

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2674
(To be answered on the 1st December 2016)**

FDI POLICY FOR AVIATION SECTOR

2674. DR. J. JAYAVARDHAN

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the Foreign Direct Investment (FDI) policy for civil aviation sector in general and airlines in particular;**
- (b) whether the Government proposes to open FDI in airlines;**
- (c) if so, the details thereof and if not, the reasons therefor;**
- (d) whether the Government has any proposal for formation of an independent Civil Aviation Authority of India, if so, the details thereof; and**
- (e) whether the Rs. 2,500 per hour under the Regional Connectivity Scheme be still valid, if the prices of Aviation Turbine Fuel prices rises and if so, the details thereof?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

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- (a): The Government has recently i.e. June, 2016, has raised the FDI limit in Civil Aviation sector. The details of FDI Policy in the Civil Aviation sector including airlines is annexed at Annexure A.**
 - (b) & (c): No such proposal is under consideration of Government, at present.**
 - (d) No Madam.**
 - (e) Rs 2500 per hour is an indicative airfare indexed to inflation.**

5.2.9 Civil Aviation

5.2.9.1 Airports

Sector/Activity	% of Equity/ FDI Cap	Entry Route
(a) Greenfield projects	100%	Automatic
(b) Existing projects	100%	Automatic

5.2.9.2 Air Transport Services

Sector/Activity	% of Equity/ FDI Cap	Entry Route
(1) (a) Scheduled Air Transport Service/ Domestic Scheduled Passenger Airline (b) Regional Air Transport Service	100%	Automatic up to 49% (Automatic up to 100% for NRIs) Government route beyond 49%
(2) Non-Scheduled Air Transport Service	100%	Automatic
(3) Helicopter services/seaplane services requiring DGCA approval	100%	Automatic

5.2.9.3 Other services under Civil Aviation sector

Sector/Activity	% of Equity/ FDI Cap	Entry Route
(1) Ground Handling Services subject to sectoral regulations and security clearance	100%	Automatic
(2) Maintenance and Repair organizations; flying training institutes; and technical training institutions.	100%	Automatic