

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO : 1775**  
(TO BE ANSWERED ON THE 17<sup>th</sup> March 2025)

**PROMOTION OF DOMESTIC AIRCRAFT MANUFACTURING**

1775. SHRI SANT BALBIR SINGH

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) the policy framework of Government to promote domestic aircraft manufacturing, attract Foreign Direct Investment (FDI) in aviation sector, and strengthen India's position as a global aviation hub;
- (b) the initiatives undertaken to improve operational efficiency and financial sustainability of domestic airlines; and
- (c) the progress made in deploying advanced technologies, such as, AI-driven air traffic control systems, biometric passenger processing and digital ticketing to enhance the efficiency and security of air travel?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Murlidhar Mohol)

(a) and (b) The Government encourages the development of the ecosystem for the manufacturing of aircraft components, engines and associated equipment by public and private enterprises in India. The steps taken are as follows:

i. Comprehensive National Civil Aviation Policy (NCAP) was launched in 2016 for promoting, inter alia, commercial aero-manufacturing under 'Make in India' initiative.

ii. In a major boost to the domestic aircraft repair, component manufacturing and MRO industry in 2024, the Government has implemented a uniform rate of 5% IGST that will apply to imports of aircraft parts, components, testing equipments, tools and tool-kits of aircraft, irrespective of their Harmonised System of Nomenclature (HSN) classification subject to specified conditions. This will make the domestic aerospace industry more competitive.

The production and manufacturing activities of aircraft with its indigenous content is envisaged to promote indigenous civil aircraft manufacturing in the country. The total FDI inflow between December, 2021 to December, 2024 is Rs 951.84 Cr. in Defence & Aerospace Sector, as per database maintained in Department of Defence Production, Ministry of Defence.

(c) Equipping airports with cutting-edge technologies like Artificial Intelligence (AI) and Machine Learning (ML) for revolutionization of aviation sector is an ongoing process. To facilitate passenger seamless movement at airports, some of the major airports are equipped with upgraded systems and equipment like Digi Yatra- Face recognition based access, Queue Management System, ATRS (Automotive Tray Retrieval System), Remote Screening and Dual view XBIS. These measures not only enhance the efficiency and security of air travel but also provide seamless and hassle-free experience for passengers at airports.

\*\*\*\*\*