

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3309
ANSWERED ON:15.04.2010
FDI IN AVIATION SECTOR
Owaisi Shri Asaduddin

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Department of Industrial Policy and Promotion (DIPP) has suggested that Foreign Direct Investment (FDI) in aviation sector should be cleared by Foreign Investment Promotion Board (FIPB) instead of going through automatic approval route;
- (b) if so, the details thereof;
- (c) whether these steps have been suggested due to security concerns;
- (d) if so, the details thereof and the extent to which FDI in aviation sector is likely to be affected; and
- (e) the further steps taken or being taken by the Government to ensure that development of infrastructure in aviation sector is not affected by this new step of the Government?

Answer

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

(a) to (e):- Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), including investments from Non-Resident Indian (NRIs), wherein most of the sectors are open to FDI under the automatic route. The policy on FDI is reviewed on an ongoing basis. Government has not taken any decision so far to bring certain sectors which are on automatic route, to the approval route on account of security reasons.