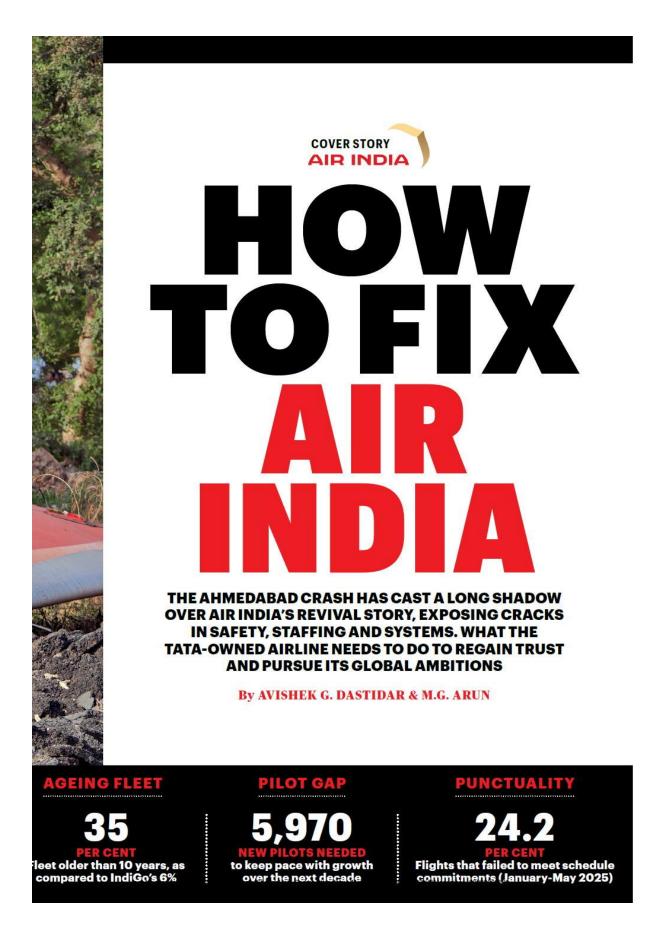
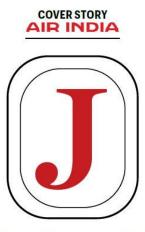


Quote by Pragya Priyadarshini, Managing director, Primus Partners

Published in India Today July 21, 2025







Just 10 days before the London Gatwick-bound Air India flight AI 171 crashed within seconds of takeoff in Ahmedabad on June 12, the airline had been busy staging its most high-profile media blitz since privatisation. On the sidelines of the International Air Transport Association's (IATA) annual general meeting in New Delhi from June 1-3, Air India's MD and CEO Campbell Wilson, flanked by the company's senior brass, met over 30 top aviation writers and editors from India and abroad. An upbeat Wilson spoke of how, three years after the Tata Group took over the beleaguered public sector airline, it had moved from a phase of stabilisation to one of sufficiency-finally having enough aircraft to fuel its ambitions. The next goal: sharpening operational efficiency. The makeover programme titled 'Vihaan.AI', which was unveiled in September 2022 and was slated to transform Air India as "a global airline with an Indian heart" in five years, was said to have reached a very satisfying halfway mark.

That image came undone with the crash of Air India's Boeing 787-8 Dreamliner-one of the deadliest in India's aviation history, killing 241 of the 242 people on board and at least 19 on the ground. The disaster thrust the Tata-owned airline into the harsh glare of media and regulatory scrutiny. In its immediate aftermath, the airline cancelled 83 international flights within a week and then announced a 15 per cent reduction in its widebody international operations through mid-July. Even as a high-powered, multi-agency committee, chaired by the Union home secretary, was given three months to probe the crash and suggest reforms, the Directorate General of Civil Aviation (DGCA) on June 20 pulled up Air India for repeated violations of crew duty norms and ordered the removal of three senior officials. The Aircraft Accident Investigation Bureau is learnt to have submitted its preliminary crash report to the Centre, though the findings remain undisclosed.

