

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:33
ANSWERED ON:24.11.2005
INVESTMENT BY PIO IN AVIATION SECTOR
Mishra Dr. Rajesh Kumar; Sidhu Shri Navjot Singh

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government proposes to allow participation of Persons of Indian Origin (PIO) in domestic civil aviation sector through Foreign Direct Investment (FDI) route;
- (b) if so, the details thereof;
- (c) whether the PIO cardholders will be provided similar dispensation as are being given to Non-Resident Indians (NRIs) in case of FDI investment in domestic civil aviation sector; and
- (d) if not, the steps taken/proposed to be taken to rectify the anomaly?

Answer

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

(a),(b), (c) and (d):- A Statement is laid on the table of the Sabha.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN REPLY TO STARRED QUESTION NO. 33 DATED 24.11.2005 REGARDING INVESTMENT BY PIO IN AVIATION SECTOR.

(a),(b), (c) and (d):- The existing Civil Aviation Requirements stipulate that a scheduled / non-scheduled air transport operators permit can be granted only to a citizen of India or to a company/body corporate provided, inter-alia, that its substantial ownership and effective control is vested in Indian nationals. Hence, Persons of Indian Origin, who are not Indian citizens, cannot be permitted to operate air transport services in terms of the present regulatory position. However, the issue of PIO card holders being accorded a dispensation similar to NRIs in case of FDI in Air Transport Services (Domestic Airlines) will be examined in consultation with the concerned Ministries.