

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2347
(To be answered on the 13th March 2025)**

DEVELOPMENT OF INDIGENOUS AIRCRAFT MANUFACTURING

**2347. SMT POONAMBEN HEMATBHAI MAADAM
SHRI VISHNU DAYAL RAM**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has formulated any plans to promote and support the development of indigenous aircraft manufacturing in the country and if so, the details thereof;
- (b) whether it is true that the indigenous aircraft manufacturing industry is facing major challenges including difficulty in competing with established International aircraft producers; and
- (c) if so, the details thereof along with the manner in which the Government proposes to address such challenges?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Murlidhar Mohol)

(a) The Government has been encouraging the development of the ecosystem for the manufacturing of aircraft, including regional transport aircraft and associated equipment by public and private enterprises in India. The steps taken by the Government aim to bridge the technological gaps faced by the industry. In order to promote commercial aero-manufacturing under 'Make in India' initiative, a comprehensive National Civil Aviation Policy (NCAP) was launched in 2016. Further, 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.

(b) and (c) Globally, Airbus and Boeing are the two dominant Original Equipment Manufacturers (OEMs) who manufacture commercial fixed wing aircraft while other OEMs manufacture regional aircraft. The Governments efforts to promote and facilitate the development and manufacturing of aircraft and associated equipment by public and private enterprises in India have enabled Indian MSMEs to leverage their capabilities in the aero manufacturing space thereby expanding

their footprint in the industry. The global OEMs like Boeing and Airbus together are annually sourcing more than USD 2 billion of aircraft components from MSMEs in India.
