

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 3127  
(To be answered on the 16<sup>th</sup> December 2021)**

**AIRCRAFT LEASING IN INDIA**

**3127. SHRI PINAKI MISRA**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) the number of aircraft leasing companies in India;**
- (b) the number and percentage of total aircraft on lease in India;**
- (c) the monthly outflow of foreign exchange by aircraft lease rentals;**
- (d) the details of the recommendations accepted by the Government of the Working Group on Developing Avenues for Aircraft Financing and Leasing Activities including the status of their implementation;**
- (e) whether the Government is considering to accept more of the recommendations of the Working Group, if so, the details thereof and if not, the reasons therefor; and**
- (f) whether the Government plans to enact a bill to implement the Cape Town Convention and if so, the details thereof including the timeline of its introduction?**

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

**(GEN. (DR) V. K. SINGH (RETD))**

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**(a) So far, International Financial Services Centre Authority (IFSCA) has registered six entities to undertake aircraft leasing activity at Gujarat International Finance Tech (GIFT) city-(IFSC).**

**(b) As per Directorate General of Civil Aviation (DGCA), the total number of aircraft registered with DGCA is 2014, out of which 43.99% i.e. 886 aircraft are on lease.**

**(c) Such data is not maintained by the Directorate General of Civil Aviation (DGCA).**

**(d) and (e) The Government has accepted most of the recommendations of the Working Group on Development of Avenues for Aircraft Financing and**

**Leasing Activities in India.** The key measures taken to strengthen the ecosystem for aircraft leasing and financing in India include:

**(i) The International Financial Services Centres Authority (IFSCA) has been established on 27 April, 2020 under the International Financial Services Centres Authority Act, 2019 at GIFT City, Gandhinagar in Gujarat.**

**(ii) Aircraft and engine leasing and financing has been notified by the Government of India as a financial product.**

**(iii) Government of Gujarat has exempted Stamp Duty on transactions related to aircraft financing and leasing carried out from IFSC at GIFT-City Special Economic Zone (SEZ.)**

**(iv) New tax regime introduced w.e.f. 1 April, 2020 which made Minimum Alternate Tax (MAT) inapplicable to domestic companies. Similarly, MAT provisions would not apply to units in the IFSC.**

**(v) Exemption has been provided from corporate tax for a block-period of 10 years within the first 15 years for leasing units.**

**(vi) Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry under its import policy has allowed IFSC based aircraft leasing entities to import aircraft without the need to obtain import license from DGFT.**

**(f) The Government has prepared a draft Bill for implementation of Cape Town Convention and comments have been invited from stakeholders on the same.**

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