



# IAAI Newsletter

**March 2017 — IIInd Fortnight Issue**

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## Cathay's decision to reduce commission to "0" : A violation of DGCA & MoCA Orders

On 31st March, Cathay Pacific Airways announced their decision to reduce commission to zero for Cathay Pacific & Cathay Dragon Airways with effect from 1st May 2017.

IAAI has quickly and strongly responded to this unilateral decision with a letter on 3rd April 2017 which is reproduced here :



### THE IATA AGENTS ASSOCIATION OF INDIA

#### Central Secretariat

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IAAI/064-17/BE/CX/CX-KA-COMM  
3<sup>rd</sup> April, 2017

By Speed Post-A/D / Courier / Email

Mr. Rajesh Menon  
Regional Sales & Marketing Manager - South Asia  
Cathay Pacific Airways Limited  
Unit 02, Brady Gladys Plaza  
1/447, Senapati Bapat Marg  
Lower Parel  
Mumbai - 400 013

Dear Mr. Menon

**Sub: 'Zero' Commission by Cathay Pacific (CX) & Cathay Dragon (KA) – An Open Letter from IAAI**

**Greetings from IAAI!**

This refers to your recent communication of 31 March 2017 to the accredited Travel Agents announcing the decision to reduce IATA commission to 'Zero' w.e.f. 01 May 2017.

We fail to understand why the Travel Agents are being victimized & penalized when they have been the backbone of your business. Agents who have, over the years, taken care of your sales & marketing, generating thousands of crores of Rupees worth of business by risking huge amounts in the Market, maintaining well-manned offices, canvassing for clients and servicing all their travel requirements, obtaining overdrafts to make the airline payments and paying interests at high rates on such borrowings.

You would be aware that the DGCA Order # AV.26012/2/2008-TE of 05 March 2010 and the MoCA Order # No. AV. 13030/34/2013-DT of 16 September 2013 both categorically confirm that accredited Travel Agents are to be paid Commission and directs all airlines operating in India to decide on the quantum in consultation with the Travel Agents. Both Orders further state that:

- Quantum of commission should be based on various commercial factors such as the market conditions, the cost of the Agents' establishments, etc and the statutory definition of 'tariff'
- The commission cannot be replaced by transaction fees or PLB and service fees under any other nomenclature is totally banned as per Law

The Statutory & Regulatory requirements for commission:

- 1) Aircraft Act 1934 Sec 5, Sub Para 2.(a b) The Aircraft Rules 1937 Part-1, sub pars 54A
- 2) The Aircraft Rules 1937, Rule 135- 2 a & b –tariff
- 3) DGCA Order of 05 March 2010 –Mandating commission & termed transaction fee against the Law
- 4) DGCA Fresh Advisory of 17 Dec 2012 directing airlines not to charge any fee /charges over ticket fare

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MEMBER:



- A Trade Association by the Agents for the Agents -

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THE IATA AGENTS ASSOCIATION OF INDIA

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- 5) Supreme Court Order of 23 Jan 2013- barred charges (any nomenclature) over and above ticketed fare
- 6) DGCA's Public warning on 13 Feb 2013 cautioning travellers not to pay any additional amount over the ticket fare
- 7) MoCA Order of 16th Sep 2013 –Stating that any sales and transaction through agents or intermediaries must be remunerated

The IAAI Case WP25752/2013 & WA1136/2015 in the Hon'ble High Court of Kerala is for the implementation, execution, and enforcement of the DGCA Order of 05 March 2010 and is now scheduled for division bench hearing on 25 May 2017.

The unilateral action now proposed by your esteemed organizations to reduce IATA Agency Commission to 'Zero' would, therefore, be in stark violation of the above said DGCA & MoCA Orders. And, it not only flouting the National Law, but also instigating and prompting the Travel Agents, for their own survival, to violate the Government Regulations by forcing them to collect additional service charges from passengers.

DGCA has been notified about your unilateral decision to reduce IATA Agency commission to 'Zero' w.e.f. 01 May 2017 with the request that the DGCA Order # AV.26012/2/2008-TE of 05 March 2010 be enforced on CX & KA forthwith.