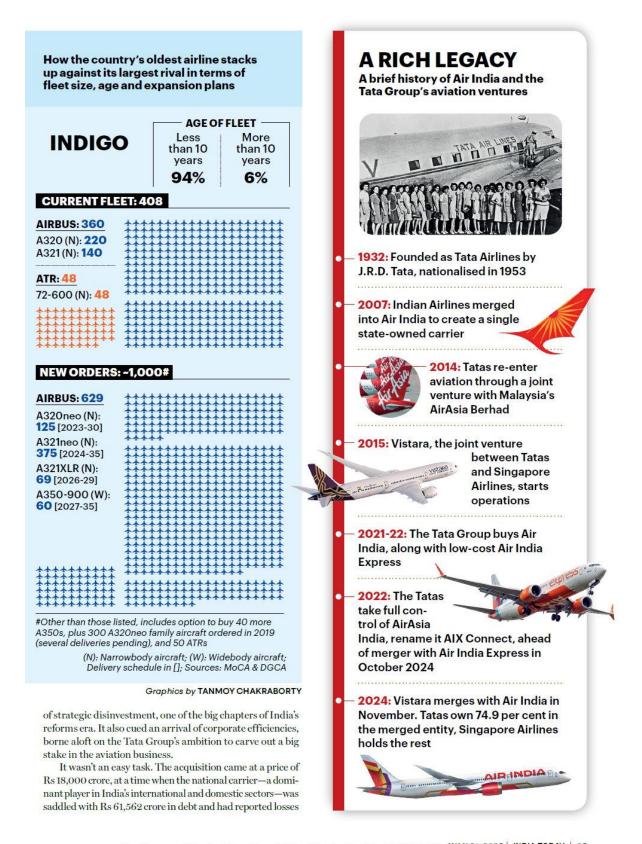
So, how did things come to this sorry pass? That too for a conglomerate that had an emotional stake in trying to reclaim its place in the sky? After all, Air India was born in 1932 as Tata Airlines, India's first aviation company. Founded by the iconic J.R.D. Tata, the group had lost control of the airline upon its nationalisation in June 1953. So when the Tatas formally re-acquired Air India nearly 70 years later—on January 27, 2022—it marked the end not only of a long phase

AIR INDIA vs INDIGO			
AIR INDIA (standalone data for the main carrier)		AGE C Less than 10 years 65%	More than 10 years 35%
CURRENT	FLEET: 1	99	<u>_</u>
BOEING: 61 777 (W): 27 787 (W): 34	#### ####	:##***** :#######	******* ******** **
AIRBUS: 138 A319 (N): 7 A320 (N): 101 A321 (N): 24 A350 (W): 6			
NEW ORDER	S: 640*	ĺ	
BOEING: 220 737 MAX (N): 190 [2023-28] 787-9 (W): 20 [from late 2025] 777-9 (W): 10 [2025-27]			
AIRBUS: 250	11111		*****
A320neo (N): 140 [2024-29]			

Note: As the delivery of new orders is ongoing, a few planes have already been inducted and will reflect in the current fleet figures too

AIR INDIA'S REVIVAL WAS ALWAYS AN UPHILL TASK—PLAGUED BY **AGEING AIRCRAFT, CULTURAL INERTIA AND YEARS OF NEGLECT** NO QUICK FIX COULD UNDO

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of Rs 9,591 crore in FY22. Under the terms of the deal, the Tata Group took on Rs 15,300 crore of the debt; the remaining Rs 46,000 crore was transferred to AI Asset Holding Limited, a special purpose vehicle set up by the government.

BIG AMBITION, BIGGER WOES

he Tata Group's return to aviation, however, had begun years earlier. In 2014, it entered into a joint venture with Malaysia's AirAsia Berhad to launch AirAsia India, with the Tatas holding a 51 per cent stake. In 2022, they took full control of the budget carrier and renamed it AIX Connect, ahead of its merger with Air India Express in October 2024. Vistara—another Tata venture, this time with Singapore Airlines—took off in 2015 and was merged with Air India in November 2024. Post merger, the Tata Group holds a 74.9 per cent stake in the combined entity, with Singapore Airlines owning the rest.

