

# **Aviation Newscast**

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#### DGCA directs grounding of Boeing 737 MAX Aircraft operated by Indian Airline Companies

DGCA has directed Indian airline operators to ground Boeing 737-MAX planes in their fleet immediately (13th March 2019). The Authority provided further clarification that all Boeing 737MAX operation will stop from/to all Indian airports. Additionally, no Boeing 737MAX aircraft will be allowed to enter or transit Indian airspace 1600 IST or 1030 UTC. The decision has been taken in order to ensure passenger safety.

An Ethiopian Airline B737MAX aircraft was involved in an accident, shortly after taking off on 10th March 2019 from Addis Ababa, Ethiopia. This is second fatal accident involving a B-737 MAX planes. The aviation regulator had earlier also issued advisory post-crash of Lion Air B-737MAX aircrafts. The latest ban has come into effect after an initial additional advisory (Dated 11th March 2019) which directed airlines to take certain precautionary measures and follow specific guidelines while operating B-737MAX aircrafts.

The aviation regulator has also informed that the grounding will be effective till appropriate modifications & safety measures are undertaken to ensure their safe operations. The aviation regulator has also informed that it is consulting closely with regulators around the world, airlines and aircraft manufacturers to ensure passenger safety.

A similar ban has been rolled out by a other countries and regional aviation regulators including the European Union, United Kingdom, China, Singapore, Australia, UAE and over 15 other countries. Barring USA and Canada, most other major aviation markets have banned aviation companies from operating the B-737MAX aircrafts. Boeing has delivered over 350 of these aircrafts globally to over 49 operators.

## Likely impact

**Domestic operators:** Only 1 Indian operator has an operational fleet of 12 B-737MAX aircrafts. The ban is likely impact over 15,000 passengers initially over the next few days. The airline would have to accordingly reschedule, accommodate or cancel tickets depending upon availability. The ban is likely to lead to an increase in airfares across major domestic destinations till there are further developments related to the ban.

**International Operators**: USA, Canada, China and Middle-East based airlines are some of the largest operators of the B-737MAX aircrafts. USA is yet to implement a ban, but the other two regions have banned the operation of the aircrafts in their airspace. Some Indian passengers from Middle-East are likely to be impacted due to rescheduling and cancellations by some specific regional airline companies.

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