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TREND OF AIRCARGO MOVEMENT IN JETAIRWAYS, COIMBATORE

By

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(71206631029)

Of

Department of Management Studies

Kumaraguru College of Technology

Coimbatore.

A PROJECT REPORT

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for the award of the degree

Of

MASTER OF BUSINESS ADMINISTRATION

July, 2007



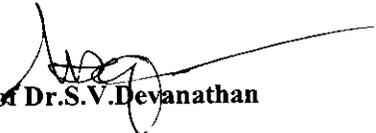
Department of Management Studies
Kumaraguru College of Technology
Coimbatore

BONAFIDE CERTIFICATE

Certified that this project report titled "AN ANALYSIS ON THE TREND OF AIRCARGO MOVEMENT IN JETAIRWAYS, COIMBATORE" is the bonafide work of **Mr.M.Mohan Raj (71206631029)** who carried out the research under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

Ms.S.Sangeetha

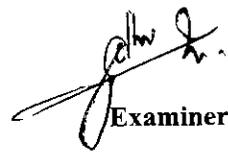
Project Guide


Prof Dr.S.V.Devanathan

Director

Evaluated and viva-voce conducted on

Examiner I

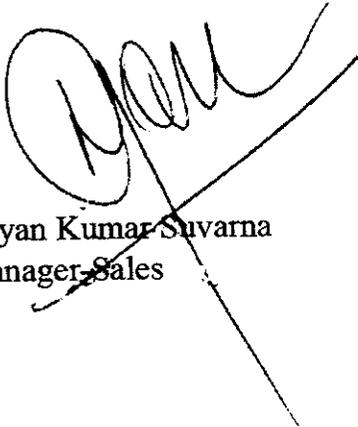

Examiner II

19Sep, 2007
Coimbatore

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr. Mohanraj.M, student of Master of Business Administration, KCT B School, Kumaraguru College of Technology, Coimbatore had undertaken a project work on Trend of Air Cargo in Jet Airways, he was in touch with us in connection to from 20th Jun 2007 till 31st Jul 2007. His report was found to be satisfactory.

This certificate is issued as per students request.



Nayan Kumar Suvarna
Manager Sales

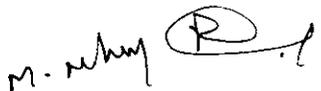
Declaration

I, MOHAN RAJ.M (Reg. No.71206631029), 2nd year MBA student of Department of Management Studies, Kumaraguru College of Technology, hereby declare that the project entitled "AN ANALYSIS ON TREND OF AIRCARGO MOVEMENT IN JETAIRWAYS, COIMBATORE" has done by me under the guidance of Lecturer Ms.S.SANGEETHA submitted in partial fulfillment for the award of the degree of Master of Business Administration of Anna University, during the academic year 2006-2008.

I, also declare hereby, that the information given in this report is correct to best of my knowledge and belief.

Place: Coimbatore

Date: 29.10.2007


Signature of the Candidate
(M.MOHAN RAJ)

ACKNOWLEDGEMENT

ACKNOWLEDGEMENT

It is inevitable that thoughts and ideas of other people tend to drift into the subconscious when one feels to acknowledge helping derived from others. I acknowledge to all those who have helped me in the preparation of this project work.

I would like to thank the god almighty for his guidance without whom this project wouldn't have become reality.

I wish to express my deep gratitude to the principal Dr. Joseph V. Thanikal for his guidance and encouragement to complete my project work.

I wish to express my sincere thanks to Prof. Devanathan – Director, KCT Business School, for his continuous encouragement throughout my project.

I owe my heartfelt gratitude to Lecturer Ms.S.Sangeetha , KCT Business School, for his help and valuable guidance given to me through out my project.

I extend my sincere gratitude to Jet Airways (India) Limited for permitting me to do this project. specially I would like to thank Mr. Ajit Kumar, Sales-Executive for their effective guidance and valuable support to carry out this project in their premises.

My special acknowledgements and thanks to Department of Management Studies, faculty members, my friends and family members who helped me in the completion of this project successfully.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

One of the most competitive markets in the world is the airline industry. In India the airline Industry is flourishing with wide range of services. There are many players in the Indian airline market viz. Jet airways, Indian airlines, King fisher, Air Deccan, Paramount, Air Sahara and also various other airlines. In India the major players are these airlines and there is a strong competition between these air transport organizations.

Against this background the study was conducted to understand the various trends of air cargo movement in Jet airways for the fourth coming years. Further the study attempts to identify the charges for various commodities. The study assumes the characteristic of descriptive research. The sources are collected from the organization only.

The study reveals that the trend of Air cargo movement in Jet airways is good for the next five years. The trend analysis using five yearly moving averages shows an increase in trend for garments other commodities showing a consistent trend without no loss no gain condition. The trend shows a highly growing impact for exports, transshipment and total but for the imports it showing a declining trend.

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INTRODUCTION

CHAPTER-1

1.1 INTRODUCTION

Creating transport infrastructure and operating transport services have major implications for the environment. With rapid economic growth, increase in population and increasing integration of the economy, the demand for transport services is rising at a fast pace. This is, however, leading to the use of scarce land and contributing to the atmospheric pollution in a big way. Sound pollution, road congestion, etc., are other environmental hazards due to transport. Water transport, in addition, leads to pollution of sea and coastal waters and also endangers marine life. While steps are necessary to minimise the environmental impact of transport infrastructure and services in general, priority attention needs to be given to the road transport sector, particularly in large cities, where the adverse impact on the environment is maximum. All major projects, including those in the transport sector require environmental clearance before they are taken up. In large cities like Delhi, initiatives have been taken to enforce Bharat Stage II norms for vehicular emission. Stricter norms conforming to Euro III-IV are also under consideration. However, what is required is a nation-wide policy on the use of clean fuel and phasing out of old vehicles. There is also need to improve the quality and efficiency of the public transport system in order to reduce dependence on private vehicles. In the larger national interest, it is also important that rail transport, which is a cleaner and more fuel-efficient system vis-a-vis road transport is accorded higher priority.

Jet Airways began its commercial operations on May 5, 1993 with the objective of being the best domestic airline in India. Our constant efforts have seen us emerge as one of the finest airlines in Asia, offering an unsurpassable level of world-class service and comfort in air and on ground. It's hardly surprising that most travellers prefer Jet Airways to fly with.

From modest beginnings in 1993, Jet Airways are today India's largest private sector airline. They have been recognised worldwide and won several awards for their service, innovation and reliability. In March 2004, Jet Airways commenced its first international flight. Today jet fly to 8 international destinations including Europe, US and Asia. The airline industry in India witnessed another year of strong growth.

During the financial year 2006-07, an estimated 35 million passengers travelled by air within India, and almost 26 million on international sectors to and from our country. This compares with 14.4 million domestic and 13.2 million international passengers who travelled

by air in the financial year 2002-03, and demonstrates a compound annual growth rate of 24.9% and 18.4% respectively over the past four years. They expect these very positive trends to continue.

This growth is reflected in your Company's revenues for the financial year under review, which were 21.6% higher than the previous financial year. The Company maintained healthy seat factors, in both domestic and international operations. However, the very competitive environment, which prevails in the Indian aviation industry at present, has, as in the case of all other domestic carriers, adversely impacted the average revenue per passenger.

The first major step towards the goal was with regard to the Company's product offerings on both the international and domestic operations. Considerable time and effort was spent in the careful and detailed planning of the interior configuration and layout, and the selection of seats and other on-board facilities, of the Boeing 777-300 ER and the Airbus 330-200 wide body aircraft that are being purchased for our international expansion. Similar intensive planning, in consultation with experts, went into designing the standard and quality of the in-flight service on these aircraft. Deliveries of these wide body aircraft commenced in April 2007 and the Company has since taken delivery of four Boeing 777-300 ER and two Airbus 330-200 aircraft. Shareholders will be pleased to know that the new aircraft and the services we provide have been extremely well received by all classes of travellers.

Keith E. Nickels (1996)¹ has conducted a Study in Materials Handling Equipment (MHE) Requirements which examines airlift system support issues, and in particular, issues concerning Materials Handling Equipment (MHE). Limitations of existing loaders have forced AMC to adopt the practice of using airlift to reposition MHE between theater locations. It is assumed that such a practice is costly to the command, both in terms of monetary expense and capability. Two issues relating to MHE has been examined in this paper; the cost of repositioning these assets and the impact repositioning has on force closure. To meet system demands, AMC commits a significant amount of airlift to repositioning MHE. This practice is very costly in terms of time and money. Lost time in a two MRC scenario can be the difference between success and failure. Although difficult to quantify in terms of capability, this study suggests that in a contingency environment, transporting MHE between locations causes significant delays in force closure estimates. While the researcher offers no empirical data, it is intuitively evident that AMC will have difficulty meeting a two MRC airlift requirement using existing loaders, which seriously jeopardizes our ability to project power abroad. Modernizing the MHE fleet is key to meeting the requirements of a two MRC strategy.

