

Norms for FDI in Regional Airlines Eased

In a significant move to boost regional air connectivity, the government on Tuesday relaxed norms allowing up to 49 per cent foreign direct investment (FDI) through the automatic route in regional carriers.

Currently, foreign entities can own up to 49 per cent stake in domestic airlines, including regional ones, but need prior government approval.



Now, regional carriers are allowed to offload up to 49 per cent stake to overseas entities without seeking approval of the Foreign Investment Promotion Board (FIPB).



There are at least three regional airlines – Air Costa, Air Pegasus and True Jet – operating on various routes and which

between them have more than 460 flights every week.