GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
STARRED QUESTION NO : 109
(TO BE ANSWERED ON THE 10th March 2025)

STRENGTHENING THE DOMESTIC AIRCRAFT COMPONENT MANUFACTURING INDUSTRY

*109. SHRI BABURAM NISHAD

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

(a) the specific measures being adopted by Government to promote domestic manufacturing of aircraft components;
(b) the initiatives being taken to enhance skill development and workforce training in aerospace manufacturing;
(c) whether Government plans to include Micro, Small and Medium Enterprises (MSMEs) in the aircraft component manufacturing ecosystem; and
(d) if so, the details of the schemes along with the support that would be extended to the MSMEs?

ANSWER

MINISTER OF CIVIL AVIATION

(Shri Kinjarapu Rammohan Naidu)

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

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STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) IN RESPECT OF RAJYA SABHA STARRED QUESTION NO. 109 FOR REPLY ON 10.03.2025 REGARDING "STRENGTHENING THE DOMESTIC AIRCRAFT COMPONENT MANUFACTURING INDUSTRY" BY SHRI BABURAM NISHAD

(a) The Government has been encouraging the development of the ecosystem for the manufacturing of aircraft components, engines and associated equipment by public and private enterprises in India. The steps taken are as follows:

i.Comprehensive National Civil Aviation Policy (NCAP) was launched in 2016 for promoting, inter alia, commercial aero-manufacturing under 'Make in India' initiative.

ii. 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.

iii.CSIR-NAL, Bengaluru, a constituent laboratory of CSIR has developed indigenous 2- seater trainer aircraft Hansa - 3 (NG) and type certified by DGCA for use by Flight Training Organisations (FTOs) for commercial pilot training. For commercial production of Hansa-3(NG) an EoI has been issued to identify the prospective firm to take up manufacturing.

iv.The development of indigenous 19-seater Light Transport Aircraft Saras Mk2 is under progress at CSIR-NAL. The Saras Mk2 initiative has a collaboration and partnership with HAL. The aircraft has significant indigenous components and technologies like advanced composite wing, composite & light weight material airframe, avionics, display & communication system etc. The production and manufacturing activities of aircraft with its indigenous content is envisaged to promote indigenous civil aircraft component manufacturing in the country.

(b) In order to enhance skills development in Aerospace Manufacturing, presently 57 AME Training Institutes have been approved by DGCA under CAR-147 (Basic) to impart basic maintenance training to around 3700 AMEs per year, which is sufficient to cater to the demand of the Indian civil aviation Industry.

(c) and (d) Indian MSMEs already have a footprint in aircraft component and aerospace manufacturing. It is reported that global OEMs like Boeing and Airbus together are annually sourcing more than USD 2 billion of aircraft components from MSMEs in India.

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भारत सरकार
नागर विमानन मंत्रालय
राज्य सभा
मौखिक प्रश्न संख्या: 109
सोमवार, 10 मार्च, 2025 (19 फाल्गुन,1946, (शक)) को दिया जाने वाला उत्तर

विमान के पुर्जों के घरेलू विनिर्माण उद्योग को सुदृढ़ बनाना

***109. श्री बाबू राम निषाद:**

क्या **नागर विमानन** मंत्री यह बताने की कृपा करेंगे कि:

(क) सरकार द्वारा विमान के पुर्जों के घरेलू विनिर्माण को बढ़ावा देने के लिए क्या विशिष्ट उपाय किए जा रहे हैं;

(ख) एयरोस्पेस विनिर्माण के क्षेत्र में कौशल विकास और कार्यबल प्रशिक्षण को बढ़ाने के लिए क्या पहल की जा रही है;

(ग) क्या सरकार सूक्ष्म, लघु और मध्यम उद्यमों (एमएसएमई) को विमान पुर्जा विनिर्माण पारिस्थितिकी तंत्र में शामिल करने का विचार रखती है; और

(घ) यदि हाँ, तो उक्त योजनाओं का ब्यौरा क्या है और एमएसएमई को क्या सहायता प्रदान की जाएगी?

उत्तर

नागर विमानन मंत्री (श्री किंजरापु राममोहन नायडू)

(क) से (घ): विवरण सदन के पटल पर रखा गया है।

"विमान के पुर्जों के घरेलू विनिर्माण उद्योग को सुदृढ़ बनाना" के संबंध में श्री बाबू राम निषाद द्वारा पूछे गए दिनांक 10.03.2025 के राज्य सभा मौखिक प्रश्न संख्या 109 के भाग (क) से (घ) के उत्तर में संदर्भित विवरण

