

# India's SpiceJet to add up to 40 new passenger aircraft

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SpiceJet (SG, Delhi Int'l) wants to add another 30 to 40 passenger aircraft, including 10 to 15 more widebodies, on top of the 133 B737-8s it is still awaiting delivery for, its chairman and managing director Ajay Singh told Bloomberg on the sidelines of the IATA conference in Boston this week.

The budget carrier has "a reasonable chance" of breaking even during this final quarter of 2021, he claimed, due to cost cuts, reworked lease contracts, a recovery in passenger travel in India, and the value of its cargo operation. SpiceJet is also hopeful of reaching a compensation deal with Boeing "very soon" for the MAX grounding. Meanwhile, salaries have been restored for all employees, he added.

As previously reported, SpiceJet shareholders approved last month the transfer of its cargo and logistics business, SpiceXpress and Logistics Private Ltd, to a subsidiary for INR25.56 billion rupees (USD342 million), a move it claimed would "wipe out a substantial portion" of its negative net worth.

"We, like other airlines, made losses in this period, but on the other side we built out this asset," Singh said in Boston, adding that he anticipates the cargo business to achieve USD1 billion in annual revenue within three years from about USD350 million this year.

According to the ch-aviation fleets advanced module, SpiceJet currently operates a fleet of ninety-eight aircraft including thirty-nine B737-800s, five B737-700s, the thirteen still-inactive B737-8s, four B737-900(ER), and thirty-two DHC-8-Q400s, along with three B737-700(BDSF)s and two B737-800(BCF)s. All are leased except for thirteen of the Dash-8s.

“SpiceJet will definitely need capacity because a lot of our old aircraft are slated for lease returns over the next year,” Singh said.

However, the Times of India reported that the return to service of SpiceJet’s MAX 8s has been delayed. On August 26, regulators in India cleared the aircraft type to fly again. But although SpiceJet – so far its only operator in the country – had set October 5 as the type’s first post-grounding flight, this has been deferred, sources told the newspaper without elaborating. Singh told Bloomberg that the first flight had been timed for October 8.

Billionaire-backed Indian start-up Akasa Air is also expected to place an order for more than one hundred B737 MAX, and a relaunched Jet Airways (JAI, Mumbai Int’l) is looking at the model too.

