

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA

STARRED QUESTION NO. : 151

TO BE ANSWERED ON THE 3rd August 2026

NEW AIRLINES AND GROWTH IN AIRCRAFT FLEET

151. SHRI RAGHAV CHADHA

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

- (a) progress made in the growth of indigenous airlines in the country in recent years and, if so, the details thereof;
- (b) the total number of aircraft currently in operation with Indian airlines and the number of new aircraft ordered for delivery during the next three years;
- (c) the steps taken to ensure new airlines meet safety and training standards before starting operations; and
- (d) the measures being taken by Government to promote domestic manufacturing of aircraft parts and maintenance facilities in India?

ANSWER

Minister of CIVIL AVIATION (Shri Kinjarapu Rammohan Naidu)

(a) to (d): A statement is laid on the table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) IN RESPECT OF
RAJYA SABHA STARRED QUESTION NO. 151 FOR REPLY ON 03.08.2024
REGARDING NEW AIRLINES AND GROWTH IN AIRCRAFT FLEET ASKED BY
SHRI RAGHAV CHADHA**

(a) Presently, 11 scheduled/scheduled commuter airlines are operating in India. The Government is committed to fostering a conducive environment that supports the expansion of existing airlines while facilitating the entry of new operators into the market. As a result, regional airlines such as IndiaOne, Star Air, and Fly91 have commenced operations under the existing policy framework, strengthening regional connectivity and contributing to the growth of the domestic aviation sector.

(b) The Scheduled Indian airlines have a fleet of 860 aircraft in operation. Further, airlines have placed orders for 2,056 aircraft, of which 427 aircraft have already been delivered. The induction of the remaining aircraft is planned by the respective airlines as per their fleet expansion plans, market requirements, business strategies and commercial considerations. The exact timeline of induction depends upon factors such as aircraft availability, supply chain conditions and other operational considerations.

(c) New airlines are required to obtain Air Operator Certificate (AOC) from DGCA as per the provisions of Rule 134 and Schedule XI of the Aircraft Rules, 1937. For this, the applicant airline is required to undergo certification from DGCA as per the Air Operator Certification Manual, wherein they are required to demonstrate compliance with all the applicable regulatory requirements, including safety and training standards to be followed. After obtaining the Air Operator Certificate, airlines are subject to continued oversight by DGCA through Annual Surveillance Programme and other inspections /audits as per guidelines contained in the DGCA Surveillance Procedure Manual.

(d) The Government has undertaken a series of fiscal and policy reforms to promote the growth of the aircraft Maintenance, Repair and Overhaul (MRO) and aerospace manufacturing ecosystem in the country. These measures include exemption from Basic Customs Duty on components and parts used for manufacturing civilian, training and other aircraft, extension of Customs Duty exemption on parts, testing equipment, tools and tool kits required for aircraft MRO up to 31.03.2028, introduction of a uniform IGST rate of 5% on import of aircraft parts and components, reduction of GST on MRO services from 18% to 5% with full Input Tax Credit and treating MRO services subcontracted by foreign OEMs/MROs to domestic MROs as exports, making them eligible for zero-rated GST. Further, the MRO Guidelines, 2021 abolished royalty charges and introduced a transparent mechanism for land allotment at Airports Authority of India (AAI) airports. The Addendum issued in 2026 further incentivised investment by providing moratorium and rent-free periods for construction of new MRO hangars. These policy initiatives have led to significant investments in the sector.

In November 2025, Safran Aircraft Engine Services India (SAESI), a dedicated Maintenance, Repair and Overhaul (MRO) facility for LEAP aircraft engines, was inaugurated at Hyderabad, with an annual servicing capacity of up to 300 engines. The facility is expected to strengthen the domestic aviation supply chain, enhance high-precision maintenance capabilities and promote the growth of ancillary industries.

India has also emerged as an important manufacturing base for the global aerospace industry. Indian MSMEs have established a growing presence in aircraft component and aerospace manufacturing, with global Original Equipment Manufacturers (OEMs) such as Boeing and Airbus reportedly sourcing aircraft components worth over USD 2.5 billion annually from India.