H.-S. Jacob Sao² in 1998 conducted a study to identify the Role of Air Cargo in California's Goods Movement. The study revealed that efficient goods movement is crucial to California's economy. To support continued growth of the State's economy, Caltrans is leading the development of a Statewide Goods Movement Strategy. This strategy is being prepared as a response to a recommendation of the 1993 California Transportation Plan. It serves as one element, together with the Transportation System Performance Measures report being prepared in parallel by Caltrans, of the 1998 California Transportation Plan update. Air cargo consists predominantly of high-value, time-sensitive or time-definite goods, e.g., electronic equipment, emergency shipments,

¹ Keith E. Nickels, Materials Handling Equipment (MHE) Requirements, issues concerning Materials Handling Equipment (MHE), Report Number A759903, Clusty.com, 1996.

² H.-S. Jacob Sao, Role of Air Cargo in California's Goods Movement, *International journal of Service and standards*, 1998, Vol.3, No.3, p. 382-392.

overnight packages, etc. Timely delivery of these goods has been an important element of many manufacturing and service operations in California. Therefore, the air cargo industry is a vital part of the State's economy. Continued ability of the State's air cargo industry to serve the other industries in the State and the State's ability to capitalize on the forecast growth of air cargo routes between Pacific-Rim countries in Asia and North America are essential to the prosperity of California. However, future demand on California's air cargo system may continue to outpace the future supply of the system's capacity. Faced with these challenges, Caltrans began a systematic investigation into the role of air cargo in California's goods movement, as part of the larger development effort for a statewide goods movement strategy, and funded a research project in 1997 for the Institute of Transportation Studies at U.C. Berkeley to (i) gain a broader understanding of the State's air cargo industry and the role of air cargo in California's goods movement, (ii) assess the importance of air cargo to the State's economy, (iii) begin identification of issues hindering efficient air cargo movement in the State, and (iv) explore possible State roles for resolving the issues. This "white paper" documents the findings of that research and serves as an input to the development of the Statewide Goods Movement Strategy.

H.S.JacobTsao with the aid of Asim Rizwan³ studied The Role of Intelligent Transportation Systems (ITS) in Intermodal Air Cargo Operations in the year 2000 and the research had four main purposes: 1. Investigate and suggest how the public sector in the state of California (including the state, cities, counties, airports, etc.) can assist the air cargo industry in providing more efficient services to businesses and the general public of California. 2. Learn from the air cargo industry's efficient intermodal operations about intermodal freight and passenger transportation in general. 3. Learn from the industry's technology deployment efforts for the purpose of developing strategies for deploying Intelligent Transportation Systems (ITS) technologies in the general freight industry and in the overall transportation industry. 4. Suggest ITS deployment strategies for other segments of the freight industry.

³ H.S.JacobTsao, Asim Rizwan, the Role of Intelligent Transportation Systems (ITS) in Intermodal Air Cargo Operations, *Journal of Strategic Management*, Vol. 2, 2000.

1.3 OBJECTIVES OF THE STUDY

Primary objective:

The study is to find the trend of various exports and imports of air cargo movement in jet airways.

Secondary objective:

To analyse the trend of export, import for next 5years of jet airways in cargo reated.

1.4 SCOPE OF THE STUDY

The study is limited to know the trend of airline cargo movement in special reference to Jet Airways only.

1.5 RESEARCH METHODOLOGY

1.5.1 Descriptive research

The study assumes the nature of descriptive research. The descriptive research describes the characteristic of a group in a given situation offers ideas for future research, and helps to make certain simple decisions.

1.5.2 Method of Data collection

The data used in the research is completely secondary data which is collected from websites, books and industry reports and company sources

1.5.3 Tools for Analysis

The tools used for analysis is five yearly moving average method used in trend calculation

1.6 LIMITATIONS

The limitations of study are as follows:

1.6.1 The data is related only to Jet Airways

1.6.2 The duration of the study was restricted to 6 weeks.

1.6.3 Due to security regulations the data is strictly as per the official sources

ORGANIZATION PROFILE

CHAPTER 2

COMPANY PROFILE

2.1 HISTORY OF ORGANIZATION

In 14 years, Jet Airways has emerged as India largest private domestic airline and has been acclaimed by frequent travelers as the most preferred carrier offering the highest quality of comfort, courtesy, standards of ground and in flight services and reliability of operations. Jet Airways currently operates a fleet of 2- Boeing 777-300 ER, 47 New and Next-Generation Boeing 737s, 2 Airbus 340-300E, 4 Airbus A330-200 aircraft and eight ATR72-500s turbo-prop aircraft. With over 340 daily flights, the Airlines network connects 50 destinations, of which six are international, i.e. London, Singapore, Kuala Lumpur, Bangkok, Colombo and Kathmandu.

Jet Airways has been voted India's Best Domestic Airline by several organizations of world-class repute. The airline has also been conferred with several national and international awards instituted by leading organizations including the Market Development Award for 2001 of Air Transport World (ATW) of USA. Jet Airways has also won the "Service Excellence Award hosted by Global Managers at Mumbai. Mr. Goyal in his capacity as Chairman, Jet Airways has won the "Entrepreneur of the Year Award for Services from Ernst & Young and also Distinguished Alumni Award-2000 for meritorious and distinguished performance as an Entrepreneur and also the "most respected company in travel and hospitality sector. Other awards conferred on Mr. Goyal include the Outstanding Asian-Indian award for leadership and contribution to the global community given by the Indian American Centre for Political Awareness, Aerospace Laurels for outstanding contribution in the field of Commercial Air Transport twice, in April 2000 and February 2004. The airline has also been given the "Pride in Excellence" award from Boeing Company for maintaining the highest Technical Despatch Reliability for the second year in succession in April 2004. In August 2003, the airline was awarded the "Superbrand" status by the world's leading authority on branding, the Superbrands Council.

In July, 2005, Business Week selected Chairman Naresh Goyal as one of the five leaders from India in their Asia Edition cover story "Stars of Asia - 25 Leaders at

The Forefront of Change. Chairman, Naresh Goyal received the first BML Munjal Award for Excellence in Learning & Development in the Private Sector category from the Honourable Minister for Civil Aviation, Shri Praful Patel along with a citation at a special function at Hotel Maurya Sheraton, New Delhi on January 6, 2006. The Prime Minister, Dr Manmohan Singh presented the first NDTV Profit Business Award 2006 to Jet Airways, which was received by the Chairman Naresh Goyal at a glittering function at Taj Palace Hotel on July 28, 2006. The award, in the aviation category, is to salute the men and women who fuel India's journey to the forefront of the World Economy.

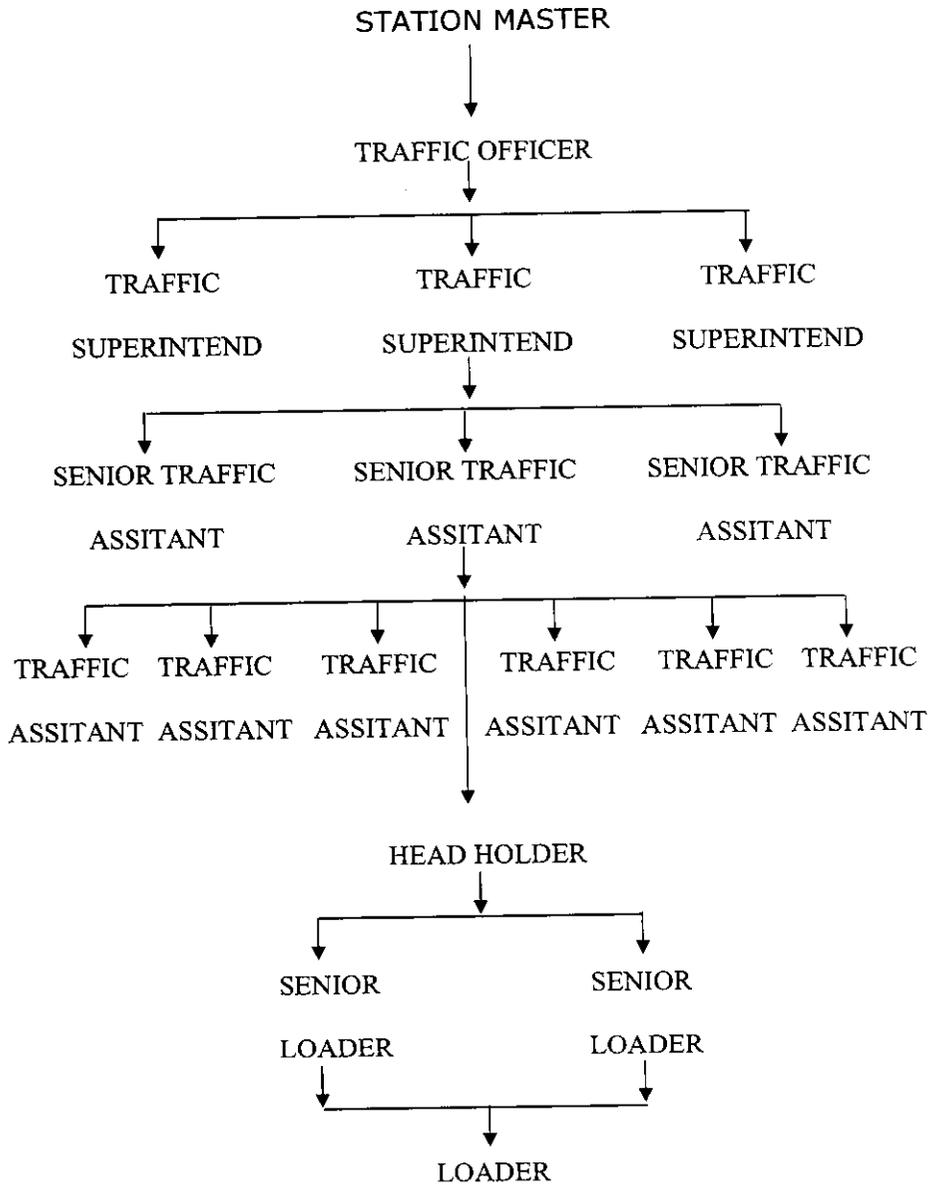
Board of Directors (As on 29th August, 2007) Mr. Naresh Goyal	<i>Chairman</i>
Mr. Ali Ghandour Mr. Victoriano P. Dungca Mr. Charles A. Adams Mr. Javed Akhtar Mr. I. M. Kadri Mr. P. R. S. Oberoi Mr. Aman Mehta Dr. Vijay L. Kelkar	<i>Executive Director</i>
Statutory Auditors Deloitte Haskins & Sells Chartered Accountants 12, Dr. Annie Besant Road, Opp. Shiv Sagar Estate Worli, Mumbai - 400 018	Chaturvedi & Shah Chartered Accountants 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021
Legal Advisors Gagrats Nirmal, 12th Floor, Nariman Point, Mumbai - 400 021	

