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### Will Tatas' AI break the aviation jinx?

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**Summary:** Despite these obstacles, India's aviation industry continues to draw new investors. Tatas, which already has a strong presence in the industry with Vistara and Air Asia, will now focus on reviving Air India, which it purchased from the Indian government. Rakesh Jhunjhunwala, a billionaire investor, is launching his own airline, Akasa Air, and Jet Airways is resuming operations. Three Indian airlines (IndiGo, SpiceJet, and Air India), according to rating agency Crisil, are anticipated to suffer a record loss of over '20,000 crores in the current financial year. The cost of jet fuel accounts for 40% of total sales, which is affecting the sector. In the national capital, the ATF was raised on February 1 by '6,743.25 per kilolitre, or 8.5 percent, to '86,038.16 per kilolitre. This is the highest price for ATF ever. The industry was hopeful that in this year's budget, the government would propose relief measures. According to observers, the new private airline's Air India and Akasa Air are highly promising for the sector. According to analysts, it would put a lot of pressure on IndiGo, making it impossible for the latter to maintain a market share of 50-60%. According to Nair, privatizing Air India would enhance the industry's outlook and customer service, but increasing competition will exacerbate the impact of weak carriers.

### Facts and Figures:

- According to rating agency Crisil, three Indian airlines (IndiGo, SpiceJet, and Air India) are expected to post a record loss of over '20,000 crores in the current financial year because of the third wave (Omicron) and higher aviation turbine fuel (ATF) prices.
- Rising jet fuel prices are adding to the woes of the sector.
- The ATF on Feb 1 was hiked by '6,743.25 per kilolitre or 8.5% to '86,038.16 per kl in the national capital, this is the highest ever price of ATF. "
- Jet fuel cost is 40% of overall sales, which is hurting the industry.
- On Akasa, Martin said that it will give tough competition to IndiGo and it may become difficult for the latter to have a market share of 50-60%.

**Opinion:** It's good to learn that Tata's acquisition of AI is causing turmoil in the world's resurgent airlines, particularly the Gulf's Emirates, Etihad, and Qatar, which make money by transporting Indians to Europe, the United States, and Canada. This will soon change once Tata takes over and resolves the AI issues, restoring the game to its former glory.