

# ALL THINGS BIG AND SMALL



**DASSAULT FALCON 7X**  
The Dassault Falcon 7X is a large-cabin, long range business jet manufactured by Dassault Aviation and is the flagship offering of their business jet line. It was first presented to the public at the 2005 Paris Air Show. The aircraft has over 165 orders to date, and has its type certification from both FAA and EASA. In 2001, the Falcon 7X, with a price tag of approximately \$35 million, was nearly \$10 million cheaper than its nearest competitors in the long range, large cabin market segment, the Gulfstream G550 and Bombardier Global Express. Its 2007 cost is \$41 million.

**GULFSTREAM G550**  
Easily considered one of the most high-end business jets, especially since it comes from the Gulfstream stables. The G550 was released to the market in 2003 with increased performance and range of 6,750 nautical miles (12,500 km) making it the longest range business jet in the world. A new aircraft sets you back a cool \$60 million and boasts customers like Berkshire Hathway promoted Netjets and the US air force and Navy. The Gulfstream 550 competes against the Airbus Corporate Jet, Boeing Business Jet, and the Bombardier Global Express.

**CITATION XLS**  
At present the world's fastest business jet. This midsize jet can fly you from the American east coast to west coast around 35 minutes faster than other comparable aircraft. In addition to its hallmark speed, the aircraft offers a nearly 24-foot-long cabin with eight executive seats, a full refreshment center, a spacious aft lavatory and a baggage compartment that can hold 72 cubic feet of luggage. The Citation brand of business jets encompasses six distinct "families" of aircraft, with the Excel as the basis for one of these families. The Citation XLS was the first "makeover" that the Excel received. Besides a glass cockpit based on the Honeywell Primus 1000 EFIS avionics suite, the XLS featured the upgraded PW545B engines with increased performance. This aircraft sets you back a cool \$13 million which is considered not bad for the speed and the comfort. The Citation XLS+ is the first of the XL line to feature Collins Pro Line 21 Avionics and a 4 tube EFIS display.



**EMBRAER LEGACY 600**  
The Embraer Legacy 600 is the business jet derivative of the Embraer ERJ 145 family of jet aircraft from Brazilian aircraft maker Embraer. The Legacy is based on the shortened ERJ 135 model, but includes added range with extra fuel tanks and added winglets, similar to those on the ERJ 145XR. Launched in 2000, the Legacy is capable of carrying 16 passengers in comfort for 3,050 Nautical Miles (NM) or 8 passengers for 3,450 NM. Considered worth the buy for its \$25 million price tag.



**AIRBUS A320 PRESTIGE**  
The A320 Prestige features the most spacious cabin in the corporate jet market, with the same wide cross section as the A318 Elite and the ACJ. This configuration allows 30 passengers to travel in unparalleled comfort in each of the different cabin areas of the aircraft.

You have heard all the details and may have even felt the difference that owning one makes to your business day by hiring a charter - all about how much time you save and time after all is money. So you decide you want to join the exclusive club of, literally, high flying executives and generally rich people by acquiring your very own private jet. The process of going ahead and getting one can take as long as two years right from deciding for that you want one to actually boarding your own business jet for that last minute faraway meeting.

Manav Singh who heads the Delhi based air charter company Club One Air and also represents Eclipse in India says that there are at least a 1,000 Indians that have the need for a business aircraft but they yet don't realize the benefits.

"There is an educational process that is involved where many realize that while owning a business jet can cost around Rs 25 lakh to around Rs 2 crore, the sheer time saving more than makes up for the money.

The first step, according to most people in the business, is deciding why you want one. Do you want it because everyone else you know has one or you want to impress all your friends with your new toy. Or are you driven by practical reasons as you need to be able to be in five different parts of the world or country within the same day.

"There are a number of decision making criteria involved like the range of the aircraft you need to the financial benefits of owning a business jet," Nilesh Pattanayak, who represents Bombardier in India says.

"If a person is buying out of need then they have to ask themselves whether the aircraft will add to their topline or bottomline," he adds. "Do I travel a lot is essentially the first question," Pattanayak says.

The there is the range question. A person would have to look at aircraft that can reach a minimum of 80% of their destinations.

Singh agrees saying that the first step is to see what he usage is. Whether the potential buyer is a major traveler and if he travels within the country then does he stay within the metros or also go to tier II and tier III towns.

"The infrastructure of the destinations are a major decision maker as give the known lack of up to the mark infrastructure in the country the buyer has to decide on an aircraft that fits the existing infrastructure," Singh says.