Registered Office S. M. Centre Andheri-Kurla Road, Andheri (East), Mumbai - 400 059	Registrar & Share Transfer Agent Karvy Computershare Private Limited Plot No. 17-24, Vittal Rao Nagar,
Bankers of the Company ABN AMRO Bank Abu Dhabi Commercial Bank Bank of America Banque Nationale de Paris Bank of India	Dena Bank Deutsche Bank AG HDFC Bank Ltd. ICICI Bank Limited Industrial Development Bank of India Ltd. ING Belgium SA

2.2 MANAGEMENT OF COMPANY

Management	
(As on 29th August, 2007)	
Mr. Wolfgang Prock-Schauer	<i>Chief Executive Officer</i>
Mr. Saroj K. Datta	<i>Executive Director</i>
Mr. Carl Saldanha	<i>Chief Financial Officer</i>
Ms. Anita Goyal	<i>Executive Vice President - Marketing & Sales</i>
Mr. Garry Kingshott	<i>Chief Commercial Officer</i>
Mr. Zainul Aljunied	<i>Regional Vice President - USA & Canada</i>
Mr. Peter Luethi	<i>Vice President - Eastern & Midwest America &</i>
Capt. Ritzerwan Bin Rashid	<i>Vice President - Flight Operations</i>
Capt. K. Mohan	<i>Vice President - Flight Operations (Administration)</i>
Mr. P. K. Sinha	<i>Vice President - Industry Affairs</i>
Mr. Sitham Nadarajah	<i>Vice President - Technical (Projects)</i>
Dato' K. Jeyakanthan	<i>Vice President - Engineering Services</i>
Mr. Mike Johnson	<i>Vice President - Engineering & Maintenance</i>
Mr. Poh Leong Choo	<i>Regional Vice President - Sales (India & SAARC)</i>
Mr. Prasun Sengupta	<i>Vice President - Corporate Administration</i>
Mr. N. Hariharan	<i>Vice President - Office of Chairman</i>
Mr. Rajesh Sharma	<i>Vice President - Technical Purchase & Service</i>
Mr. Ashok Barimar	<i>General Counsel & Vice President - Legal</i>
Ms. Ragini Chopra	<i>Vice President - Corporate Communication & Public</i>
Mr. Gaurang Shetty	<i>Vice President - Marketing</i>
Mr. Jay Shelat	<i>Vice President - Cargo</i>
Ms. Sonu Kripalani	<i>Vice President - Sales (India)</i>
Mr. Gerry Oh	<i>Regional Vice President - South East Asia</i>
Mr. Raj Anand Sivakumar	<i>Vice President - Revenue Management</i>

2.3 ORGANISATION CHART:-



2.4 PRODUCTS PROFILE AND MARKET POTENTIAL

In flight services

- Newspapers and magazines are available on board, in addition to which, we also have our informative and colorful in-flight magazine JETWINGS on our domestic sectors and JETWINGS INTERNATIONAL on our international sectors.
- We offer meals and beverages on our flights. The type of meal will depend upon the scheduled departure and arrival times and flight duration.
- Please observe safety demonstrations and follow all safety instructions on board during take-off, during the course of the flight and at the time of landing.
- If you are seated near an Emergency Exit, you will be briefed by the crew regarding Emergency Procedures and are requested to pay special attention to these requirements.
- Smoking is strictly prohibited inside the aircraft on all our flights.

Baggage Arrival

We do undertake to use our best efforts to carry the passenger and his or her baggage with reasonable dispatch and to adhere to published schedules in effect on the date of travel. There may be occasions that a passenger's checked-in baggage cannot be carried on the flight he is travelling on. In such a case we will ensure that the baggage is carried to the passenger's port of disembarkation with reasonable dispatch. The baggage is delivered to the passenger. If a passenger's baggage is damaged, the passenger should immediately report the damage to our ground staff at arrival, before leaving the terminal building. In the case of any damaged or missing baggage, a Property Irregularity Report (PIR) has to be filled, which will be done by our staff at arrival. Please note once a passenger leaves the terminal building without registering a complaint of mishandled bag, Jet Airways will not be in a position to take any remedial measures. In case of domestic sectors, our liability for loss, delay or damage to baggage is limited to INR 450 per kg, unless a higher value is declared in advance and additional charges are paid. Excess valuation may not be declared on certain types of articles. We assume no liability for fragile / perishable articles. In case of international sectors, our liability for loss, delay or damage to baggage is limited to USD 20 per kg, unless a higher value is declared in advance and additional charges are paid. Excess valuation may not be declared on certain types of articles. We assume no liability for fragile / perishable articles.

Cargo Services

Jet Airways provides air cargo transport services across our network of 44 domestic and 5 international destinations. Moreover, we also have one of the youngest fleet in the international skies, giving shippers the benefit of our operating efficiencies. If you need more information regarding our cargo services or want to make a cargo booking, you can get in touch with our airport offices or authorized cargo agents or our 24-hour Cargo Capacity and Revenue Management Center (CCRM). Please note that currently bookings accepted at our CCRM center are only through authorized cargo agents.

Jet Airways, commenced operations in May 1993, currently operates to 49 destinations with over 330 daily flights. It is an airline that, with an average fleet age of 5.3 years, operates the youngest fleet of Boeing 737, brand new Airbus 340-300Es, an all new Airbus A330-200 and ATR 72-500 aircraft in South Asia; an airline that has pioneered concepts like Through-Check-in, City Check-in, Web and Kiosk check-in, automated tickets at travel agency locations, e-ticketing, Jet Mobile and the unique five-tier frequent flier programme Jet Privilege in India. As an Indian Corporate Body, Jet Airways also recognises its responsibility to the Society and Nation. Consequently, in 1998 Jet Airways launched its Yellow Rose campaign. People are like roses, and like the flower they require friendship, warmth and caring. Jet Airways has striven not only to extend these qualities to its passengers, but also to the country in times of crises or calamities.

1.5 COMPETITIVE STRENGTH OF THE COMPANY

Jet Airways is India's largest domestic airline in the private sector. We also fly to certain international destinations. This Citizen's Charter provides important information to help you, our valued passenger, when we have the pleasure of flying you, and it:

- sets out our commitment to quality;
- describes our services; and
- Guides you where to find more information about us.

Jet commitment to provide the highest standards and quality of service is set out in our Corporate Mission Statement. In pursuance of this commitment, They privileged to have won a number of awards in recognition of our standards of service and have also received the ISO 9001:2000 certification for their In-flight Services. The company

presently operates over 340 domestic flights daily to 44 destinations covering the length and breadth of the country, a measure of our commitment to providing extensive air connectivity to all regions of the country. Jet extensive network also connects the remote regions such as the North East, Jammu and Kashmir and Port Blair with the rest of the country. Jet fully comply with the Route Dispersal Guidelines mandated by the Government of India for all scheduled airlines. In addition to their scheduled domestic services, They also operate regular scheduled services to Colombo, Kathmandu, Singapore, Kuala Lumpur, Bangkok and London.

Jet current fleet consists of Boeing 737 Classic and Next-Generation aircraft, Airbus 340-300E, Airbus 330-200 and the modern ATR72-500 turbo-prop aircraft. The Boeing fleet is currently used on select international sectors in addition to domestic routes. Our A340-300E and A330-200 aircraft are primarily used on long haul sectors. The ATR72-500 fleet is used mainly for regional domestic operations to connect interior points with metros and state capitals, consistent with market requirements. The average age of Jet fleet is approximately 5.3 years. Please click here for detailed information on jet fleet. They endeavor to regularly upgrade their fleet in the interests of customer comfort and the reliability of their operations. Boeing 737 aircraft offer Premiere (Business Class) and Economy Class cabins on most flights. Jet ATR72-500 aircraft offer only Economy Class seating, we also offer only all-Economy seating / services on a few sectors operated by Boeing 737 aircraft. Airbus 340-300E and 330-200 aircraft offer "PREMIERE" (Business Class) with luxurious seating where you are assured of either an aisle or window seat with world class flat beds. The Airbus 340-300E offers a seat pitch of 73 inches in PREMIERE, while the 330-200 offers a seat pitch of 82 inches.