The Tatas were indeed betting big on aviation. For good reason. Indian civil aviation was booming like never before. The country's air passenger traffic—domestic and international—has more than doubled in the past decade, reaching 376 million in FY24, as per official data. This has made India the third largest aviation market in the world, after the US and China. Government projections, as well as forecasts by independent agencies, estimate a 7-10 per cent annual growth in domestic air traffic and 15-20 per cent in international traffic over the next few years. Wilson, in a media interview days before the crash, had talked of Air India's plans to "connect to far-flung destinations in the world". The crash has put all that on hold. The Tatas have multiple challenges to negotiate before they can resume the airline's onward journey.

CHALLENGE 1 SHEDDING ITS BAGGAGE

ew dispute that the Tatas inherited an airline burdened with legacy issues. Investment neglect, frequent labour unrest from a bloated workforce and gargantuan losses had plagued Air India for decades. A turnaround was never going to be easy for the Tatas. "There were many legacy issues the Tatas had to tackle at Air India, since it was run by babus who had zero knowledge of aviation," says an aviation expert, on condition of anonymity. "It is obvious there was a compromise on safety." Another industry expert, who also chose to remain anonymous, believes the culture at Air India continues to be *sarkari*. "If your aircraft roof is leaking and the air conditioning is not working, that is a telltale sign of your company's culture," he says. "It says you can cut corners with impunity."

Air India, however, maintains that 59 per cent of its domestic fleet and around 40 per cent of its international aircraft have new or upgraded cabins. "It is incorrect to

The Crash...

Besides the Ahmedabad crash, there have been a few close calls involving Air India flights since the Tatas' takeover—and safety concerns persist amid heightened scrutiny

Jun. 12, 2025; Al 171 (Ahmedabad-London) Boeing 787-8 Dreamliner crashes on takeoff, 241 on board killed, only 1 survivor

▶ High-powered, multi-agency committee given three months to probe into the crash and suggest reforms; DGCA directs examination of Air India's entire Dreamliner fleet and audits of pilot training schedules

...and the Close Calls

Jun. 16, 2025; AI 315 (Hong Kong-Delhi) A Boeing 787-8 Dreamliner returns to Hong Kong after a suspected 'technical issue' mid-air Aircraft is taken out of service for inspection

May 28, 2025; AI 347 (Singapore-Chennai) The aircraft aborts a landing at Chennai merely 200 feet above ground due to crosswinds and a steep descent. Later lands safely

DGCA recommends simulator refresher training for pilots for approach handling

Aug. 4, 2023, Al 131 (Mumbai-London) A Boeing 787-8 forced to return to Mumbai after an engine shut down during the climb Y A fan blade in the engine's high-pressure section had come loose, causing the failure. The blade's locking lugs had been incorrectly installed in 2018, and stayed that way

link issues with cabin amenities, such as seat functionality or inflight entertainment systems, to the reliability and airworthiness of an aircraft," a spokesperson told INDIA TODAY. "These aspects are unrelated to the aircraft's safety or maintenance protocols, which are rigorously monitored, and adhere to the highest regulatory standards." The airline added that its retrofit programme had been delayed due to global supply chain disruptions, with the first Boeing 787-8 Dreamliner now scheduled to begin retrofitting in July itself.

As much as 60 per cent of Air India's aircraft, including the Dreamliners, are maintained by Air India Engineering Services Ltd (AIESL)—a profitable PSU with a net profit of Rs 629.5 crore in FY23. AIESL was hived off as a separate subsidiary and excluded from the Air India disinvestment.