(क) सरकार, भारत में सार्वजनिक और निजी उद्यमों द्वारा विमान पुर्जों, इंजनों और संबंधित उपस्कर के विनिर्माण के लिए पारिस्थितिकी तंत्र के विकास को प्रोत्साहित कर रही है। इस संबंध में उठाए गए कदम इस प्रकार हैं:

i. 'मेक इन इंडिया' पहल के अंतर्गत व्यापक राष्ट्रीय नागर विमानन नीति (एनसीएपी) को वर्ष 2016 में, अन्य बातों के साथ-साथ कमर्शियल एरो-मैन्युफैक्चरिंग को बढ़ावा देने के लिए शुरू किया गया था।

ii. वर्ष 2024 में घरेलू विमान मरम्मत, पुर्जा विनिर्माण और एमआरओ उद्योग को बढ़ावा देने के लिए सरकार ने एक प्रमुख प्रोत्साहन के तौर पर 5% आईजीएसटी की एकसमान दर लागू की है जो विनिर्दिष्ट शर्तों के अधीन, विमान पुर्जों, उपस्कर, परीक्षण उपकरणों, टूल और टूल-किट, चाहे उनके नामकरण वर्गीकरण की सामजस्यपूर्ण प्रणाली (एचएसएन) कोई भी हो, के आयात पर लागू होगी। इससे घरेलू विमान क्षेत्र उद्योग अधिक प्रतिस्पर्धी बन जाएगा।

iii. सीएसआईआर की एक घटक प्रयोगशाला, सीएसआईआर-एनएएल, बेंगलुरु ने स्वदेशी 2-सीटर ट्रेनर विमान हंसा-3 (एनजी) विकसित किया है और यह वाणिज्यिक पायलट प्रशिक्षण के लिए उड़ान प्रशिक्षण संगठनों (एफटीओ) द्वारा उपयोग के लिए डीजीसीए द्वारा टाइप प्रमाणित है। हंसा-3 (एनजी) के वाणिज्यिक उत्पादन के लिए विनिर्माण करने हेतु संभावित फर्म की पहचान करने के लिए रुचि की अभिव्यक्ति (ईओआई) जारी की गई है।

iv. सीएसआईआर-एनएएल में स्वदेशी 19-सीटर लाइट ट्रांसपोर्ट एयरक्राफ्ट सारस एमके2 का विकास प्रगति पर है। सारस एमके2 पहल के लिए एचएएल के साथ सहयोग और साझेदारी है। विमान में उन्नत कम्पोजिट विंग, कम्पोजिट और हल्के वजन की सामग्री वाले एयरफ्रेम, एवियोनिक्स, डिस्प्ले और संचार प्रणाली आदि जैसे महत्वपूर्ण स्वदेशी घटक और प्रौद्योगिकियां हैं। देश में स्वदेशी नागरिक विमान पुर्जा विनिर्माण को बढ़ावा देने के लिए स्वदेशी सामग्री के साथ विमान के उत्पादन और विनिर्माण गतिविधियों की परिकल्पना की गई है।

(ख) एयरोस्पेस विनिर्माण में कौशल विकास को बढ़ाने के लिए, प्रतिवर्ष लगभग 3700 एएमई को आधारभूत रखरखाव प्रशिक्षण प्रदान करने हेतु डीजीसीए द्वारा नागर विमानन अपेक्षाएं-147 (बेसिक) के तहत वर्तमान में 57 एएमई प्रशिक्षण संस्थानों को मंजूरी दी गई है, जो भारतीय नागर विमानन उद्योग की मांग को पूरा करने के लिए पर्याप्त है।

(ग) और (घ) भारतीय सूक्ष्म, लघु और मध्यम उद्यम पहले से ही विमान पुर्जों और एयरोस्पेस विनिर्माण में मौजूद हैं। यह रिपोर्ट किया गया है कि बोइंग और एयरबस जैसे वैश्विक मूल उपकरण विनिर्माता (ओईएम) संयुक्त रूप से भारत में सूक्ष्म, लघु और मध्यम उद्यम से सालाना 2 बिलियन अमेरिकी डॉलर से अधिक के विमान उपकरण प्राप्त कर रहे हैं।

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श्री बाबू राम निषाद: उपसभापति महोदय, मैं आपके माध्यम से माननीय मंत्री जी से पूछना चाहता हूं कि क्या सरकार घरेलू स्तर पर निर्मित विमान घटकों की गुणवत्ता आश्वासन और वैश्विक प्रतिस्पर्धा सुनिश्चित करने के लिए किसी उपाय पर विचार कर रही है? यदि हां, तो वे उपाय क्या हैं? कृपया बताने का कष्ट करें।

SHRI KINJARAPU RAMMOHAN NAIDU: Sir, I think this is a very pertinent question considering the growth of civil aviation that we are experiencing in the country, not just in terms of passenger traffic, we also want to see a holistic growth. We want to see growth in manufacturing. One of the prime objectives, when we talk about aircraft component manufacturing, is to prepare and manufacture our own aircraft in the country, which is the RTA. Many things have been processed so that we achieve this Regional Transport Aircraft manufacturing in the country. There are many different approaches for this. One theme that we are having right now is a short-term approach, medium-term and a long-term approach, because there is not a one-line approach for us to make an aircraft in the country. If you take an example of other countries, how they have done it, it has been a process which has been built up for 40 years and 50 years. Though we do not want to see taking up that much time, we want to have a strict plan and how we ensure to do it?

