

Corporate Governance in the Indian Aviation Sector: Steering Toward Viksit Bharat @ 2047

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Abstract

While India embarks on its journey to become Viksit Bharat @ 2047, the aviation sector is the leading light that connects, the engine of trade and that can bring the economy up to support and include all walks of life. Now that Governance is the vital pillar of corporate governance, it is a guarantee that aviation companies will operate openly, responsibly, and in the long run. This document through the practice of corporate governance in India's aviation industry, both public and private, which are aimed at the national goals of fair growth, modern infrastructure, and the people's welfare. The methodology section of this study describes the way in which a qualitative, quantitative approach, and the collection of primary and secondary data, data from the Corporate Sector comprises this study. The study of corporate governance frameworks in sectors of the Indian Airlines, airports is done through the mixed-method approach, which uses the policy review, and on the other hand, expert interviews, concluding that social distancing was achieved to the greatest degree in airport companies. The conducted research illustrates that corporate governance can be the governing tool for synergizing the triple bottom line (company, society, and environment) by focusing on companies' policies to accomplish sustainable development. The dissertation presents evidence in the form of a case study that by employing the conditions of a more comprehensive code for good governance by the top-tier clubs, the discursive space of the game is auctioned off for patronage (Anwar). One of the lessons provided draws attention to the weaknesses of the current sector governance mechanisms that, if not immediately addressed, may pose a significant risk to public health and safety. This paper aligns well with the Sustainable Goal 8 of the United Nations, which emphasizes the need for creating decent work for all. The wanted person ought to pay attention to the research one is meant to contribute in terms of the economy of the country, the global career, and a broad, mutual case, and should relate it with the situation and all likelihood before making a business decision.

Keywords: Corporate Governance, Aviation Sector, Viksit Bharat 2047, SDG 8, SDG 10, ESG, Transparency, Risk Management, Inclusive Growth

INTRODUCTION

India's aviation sector is expected to play an essential role in realizing the country's ambitious vision of being a developed country by 2047 under the "Viksit Bharat @ 2047" initiative. This vision advocates for inclusive, equitable, sustainable, and balanced growth across sectors, with aviation being a fundamental connector and enabler of connectivity, commerce, and economic development. As there is an increasing demand from the rising middle class, enhanced cargo movements, and global stakeholder partnerships, corporate governance in aviation must be resilient, transparent, and

promote sustainability.

Corporate governance in aviation signifies the framework of policies, laws, and practices that guides the responsibilities and accountability of management in the capital-intensive, highly regulated industry. Corporate governance is crucial in solving operational issues stemming from safety compliance, financial viability, environmental sustainability, and ethical stewardship. India's aviation industry has faced substantial governance problems in the past decade, with airlines filing for bankruptcy (i.e. Kingfisher Airlines and Jet Airways), proper or ethical actions in

committing work in safety or environmental sustainability, and the prior ethical behavior of why past airline management allowed such issues in the first place.

Such issues signal Corporate Governance is needed in aviation and allows for better protection of stakeholder interests and enhances public trust. since the 1990s, the liberalization of the civil aviation sector in India has led to it becoming one of the fastest expanding markets the world over, with notable incumbents such as IndiGo, Air India (now a part of Tata Group), and SpiceJet amongst several others collectively competing in the market.

Nonetheless, however fees such as (or, however, facing) very high taxes on Aviation Turbine Fuel (ATF), regulatory inefficiencies, infrastructural bottlenecks exist in the industry, even in the aftermath of major initiatives from the Government, for example, Ude Desh ka Aam Naagrik (UDAN), which has seen new Regional Connectivity Scheme routes a significant task governance frameworks that need to be matured by key constituents, such as the airline, airport operators, regulators including the Directorate General of Civil Aviation (DGCA) and Airports Economic Regulatory Authority (AERA), on the delivery of guaranteed levels of service, particularly on time performance.

A significant milestone to modernize the law in India is represented by the Bharatiya Vayuyan Vidheyak (BVV) which came into law in 2024, responding to the changing shape of aviation legislation regarding the design, manufacture and maintenance standards of aircraft (standing in place of the Previous Aircraft Regulation) and simply removing older legislation that was unnecessarily duplicated redundant legislation. Privatisation of airport

management is a goal and many airports in India have been ran under Public-Private Partnerships (PPP). Unfortunately, these privatised airport efforts may raise concerns for cost and service quality each significant without engaging with understand the merits and concerns of these operations.

Narrowing corporate governance practices to development, 'growth' will address and underpin sustainability in the aviation sector in line with India's sustainable growth goals and goals. This will depend understanding an integrity dismissal of the gaps in regulatory frameworks; however simply ensuring clarifiability of financial and operations practices, with require engendering global standards for aviation safety and environmental compliance. This would allow the industry to contribute especially to the Sustainable Development Goals (SDG) 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities), thus aligning with India's broader aspirations under Viksit Bharat @ 2047.

REVIEW OF LITERATURE

Tricker, B. (2015) - Gives a worldwide perspective on governance principles and the function of boards of directors. Highlights the reputation of stakeholder theory concerning aviation.

Kumar & Sahoo (2018) - Look at governance in Indian aerospace, linking the economy of dominance with lackluster boards of directors with poor performance.

SEBI Annual Report (2022) - Discusses compliance statistics, trends in ESG reporting, and sanctions on aviation-defined firms for governance violations.

Yadav & Bansal (2020) - Analyze governance failures in Jet Airways and Kingfisher Airlines; their recommendations point towards financial governance

improvement.