Jet airways Reservations System is hosted on Sabre, a leading International Reservations System, and they are marketed by major Global Distribution Systems within and outside India. Customer can make reservations by visiting or telephoning any of our offices and through over 2000 authorized travel agents throughout India and over 66 General Sales Agent (GSA) offices worldwide. For domestic flights customer can also book, pay and print your electronic ticket (e-ticket) by making an online reservation through our website (except in case of passengers travelling to and from Kochi, Patna, Raipur, Khajuraho and Srinagar). This electronic ticketing facility is also available for the passengers travelling to and from Singapore and will be extended to our passengers

travelling to and from other international destinations, shortly.

Fares for domestic sectors within India are published in Indian Rupees (INR) and United States Dollars (USD). The INR fares are applicable to Indian nationals permanently residing in India, Nepal and Bhutan, foreign nationals residing in India and holding resident permits in India and foreign diplomats holding diplomatic status as well as their dependent family members. Fares for domestic sectors applicable to foreign nationals and non-resident Indians are quoted in United States Dollars (USD). INR tariff tickets are sold and ticketed only in India, while USD tariff is sold and ticketed worldwide. Fares for international sectors are published in Indian Rupees (INR) and in the local currency respectively. All basic fares for domestic and international routes are quoted before taxes. In addition to the basic fare, we are required by the Government to charge and collect Passenger Service Fee (WO) as applicable in case of both INR and USD fares for domestic and international sectors. This is applicable for each flight coupon, that is, for each sector of travel. Besides, insurance and fuel surcharges (YQ) are also levied in case of both, domestic and international sectors, applicable per flight coupon.

These two levies (WO and YQ) are collected along with the basic fare at the time of issuance of the ticket. Change in Fare: Please note that fares are subject to change without notice. Unless otherwise specified, if you have purchased a ticket before the date of a fare increase and travel after the fare increase has taken place, you will not be required to pay the difference for the ticketed itinerary. However, in case there is a change in the booking or routing, the revised fares will be applicable.

FLEET MANAGEMENT

Aircraft	Number
Boeing 737-700	01
ATR 72-500	08
Boeing 737-800	17
Airbus 340-300E	02
Boeing 737-900	02
Boeing 737-400	06
Boeing 737-800	02
Airbus 330-200	03
Boeing 737-800	03
Boeing 737-700	12
Boeing 777-300E	01
Boeing 737-800	06
Total	63

*MACRO AND
MICROANALYSIS*

CHAPTER 3

MACRO & MICRO ANALYSIS

3.1 MACRO ANALYSIS

An efficient transport system is a prerequisite for sustained economic development. It is not only the key infrastructural input for the growth process but also plays a significant role in promoting national integration, which is particularly important in a large country like India. In a liberalized set-up, an efficient transport network becomes all the more important in order to increase productivity and enhancing the competitive efficiency of the economy in the world market. The transport system also plays an important role of promoting the development of the backward regions and integrating them with the mainstream economy by opening them to trade and investment. Worldwide, transport growth has been consistently higher than the economic growth due to specialization, sourcing of material on a wider scale, the use of just-in-time strategies, increase and dispersal of retail and wholesale activities etc. Prices of transport services have also been falling as a result of increased productivity due to competition among suppliers of transport services as well as pressure from users. The transport system in India has not been able to keep pace with these developments and considerable effort is required to correct the shortcomings. India's transport system comprises a number of distinct modes and services. These include railways, roads, road transport, ports, inland water transport, coastal shipping, airports and airlines. The sector has expanded manifold in the first fifty years of planned development, both in terms of spread and capacity. Along with the increase in quantity, there have been several developments of qualitative nature, such as emergence of a multi-modal system in the form of container transport, marked reduction in arrears of obsolete assets, improvement in the self-financing capacity of the sector and the establishment of new centers of excellence for manpower development. Impressive as this progress is, the country's transport system is far from adequate both in terms of spread and capacity and suffers from a large number of deficiencies and bottlenecks. The quality and productivity of the transport network and resources also needs improvement.

Considering the inadequacies and imbalances in the transport system, the Ninth Plan envisaged a comprehensive package to address various transport sector issues. It emphasized the need for improving the capacity and quality of the transportation system

through technological up gradation and removing distortions in the inter-modal mix by evolving a rational tariff and investment policy. It also laid stress on improvement of the self-financing capacity of this sector and on the need for ensuring an improved transport system to provide speedy, efficient, safe and economical carriage of goods and people. While the achievement of objectives and targets set for some sub-sectors, particularly roads and ports, have been encouraging, the progress in the case of others has not been as good. This is particularly true of railways where shortfalls in achievement of physical and financial targets as well as policy objectives are anticipated. The Tenth Plan has to address these shortcomings and also reinforce the achievements. It also has to provide a framework for the long-term development of the transport sector and focus on inter-modal complementarities and competitiveness.

While capacity shortages on both the main road and rail links continue to be a serious constraint to overall growth, even the existing infrastructure is inefficiently utilized. This is because over the years, a large number of distortions have appeared in the transport sector because of a deliberate policy or lack of it. Another reason for this state of affairs is inadequate maintenance of the existing assets. The condition is pervasive across various modes of transport. The productivity of freight trains is constrained by the condition of tracks and rolling stock. The net tonne km. per route km. for rail is 4.21 million km in India whereas it is 23.4 million km. in China. Though the Indian road network appears very large, only about half of the roads are paved and only 20 per cent of paved roads are estimated to be in good condition. The average productivity of a truck is 200 km. a day against a potential of 350-400 km. that could be possible through reduction of road congestion. Although, various productivity indices in the ports sector have been looking up including reduction in the waiting period for the ships, increase in the turn time etc., there is still scope for further improvement. The delay in the installation of modern instrument landing or traffic control facilities have constrained the capacity of our major international airports while inadequate draft in our waterways limit the use of inland water transport.

3.2 MICRO ANALYSIS

The airline industry in India witnessed another year of strong growth. During the financial year 2006-07, an estimated 35 million passengers travelled by air within India, and almost 26 million on international sectors to and from our country. This compares with

14.4 million domestic and 13.2 million international passengers who travelled by air in the financial year 2002-03, and demonstrates a compound annual growth rate of 24.9% and 18.4% respectively over the past four years. We expect these very positive trends to continue. During the year under review, air travel in India continued to show strong growth, both domestic and international. The Company carried 10.73 million revenue passengers, an increase of 12.2% over the previous financial year. Revenue Passenger Kilometers (RPKms) grew by 28.5 % to 12,307 million.

*DATA ANALYSIS AND
INTERPRETATION*

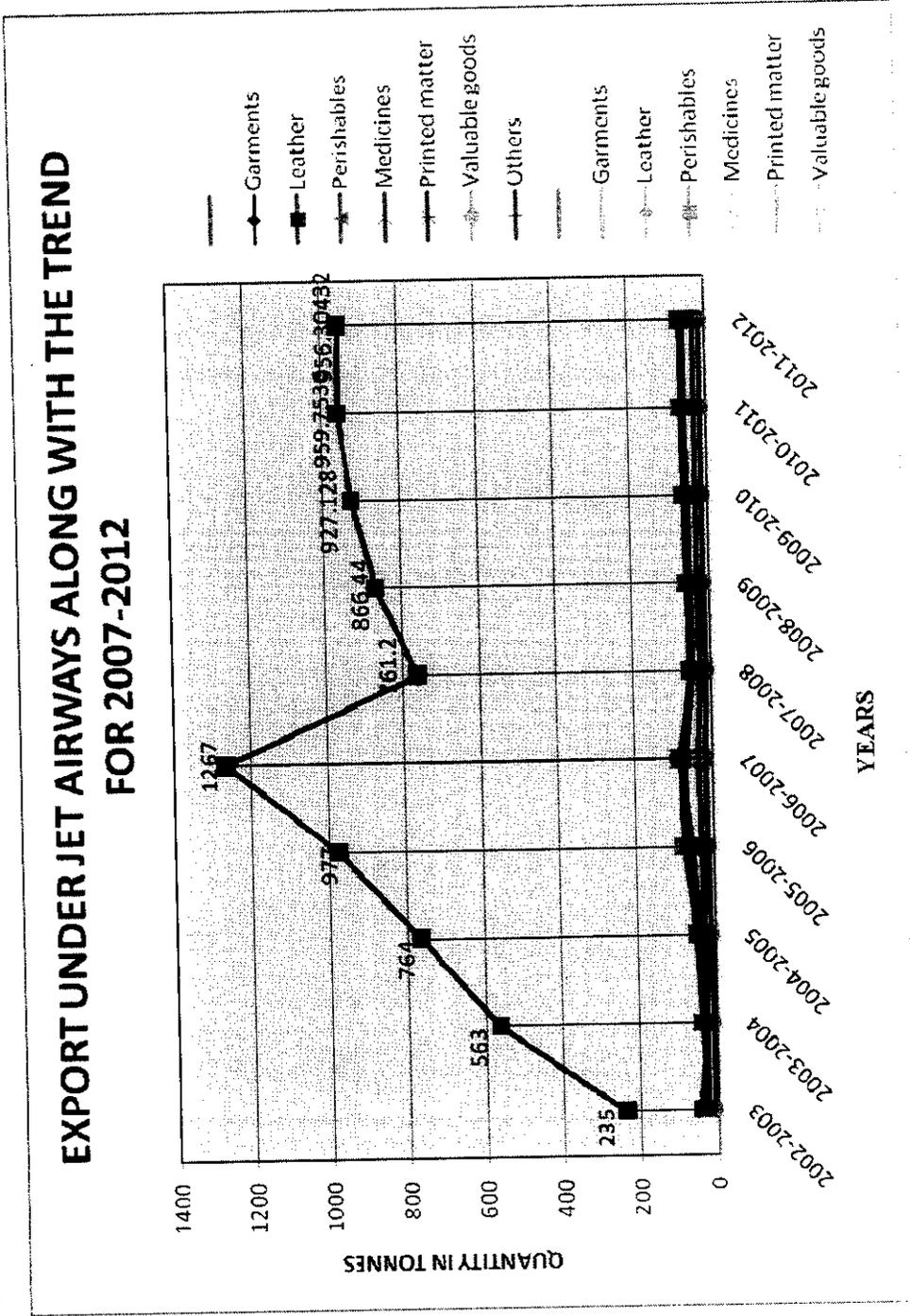
4.1 TREND OF EXPORT COMMODITIES FOR THE YEARS 2008-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

