

Air India, Vistara merger likely by Oct end

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New Delhi: Tata group-owned Air India and Vistara are targeting to merge by October, according to Business Line.

The two airlines have sought Directorate General of Civil Aviation (DGCA) views on “crossover training requirements for pilots and crew”. Both have different manuals and procedures.

When pilots switch jobs they typically undergo training to familiarise themselves with the procedures of the new organisation. “Discussion is on with DGCA on the issue of crossover training and if the training period can be shortened. Training the entire set of pilots and crew will require lot of time and will impact schedules,” a person familiar with the matter told the paper.

The two are also waiting for NCLT nod.

One of the key areas to manage carefully will be “migration of Vistara

issued ticket passenger name records with those with Air India” and “to minimise the migration hassle, ticket sales on dates beyond actual merger could be stopped on Vistara reservations system” so these flights would be open for sale on Air India systems” which could start two-three months before merger.

The Tata Group in late 2022 today announced the consolidation of its airlines, Vistara and Air India. Vistara is to be merged with Air India post receipt of requisite approvals. As part of the merger transaction, Singapore Airlines shall also invest Rs 2,059 crore in Air India. Post the consolidation, SIA shall hold 25.1% shareholding in Air India.

The transaction was estimated to be completed by March 2024.

N Chandrasekaran, Chairman, Tata Sons had 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."

Goh Choon Phong, Chief Executive Officer, Singapore Airlines, had 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."

In March this year, the Competition and Consumer Commission of Singapore (CCCS) gave Conditional Approval to the merger of Vistara with Air India and for the SIA group to have a 25.1% stake in the merged entity.

