

## Celebi aviation of Turkey files suit in India

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Dhaka: Turkish ground handling service group Çelebi on Friday (May 16) launched a legal challenge to India's decision to revoke its security clearance, saying that "vague" national security concerns were cited without reasoning.

The Indian Civil Aviation Ministry on Thursday (May 15) overturned the security clearance of Çelebi's unit, Çelebi Airport Services India, in the "interest of national security."

Separately, Air India has reportedly urged Indian authorities to block rival IndiGo's leasing arrangement with Turkish Airlines, citing potential business impact and security risks arising from what it claims is Türkiye's backing of Pakistan.

These come following deadly fighting that broke out between India and Pakistan last week, sparking global concerns that it could spiral into a

full-blown war before a cease-fire was brokered on Saturday.

The conflict began when India launched strikes on May 7 against what it said were "terrorist camps" in Pakistan following an April attack in Indian-administered Kashmir in which 26 people were killed.

New Delhi blamed Islamabad for backing the armed groups it claimed were behind the attack – the deadliest on civilians in Kashmir in decades. Pakistan denies the charge.

Four days of intense tit-for-tat drone, missile and artillery exchanges ensued, leaving nearly 70 people, including dozens of civilians, dead on both sides.

Türkiye had condemned the terrorist attack in Indian-administered Kashmir. As fighting between the two nuclear-armed neighbors broke out, Ankara called for de-escalation, urged the parties to seek peaceful solutions, before welcoming the cease-fire declared Saturday.

Çelebi Airport Services India, in a May 16 filing seen by Reuters, asked the Delhi High Court to set aside that decision, arguing it would impact 3,791 jobs and investor confidence, and was issued without any warning to the company.

"Mere rhetoric of national security without elaborating upon in what manner is an entity a threat to national security is unsustainable in law," the company said in the filing, which is not public.

The order "fails to disclose any specific or substantive reason except for a vague and general reference to 'national security'... (it) provides no reasons or justification," it added.

The case is likely to be heard on Monday (May 19) .

In its filing, Çelebi said that while its shareholders were registered in Türkiye, "majority end control" of the group is held by companies that do not have Turkish incorporation or origin.

Çelebi's shares dropped around 10pc on Thursday following India's announcement.

Earlier on Friday, the company confirmed India had terminated agreements with its other units in the country and denied security

breaches in India operations, according to its statement to the Public Disclosure Platform (KAP) on Friday.

Çelebi Airport Services operated ground handling services at nine airports in India including Delhi, Mumbai and Bengaluru, according to its website.

It had undergone background checks and security verifications by various national security and intelligence agencies in India before starting work, it said in its filing.

Delhi Airport late on Thursday said on social media platform X it had "officially ended its association with Çelebi" for ground handling and cargo operations.

Brokerage Aktif Portföy's Deputy Research Manager Ahmet Deniz Yağbasan said the Indian units generated around 35% of the company's operating revenue.

"The suspension is expected to negatively affect the company's overall performance," Yağbasan said.

The operator of Delhi International Airport said it was working with existing airport ground handling service providers AISATS and Brid Group after it cut ties with Çelebi.

Separately, Adani Airport Holdings said it was terminating its arrangement with Chinese lounge access provider DragonPass, announced last week, without specifying the reason.

A separate report by Reuters on Friday said Air India has lobbied Indian officials to halt rival IndiGo's leasing tie-up with Turkish Airlines, citing business impact and security concerns.

Since 2023, IndiGo has had a leasing arrangement with Turkish Airlines, which has provided two planes with pilots and some crew to IndiGo to operate on New Delhi- and Mumbai-to-Istanbul routes.

Air India has asked India's Civil Aviation Ministry to disallow repeated extensions of the leasing deal, which must be renewed every six months, arguing it is benefiting Türkiye and hurting India's aviation sector, according to a source and a document Air India submitted to some Indian government departments, seen by Reuters.

The aircraft leasing arrangement had led to "a substantial increase in seat capacity" to Türkiye, boosting that country's tourism as well, the document said.

In a statement, IndiGo said its partnership with Turkish Airlines, which also includes a codeshare deal, "provides multiple benefits to Indian travellers," boosts aviation growth and jobs, and also "enabled IndiGo to build its presence in the long-haul markets in Europe and the USA."

Indian aviation policies say the government can approve such leasing deals for six months in cases of "emergent" or "unforeseen" circumstances, but they can be extended.

The last extension for IndiGo for such leases is valid until May 31, and the carrier has already applied for an extension, said another source with direct knowledge.

IndiGo, like Air India and other global airlines, has faced delivery delays due to supply chain disruptions affecting planemakers Boeing and Airbus.

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