COMMODITIES IN TONNES	2002- 2003	2003- 2004	2004- 2005	2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010	2010- 2011	2011-2012
Garments	235	563	764	977	1267	761.2	866.44	927.128	959.7536	956.3043
Leather	43	23	35	53	78	46.4	47.08	51.896	55.2752	55.73024
Perishables	25	34	46	75	79	51.8	57.16	61.792	64.9504	62.94048
Medicines	22	32	35	64	65	43.6	47.92	51.104	54.3248	52.38976
Printed matter	24	34	45	55	86	48.8	53.76	57.712	60.2544	61.30528
Valuable goods	10	9	13	16	18	13.2	13.84	14.808	15.1696	15.00352
Others	24	24	27	29	34	27.6	28.32	29.184	29.6208	29.74496
Total	383	753	965	1269	1627	999.4	1122.68	1196.616	1242.939	1237.727

INFERENCE:

The trend analysis using five yearly moving average shows a decrease in trend for garments but getting a good forward movement in long future and other commodities showing a consistent trend without no loss no gain condition

4.1.1 GRAPH ON TREND OF EXPORT COMMODITIES FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD



4.2 TREND OF IMPORT COMMODITIES FOR THE YEARS 2008-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

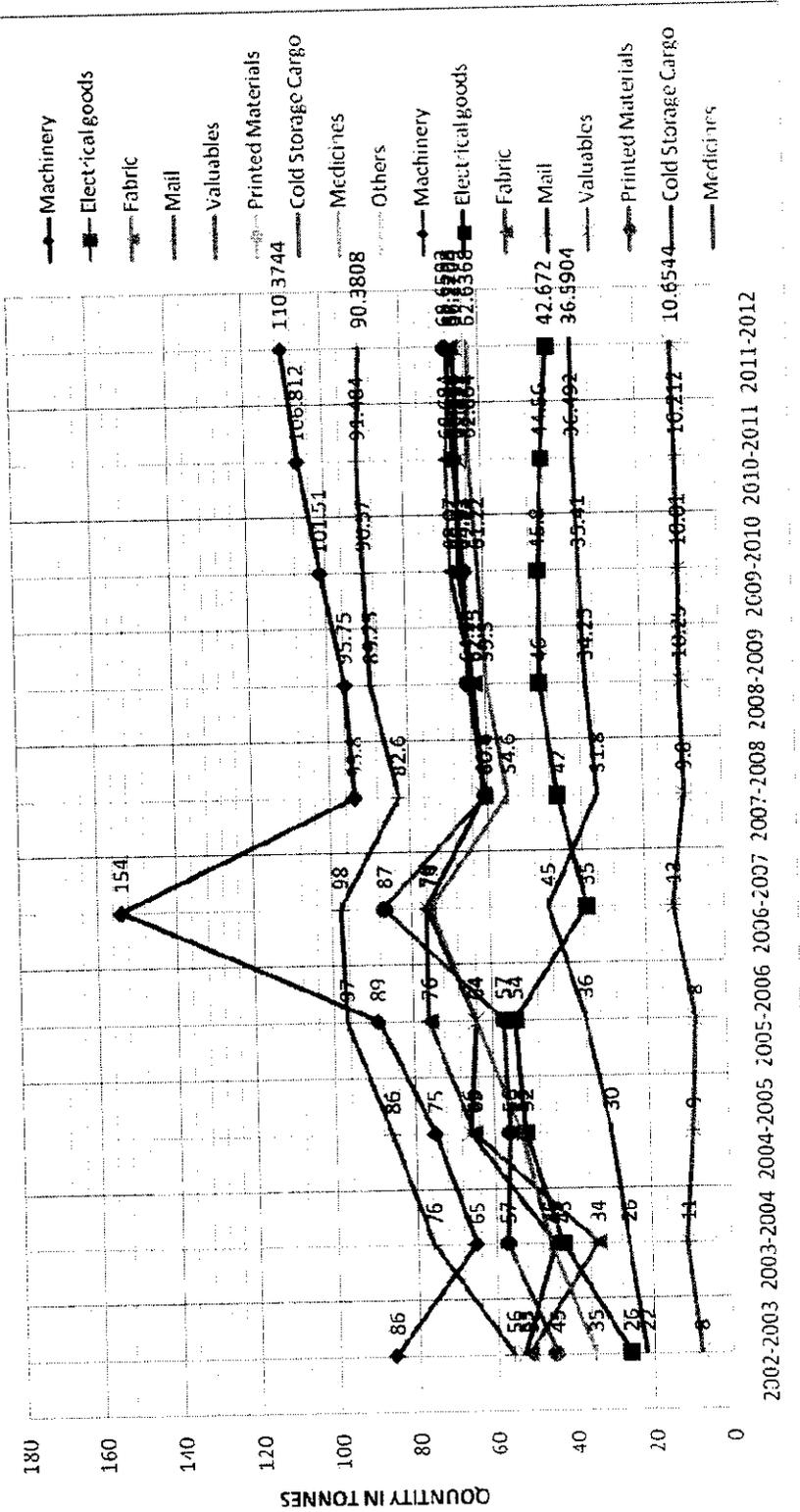
COMMODITIES IN TONNES	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Machinery	86	65	75	89	154	93.8	95.75	101.51	106.812	110.3744
Electrical goods	26	43	52	54	35	42	46	45.8	44.56	42.672
Fabric	52	34	65	76	76	60.6	62.75	68.07	68.684	67.2208
Mail	53	45	66	64	76	60.8	62.75	65.91	65.892	66.2704
Valuables	8	11	9	8	13	9.8	10.25	10.01	10.212	10.6544
Printed Materials	45	57	56	57	87	60.4	64.25	64.93	66.716	68.6592
Cold Storage Cargo	56	76	86	97	98	82.6	89.25	90.57	91.484	90.3808
Medicines	22	26	30	36	45	31.8	34.25	35.41	36.492	36.5904
Others	35	46	53	64	75	54.6	59.5	61.22	62.864	62.6368
Total	383	403	492	545	659	496.4	524.75	543.43	553.716	555.4592

INFERENCE:

The trend analysis using five yearly moving averages shows a highly fluctuating condition for all products but consistently growing with a Kaizen Effect except for valuables, which is showing a saturation effect.

