

Memorandum of Understanding

between

Air India Ltd.

**Represented by Mr. Arvind Jadhav, Chairman & Managing Director
New Delhi
India**

and

Aerodrom Ljubljana d.d.

**Represented by Mr. Zmago Skobir, President of the Management Board & CEO and Mrs.
Bernarda Trebušak, Member of the Management Board
Brnik - aerodrom
Slovenia**

and

Adria Airways d.d.

**Represented by Mr. Klemen Boštjančič, Chief Executive Officer and Mr. Robert Vuga,
Executive Director
Brnik - aerodrom
Slovenia**

Preamble

The Parties state that they have initiated negotiations with the aim to commence commercial co-operation by establishing air links between India and Slovenia. Air India will actively pursue the setting up of operations from Ljubljana Airport pursuant to the grant of 5th freedom rights, with the active co-operation and assistance of Aerodrom Ljubljana and Adria Airways.

As a first step, both Parties agree to conclude the terms of a 'Code Share Agreement' on sectors of mutual interest subject to the underlying bilateral authority.

Article 1

The negotiations referred to in the Preamble shall progress to enable arrive at a mutually satisfactory arrangement for commencement of Air India's flights between India and Ljubljana Airport, as early as feasible.

Article 2

The partnership agreement shall define in particular flight connections, type of aircraft, times of operation at Ljubljana Airport, Interline Co-operation between Air India and Adria Airways for connections to destinations in its network and responsibilities of Air India, Adria Airways and Aerodrom Ljubljana.

Article 3

The Parties shall conduct the negotiations in good faith.

Article 4

The Parties commit themselves to treat these negotiations confidential and will not forward to third Parties any information, documents etc. which are directly or indirectly related to the scope of negotiations.

Article 5

The Parties shall take all necessary legal and factual steps in order to implement the provisions of this memorandum of understanding.

Article 6

This memorandum of understanding constitutes the Parties' declaration of will to commence the cooperation and establishes the obligation to sign the intended partnership agreement referred to in the Preamble.

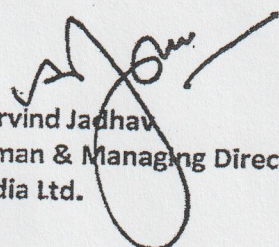
Article 7

Each Party bears its own costs accumulated in connection with implementation of this memorandum of understanding, which in particular include expenses for traveling, consulting, planning etc., unless it is otherwise agreed.

Article 8

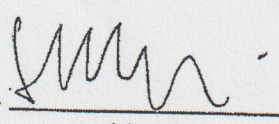
Closing provisions

The memorandum of understanding is drawn up in three identical originals in the English language. The memorandum of understanding shall enter into force on the date of its signature.

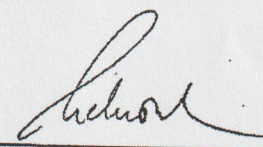

Mr. Arvind Jadhav
Chairman & Managing Director
Air India Ltd.

New Delhi, 14.6.2011
(date)

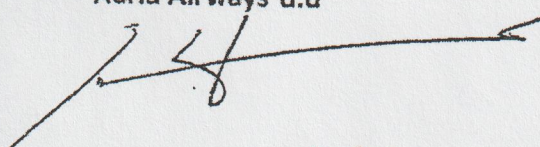
Mr. Zmago Skobir
President of the Management Board & CEO
Aerodrom Ljubljana d.d.

Zgornji Brnik, 
(date)

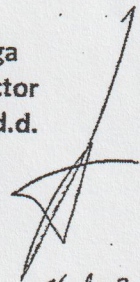
Mrs. Bernarda Trebušak
Member of the Management board
Aerodrom Ljubljana d.d.

Zgornji Brnik, 
(date)

Mr. Klemen Boštjančič,
Chief Executive Officer
Adria Airways d.d.


Zgornji Brnik, 14.6.2011
(date)

Mr. Robert Vuga
Executive Director
Adria Airways d.d.


Zgornji Brnik, 14.6.2011
(date)