

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:129
ANSWERED ON:09.12.2004
DIVESTMENT OF IA/AI
Mahtab Shri Bhartruhari

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government propose to divest its holdings in Indian Airlines and Air-India;
- (b) if so, the reasons therefor;
- (c) whether any time-frame is being made for divestment plan;
- (d) if so, whether the rules regarding foreign direct investment are being changed in this regard? and
- (e) if so, the details thereof?

Answer

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

(a), (b), (c), (d) and (e): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 129 FOR 09.12.2004 REGARDING DIVESTMENT OF IA/AI

(a): No, Sir.

(b) and (c): Do not arise.

(d) and (e): The Government has issued a Gazette notification dated 10.11.2004 indicating Foreign Direct Investment limits in Air Transport Services (Domestic Airlines). The revised limits are 49% through automatic route; and 100% by NRIs also through automatic route. No direct or indirect participation by foreign airlines is, however allowed.