4.2.1 GRAPH ON TREND OF IMPORT COMMODITIES FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

IMPORT UNDER JET AIRWAYS ALONG WITH THE TREND FOR 2007-2012



4.3 TREND OF REVENUE OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

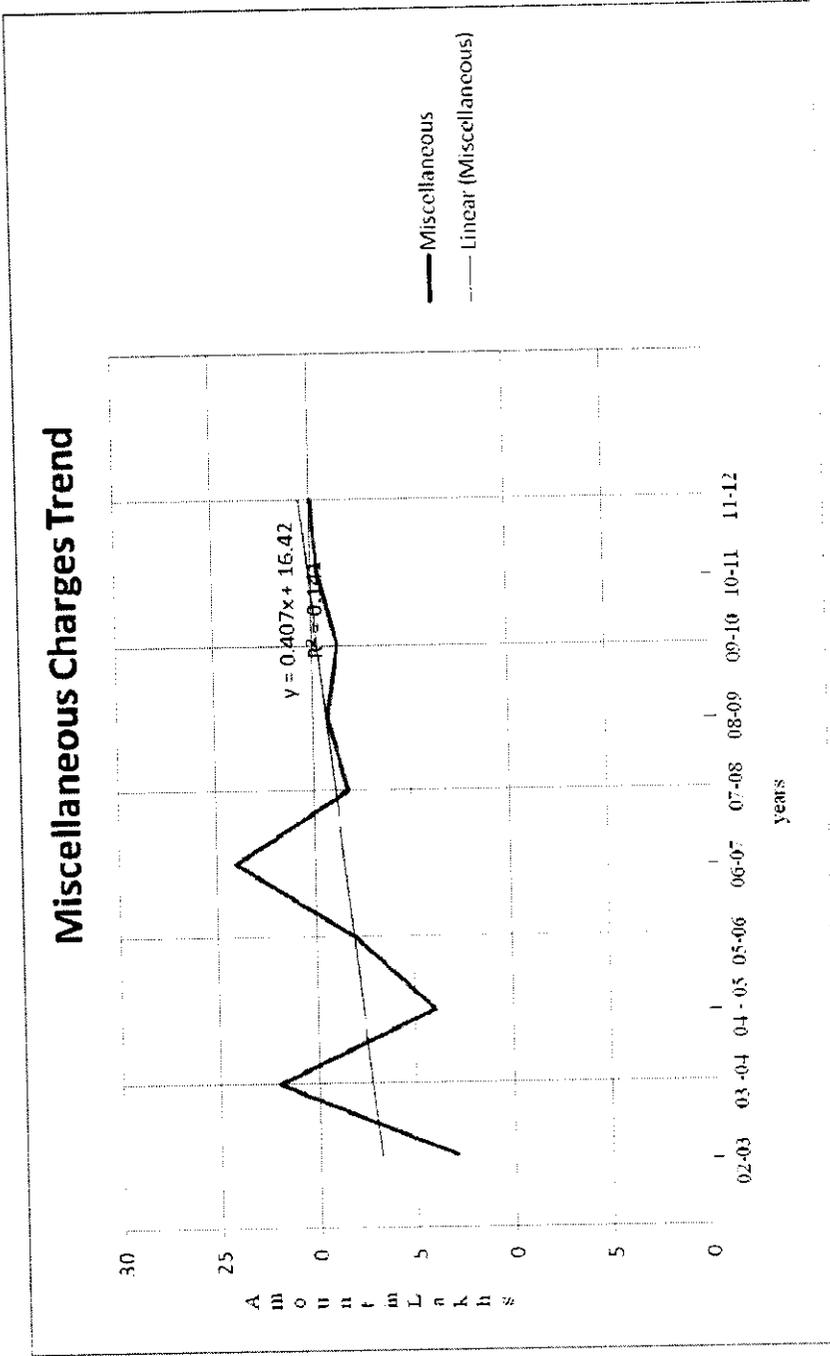
Revenue Earned in lakhs	2002-2003	2003 - 2004	2004 - 2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Handling charges	38	43	53	34	64	46.4	48.08	49.096	48.3152	51.17824
Demurrage charges	23	32	34	22	28	27.8	28.76	28.112	26.9344	27.92128
Miscellaneous	13	22	14	18	24	18.2	19.24	18.688	19.6256	19.95072
Total	74	97	100	64	116	90.2	93.44	92.728	91.2736	96.72832

INFERENCE:

The trend analysis using five yearly moving averages shows a highly growing trend for miscellaneous charges and for handling charges but the demurrage trends are slightly sluggish

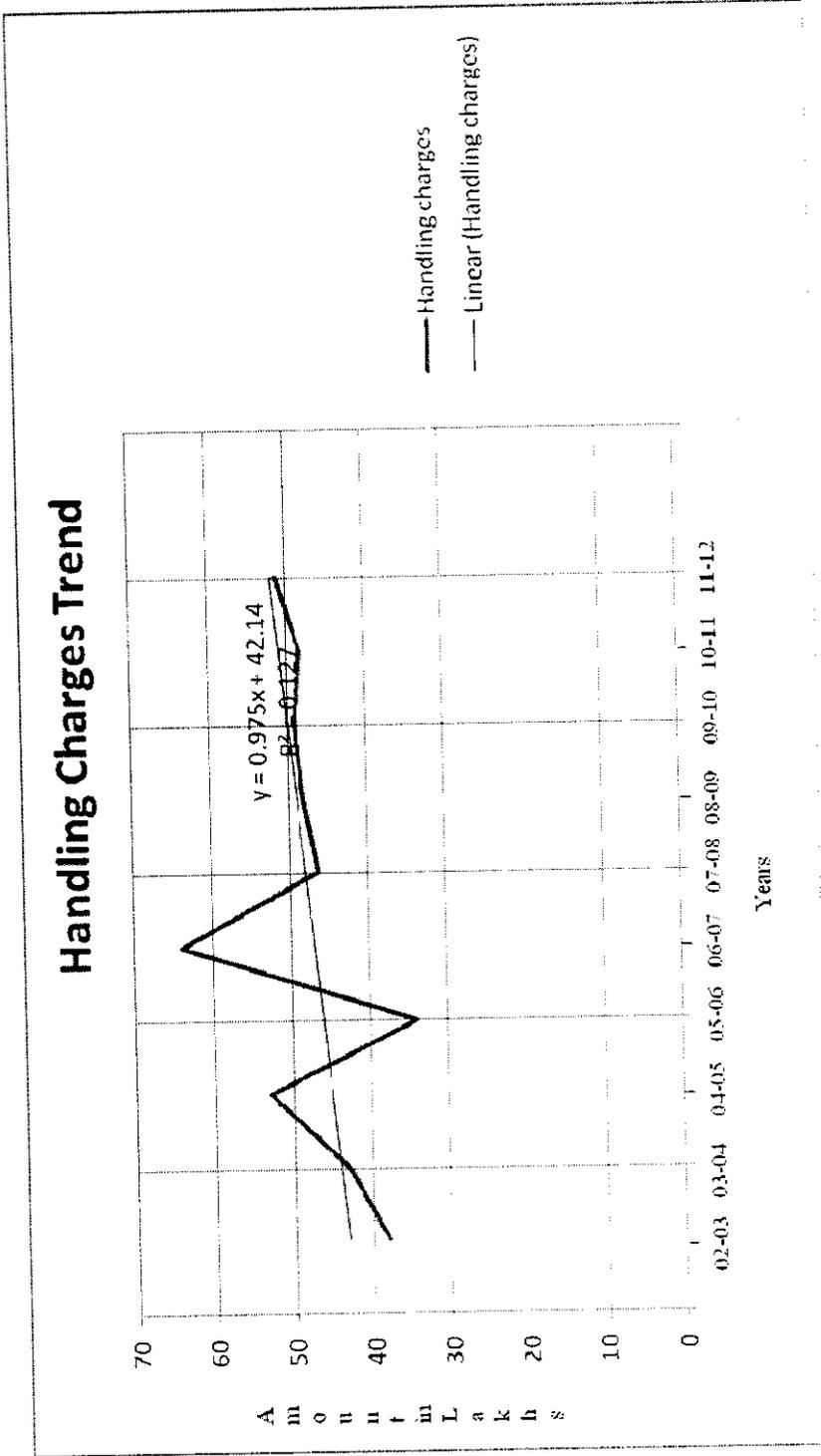
4.3.1 GRAPH ON TREND OF REVENUE OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

(Miscellaneous Charges Trend)



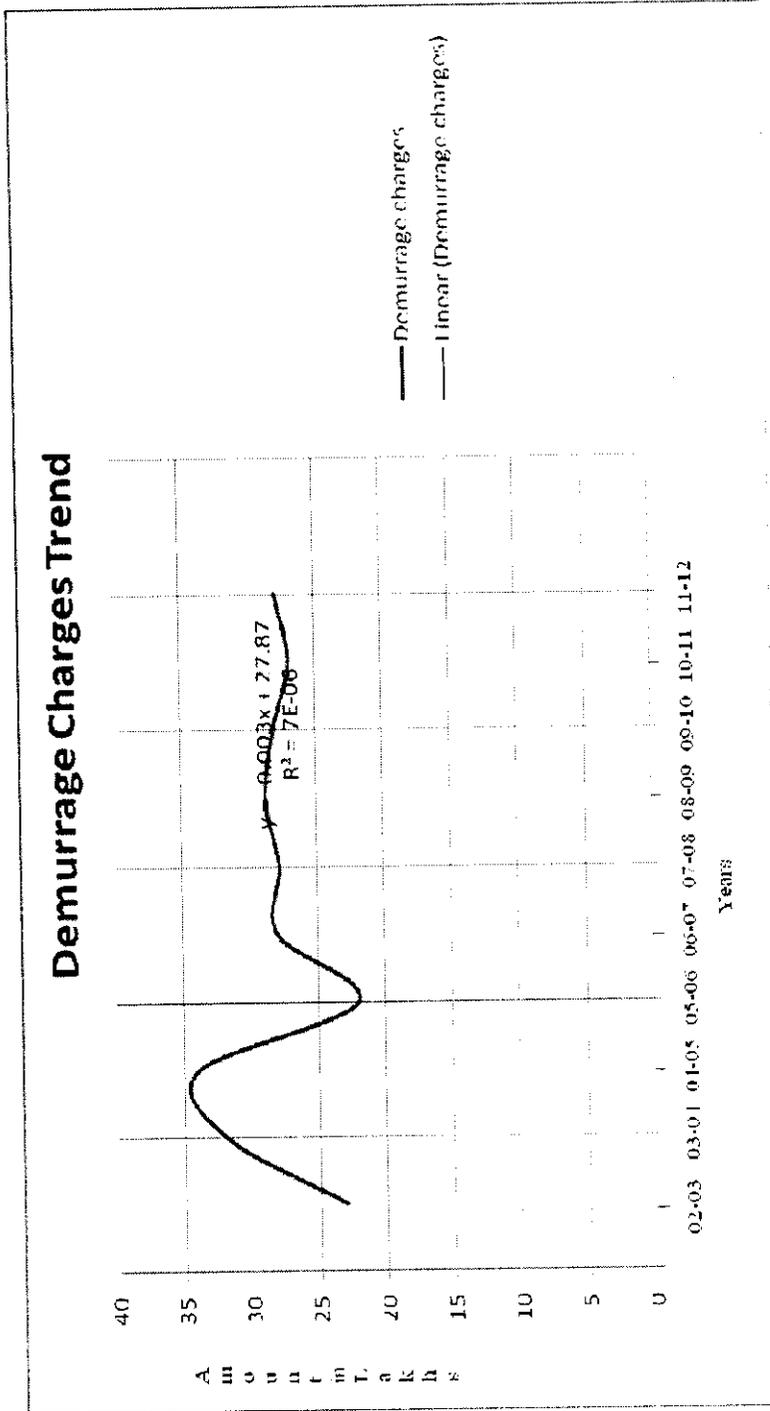
4.3.2 GRAPH ON TREND OF REVENUE OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

