

Tata to bolster Air India with Vistara merger

- **Tata group to hold 74.9% of combined entity, SIA 25.1%**
- **SIA to invest \$252 mln into Air India as part of deal**
- **To create a stronger rival to IndiGo, MidEast rivals**

Reuters | New Delhi

Indian conglomerate Tata Group is merging Air India with Vistara, its joint venture with Singapore Airlines (SIA), to create a bigger full-service carrier that will strengthen its presence in domestic and international skies.

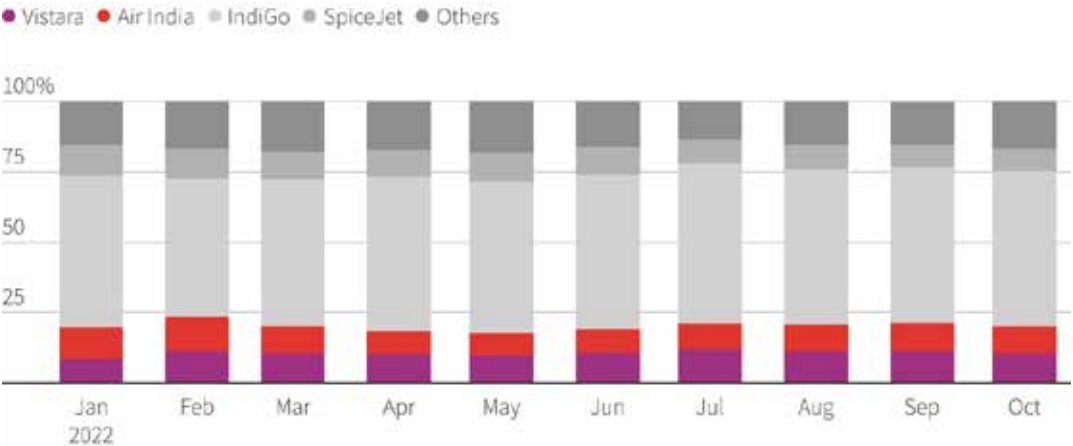
Autos-to-steel conglomerate Tata will hold 74.9% of the combined entity, while SIA (SIAL.SI) will own the remaining 25.1%, the Indian group said in a statement on Tuesday.

SIA will invest \$252 million into Air India as part of the deal, Tata said, with the pair aiming to complete the merger by March 2024, subject to regulatory approvals including from India's aviation ministry, central bank and antitrust watchdog.

Tata Group Chairman N Chandrasekaran said the merger was an important milestone in

India's domestic passenger share

Air India and Vistara have the second highest market share in scheduled domestic flights in 2022.



Source: DGCA | Reuters, Nov. 29, 2022 | By Sumanta Sen



efforts to rebuild Air India into a "world-class airline".

"Air India is focusing on growing both its network and fleet,

revamping its customer proposition, enhancing safety, reliability, and on-time performance," Chandrasekaran said.

The proposed merger will create a stronger rival to India's dominant carrier IndiGo (INLG.NS) and give SIA, which

lacks a domestic flying market, a more solid foothold in one of the world's fastest-growing aviation markets.

SIA said in a separate statement it and Tata had agreed to inject additional capital into Air India if required to fund growth and operations over the next two financial years. SIA said it could spend up to \$615 million based on its 25.1% post-completion stake, payable after the merger is sealed.

Vistara, in which SIA holds a 49% stake, forms an integral part of its multi-hub strategy, the Singaporean airline said in a statement to its local stock exchange.

The proposed deal would enable SIA to "immediately gain exposure to an entity that is four to five times larger in scale compared to Vistara", with access to slots and air traffic rights at key Indian and international airports, it added.

The deal will allow Tata to consolidate its brands around full-service Air India and low-cost Air India Express, which is being merged with AirAsia India after the Indian group bought out former partner AirAsia (AIRX.KL).

Tata's combined airlines will have an Indian market share of 24%, making it the largest domestic carrier after IndiGo, which has a 56% share, and a stronger competitor to full-service Middle Eastern rivals that



Air India, with its maharajah mascot, was once known for its lavishly decorated planes and stellar service. But its reputation declined in the mid-2000s as financial troubles mounted. It was criticised for business class seats in poor repair, customers faced delays and staff and suppliers were not always paid on time. The airline, founded by JRD Tata in 1932 and nationalised in 1953, returned to the Tatas' control in January.

carry a large share of international traffic.

It will give Tata a fleet of 218 aircraft, split between plane-makers Boeing and Airbus (AIR.PA), flying to a combined 38 international and 52 domestic destinations. This will make it India's largest international carrier.