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66 I've seen a reasonable number of crises in my career, but this is the most heartbreaking one. We need to use this incident as an act of force to build a safer airline"
– N. CHANDRASEKARAN

BANDEEP SINGH

Chairman, Tata Sons, in an address to the Air India staff on Jun. 16

The Centre reportedly plans to put it up for sale this year.

Some question the Tatas' decision to buy "an old, sick company", that too in a "low margin, high-risk business". "Airlines have a profit margin of just 1-3 per cent because of competition and high costs. Every major event across the globe will disrupt the business. So, there would be questions raised on the need to run a disproportionate business," says one of the aviation experts quoted above. Changing Air India's culture will take 15-20 years, he adds.

Air India acknowledges that transforming the culture of a 93-year-old organisation is "a complex, long-term endeavour". Over the past three years, the airline has focused on merging four carriers into two, aligning operations, systems and teams. "Some significant organisational changes were introduced to bring professionalism and accountability," the spokesperson said. "This is an ongoing journey."

India's largest airline, IndiGo, which has a fleet of 400plus aircraft, now flies more than 2,200 daily flights to more than 130 destinations, 40 of them international. Still behind, Air India operates daily flights to 44 domestic and 44 international destinations, and currently has a combined fleet strength of 308 along with its subsidiary, Air India Express. The airline reported revenues of Rs 61,000 crore in FY25. It had posted losses of Rs 4,444 crore in FY24—down 54 per cent from FY22 levels. Campbell claims the FY25 losses were 40 per cent lower than three years ago, though he did not disclose the exact figure. The outlook for growth, nonetheless, remains strong. There are other major concerns it needs to address to successfully overcome the current crisis.

CHALLENGE 2 AGEING FLEET

ccording to the ministry of civil aviation (MoCA) data, a fairly high 35 per cent of the 199 aircraft operated by Air India (main carrier) are more than a decade old, including 43 planes that have crossed 15 years in service. Many of its Dreamliners are also about 10-11 years old now; the one involved in the Ahmedabad crash was nearly 12 years old. By contrast, 6 per cent of IndiGo's fleet is more than 10 years old. Both carriers are in the midst of the biggest fleet renewals in Indian aviation history, having placed orders for over 1,500 aircraft in recent years. Air India's February 2023 order of 470 aircraft—250 from

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Airbus and 220 from Boeing—was valued at an estimated \$70 billion (Rs 6 lakh crore) at listed prices. The orders span both narrowbody and widebody types, aimed at transforming Air India's domestic and international operations. To strengthen its narrowbody fleet, it has ordered 140 A320neos, 70 A321neos and 190 Boeing 737 MAX aircraft. Among widebodies, it has already inducted six A350-900s, with 34 larger A350-1000s due between 2025 and 2029. Deliveries of 20 Boeing 787-9s are expected to begin in late 2025, followed by 10 777-9s between 2025 and 2027. The carrier also holds purchase options for another 70 Boeing jets (50 737 MAXs and 20 787 Dreamliners), and a potential top-up order of 90 A320/A321neos and 10 A350s from Airbus, for delivery between 2029 and 2034. That would take the total to 640 aircraft under the new deals.

IndiGo, meanwhile, is doubling down on Airbus. It has 916 aircraft pending delivery as of June 2025, including 500 firm orders for A320neos placed in 2023—125 of the base model and 375 of the extended A321neos. All are scheduled for delivery by 2035. Its long-haul ambitions rest on 69 A321XLRs, arriving between 2026 and 2029, and 60 A350-900 widebodies, to be delivered over eight years from 2027 to 2035, with the option to purchase 40 more. While A320neo deliveries are already under way, the bulk of its A321neos are slated to join the fleet after 2030.

