

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**STARRED QUESTION NO : 77**  
(TO BE ANSWERED ON THE 28<sup>th</sup> July 2025)

**THE PROTECTION OF INTERESTS IN AIRCRAFT OBJECTS BILL, 2025**

\*77. SHRI MOKARIYA RAMBHAI

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

- (a) the main objectives behind introducing "The Protection of Interests in Aircraft Objects Bill, 2025";
- (b) the estimated reduction in cost of aircraft leasing for Indian airlines;
- (c) the estimated number of leased aircrafts operating in the country;
- (d) whether it would have any impact on the pricing system of air tickets in the country; and
- (e) if so, the details thereof?

**ANSWER**

MINISTER OF CIVIL AVIATION

(Shri Kinjarapu Rammohan Naidu)

(a) to (e): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) IN RESPECT OF RAJYA SABHA STARRED QUESTION NO 77 FOR REPLY ON 28.07.2025 REGARDING " PROTECTION OF INTERESTS IN AIRCRAFT OBJECTS BILL, 2025" ASKED BY SHRI MOKARIYA RAMBHAI

(a):India had acceded to the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment signed in Cape Town on 16th November, 2001. In order to implement the said Convention and Protocol, 'The Protection of Interests in Aircraft Objects Bill, 2025' was passed by the Parliament and thereafter has received Presidential assent on 16th April, 2025. The main objectives of the legislation are as follows:

(i) To improve India's CTC Compliance Index score and enhance its position in the global aircraft leasing and financing market.

(ii) To provide legal certainty through primary legislation, thereby reducing the risk premium, lowering interest rates and lease rentals for financing/leasing of aircraft.

(iii) To ensure better contract enforceability and repossession certainty for creditors and lessors, which will improve the ease of doing business in India and boost the growth of domestic leasing hubs such as the GIFT City.

(iv) To facilitate favourable international financing and leasing markets for Indian carriers, enabling them to expand their network connectivity and modernize their fleets.

(b):The airlines have informed that through the enactment of the legislation, aircraft leasing costs are likely to be reduced by 8% to 10%.

(c):The estimated number of leased aircraft in India is 870, out of which 750 are deployed in scheduled operations and 120 are deployed in non-scheduled operations.

(d) and (e) :The augmentation of fleet, expansion of airline networks and reduced financing/leasing costs is expected to encourage healthy competition and translate into lower airfares for passengers and cargo.

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