(Handling Charges Trend)



4.3.3 GRAPH ON TREND OF REVENUE OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

(Demurrage Charges Trend)



4.4 TREND OF TRAFFIC OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

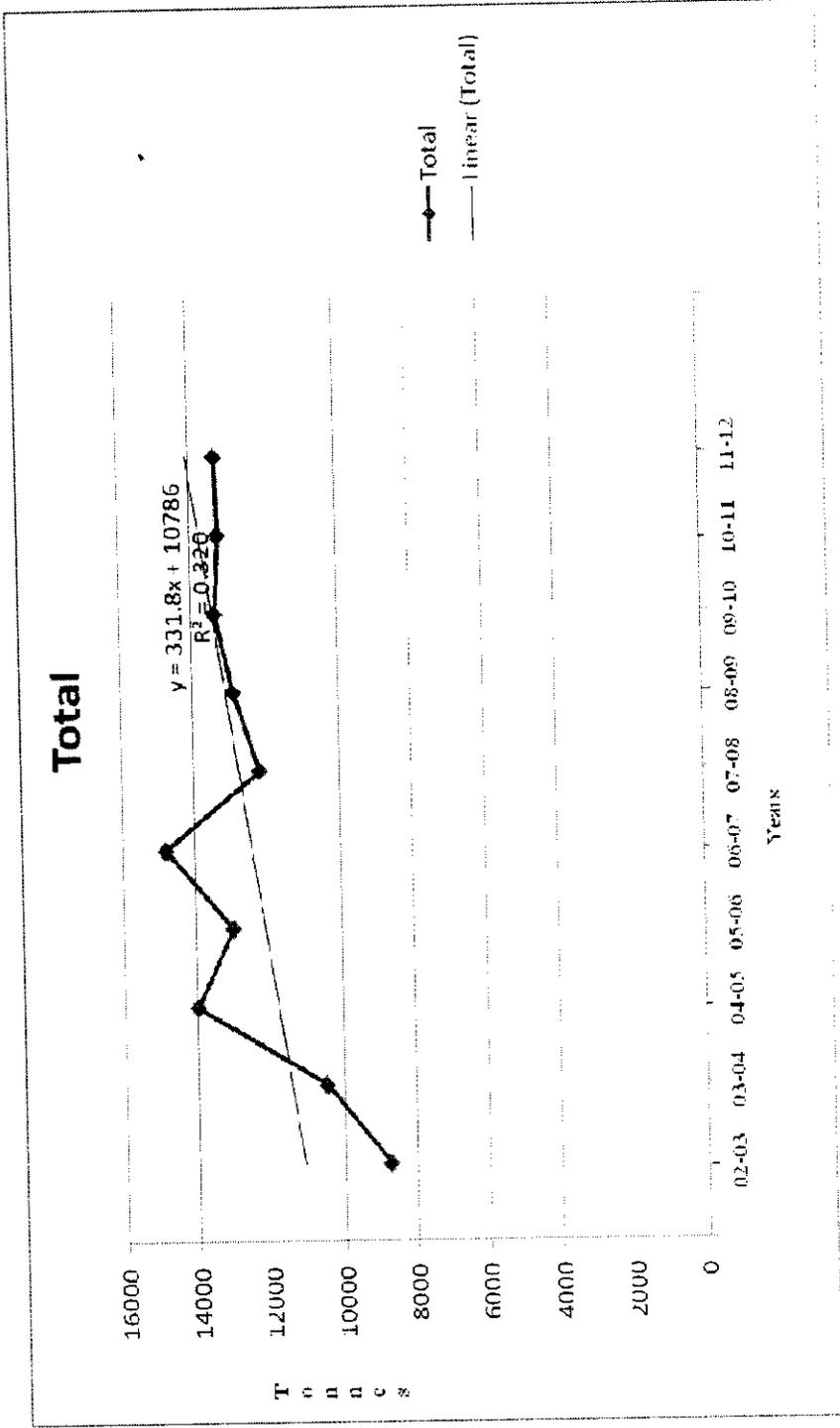
TRAFFIC IN TONNES	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Export	3622	4358	5321	6345	7517	5432.6	5794.72	6082.064	6234.277	6212.132
Import	2764	3653	5232	3088	2544	3456.2	3594.64	3582.968	3253.162	3286.194
Transshipment	2348	2467	3453	3556	4766	3318	3512	3721	3774.6	3818.32
Total	8734	10478	14006	12989	14827	12206.8	12901.36	13386.03	13262.04	13316.65

INFERENCE:

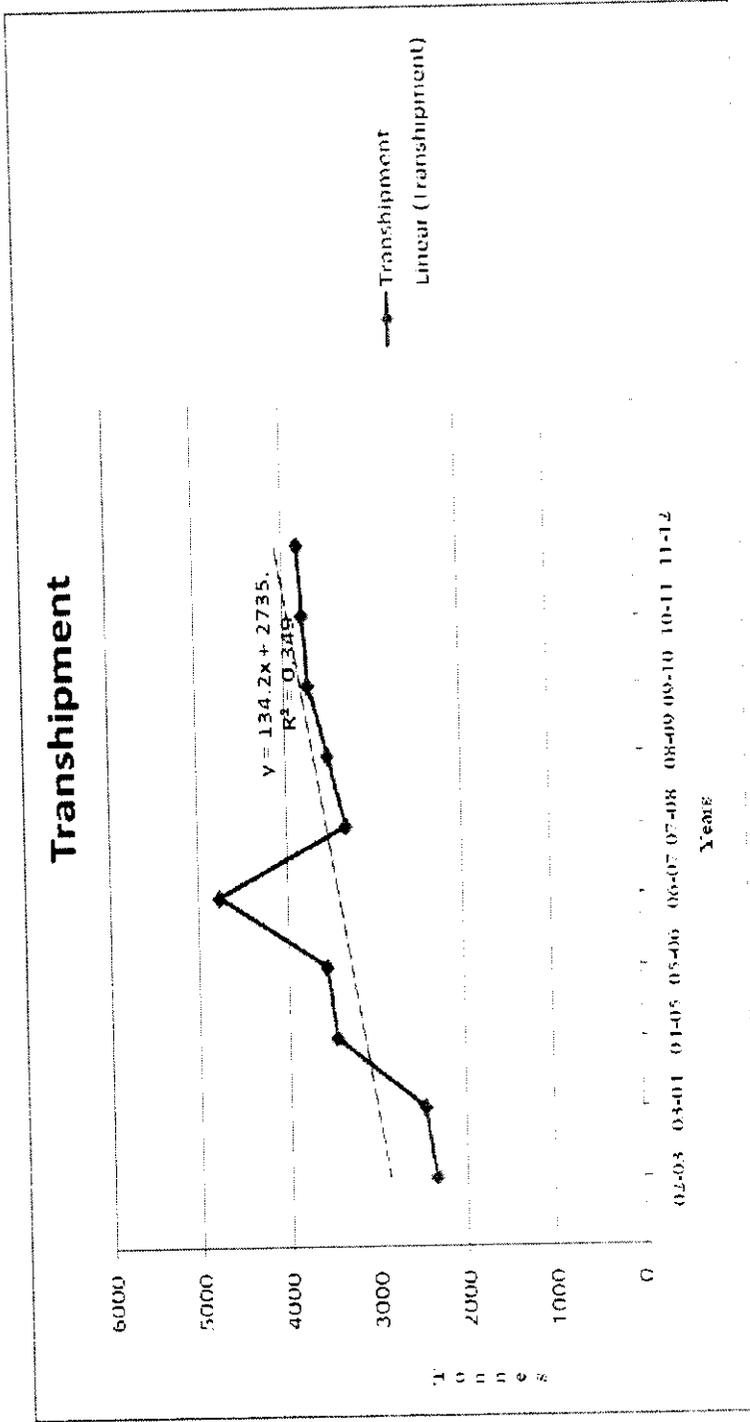
The trend analysis using five yearly moving averages shows a highly growing impact for exports, transshipment and total but for the imports it is showing a declining trend.