Leading long-haul carriers like Qatar Airways and Emirates operate far more advanced widebody fleets, yet their average fleet ages are similar to Air India's. Qatar's 233-aircraft fleet averages seven years and includes a balanced mix of narrowbody (A320s, 737 MAX) and widebody (A350s, 787s, and 777s) jets. Emirates, with an all-widebody fleet of 260—A380s and 777s—has an average age of 10.5 years for its aircraft. Air India, meanwhile, is inducting new models like the A350-900 and investing \$400 million (Rs 3,450 crore) to upgrade 106 existing aircraft—including cabin interiors and inflight systems—but analysts say it will still take several years before a consistently modern onboard experience becomes standard across its legacy fleet.

CHALLENGE 3 CRACKS IN MAINTENANCE

Il aircraft need to go through routine maintenance, repair and overhaul (MRO), a comprehensive set of activities focusing on aircraft safety, airworthiness and operational efficiency. Maintenance includes routine pre-flight checks. "Before disinvestment, Air India's aircraft were being maintained internally by its engineering department, which was later turned into a subsidiary (AIESL)," says Jitender Bhargava, a former executive director of the airline. Experts feel that AIESL could have been bundled along with Air India when it was sold to the Tatas. The Centre, perhaps, was looking at higher monetary gains by disinvesting it at a later date.

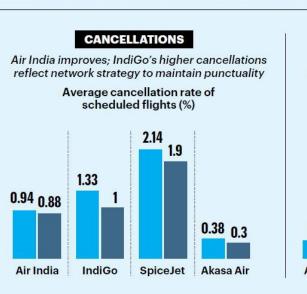
AIESL, however, is not Air India's sole MRO partner. The airline is in the process of building an MRO facility of its own

THE SERVICE RECORD PUNCTUALITY Performance picks up across the board, but Air India still trails IndiGo and Akasa Average on-time performance of scheduled flights (%) 71.3 81.6 73.6 78.7 75.8 50.9 59.2 63.4 IndiGo Air India SpiceJet Akasa Air 2024 2025 (till May 31)

• CAMPBELL WILSON

MD & CEO, Air India, in a statement on Jun. 19

in Bengaluru. It has also entered into strategic agreements, including a 12-year inventory technical management agreement with SIA Engineering Company, Singapore, to support its Airbus A320 family fleet. The airline has another multiyear agreement with Lufthansa Technik for total component support for its Boeing 777 fleet and has a long-term agreement with the US-based Honeywell for aftermarket support for both its existing and new fleet. Air India even came under scrutiny following Operation Sindoor, after it emerged that it had outsourced some MRO work for its Boeing 777 fleet to Turkish Technic—raising concerns due to Turkey's overt support for Pakistan. In early June, Wilson said the airline

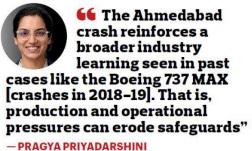


COMPLAINTS

How India's top airlines fare on punctuality, cancellations and passenger complaints

Air India sees fewer complaints in 2025; IndiGo and Akasa slip up but still fare better





Managing Director, Primus Partners

was exploring alternatives, citing the need to respect "public sentiment" in India.

S.N. Bhatt, president of the Air India Aircraft Engineers Association, which represents engineers working with AIESL, rules out any "maintenance issue" with the Dreamliner fleet. "We follow the DGCA guidelines on replacement and repair. These are more rigid than the manufacturer's own guidelines," he says. Yet, internal documents show that on August 4, 2023, a London-bound Air India Dreamliner—similar to the one that crashed in Ahmedabad—was forced to return to Mumbai after an engine shut down during the climb. A fan blade in the engine's high-pressure section had broken loose, causing the failure. Investigators found the blade's locking lugs had been incorrectly installed in 2018, and had stayed that way.