Air India has plans to lease 30 Boeing and Airbus planes, expanding its fleet by more than 25% in the near term. It is also considering a mega-order for up to 300 narrowbody and 70 widebody jets, according to industry sources.

India asked by sanctions-hit Russia for parts for key sectors

Reuters | New Delhi

Moscow has sent India a list of more than 500 products for potential delivery including parts for cars, aircraft and trains, four sources familiar with the matter said, as sanctions squeeze Russia's ability to keep vital industries running.

The list, a version of which has been seen by Reuters in New Delhi, is provisional and it is unclear how many of the items will eventually be exported and in what quantity, but an Indian government source said the request was unusual in its scope.

An industry source in Moscow, who declined to be named because of the sensitivity of the issue, said Russia's Ministry of Industry and Trade



Russian Foreign Minister Sergei Lavrov and his Indian counterpart Subrahmanyam Jaishankar attend a news conference following their talks in Moscow, Russia

asked large companies to supply lists of raw materials and equipment they needed.

The source added that further discussion would be needed to agree specifications and volumes and that the outreach was not limited to India.

Russia's requests were made weeks ahead of Indian Foreign Minister Subrahmanyam Jaishankar's visit to Moscow.

Tesla readies revamped Model 3 with project 'Highland' -sources

Reuters

Tesla (TSLA.O) is developing a revamped version of Model 3, according to four people with knowledge of the effort, as the top EV maker aims to cut production costs and boost the appeal of the five-year-old electric sedan.

One focus of the redesign codenamed "Highland" is to reduce the number of components and complexity in the interior of the Model 3 while focusing on features that Tesla buyers value, including the display, according to the people, who asked not to be named because the revamp has not been announced.

The previously unreported redesign comes as the electric



A Tesla Model 3 sedan sedan faces increased competition from models from the likes of China's BYD (002594.SZ), Hyundai (005380.KS) and coming releases from other major automakers.

The revamp of the battery-powered sedan, which could also include some changes to the Model 3's exterior and powertrain performance, will go into production at Tesla's

factory in Shanghai and the company's Fremont, California plant, two of the people said. Tesla's Shanghai Gigafactory will put the redesigned Model 3 into production in the third quarter of 2023, they said.

It was not clear when production would start at the Fremont plant or how large a cost savings Tesla would achieve from the redesign.

Adani's firm wins bid to develop vast Mumbai slum

Reuters | Mumbai

The real estate unit of Indian billionaire Gautam Adani's Adani Enterprises (ADEL.NS) has won the right to redevelop India's largest slum, Mumbai's Dharavi neighbourhood, with a 50 billion rupee (\$612 million) bid, a state official said yesterday.

Adani's winning bid of 50 billion rupees was more than double that of real estate group DLF, which bid 20 billion rupees (\$244.87 million), said SVR Srinivas, CEO of the Dharavi Redevelopment Project, a government enterprise in the western state of Maharashtra.

Boosting Bahraini Enterprises: Tamkeen and Bahrain Chamber of Commerce and Industry hold first joint committee meeting

TDT | Manama

The Labour Fund "Tamkeen" and the Bahrain Chamber of Commerce and Industry held their first joint committee meeting at the Chamber's building to discuss the current market requirements and Tamkeen response. Shaikh Mohammed bin Essa Al Khalifa, Chairman of the Board of Directors of the Labour Fund "Tamkeen" stressed commitment to two main mandates: Empowering the private sector to become the key driver of economic growth and enabling Bahraini talent to become the



Officials during the joint committee meeting

first choice of employment for the private sector.

He said that current priorities are in line with the national vi-

sion developed by the esteemed government.

"The main objectives include supporting the creation of qual-

ity job opportunities for Bahrainis by enabling the digital transformation of enterprises, encouraging transformation

driven by innovation in business models, and increasing flexibility within enterprises to accelerate growth."

"On the human capital side, we prioritised enhancing tech-driven and future skills of the national talent pool to ensure their readiness for high value and quality jobs."

The Second Vice Chairman of the Bahrain Chamber, Mohammed Al Kooheji, emphasised the importance of continuing similar dialogues that can drive forward the joint vision between Tamkeen and the Chamber in terms of catering to the rapidly

changing market demands and the global developments within each of the economic sectors.

Also present were members of the board of directors of the Bahrain Chamber, Yousif Sala-huddin, Prof. Waheeb Al Khaja, Nawaf Al Zayani, Sawzan Abulhasan, and the Chief Executive Officer Dr Abdulla Al Sada. From Tamkeen, Acting Chief Executive, Maha Mofeez, the Chief Growth Officer Qusay Al Arayedh, the Chief Strategy and Data Analytics Officer Dr Jarmo Kotilaine, and the Executive Director for Business Development Khalid AlBayat, were present.