

Reaction from Mr. R V Kanoria, President, FICCI on FDI in Civil Aviation Sector

New Delhi, September 14, 2012: Reacting to government's decision to allow foreign airlines to pick up stake in domestic carriers, **Mr. R V Kanoria**, President, FICCI said ***"this long overdue measure has happened at a time when the domestic aviation industry is going through rough weather and is starved of funds and technology for fleet modernization and improvement of operational efficiency."***

"Allowing foreign players in the airline sector is expected to lead to a win win situation. It will not just help the beleaguered airlines but will be good for the Indian consumer as well. The possibility of new joint ventures entering the market with the help of foreign strategic partners will result in greater competition and more choices for the consumer. Improved customer service standards and reduced tariffs will follow as has been the experience in sectors such as telecom and manufacturing", he added.

"The boldness with which the government has acted on this front demonstrates that economics has prevailed over politics. This stands out, particularly after the total washout of the monsoon session of Parliament when no business could be transacted," Mr. Kanoria said.

Media Division

FICCI