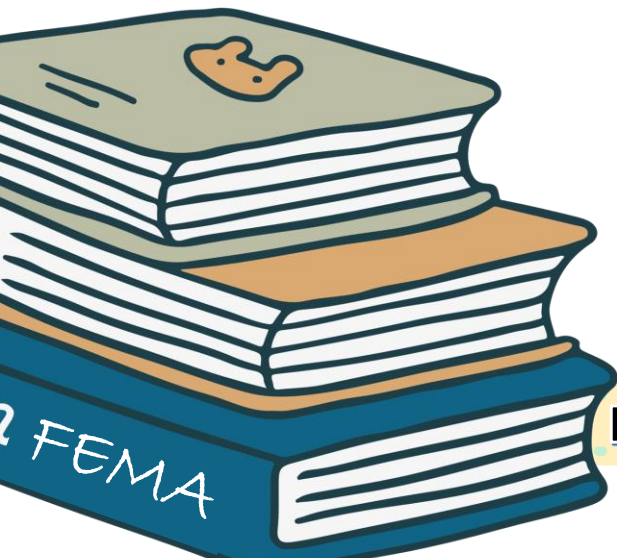


# FEMA Ke Fundae

#FamiliarwithFEMA



Date: 19/03/2025

Issue no: 145

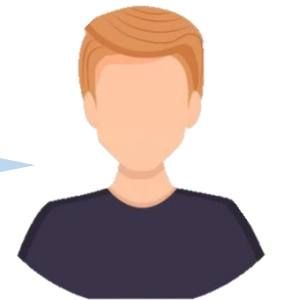




**Nattu**  
(Promoter Chacha  
Bhatija Ltd)

Hey! Mr. FEMA Gyani. My company named Chacha Bhatija is planning to invest in aviation sector. But there's just one tiny issue...

Hii Nattu!! Sure, I will help you. But what's the issue?



**FEMA Gyani**

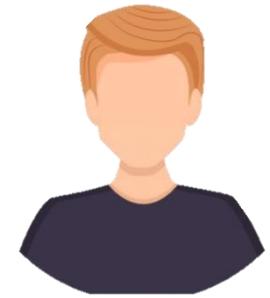


**Nattu**

I have absolutely no idea how any of these works. I barely understand the provisions related to this.



Don't worry, Mr. Nattu. I'll break it down for you. Let's start with **Airports**. If you want to invest in one, the government says, "Go ahead, take **100%! Through automatic route** (i.e., No permissions needed)".



**FEMA Gyani**

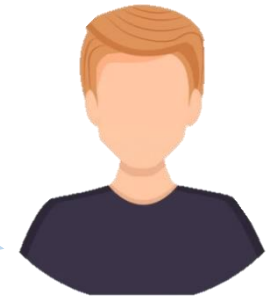


**Nattu**

100%? So, if I have the money, I can just buy an airport?



Well, yes, the investment part is easy.



**FEMA Gyani**

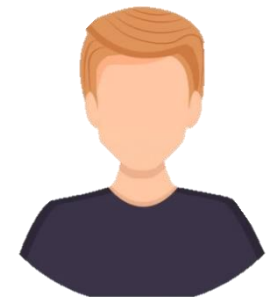


**Nattu**

Hmm. Can I just buy some planes and start my own airline instead?



Yes, You **can** invest in airlines, but there are rules. If you're an **Indian investor / Non resident Indian**, you can go all in- **100%**. But if **foreign investors** want to join in, they can only own **upto 49%**.



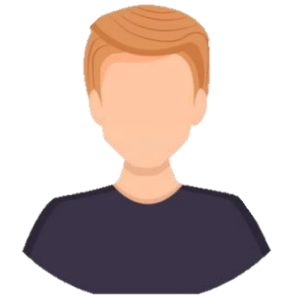
**FEMA Gyani**



**Nattu**

Okay!! That means my Seth Ji who is an NRI can invest 100% through automatic route.