Consequently, the Agents will also no longer be under any obligation to support and promote your esteemed carrier in terms of commercial grounds and CX's partnership with the Agents Community will deteriorate.

Hence, we request your good self to kindly reconsider the decision to implement 'Zero' commission, retract the same and continue paying Agency commission at the current level of 5%.

Looking forward to a favourable consideration of our earnest request,

Yours faithfully  
for The IATA Agents Association of India

Bijl Eapen  
National President





## IAAI – Kerala AGM held at the State Capital on 28<sup>th</sup> March

The IAAI – Kerala State Annual General Body Meeting was held at the State Capital, Thiruvananthapuram under the Chairmanship of the State President Mr. Manu T.G. Nair. The Meeting was well attended by Members from across the State.

The meeting for which IAAI National President Mr Biji Eapen was the Chief Guest, was also attended by the National Management Committee Members—Mr. Johnson M.P, Mr. Girish G and Mr. T.U. Shamsuddin. Mr. Babu Paul, Kochi Region Chairman was also present.

In the keynote address, Mr. Biji Eapen urged the Members to take conscious efforts to gain complete knowledge about the BSP Manual and the IATA Resolutions. Earlier in the Regional Meeting, he explained the importance given by IAAI to the Regional Committees through its decentralization policy. He informed the Members that they can take up matters at the Region level and take action as deemed fit with the concurrence of the State / National leadership.

The State Secretary Mr. Ganesh Vaderi, in his address, stressed the need to protest when and where required. He pointed out the unilateral decisions taken by the Airlines.

In the Meeting, the matter of reduction of Commission by Emirates was taken up and it was decided not to support Emirates if they do not retract from their decision to reduce commission to paltry 1%.

The Financial Report was presented by the State Treasurer Mr. Reji Thaliath.

A brief presentation on i-Top was made by Mr. Alex Jacob of Travel Shore, the developers of i-Top portal.

### Newly Elected TRV IAAI Regional Committee

Prior to the IAAI Kerala AGM at TRV, the Thiruvananthapuram Regional Meeting was held to elect new Regional Committee for the next two years.

Mr. Shibu Mather of Creative Tours & Travels (I) Pvt. Ltd. is the new Chairman. Mr. Sajeed of Air Travel Enterprises has been elected as the Secretary ; Mr. Jesu A.M of Mangalam Travels , as the Treasurer.

The other Committee Members are Mr. Shaji Mathew, Ms. G.N. Renuka, Mr. Ravi , Mr. Manoj , Mr. Vivian and Mr. Riju Thomas.

## Some of the clicks from IAAI—Kerala AGM





# “UDAN” to take wings in April, small towns will now be on flight routes

Last-mile air connectivity will soon become a reality, with the first bunch of flights under the ‘UDAN’ scheme set to get operational by April 2017. The scheme – acronym for Ude Desh Ka Aam Naagrik (May the Common Man Be Able to Fly ) – was announced by the Centre last October to connect tier-two and tier-three towns to metros.

The Civil Aviation Ministry has handed over licenses to five operators who won the bid to operate on regional routes. The first towns to be connected will be Bhatinda and Shimla by April, while other small towns – from Kandla and Porbandar to Salem, Bidar and Hosur – will be connected in a phased manner latest by September. Five airlines – Alliance Air, Air Odisha, TruJet, Spicejet, Air Deccan - will be a part of the regional connectivity model which is based on ‘viability gap funding’. Under this, 80% of the cost will be borne by the state government and the rest by the centre. The Centre as of now has allotted Rs 205 crore to start of the process. The RCS is a unique and innovative program designed by the government to connect unutilised and under-utilised airports in the country and bring them into the national aviation mainstream.

The first flight under Udan will take off in April from Shimla to Delhi, operated by Alliance Air. About 43 under-served airports will start to see small-capacity commercial jets in the next six months. Routes like Mysore-Chennai, Agra-Jaipur, Kullu-Delhi, Nanded-Mumbai and many more have been chosen by the airlines.

