

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:2916

ANSWERED ON:11.08.2005

INVESTMENT IN AIR TRANSPORT SERVICE SECTOR

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**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether there is lack of transparency with regard to investment by Persons of Indian Origin (PIOs) in Air Transport Service Sector;
- (b) if not, the reasons for not granting NOCs to PIOs who are treated at par with NRIs;
- (c) whether the Government has taken the views of the concerned Ministry/Department with regard to the status of PIOs vis-a-vis NRIs;
- (d) if so, the details thereof; and
- (e) the steps being taken to grant NOCs to PIOs expeditiously to operate Schedule Air Transport Service In India?

**Answer**

- MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION( SHRI PRAFUL PATEL )

(a) and (b): No, Sir. The existing Civil Aviation Requirements stipulate that a scheduled/non-scheduled air transport operator's permit can be granted only to a citizen of India or to a company/body corporate provided, inter-alia, that its substantial ownership and effective control is vested in Indian nationals. Hence, persons of Indian Origin, who are not Indian citizens, can not be permitted to operate air transport services in terms of the present regulatory position.

(c) to (e): The matter is under examination in consultation with all concerned.