Then of course is the budget. How much can you spend on the aircraft. Globally, private and business jets cost anywhere between \$1 million to \$50 million and there is no point buying a Boeing Business Jet if you are going to travel to Kanpur.

Then you have to decide the size of the aircraft you need - rarely is it used for family traveling like a car. Then you have to decide on the level of amenities and luxury in-

## Want one? Which one? What to do and how to do it...

Right from figuring out that you need or want one to actually boarding and flying into the abyss on a private jet, the process can take around two years. Here is a little help to get you started



**THE ROUTE TO BUY AN AIRCRAFT CONSISTS OF MANY PROCESSES - INTERNAL AND EXTERNAL. THINGS LIKE IMPORTING, CUSTOMS, DGFT CLEARANCE AMONG OTHER ISSUES LIKE SECURITY**

side. Televisions to Jacuzzis to whatever you want can be modified and put in an aircraft depending on how much you are willing to spend.

Once you have decided on what you want in your aircraft then next step is to get in touch with the various agents in the country. These agents will help you decide on which aircraft to buy apart from other intricacies and details like whether to go in for a second hand aircraft or a new one.

All the major aircraft manufacturers only deal with their sales agents in India and getting an aircraft without their help is almost impossible.

Once an agent has been selected and then an aircraft, then the process begins. "The process to buy an aircraft consists of two parallel processes - internal and external," Singh says. "There things like importing, customs and DGFT (director general of foreign trade) clearance after which there DGCA and ministry of civil aviation clearances with a non-scheduled operators permit (NSOP)," he adds.

There are other requirements like security clearance and money remittance among others that are usually taken care of

by the agent.

When buying a second hand aircraft, a buyer has to look into things like low time, accident history, owner history (one aircraft should not have too many owners) etc.

When deciding on how much a second hand aircraft should cost, one has to refer to something known as the blue book, which is an index of how much an aircraft should cost, given the age and other factors. This index coupled with factors like list price and economy and market conditions are the main deciding factors when buying an aircraft.

All aircraft have to be certified by the government of airworthiness.

Simultaneously, one has to engage a flight crew and maintenance crew of the aircraft. There are many companies in the country that allow you to outsource this part of owning an aircraft to them. "Usually the company that is charging more and is larger in size is a better bet as a feeling of security as far as an aircraft goes is very important," Singh says.

If a person wants to start a charter company, then they are not required to pay 28% excise on the aircraft to be imported apart

from which they also get a separate non scheduled permit for charters.

For this, the eligibility conditions are similar to the individuals licence. They have to present a viable business plan to the DGCA and the ministry of civil aviation and also fulfill the minimum equity norm. There is also a requirement for security clearance from the ministry of home affairs and an import permit needed from the Directorate General of Foreign trade.

Security clearance is also needed from the Bureau of civil aviation security.

The equity norms for the non scheduled operators permit are based on the size of the fleet. For a minimum fleet strength of upto 3 aircraft or helicopters, the equity norm is Rs 1 crore. For a minimum fleet strength of between four and 10 aircraft or helicopters, the equity norm is Rs 2 crore. For a minimum fleet strength of above 10 aircraft or helicopters, the equity norm is Rs 5 crore.

However, in the case of an existing company operating aircraft either in private category or as a non-scheduled operator, instead of subscribed equity, its net worth equivalent to the above said amount would be considered as meeting the minimum requirement to assess the financial soundness of such company or they may raise the subscribed equity for the required amount. The applicant shall submit a certificate from the banker or chartered accountant to confirm the paid up capital of the company.

Before the Non-Scheduled Operator's Permit is issued, an applicant has to be in possession of an aircraft either by outright purchase or through lease.

Aircraft acquired and certified in private category (for individuals and not charters) cannot be used for commercial air transport services.

The owner has to have his own maintenance and repair facilities for carrying out the maintenance as per DGCA requirements specified in CAR Sec-2 before getting the licence.

The owner can make suitable arrangements with any other DGCA approved maintenance organization, for all maintenance including line maintenance of the type of aircraft. The operator shall provide to DGCA a copy of the agreement made with the maintenance agency in this regard. A person in the organization and acceptable to DGCA will be designated to ensure that the maintenance is carried out as per DGCA approved program if a person wants to start a charter company, then they are not required to pay 28% excise on the aircraft to be imported apart from which they also get a separate non scheduled air transport permit for charters.

Editorial: **Shauvik Ghosh**  
Project Co-ordinator: **Rajiv Girhotra**  
Design: **Vanita Arora**