfall in Taiwan. It is a cascade waterfall in which the water flows in one direction and the rock is sloped in the opposite.

Open Space

Thought for the Fortnight

The real voyage of discovery consists not in seeking new landscapes, but in having new eyes.

— Marcel Proust (French philosopher)

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