4.4.1 GRAPH ON TREND OF TRAFFIC OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

(TOTAL TRAFFIC)

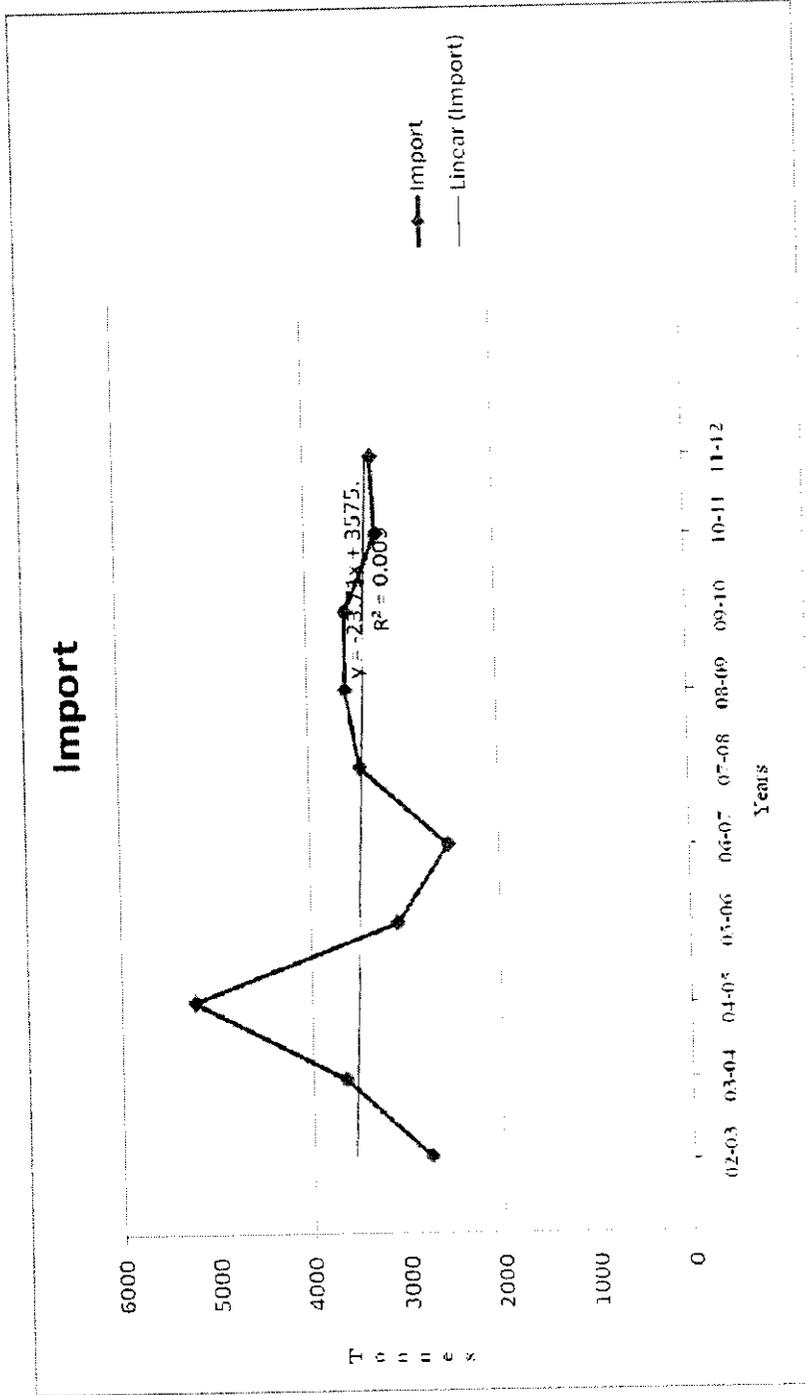


4.4.2 GRAPH ON TREND OF TRAFFIC OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD
 (TRANSHIPMENT TRAFFIC)

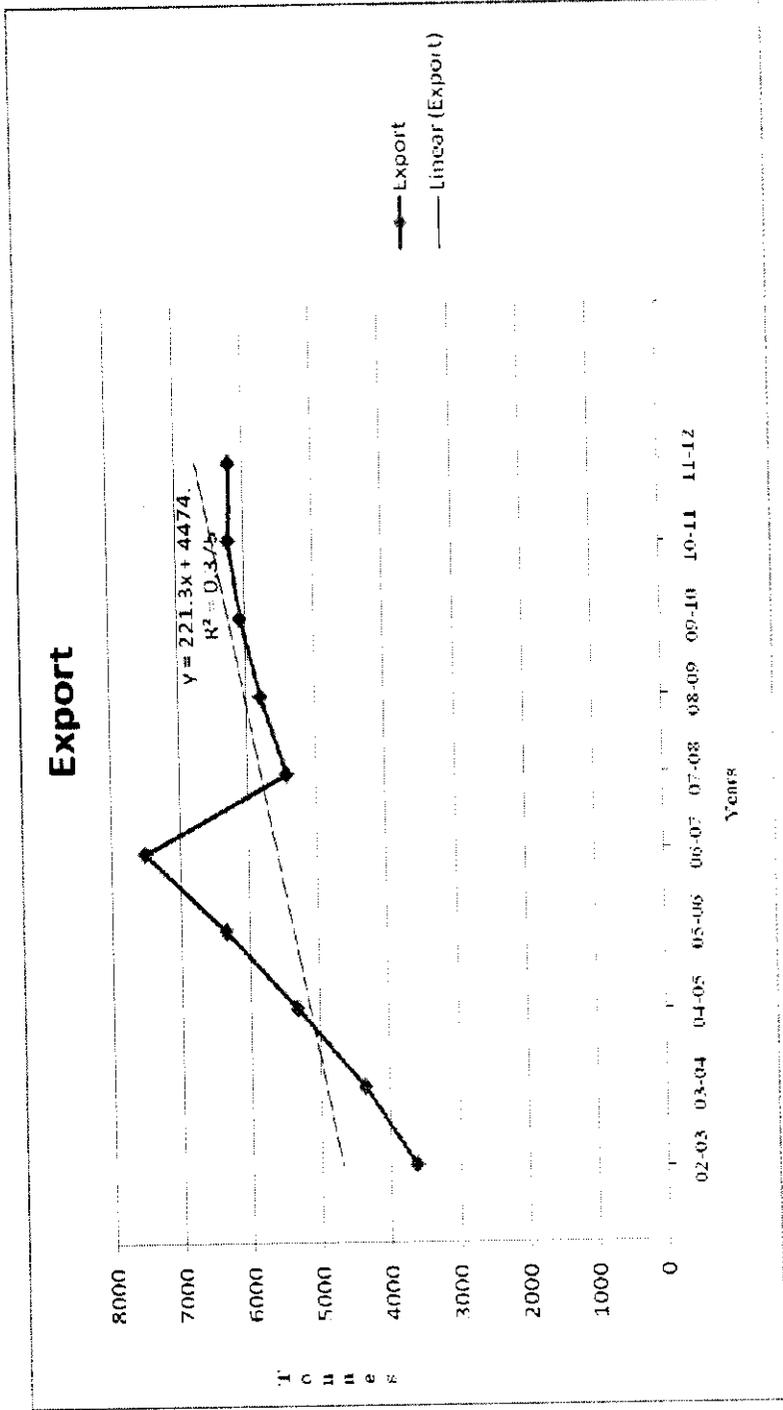


4.4.3 GRAPH ON TREND OF TRAFFIC OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD

(IMPORT TRAFFIC)



4.4.3 GRAPH ON TREND OF TRAFFIC OF JET AIRWAYS FOR THE YEARS 2002-2012 USING FIVE YEARLY MOVING AVERAGE METHOD
(EXPORT TRAFFIC)



FINDINGS &

SUGGESTIONS

CHAPTER 5

5.1. FINDINGS

The trend analysis using five yearly moving average shows a decrease in trend for garments but getting a good forward movement in long future and other commodities showing a consistent trend without no loss no gain condition

The trend shows a highly growing trend for miscellaneous charges and for handling charges but the demurrage trends are slightly sluggish.

The trend shows a highly growing impact for exports, transshipment and total but for the imports it showing a declining trend.

5.2. SUGGESTIONS

The concern has to take more care in reducing the handling and demurrage cost to promote customer in order to utilize Jet airways as a mode of transiting cargo.

The company should follow different promotional techniques to balance the peak and off seasons demands.

It should create confidence in minds of customers thereby their preference in air transport should be only jet airways.

It can provide price cuts and special offers for regular exporters and importers who opt Jet airways as their preferred mode to transit their cargo.

It should concentrate more on speed and safe delivery of cargo.

Advantages of air cargo may be advertised in dailies and magazines periodically.

CONCLUSION

CONCLUSION

A project on Trend in Air cargo movement jet airways Coimbatore has been taken for the study. Data regarding embraved cargo, disembraved cargo and the revenue earned have been collected, tabulated and analyzed using trend

From the above analysis of data the following conclusions has been derived.

The revenue earned by the cargo booking from Coimbatore has increased. Though aggregate embraved cargo has declined, it showed an increasing trend.

The aggregate disembarved cargo has increased. The above analysis also point out that there is good scope for attracting more revenue for next five years.

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BIBLIOGRAPHY

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