

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:369
ANSWERED ON:20.04.2015
FDI IN AVIATION SECTOR
Sampath Shri Anirudhan

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has permitted Foreign Direct Investment (FDI) in the aviation sector;
- (b) if so, the details of foreign airlines/ companies permitted to invest in the aviation sector of the country;
- (c) whether the rules/norms relating to FDI in aviation sector have been relaxed in the recent past and if so, the details thereof including the revised criteria and processing time;
- (d) the total number and details of private airlines/companies which have been allowed to enter in the aviation industry since then; and
- (e) whether the Government has made an exception to the policy for any particular company/joint venture company since that time and if so, the details thereof along with the reasons therefor?

Answer

Minister of CIVIL AVIATION (Shri Ashok Gajapathi Raju Pusapati)

- (a) to (e) A statement is laid on the table on the House.

STATEMENT TO BE LAID IN REPLY TO THE LOK SABHA STARRED QUESTION NO. 369 FOR ANSWER ON 20.4.2015 REGARDING FDI IN AVIATION SECTOR.

(a) to (d) Yes Madam, Government has permitted different limits of Foreign Direct Investment for different services in aviation sector. On 20.9.2012 Government decided to permit foreign airlines to invest in the capital of Indian companies operating scheduled and non-scheduled air transport services, up to the limit of 49 percent of their paid-up capital subject to Sectoral conditions. Since then, three proposals of FDI by foreign airlines to invest in Domestic Scheduled Passenger Airlines have been approved by the Government as under:

(i) Preferential allotment of 24% of paid up equity share of Jet Airways (I) Ltd to Etihad Airways. The Foreign Investment Promotion Board (FIBP) recommended the proposal on 29.7.2013.

(ii) Joint venture company by Air Asia Investment Limited (AAIL, a company incorporated under the laws of Malaysia) 48.951%, Tata Sons Limited (TSL) - 30.019% and Telestra Tradeplace Private Limited (Telestra) 21.028% in the name of Air Asia (India) Pvt Ltd. The Joint Venture Company was granted initial NOC to start scheduled Air Transport (Passenger) Services on 24.9.2013 and the Air Operator permit was granted on 7.5.2014.

(iii): Joint venture by Tata Sons Ltd (51%) and Singapore Airlines Ltd (49%) in the name of TATA SIA AIRLINES LTD. The joint venture company was granted initial NOC to start Scheduled Air Transport (Passenger) Services on 3.4.2014 and the Air Operator Permit was granted on 15.12.2014.

- (e): No Madam. Does not arise.