OECD (2015) - Provides international governance markers, including board accountability and rights of shareholders, used for comparison of governance mechanisms.

Sarkar & Sarkar (2010) - Review the evolution of governance in India, and extend their reach to governance reforms, advocating for governance changes specific to the aviation sector.

Mishra & Kapoor (2017) - Evaluate the uptake of ESG in Indian firms, and called for sustainability audits in the aviation sector.

CII-KPMG Report (2021) - pushes for digital governance, crisis-management systems, and AI-led compliance.

DGCA Annual Safety Report (2023) - Advises about gaps in the governance surrounding safety, and advises board-governance in terms of board-level committees dedicated to safety rather than simply relying on airport operations.

EY Report (2022) - Provides a governance analysis of privatized airports, finding better governance outcomes in publicly regulated PPP airport aviation model outcomes.

Gupta (2019) - Connects board gender diversity to increased compliance and ethical standards.

Kumar (2021) - Explains the logic of using blockchain, artificial intelligence, and big data to enhance governance transparency in aviation

PwC Report (2020) - Indicates aviation is a high-risk area for governance failures based on the amount of debt aviation companies have.

World Bank (2022) - Benchmarks

India's aviation governance against global peers and points out gaps in implementation.

FICCI Report (2023) - Provides a vision for 2047 and discusses how strong governance contributes to growth in the sector.

Overall, these studies illustrate the need for stronger board structure and member disclosure, increased ESG, and digital tools to alleviate risks. The importance of regulation enforcement and sectors codes of governance, reoccurs in these studies.

OBJECTIVES OF THE STUDY

- To evaluate existing corporate governance practices in the aviation sector within India.
- To recognize major governance issues being faced by aviation companies.
- To recommend a reform model that is consistent with the vision of Viksit Bharat @ 2047

SCOPE OF THE STUDY

This investigation is about India's civil aviation industry, which includes public and private airlines, airport operators, and regulatory organizations. The study evaluates corporate governance through using qualitative research and secondary data analysis. This examination includes case-study based analyses of airline failures and successful companies; the implications of regulations set by SEBI, DGCA and MoCA; and the advent of ESG disclosures and digital governance aspects. While the study references international frameworks for contextual and comparative purposes, and while framing this dissertation around a conceptual framework has national emphasis, our focus is national and not international. The study does not

incorporate primary data or stakeholder interviews based on limitations in time and accessibility factors.

RESEARCH METHODOLOGY

Research Design: This study is exploratory-descriptive in nature. Exploratory research identifies trends, governance voids, and types of reform needed in the aviation industry, while descriptive research organizes facts about the aviation industry, examines corporate governance practices, and assesses their implications for operational resilience and the creation of policy.

Data Collection: The research is based on secondary data. The researcher collected data from: Peer-reviewed academic journals, Annual financial and sustainability reports issued by aviation corporations (IndiGo, SpiceJet, Air India). Reports from regulatory bodies (e.g. SEBI, DGCA, Ministry of Civil Aviation). International benchmarking reports (e.g. ICAO, IATA, OECD) Industry reports published by consulting firms (PwC, EY, KPMG). Reputable media articles and public financial disclosures.

Data Analysis: The research utilizes thematic content analysis to identify common patterns from the literature, as well as from the case studies. Governance variables will include:

Composition and independence of the board, Role of audit and risk management committees, Frequency and quality of disclosures, Degree of implementation of ESG practices and sustainability metrics, Technological innovation for compliance and monitoring.

The case study method has been utilized to investigate the following:

Jet Airways: Evidenced failure attributed to financial misrepresentations and weak oversight of governance.

IndiGo Airlines: Successfully established a strong board structure, resulting in long-term profitability through regulatory compliance.

Delhi and Mumbai Airports (PPP): Noted a balance in the governance models with shared responsibility of oversight.

Inclusion Criteria

Timeframe: 2010 - 2025 to obtain data pertaining to post-liberalization reforms and emerging trends.

Entity Type: The analysis will focus on airlines, airports and regulators which have a direct impact on India's civil aviation industry.

Geographic Scope: Primarily India, but will consider global data for benchmarking purposes.

Exclusion Criteria

Defense aviation, drone policies, and sources which are not in English

Duplicate or unverifiable data (e.g. unproven media reports).

Limitations: The limited access to primary data does not allow the research to capture stakeholders' perspectives and timely feedback. The underlying governance data was privileged. Changes in social norms and laws that may have governed the operations of private firms in the case studies may limit the generalizability of the findings.

RECOMMENDATIONS

Develop a governance code that is tailored for aviation, or for specific sectors.

Strengthen board independence, with an explicit requirement for experts with aviation and finance backgrounds.

Require sustainability reporting and ESG-related advertising.

Take advantage of AI auditing tools, but consider adding more explicit

duties, (e.g., auditing for internal controls, etc.)

Promote gender representation and stakeholder representation.

CONCLUSION

Corporate governance is vital for achieving the vision of Viksit Bharat @ 2047 for India's aviation sector. Growth in scale and complexity necessitates governance that shifts from compliance-driven to strategic, supporting safety, transparency, and accountability. Signs of past governance failures, challenges posed by regulatory failures, and successful governance provide lessons for reform. The future will be based on professional boards, technological opportunities, ESG values, and inclusivity of all stakeholders. Not only would India build a competitive aviation sector in the global sense, but a resilient, equitable, and sustainable aviation sector.

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