

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1793  
ANSWERED ON:10.12.2004  
FDI IN AVIATION SECTOR  
Rao Shri Sambasiva Rayapati

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether Finance Ministry has recommended that foreign airlines be permitted to invest in Indian Aviation market;
- (b) if so, whether Finance Ministry also wants FDI in Aviation sector to be routed through autonomous route;
- (c) if so, whether the Government has taken any decision to allowing foreign airlines to acquire equity in the aviation sector; and
- (d) if so, details thereon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) to (d) Government has increased the Foreign Direct Investment limits in `Air Transport Services (Domestic Airlines)` upto 49% and upto 100% by Non-Resident Indians (NRIs) through automatic route. No direct or indirect equity participation by foreign airlines is allowed.