

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:795
ANSWERED ON:23.11.2000
FOREIGN INVESTMENT IN DOMESTIC AIRLINES
GANTA SRINIVASA RAO

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government have decided to allow foreign investment in domestic Airlines also;
- (b) if so, the details thereof;
- (c) whether the Government have considered its safety aspects; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a), (b), (c) and (d): In accordance with existing guidelines on domestic air transport service sector, 100% Non-resident Indian (NRI)/ Overseas Corporate Body (OCB) equity and 40% foreign investment is permissible. However, equity participation by foreign airlines is prohibited, both directly as well as indirectly.