S.No.	Underserved / Unserved Airport	Connected to	Likely Month of Operation	Airline Operator
1	Bhatinda	Delhi	March	Alliance Air
2	Shimla	Delhi	April	Alliance Air & Air Deccan
3	Agra	Jaipur Delhi	June August	Alliance Air Air Deccan
4	Bikaner(NAL)	Delhi	June	Alliance Air
5	Gwalior	Delhi Indore Lucknow Bengaluru	June September June September	Alliance Air Air Odisha Alliance Air Air Odisha
6	Kadapa	Hyderabad Chennai Vijayawada Delhi	June September September June	TruJet Air Odisha TruJet & Air Odisha TruJet
7	Ludhiana	Mumbai	August	Alliance Air Deccan Charters
8	Nanded	Hyderabad	June	TruJet
9	Pathankot	Delhi	June	Alliance Air
10	Vidyanagar	Hyderabad Bengaluru	June July	TruJet TruJet
11	Andal (Durgapur)	Bagdogra	July	Air Deccan
12	Burnpur	Kolkata	July	Air Deccan
13	Cooch Behar	Kolkata	July	Air Deccan
14	Jamshedpur	Kolkata	July	Air Deccan
15	Rourkela	Kolkata	July	Air Deccan
16	Bhavnagar	Bhubaneswar Ahmedabad Surat	September August August	Air Odisha Air Odisha Air Odisha
17	Diu	Ahmedabad	August	Air Odisha
18	Jamnagar	Ahmedabad	August	Air Odisha
19	Adampur	Delhi	August	Spice Jet
20	Kandla	Mumbai	August	Spice Jet
21	Kanpur(Chakeri)	Delhi Varanasi	August September	Spice Jet Air Odisha Air Odisha
22	Kullu(Bhuntar)	Delhi	August	Air Deccan
23	Mithapur (Dwarka)	Ahmedabad	August	Air Odisha
24	Mundra	Ahmedabad	August	Air Odisha
25	Pantnagar	Dehradun Delhi	August August	Air Deccan Air Deccan
26	Pondicherry	Hyderabad Chennai Salem	August September September	Spice Jet Air Odisha Air Odisha
27	Porbandar	Mumbai Agartala Aizawl	August August August	Spice Jet Air Deccan Air Deccan
28	Shillong(Barapani)	Dimapur Imphal Silchar	August August August	Air Deccan Air Deccan Air Deccan
29	Ambikapur	Bilaspur	September	Air Odisha
30	Bilaspur	Ambikapur Raipur	September September	Air Odisha Air Odisha
31	Jagdalpur	Raipur Vishakhapatnam	September September	Air Odisha Air Odisha
32	Jaisalmer	Jaipur	September	Spice Jet
33	Jalgaon	Mumbai	September	Air Deccan
34	Jeypore	Bhubaneswar Bhubaneswar	September September	Air Odisha Air Odisha
35	Jharsuguda	Raipur Ranchi	September September	Air Odisha Air Odisha
36	Kolhapur	Mumbai	September	Air Deccan
37	Mysore (Mandacally)	Chennai	September	TruJet & Air Odisha
38	Neyveli	Chennai	September	Air Odisha
39	Ozar Nasik	Mumbai Pune	September September	Air Deccan Air Deccan
40	Raigarh	Raipur	September	Air Odisha
41	Salem	Bengaluru Chennai Pondicherry	September September September	Air Odisha TruJet Air Odisha
42	Sholapur	Mumbai	September	Air Deccan
43	Utkela	Bhubaneswar Raipur	September September	Air Odisha Air Odisha
44	Bidar	Bengaluru	Approval awaited	TruJet
45	Hosur	Chennai	Approval awaited	TruJet

## No hand bag stamping at 7 airports from 1st April 2017



Wef April 1st, passengers flying out of the seven biggest airports in the country—Delhi, Mumbai, Kolkata, Bangalore, Hyderabad, Ahmedabad & Kochi—will no longer have their cabin bag tags stamped “security checked”. The decision was taken by the Central Industrial Security Force (CISF) after getting changes made at these airports. The Bureau of Civil Aviation Security (BCAS) had on February 23rd sought the ending of stamping at the seven big airports, which includes all metros except Chennai.

