

News monitored for: Air Works

AirWorks' MRO set for windfall from KFA crisis

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AirWorks, the Mumbai-based MRO (maintenance, repair & overhaul) company which is also into aircraft sales, charters, consulting, finance and insurance, is set to have a windfall in its MRO business.

The work on Kingfisher Airlines (KFA) aircraft that have been parked across the country after the airline suspended its operations, will keep the MRO company busy for the next 18 months or so. Many of these aircraft are being brought back to AirWorks for maintenance and repairs by the lessors. "Literally,



A Kingfisher Airbus that's parked in one of the airports in the preservation mode.

the same aircraft are coming back, but now under different owners," said Vivek Gaur, MD & CEO, AirWorks India Engineering Pvt Ltd.

The lessors and other global banks have de-registered most of the aircraft, that were being operated by Kingfisher, and repossessed them from Kingfisher Airlines for its failure to pay its dues. But, they are unable to take the aircraft as they are being "held to ransom" by many of those to whom Kingfisher owed money.

The long periods that these aircraft have been left unused made them unfit for flying, though AirWorks has been providing preservation and care to many of the aircraft. The MRO is also having to hire some personnel for the job.

Many of the aircraft need

quite a bit of repairs to make them operational and the cost of the jobs is quite steep, ranging from \$2 million to \$16 million. An aircraft owned by a lessor ACG (Aviation Capital Group) has got nothing, and is said to have been stripped of even its engines. Each engine costs about \$6 million. The estimates on the aircraft is \$15 million to make it fly so that it can be taken out of the country. There's an A321 in Mumbai and one in Delhi that could cost \$16 million to be put into flying condition. Addi-

Many of the A320s were cannibalised to keep the few aircraft flying when the airline was refused spare parts by the manufacturers for not paying its dues

onal engineers will now be sent to put them into flyable condition, according to sources in the know of the developments.

The banks that had repossessed the Airbus A320s are still figuring out what to do with them. The lessors are said to be keen on repositioning the aircraft within the country, instead of flying them out, after making them fit for flying.

But, there are legal formalities to be completed as some lessors of the 12 or so lessors of Kingfisher have approached the

courts to allow them to take their aircraft.

The 12 ATRs and an equal number of Airbuses are parked across various airports in the country. Many of the A320s were cannibalised to keep the few aircraft flying when the airline was refused spare parts by the manufacturers for its failure to pay up its dues.

AirWorks is hoping for an income of about \$1 million, while Kingfisher itself is said to have owed \$2 million to AirWorks. "The leasing companies may not be able to go home before next Christmas," said a person in the know of the developments.