

Summary of the Proposed Combination

[In terms of Regulations 13(1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011].

A. Name of the parties to the combination

1. The names of the parties to the combination are:

(a) Air India Ltd. (**AIL**); and

(b) AirAsia (India) Private Limited (**Air Asia India / Target**).

AIL and Air Asia India are collectively referred to as the **Parties**.

B. Nature and purpose of the combination

2. The proposed combination relates to the acquisition of the entire equity share capital of AirAsia (India) Private Limited (**Air Asia India / Target**), by Air India Ltd. (**AIL**), an indirect wholly owned subsidiary of Tata Sons Private Limited (**TSPL**). At present, TSPL holds 83.67% of the equity share capital of Air Asia India.

3. The Proposed Combination is notifiable under Section 5(a)(i)(A) and 5(b)(i)(A) of the Competition Act, 2002.

C. Products, services and business(es) of the parties to the combination

4. AIL: AIL is an indirect wholly owned subsidiary of TSPL. AIL was recently acquired by TSPL (through its wholly owned subsidiary, Talace Private Limited) through a transaction which was approved by the Hon'ble Commission by its order dated 20 December 2021.¹ AIL, along with its wholly-owned subsidiary, Air India Express Limited (**AIXL**), is primarily engaged in the business of providing (a) domestic scheduled air passenger transport service, (b) international scheduled air passenger transport service, (c) air cargo transport services in India, and (d) charter flight services in India.
5. Air Asia India: As stated above, Air Asia India is a joint venture between TSPL and AAIL with TSPL presently holding 83.67% and AAIL holding 16.33% of the shareholding. Air Asia India operates under the brand name "AirAsia". It is engaged in the business of providing the following services: (a) domestic scheduled air passenger transport service, (b) air cargo transport services, and (c) charter flight services in India. AirAsia India does not provide scheduled air passenger transport services on international routes.

D. Respective markets in which the parties to the combination operate

¹ Combination Registration No. C-2021/11/883

6. The Proposed Combination will not lead to any change in the competitive landscape or cause any appreciable adverse effect on competition in India, irrespective of the manner in which the relevant markets are defined.
7. However, it is submitted that the relevant markets, with respect to horizontal overlaps, for the purpose of the Proposed Combination are: (i) *“the market for domestic passenger air transport services in India”*; (ii) *“the market for provision of domestic air cargo transportation services in India”*; and (iii) *“the market for provision of charter flight services in India”*.
8. Additionally, it is submitted that the relevant markets involving vertical overlaps, for the purpose of the Proposed Combination are: (i) *“the upstream market for ground handling services at Bengaluru airport and the downstream market for passenger air transport services (including charter flight services) at Bengaluru airport”*; (ii) *“the upstream market for ground handling services at Hyderabad airport; and the downstream market for passenger air transport services (including charter flight services) at Hyderabad airport”*; (iii) *“the upstream market for ground handling services at Delhi airport; and the downstream market for passenger air transport services (including charter flight services) at Delhi airport”*; (iv) *“the upstream market for ground handling services at Thiruvananthapuram airport; and the downstream market for passenger air transport services (including charter flight services) at Thiruvananthapuram airport”*; (v) *“the upstream market for ground handling services at Mangalore airport, and the*

downstream market for passenger air transport services (including charter flight services) at Mangalore airport”; (vi) “the upstream market for cargo handling services at Bengaluru airport; and the downstream markets for air cargo transportation services and charter flight services at Bengaluru airport”; and (vii) “the upstream market for in-flight catering services in India, and the downstream market for passenger air transport services (including charter flight services) in India”.
