Tata Group to consolidate Air India & Vistara

Mumbai, India, 29 Nov 2022: The Tata Group today announced the consolidation of its airlines, Vistara and Air India. With this consolidation, Air India shall be India’s leading domestic and international carrier with a combined fleet of 218 aircraft, making it India’s largest international carrier and second largest domestic carrier.

Air India, an airline fully owned by Tata Sons, has been the flag carrier of India. Tata Sons, via its fully owned subsidiary, Talace Private Limited (“Talace”), had acquired 100% stake in Air India on 27th January 2022.

Vistara, a 51:49 Joint Venture between Tata Sons and Singapore Airlines Limited (“SIA”) was established in 2013 and is India’s leading full-service carrier with international operations in Middle East, Asia and Europe.

Vistara shall be merged with Air India post receipt of requisite approvals. As part of the merger transaction, SIA shall also invest Rs 2,059 crore in Air India. Post the consolidation, SIA shall hold 25.1% shareholding in Air India.

The transaction is estimated to be completed by March 2024.

On this occasion, Mr. N Chandrasekaran, Chairman, Tata Sons said: “The merger of Vistara and Air India is an important milestone in our journey to make Air India a truly world-class airline. We are transforming Air India, with the aim of providing great customer experience, every time, for every customer. As part of the transformation, Air India is focusing on growing both its network and fleet, revamping its customer proposition, enhancing safety, reliability, and on-time performance. We are excited with the opportunity of creating a strong Air India which would offer both full-service and low-cost service across domestic and international routes. We would like to thank Singapore Airlines for their continued partnership.”

Mr. Goh Choon Phong, Chief Executive Officer, Singapore Airlines, said: “Tata Sons is one of the most established and respected names in India. Our collaboration to set up Vistara in 2013 resulted in a market-leading full-service carrier, which has won many global accolades in a short time. With this merger, we have an opportunity to deepen our relationship with Tata and participate directly in an exciting new growth phase in India’s aviation market. We will work together to support Air India’s transformation program, unlock its significant potential, and restore it to its position as a leading airline on the global stage.”
About the Tata Group
Founded by Jamsetji Tata in 1868, the Tata Group is a global enterprise, headquartered in India, comprising 30 companies across ten verticals. The group operates in more than 100 countries across six continents, with a mission ‘To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust’.

Tata Sons is the principal investment holding company and promoter of Tata companies. Sixty-six percent of the equity share capital of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation and art and culture.

In 2021-22, the revenue of Tata companies, taken together, was US $128 billion (INR 9.6 trillion). These companies collectively employ over 935,000 people.

Each Tata company or enterprise operates independently under the guidance and supervision of its own board of directors. There are 29 publicly-listed Tata enterprises with a combined market capitalisation of $311 billion (INR 23.6 trillion) as on March 31, 2022. Tata Group Companies include Tata Consultancy Services, Tata Motors, Tata Steel, Tata Chemicals, Tata Consumer Products, Titan, Tata Capital, Tata Power, Indian Hotels, Tata Communications, Tata Electronics, Air India and Tata Digital.

About Air India
Founded by the legendary JRD Tata, Air India pioneered India’s aviation sector. Since its first flight on October 15, 1932, Air India has an extensive domestic network and has spread its wings beyond to become a major international airline with a network across USA, Canada, UK, Europe, Far-East, SouthEast Asia, Australia and the Gulf. Air India is a member of Star Alliance, the largest global airline consortium.

After 69 years as a Government-owned enterprise, Air India and Air India Express were welcomed back into the Tata group in January 2022. The present management at Air India is driving the five-year transformation roadmap under the aegis of Vihaan.AI to establish itself as a world-class global airline with an Indian heart.

Vihaan.AI is Air India’s transformational roadmap over five years with clear milestones. It will be focusing on dramatically growing both its network and fleet, developing a completely revamped customer proposition, improving reliability and on-time performance. The airline will also be taking a leadership position in technology, sustainability, and innovation, while aggressively investing in
the best industry talent. Vihaan.AI is aimed at putting Air India on a path to sustained growth, profitability and market leadership.

About Vistara (TATA SIA Airlines Limited)
TATA SIA Airlines Limited, known by the brand name Vistara, is a 51:49 joint venture between Tata Sons Private Limited and Singapore Airlines Limited (SIA). Vistara brings together Tata’s and SIA’s legendary hospitality and renowned service excellence to offer the finest full-service flying experience in India. Vistara commenced its commercial operations on January 9, 2015, with an aim to set new standards in the aviation industry in India and it today connects destinations across India and abroad.

The airline has a fleet of 53 aircraft, including 41 Airbus A320, five Airbus A321neo, five Boeing 737-800NG and two Boeing 787-9 Dreamliner aircraft and has flown more than 35 million customers since starting operations.

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