Passengers can now look forward to faster & better screening of hand bags at these airports. Security check lines will move faster & the person just stamping hand bags earlier will now be free to focus on screening. Changes have been made on the rollers-belts with circular steel structures on which hand bags roll to first go into x-ray machines (input roller) & then come out of them on output roller. They have been made longer at some of the airports where hand bag tag stamping will end on April 1st. Acrylic barriers have been installed (at the point where hand bags exit x-ray machines) to segregate doubtful bags considered a threat. CISF will examine how the remaining 52 airports too can get rid of stamping.

Hand bag stamped tags have a number in fine print which identifies the counter where the bag was screened. The idea is to fix responsibility in case something that could be a threat to flight safety is allowed to go in those bags. Full camera coverage allows the same to happen without stamping.

## Air India to provide free Wi-Fi on domestic flights



Air India Ltd is planning to provide Wi-Fi facility to the passengers of its Airbus A-320 planes, which are the mainstay of its domestic operations. Air India is planning to have Wi-Fi on board and will take the approval of manufacturers for installing Wi-Fi. Although the exact date has not been fixed, they are looking to start by June –July 2017.

As the connection will be free, it may start with basic pack and further move to paid subscription. If this development comes into force, this will be the first time when an Indian aviation player is offering Wi-Fi.



## Oman Air launches direct daily flights between Salalah & Calicut, Kerala



Adding to the service currently operating between Muscat and Calicut (Kozhikode) Oman Air, the national carrier of the Sultanate of Oman, has announced the launch of its new daily direct flight between Salalah and Calicut (CCJ), Kerala starting March 27, 2017; the latest move in the airline's ambitious and dynamic programme of fleet and network expansion. The three and a half hour flight will depart Salalah at 01.10 hrs and arrive in Calicut at 06.20 hrs. The return flight will leave Calicut at 07.00hrs and arrive in Salalah at 09.15hrs (local time). The daily service will be operated by a Boeing 737-800. In addition the existing frequencies between Muscat and Calicut have been increased from one daily to twice daily since February this year.

Oman Air is growing its weekly capacity to India with frequencies increasing on five of the airline's key Indian destinations. Bombay, Delhi and Hyderabad increase from twice daily to three times daily. Calicut increases from once daily to three times daily and Lucknow increases from once daily to twice daily.

## SriLankan Airlines to open three new routes in India from July this year



SriLankan Airlines, the national carrier of Sri Lanka, will add three new routes to its scheduled operations in India by July this year. The new cities to join the SriLankan route network are Hyderabad, Visakhapatnam and Coimbatore. With the opening of these new routes, the weekly frequencies of SriLankan between India and Colombo will go up from the present 107 to 130. Besides these, the airline is also keen to increase their existing frequencies to metro cities like Mumbai, Delhi and Kolkata.

The new fleet acquisition will help the airline in its route expansion in coming months, said Ramachandran. SriLankan has added new Airbus 320neo aircraft into its fleet early this month and another one will be joining by month end. By July, two more A-321neo's will be inducted into their fleet.

## New terminal at Pune Airport by 2019



The new terminal of the Lohegaon airport will be able to cater to around 5000 passengers during peak hours once it is ready for operation by 2019. The new terminal building, which is a part of the expansion plan of the Pune airport, will be bigger & grander with several facilities for passengers. The terminal building will come up on the eastern side of the airport. The Airports Authority of India (AAI) had sanctioned Rs. 408 crore for the new building.

The existing terminal building is also being expanded. Right now, it has the capacity to handle around 1200 passengers during peak hours. After the expansion, it will be able to cater to 1500 passengers.



## Marriott International announces the opening of “W Goa”



W Hotels Worldwide, part of Marriott International recently announced the opening of W Goa, located on the internationally renowned Vagator Beach. Poised to redefine the Indian luxury hotel scene in the way that only W Hotels can, the highly anticipated debut marks the brand's 50th hotel worldwide, bringing the category disruptor one door closer to reaching 75 hotels by 2020.

