GOVERNMENT OF INDIA CIVIL AVIATION LOK SABHA

UNSTARRED QUESTION NO:3407 ANSWERED ON:15.04.2002 FOREIGN DIRECT INVESTMENT IN AVIATION SECTOR GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Air India Board met recently to discuss future expansion plans in the light of the recent Government decision to increase the foreign Direct Investment from 26 per cent to 49 per cent;
- (b) if so, the main points discussed in the meeting;
- (c) whether any concrete steps have been proposed for growth plan of Air India; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a), (b), (c) and (d): No such decision has been taken by Government for increasing Foreign Direct Investment from 26per cent to 49 per cent. However, Air India has constituted an in-house Expert Committee to develop Air India's fleet plan for the next five years and pattern of operations from 2003/04 to 2007/08 based on an assessment of market opportunities for capacity expansion in existing/additional markets, requirements to offer a competitive product; an assessment of the need to induct aircraft of appropriate range and size into Air India's fleet, etc.