

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA

UNSTARRED QUESTION NO. : 1786
TO BE ANSWERED ON THE 9th March 2026

**AVIATION SAFETY, SKILL ECOSYSTEM DEVELOPMENT AND
SELF-RELIANCE IN AVIATION SERVICE**

1786. SHRI BABURAM NISHAD
SHRI BABUBHAI JESANGBHAI DESAI
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Will the Minister of CIVIL AVIATION be pleased to state:-

(a) the steps taken to strengthen India's aviation safety ecosystem through initiatives such as indigenous accident investigation infrastructure, safety audits and international collaboration platforms;

(b) whether Government has undertaken any assessment of pilot training capacity, medical examination infrastructure and Flight Training Organisation (FTO) quality benchmarks in view of rising aviation demand;

(c) whether any long-term strategy has been prepared to position India as a global hub for aviation services including leasing, financing, Maintenance (MRO) and component manufacturing; and

(d) if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION (Shri Murlidhar Mohol)

(a): (a): Government has set up Aircraft Accident Investigation Bureau (AAIB) as an independent investigation body in accordance with International Civil Aviation Organisation (ICAO) Annex 13. DGCA has a systematic safety oversight process which includes regulatory audits, night surveillance, ramp inspections, spot checks and special audits. This is followed-up with action on safety findings and accident investigation recommendations.

(b) In order to augment pilot training capacity, DGCA has approved 02 new Fling Training Organisations (FTOs) during the calendar year 2025. At present, 40 DGCA-approved Flying Training Organisations (FTOs) operate at 62 bases across the country for pilot training.

DGCA has also introduced a ranking framework for FTOs (w.e.f. 1 October 2025) to improve training quality and transparency. Further, the medical examination infrastructure has been strengthened by empanelling additional Aeromedical Evaluation Centres and Medical Examiners across the country.

(c) & (d): To promote India as a hub for aviation services including leasing, financing, MRO and component manufacturing, Government has taken various measures like announcement of new MRO guidelines in 2021, reduction of GST on MRO services from 18% to 5% with full input tax credit, reduction of taxes on import of aircraft components and engine parts to 5%, Transactions sub-contracted by foreign OEMs/MRO to domestic MRO are treated as 'exports' with zero-rated GST, and others.

Recently as part of Union Budget Announcements for 2026-27, basic customs duty has been exempted on components and parts required for the manufacture of civilian, training and other aircraft. Further, Customs Duty Exemption on parts, testing equipment, tools and tool kits for MRO of aircraft, components or parts of aircraft has been extended up to 31.03.2028

To promote leasing and financing, Government has set up an International Financial Services Centre (IFSC) at GIFT City, Gandhinagar. In the latest budget announcement, the tax deduction period for units operating in GIFT IFSC has been extended to 20 years out of a block of 25 years under Section 147 and to 20 consecutive years for Offshore Banking Units (OBUs). Further, upon expiry of the tax holiday period, the business income of such units in GIFT IFSC shall be subject to a concessional tax rate of 15%
