

To: Board of Air India Limited

From: Yash Moitra

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Subject: Follow up actions on macro-risk outlook

My name is Yash Moitra, and I'm a Tata Scholar at Cornell University. I'm writing to follow up & build upon the previously shared outlook document.

Vienna & Copenhagen technical stops need to be optimized for medium-term ops

Our Europe stops (which are now being phased out) teased out a key competitive advantage we have because of our Lufthansa AG codeshares. We can sell onward long-short segment mixes (DEL-VIE-KTW) that don't make sense as direct routings due to pax demand. This also enables us to cross-sell fifth freedoms to tier 3 EU customers connecting them to tier 2 North Am cities such as YVR. Codeshares are already in place; we can also take advantage of excess W (350s) and F (77s) availability and release more award space via Aeroplan (AC) & MileagePlus (UA). Current most efficient award routings for SEA from North America, for example, use United/Lufthansa to FRA and Lufthansa/Thai to SEA. Small changes, especially in J-adjacent point-price buckets, can change this in our favor.

6E's lack of affiliate networks should serve as a competitive advantage for our EU directs

IndiGo is using wet Norse Atlantic 788s to serve MAN & AMS out of BOM. Moving low-freq int'l routings to NMIA is not appealing for them due to their heavy reliance on domestic connections. There is a market for one-stop customers out of these into tier 2 Europe destinations currently served best by EK, with LH/BA-adjacent carriers serving residual Y demand. Our Vistara W product is isocost-superior (cheaper than EK/BA/LH, better than 6E) and must be sold as such on both, our end (some sort of distinction at GDS level), and partners' end (award).

James Asquith is looking for codeshares for 9H-GLOBL

Global Airlines has yet to garner any serious consumer demand. Their pilot MAN-JFK-GLA routing was effectively Y empty and load factors were <40%. If we can establish an exclusive codeshare MoU out of MAN, that will allow us to offer even more JFK timeslots (though one-stop) at lower price-points. Allowing status-match for Maharaja Club members onto Global is also likely to be a pull factor for premium audiences.

EK/EY/QR can be matched in terms of F value added

Our sore points in capturing luxury demand are a lack of quality lounges, amongst other value added services. We can compete in terms of tarmac transfers even for non-connecting passengers, offer pick up & drop services (distinct from Encalm), and leverage & amplify our catering and 'soft' product advantage. Especially for F, J, and W, miles earnings and inflight redemptions (beverages, duty free purchases, etc) can also be simplified to a large extent wrt. status quo.

Wet Leasing *out* might be strategically relevant for 772s

Until now, we've had no option but to use the aging fleet despite refurb progress due to sticky demand. This is poised to change in the next summer season, esp for ORD and similar non-connectors in North Am. Our 788s to Africa are also being underutilized & we're already seeing lower load factors. It might be prudent to lease out

the 788s and opt to use ex-Vistara 321s for the E Africa routes. Leasing out some of our BLR/MAA slots might also be a good idea as newer EU-based LCCs try to break into migrant markets with 2x/weekly itineraries.

Classic/Value/Flex options on student concessions for int'l flights?

Int'l flights (eg. DEL-BKK) booked via student concessions currently only allow for classic selections for all classes (Y, W, J), giving the pax +10kg luggage but no flexibility to choose a fully refundable and/or changeable option. Implementing these is likely to be fairly straightforward & will bring in a significant consumer surplus arbitrage. This may also be helpful in getting a larger chunk of bookings redirected from OTAs towards our website. Not sure if AI.g is augmented for this either.

350s WiFi should be a bigger differentiating factor

Of the 3 airlines operating NYC-DEL (AA, UA, AI), we are the only ones offering high-speed, low-latency WiFi for free to all pax on top of the Vista entertainment system. Our hard product is also objectively better (Recaro seats, cotton blankets, much wider alcohol range). It might be a good idea to point these out more overtly via the website/app.

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I understand that there are many factors that I have not taken into account; I am keen to hear your feedback and look forward to working with you.

Warm Regards,

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