Situated between the verdant jungle and the stunning coastline of Vagator Beach, W Goa features 160 vibrant guestrooms, including Villas, Chalets, a Marvelous Suite and an Extreme WOW Villa (the brand's take on the Presidential Suite). A one hour flight from Mumbai and a 90-minute drive from Goa International Airport, this W Escape overlooks the Arabian Sea and spans 25 acres of exotic sandy beach set against the backdrop of a 500-year old Portuguese Fort.

## Carlson Rezidor announces opening of Radisson Blu Atria Bengaluru

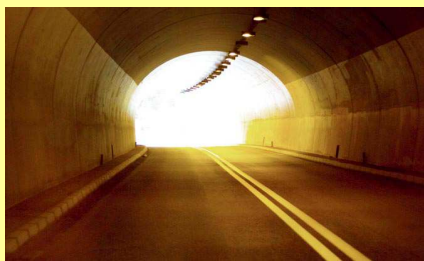


Carlson Rezidor Hotels recently opened Radisson Blu Atria Bengaluru. Located 45-minute drive from the Kempegowda International Airport (BLR) and a mere 10 minutes' drive from the City Railway Station within close proximity to iconic attractions including the Government Legislative Building, Vidhana Soudha, Bangalore Palace and Tipu Sultan's Summer Palace, the hotel is also strategically positioned at the epicenter of the central business district and leisure hubs, making it an ideal destination for the discerning business and leisure traveler.

Designed with the modern traveller in mind, the hotel features 167 well-appointed guest rooms and suites with modern amenities. Bringing exciting flavors from around the globe, the hotel has four food and beverage outlets for guests to indulge in. Guests can enjoy international cuisine at *One Atria Café* or delight in authentic fine Indian cuisine at the hotel's specialty restaurant, *Tijouri*. The Whiskey Bar and Tea and Wine Lounge provides upscale comfort and invigorating drinks, making it the perfect venue to unwind.

Standing out as one of Bengaluru's premier event facilities, the hotel has over 1,250 square meters of flexible room configurations with its six meeting spaces and two boardrooms, capable of accommodating large wedding receptions or intimate team meetings complemented with state-of-the-art presentation and audiovisual tools.

## India's Longest Road Tunnel Connecting Jammu & Srinagar opened



After a successful completion of the trial run, the new twin-tube tunnel on the new Jammu-Srinagar National Highway four-lane project is opened for public usage. At 9.2 km, this is the longest road tunnel in the country. Located at an elevation of 1200 meters, the tunnel will also be the first one in the country to get the world class 'integrated tunnel control system'. This particular system will allow ventilation,

fire control, signals, communication and electrical systems to be automatically actuated. The road tunnel will aid in reducing the traffic jams on National Highway-1A that occur due to snowfall and avalanches in winter.

The new twin-tube tunnel is setup with a well-equipped fully computerised operation room for surveillance of vehicles inside the twin tubes. About 124 CCTV cameras have been installed at equal intervals of 75 meters feeding information to the operation room. And for better visibility, the tunnel has been equipped with three-tier lighting system the works round the clock. The maximum speed limit permitted for vehicles plying inside twin tunnel tubes is 50 km per hour with head lights on at low beam. And also containers carrying inflammable material are banned from entering the tunnel.

The tunnel is located in the lower Himalayan mountain range and is expected to reduce the travel time between the two state capitals of Jammu and Srinagar by two-and-a-half hours. In fact, the distance between Chenani and Nashri, which is currently 41 km, will come down to 10.9 km, over 30 km less than what it was before.