Immediately after the Ahmedabad crash, the DGCA swung into action, ordering urgent inspections of all of Air India's 33 Dreamliners. In a June 25 statement, the airline said the regulator had completed inspections on 29 aircraft, all of which had been "cleared for service". Still, there's no getting around the fact that Air India has long struggled with technical and procedural lapses. Whistleblowers have added to this growing list of red flags. For instance, two former flight attendants have alleged their job was terminated for refusing to alter their testimony about an emergency slide that deployed mid-air in May 2024. Another case involves Captain Deven Kanani, who in 2023 reportedly raised concerns about insufficient oxygen supply aboard a Boeing 777 operating in an ultra-long-haul sector. According to aviation standards, such jets rely on chemically generated oxygen systems that provide just 12 minutes of breathable air in emergencies-a dangerously short window for, say, a Delhi-San Francisco flight, which often traverses highaltitude terrain. Following his complaint, the DGCA is learnt to have fined Air India Rs 1.1 crore in January 2024 even as the airline terminated Kanani's services.

On its part, Air India has consistently rejected all the allegations and the inherent claims about safety lapses whenever such controversies have broken out. For instance, in the case of the 'whistleblowers', the airline claimed the employees concerned indulged in "misconduct" that led to their termination. It also challenged the steep fines.

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CHALLENGE 4 THE PILOT CRISIS

Staffing remains one of Air India's key challenges as it seeks to scale operations. As of early 2025, the airline had around 3,280 active pilots—a mix of seasoned veterans and new recruits—but that pool remains insufficient for its rapid expansion. The shortage has forced the airline to increasingly rely on expatriate pilots: by 2024, 58 foreign pilots were flying leased Boeing 777s due to a lack of type-rated Indian captains. (Type rating refers to certification aviation authorities grant to pilots who have completed training and testing on a specific type of aircraft.) This marks a shift from Air India's historically Indian pilot corps and underscores a transitional dependency rather than a permanently thin talent pipeline. But rival IndiGo operates with a much larger base of 5,463 pilots, almost all of them Indian.

Tensions within the cockpit, too, are rising. The integration of Vistara's pilots into Air India's ranks in 2023–24 has been anything but smooth. In March 2024, Vistara pilots staged a mass sick leave protest over revised pay structures that reportedly slashed salaries for junior pilots by as much as 50 per cent. Such unrest, even if sporadic, points to deeper dissatisfaction over compensation and contract terms.

The Ahmedabad crash has further heightened scrutiny of crew preparedness and safety practices. In its June 20 notice, the DGCA highlighted "systemic failures in scheduling protocol and oversights" that led to two Air India flights from Bengaluru to London exceeding the maximum allowable duty hours on consecutive days in May. Add to that the growing anxiety among crew members in the aftermath of the crash, and concerns are mounting over fatigue, morale, and whether the airline is stretching its resources too thin.

To its credit, Air India has ramped up recruitment and training. Since its privatisation, more than 1,500 cadet and type-rated pilots have been added across its A320, A350 and 737 fleet. But with at least 470 aircraft on order, Air India will need an estimated 5,000–6,000 pilots over the next decade, according to aviation consultancy CAPA India and DGCA projections. The government, too, has acknowledged the need for a larger, future-ready pilot workforce to keep pace with India's aviation boom.

CHALLENGE 5 POOR PUNCTUALITY

he story of Air India's dismal on-time performance (OTP) was an open secret in the days before the Tatas stepped in. In October 2019, its rate of on-time departures was just 54.3 per cent. By October 2022, soon after the takeover, it clocked an impressive 90.8 per cent OTP, a dramatic turnaround that took it well ahead of other Indian airlines. Yet, it has been difficult to maintain this tempo. In



66 It is time India had institutional accountability for air safety, for which a strong regulator is key. It is not just about the airlines, but the entire system"

- KAPIL KAUL, CEO, CAPA India

December 2024, its OTP on domestic routes dropped to 67.6 per cent, about six percentage points below IndiGo's 73.4 per cent. While airline delays rose across the board in 2024 due to extrinsic rollbacks, Air India still has a lot of ground to cover. Its average OTP, though better than the dismal 50–60 per cent seen pre-2022, remains stuck in the 60–80 per cent range—a clear sign that reliability isn't yet a given.