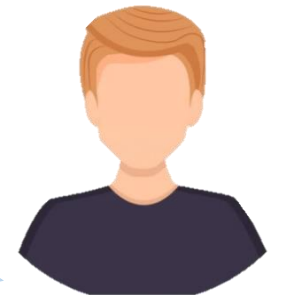
**FEMA Gyani**

Exactly, He can do that.



**Nattu**

Wait, why only 49% for foreigners? What if they bring extra investment?



**FEMA Gyani**

**The govt. wants to keep control in Indian hands.** Imagine if a foreign airline had majority control— they would have the power to make all major decisions in such a crucial industry. So, 49% is the limit unless special approval is given.

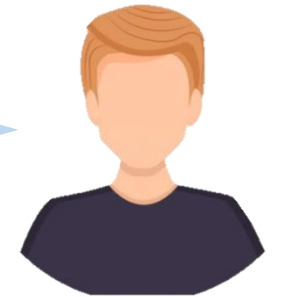




**Nattu**

Okay! And what if I want to invest in a Charter Flights or Helicopters?

Okay, if you're thinking about **Charter flights or helicopters.**



**FEMA Gyani**

**100% automatic investment—**  
no restrictions for **Resident and Non-resident Indian**

**Foreign airlines and Foreign investors can only invest up to 49%** in Indian companies. And they need government approval for it.

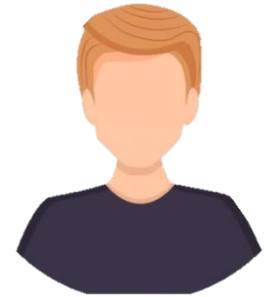




**Nattu**

Okay!! Now I got it. Is there any other Provision as well?

Well!! Yes, all foreign nationals working with Indian airlines need security clearance, and any imported equipment must be approved by the Ministry of Civil Aviation.



**FEMA Gyani**



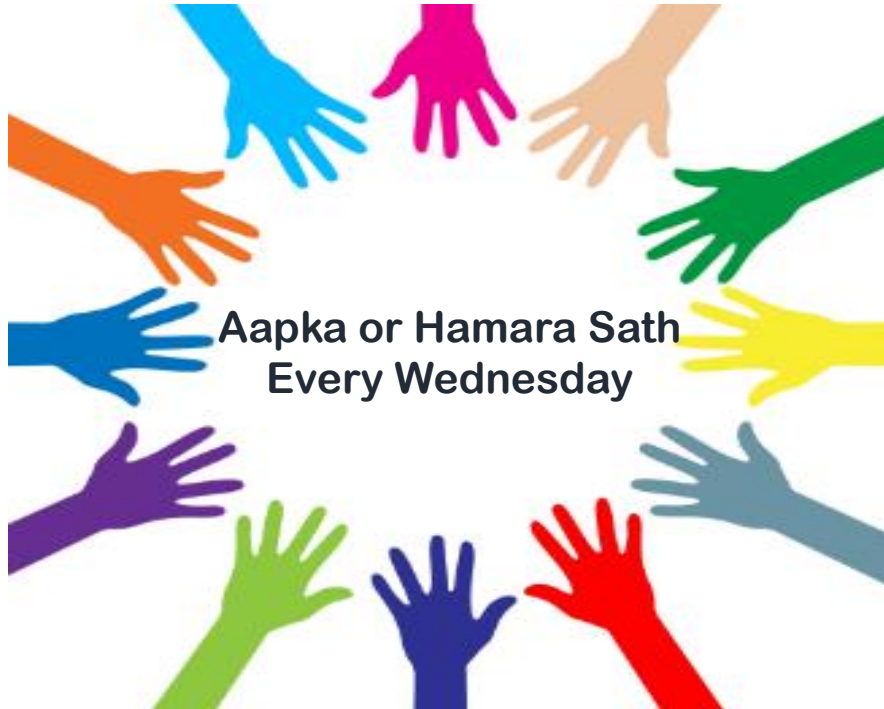
**Nattu**

I get it now! Thanks, Mr. FEMA Gyaani





# Thank You



The FEMA Gyani

Comments

Feedbacks

Suggestions



<https://in.linkedin.com/company/jscoca>

**WEBSITE**

<https://jainshrimal.com/>



International Tax Gyan     
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