## UAE to issue visa on arrival for Indians with US visa or Green Card



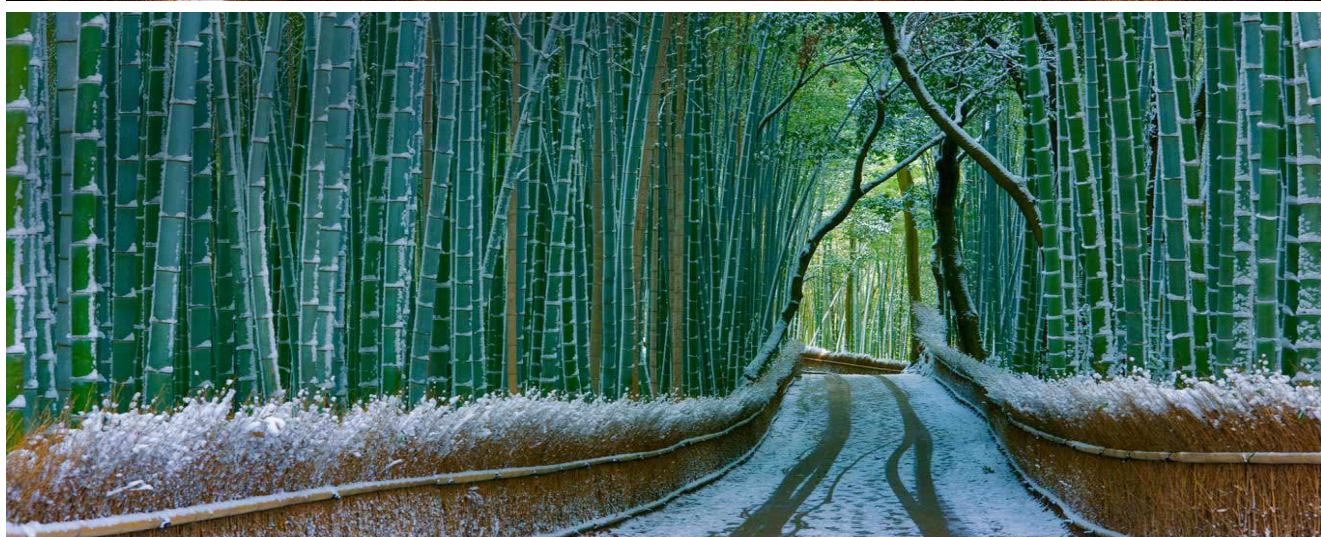
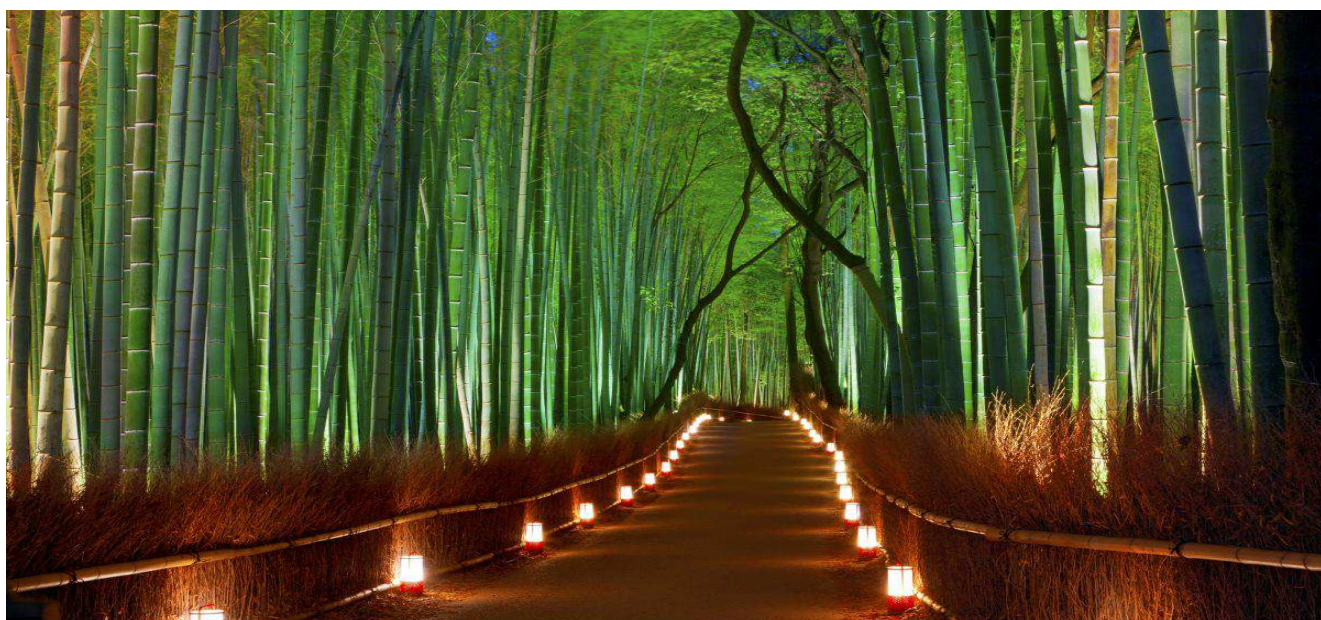
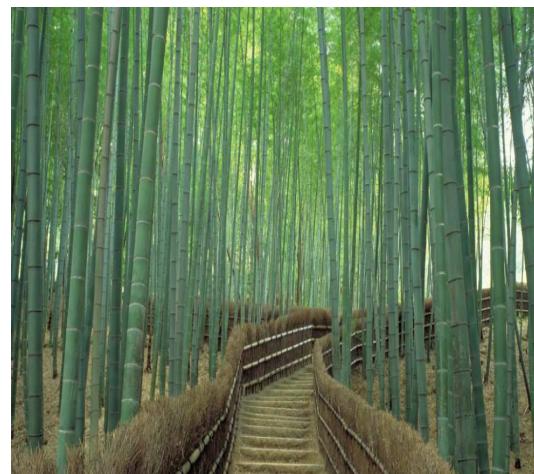
Indian passport holders with a valid the United States of America (USA) visa or a Green Card will now be eligible to obtain the United Arab Emirates (UAE) visa on arrival. The visa will be valid for 14 days, with a single extension possible for a fee. The decision to have a simplified visa process is aimed at advancing the UAE-India relations in economic, politics, and trade. It also contributes to achieving UAE's vision to be the leading country in attracting global tourism.