The airline, however, cited a Cirium Aviation Analytics report to point out that it ranked among Asia's top 10 most punctual carriers for the first time in March 2025. "Over 80 per cent of Air India flights arrived within 15 minutes of schedule, with a flight completion rate of 99.8 per cent," the spokesperson told INDIA TODAY.

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CHALLENGE 6 THE SAFETY QUESTION

as the Ahmedabad crash waiting to happen? Aviation experts warn against rushing to conclusions as the black box analysis is still under way. International experts say the GE GEnx engines, which power the aircraft, have an excellent safety record. Others, however, do not rule out dual engine failure or pilot error. Boeing has come under intense scrutiny in recent years over its safety record. The crisis can be traced back to the two fatal 737 MAX crashes in 2018 (Java Sea) and 2019 (Ethiopia), which together claimed 346 lives and were linked to a flawed flight control system. Subsequent investigations exposed a corporate culture accused of prioritising profit over safety. The situation escalated in January 2024, when a door plug blew off an Alaska Airlines 737 MAX mid-flight, prompting temporary grounding of over 170 jets and a sweeping audit that uncovered "multiple instances" of lapses in quality control.

The Ahmedabad crash is widely being viewed as a wake-up call—with Tata Sons chairman N. Chandrasekaran himself terming it a "catalyst" for building a "safer airline". Aviation safety consultant Mohan Ranganathan believes Air India's safety oversight has not yet really "matured" under the Tatas. The new management may have imposed stricter compliance, but some observers feel that the crash provides a key lesson: as aviation scales up, safety governance must keep pace.

"The crash also reinforces a broader industry learning seen in previous cases like the Boeing 737 MAX. That is, production and operational pressures can erode safeguards," says Pragya Priyadarshini, managing director of Primus Partners, a management consultancy firm. It highlights the need for airlines and regulators to independently verify the manufacturer, as well as maintenance work, strictly enforce maintenance standards and encourage a culture where flight crews can report issues freely without fear of consequences, she adds.

CHALLENGE 7 REFURBISHING ITS DENTED IMAGE

or an airline now under the umbrella of a well-known conglomerate, passengers expect better safety and service standards from Air India. "A crash like this inevitably dents public perception," says D.P. Hemanth, CEO of the Asia Pacific Flight Training Academy. "People might now think twice before choosing Air India on similar longhaul routes when they have options."

To be fair, the Tatas have in the past three years tried to introduce sweeping upgrades—from physical and IT infrastructure to a wholesale rejuvenation of staff. The voluntary retirement of 6,000 employees paved the way for onboarding fresh staff with new skills and capabilities. Air India now has a staff strength of around 18,000. The average age of the non-flying staff was 54 when the Tatas took over; now, it is 35. For cabin crew, the average age was in the high 40s; it is now 29. Moreover, as much as 35 per cent of the widebody aircraft have been upgraded.

Jitender Bhargava believes the best way to move beyond the tragedy is to look at how other major airlines survived such crises. "Did they shut down operations or slow down the pace of growth? If not, why should Air India be different? It is India's biggest global player," he says. "Will you judge an airline's safety track record with one accident? The answer is no." Take Air France, for instance. After the crash of Flight 447—an Airbus A330 that went down in the Atlantic in 2009, en route to Paris from Rio de Janeiro, killing all 228 people on board—the airline responded to the intense global scrutiny with transparency and reform, not retreat, retaining public trust and continuing to grow.

For all of its missteps, some experts argue, air safety isn't Air India's burden alone. Kapil Kaul, CEO of CAPA India, believes it is time for India to have "institutional accountability" as far as air safety is concerned, for which a "strong regulator is key". "It is not just about the airlines, but the entire system," he adds, which includes air traffic control, airports, training and MRO activities.

June 12 will be remembered as one of the "darkest days" not just in the Tata Group's history, as Chandrasekaran described it, but in Indian aviation as a whole. There can be no compromise on safety in a rapidly expanding aviation market. The Tatas themselves can take the lead in committing unequivocally to world-class safety standards to build the global airline they envision.