

# Paramount signs \$1.5 b pact with Airbus Industrie

Vinay Kumar

**NEW DELHI:** Setting its sight on launching international operations in a year from now, private domestic premium carrier Paramount Airways has signed a memorandum of understanding (MoU) with European consortium Airbus Industrie for purchasing ten Airbus A-321 aircraft.

The MoU also carries an option for an additional ten A-321 passenger jets.

The total deal will be worth \$1.5 billion at list prices of jetliners. Paramount Airways has gone ahead with the agreement to acquire new jetliners at a time when other full fledged carriers, including national carrier Air India, are passing through turbulent times and mounting losses.

Paramount Airways Managing Director M. Thiagarajan, who signed the MoU with

Airbus during the 48th Le Bourget air show outside Paris, told *The Hindu* on Friday that deliveries of A-321 aircraft would begin from October 2010 in a phased manner to enable the airline to embark on international routes from India to Southeast Asia, West Asia, Far East and the Gulf region. The South India-based airline will also complete five years of its operations in 2010, a precondition of the government for starting international flights.

"This agreement marks a strategic landmark in our expansion plans and in particular to our goal to become a leading international carrier. The A-321 will help us realise these goals and we are happy with our choice of aircraft," he said adding that funding for the deal would be done by European Central Bank (ECB). Deliveries of A-321s



M. Thiagarajan

would be completed within 12-14 months, beginning October 2010. Mr. Thiagarajan said that all long range A-321s would have two-class configurations — first class equipped with full flat beds and business class offering extra facilities and comfort to the travellers on the lines of premium business jets. He said that Paramount Airways, in its international flights,

- European Central Bank will fund the deal
- A-321 deliveries will begin from October 2010

would strive to match up to standards set by it in its domestic operations with an efficient record of on-time performance and load factors to the tune of 89 per cent.

"We are delighted to welcome Paramount Airways as a new customer. Their decision to go with the A-321 is a testament to the aircraft's leading position in this sector and also the partnership between our two companies which we hope will develop long into the future," said John Leahy, Airbus Chief Operating Officer (Customers).