Citizens of the Republic of India who are holders of normal passports with a six-month, or more, valid green card or visa issued by the United States of America shall be granted entry visas to the UAE from all ports for a period of 14 days, subject for a single renewal for the same period upon payment of applicable fees.



## Arashiyama Bamboo Grove, Kyoto, Japan

### PHOTO FEATURE



Bamboo Forest is a tourist site in Arashiyama, Kyoto, Japan. On CNN, it was referred to as One of the most beautiful groves on Earth. Arashiyama is a nationally designated Historic Site and Place of Scenic Beauty.



## Lighter Moments

A military base Commander called the software company to complain that the weather-forecasting software company created for them kept reporting unexplainable wind shifts.

“Can you tell me where the sensor is located?” the Company Executive asked.

Of course,” the Commander responded. “It’s where we park the helicopters.”

## Thought for the Fortnight

To be alone is better than to have a bad companion, and a good companion is better than being alone. Speaking what is good is better than keeping silence; and silence is better than speaking what is evil.

— Prophet Muhammed



## IAAI Director Board

**1. Mr Biji Eapen, National President**

: Speedwings Travel & Cargo Pvt. Ltd., Kochi

**2. Mr H S Chawla, National Treasurer & Director—Northern Region**

: Speed Air Travel Agents, New Delhi

**3. Mr Naresh Rajkotia, National General Secretary & Director—Western Region**

: Madhura Travels & Tours, Mumbai

**4. Mr Faisal Sharhabeel, Director—Southern Region**

: Magellan Travel Services (P) Ltd., Chennai

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<b>Half Page</b>	Rs. 9,000/-	Rs. 25,000/-	Rs. 45,000/-	Rs. 80,000/-
<b>Full Page</b>	Rs. 15,000/-	Rs. 40,000/-	Rs. 75,000/-	Rs. 1,35,000/-
<b>Strips</b>	Rs. 2,000/-	Rs. 5,000/-	Rs. 10,000/-	Rs. 18,000/-

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We welcome your suggestions to improve this Newsletter.

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In case you do not receive any issue of Newsletter, the same can be viewed on the IAAI website : ***www.iaai.in***