The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Transaero Faces New Lawsuits After Deal With Aeroflot Fails

By Anastasia Bazenkova

October 12, 2015

Aeroflot, the Russian flag carrier, said last month that it would not buy Transaero.

Russia's second-largest airline, Transaero, is facing new claims from its creditors following the failure of takeover deal that would have saved it from bankruptcy.

Aeroflot, the Russian flag carrier, said last month that it would not buy Transaero, which has debts of around 250 billion rubles ($4 billion). Now, lenders are swooping.

At least three lawsuits were filed on Friday alone. The Moscow Arbitration Court registered a claim from from Domodedovo Airport Commercial Agency worth 839 million rubles ($13 million), the TASS news agency reported, citing the court's website.

Northern Capital Gateway, which manages the Pulkovo airport in St. Petersburg, filed a case seeking 182 million rubles ($2.9 million), according to court data.

Moscow court records also showed another suit worth 182 million rubles ($2.9 million) was

filed in Voronezh by Tekhnik, a subsidiary of Ilyushin Finance, a leasing company that is part of United Aircraft Corporation, a giant state-run aircraft manufacturer.

Transaero's finances weakened thanks to a recession and sharp devaluation of the ruble, which have depressed demand for travel and raised the cost of airplane leasing agreements, which are often denominated in dollars.

According to TASS, Transaero has 150 billion rubles ($2.4 billion) in leasing obligations, owes 20 billion rubles ($325 million) to airport management and fuel companies and has taken multibillion-ruble loans from a clutch of major Russian banks — most of which have so far refrained from court action.

In September, state-owned Aeroflot offered to purchase a 75 percent stake in Transaero for a symbolic 1 ruble, but the deal fell through, as government officials began to favor bankruptcy for the company.

Five days after ministers decided to allow the company to go bankrupt on Oct. 1, Transaero began halting flights — potentially affecting 650,000 passengers, Transport Minister Maxim Sokolov told TASS.

Aeroflot and other Russian airlines have committed to flying Transaero passengers until Dec 15. Transaero ticket-holders due to travel after that date have been promised refunds.

Transaero's bankruptcy also threatens Russia's major tour operators. One of the most affected is Biblio Globus, which has sold over 200,000 tours with flights operated by Transaero, according to news agency RBC.

Contact the author at a.bazenkova@imedia.ru

Original url:
https://www.themoscowtimes.com/2015/10/12/transaero-faces-new-lawsuits-after-deal-with-aeroflot-fails-a50206