For that, one important thing is to improve the aircraft component manufacturing in the country itself. That is one of the short-term plans that we have. In the last five to ten years, under the leadership of our hon. Prime Minister, Narendra Modi*ji,* we have been able to create so much demand in the country that big companies like Airbus, Boeing, Embraer, and, let it be Safran, or Lockheed Martin, Rolls Royce which are the major manufacturers of engines and aircraft outside the country have set up their shops here, let it be in terms of procurement of the key components or increasing the number of components that they procure from India or setting up MRO facilities in the country. We have done a lot to invite them into the country itself and set up shops, which has increased the knowhow and the technical expertise of the country itself. Sir, the second process is to bring in all the necessary policies. For that, we have passed the Bharatiya Vayuyan Adhiniyam. In that, I have also specifically told in this House that now we are no longer looking at India as only a player which is trying to buy things from outside, but we are seeing India as a country which is a State of design, State of manufacture and State of maintenance when it comes to aircraft. So, we have changed the thought process that we have, when it comes to manufacturing of aircraft. We are saying that India is at the stage, right now, where we can manufacture, we can design and we can maintain an aircraft. On top of that, Sir, among the necessary policies that we need, one is to promote more

aircraft component manufacturing. We from the Ministry are continuously engaging with the industry. We are continuously engaging so that we can give them the confidence that the focus, for the Government, is also on you to improve the manufacturing sector. We are talking with the States and telling them to have more manufacturing because they, the State Governments, are the key players here. And, when they are looking at manufacturing, we are encouraging them to look at manufacturing in aerospace components and aircraft components also. We have yielded some good results in that area. The third sector that we are planning is the skilling. Skilling is equally important as we are trying to increase our manufacturing. For that, we have set up FTOs. We currently have 58 working FTOs. We are doing AME training in 57 bases in the country through which we are creating 3,800 AMEs every year which is catering to the demand that we have created. And, through this skill development programme in the aerospace and aircraft component manufacturing, we have identified 38 courses and over the last eight years, we have trained up to 18,000 people in this area.

So when it comes to manufacturing of an aircraft, creating the ecosystem, among the things we require, one is, improving the aircraft component manufacturing, creating the Government policy, and, third is creating the skilling. So looking at all this holistic approach, the Government is looking at it. Very soon, we are going to set up a Special Purpose Vehicle also to have the RTA, Regional Transport Aircraft, which has been a continuous dream for the country. Now to have a specific plan, we have a plan to create an SPV for five years in which we are going to bring in all the necessary stakeholders, bring them onto the table and study the existing picture in the country and create a roadmap that in five years, if you want to see an RTA being built in the country itself, we have to see what is the necessity today, what kind of policies furthermore we need to do. So we are in the process of setting up the SPV also.

MR. DEPUTY CHAIRMAN: Second Supplementary.

श्री बाबू राम निषादः उपसभापति जी, मंत्री जी ने बहुत विस्तृत विषय रखा। ...(**व्यवधान**)...

श्री उपसभापतिः माननीय बाबू राम जी, आप सेकेंड सप्लीमेंटरी पूछिए।

श्री बाबू राम निषादः उपसभापति महोदय, मैं माननीय मंत्री जी से पूछना चाहता हूं कि क्या विमान विनिर्माण में नवाचार और उन्नत प्रौद्योगिकियों को अपनाने को प्रोत्साहित करने के लिए कोई पहल कार्यान्वित की जा रही है?

MR. DEPUTY CHAIRMAN: I think you have already explained it in detail.

SHRI KINJARAPU RAMMOHAN NAIDU: Sir, I have partly answered. But I still have a little bit of answer regarding this. We have National Civil Aviation Policy, 2016, and, in that, we have specifically mentioned that we want to promote 'Make in India' and 'Atmanirbhar Bharat,' also, which is where the Schemes to promote this kind of aircraft component manufacturing also come into place. And, we have within the Policy itself, where we are saying that if someone is interested to put up this kind of industry, then from the Government of India, we are going to promote and ensure that whatever Special Economic Zone incentives that the industry needs to get, we are going to facilitate it. We are going to speak with the Ministry of Commerce and ensure that there is a smooth progress in their establishing of the industry. But what we have observed over the last five to ten years is that the States have come up very well. I would like to take the example of Government of Telangana also where they have created some parks within themselves where they didn't even approach us. They have, in fact, given the necessary incentives.They have given the necessary ecosystem. And today, they are boasting about three to four parks inside the State itself.There is the Adibatla Aerospace SEZ, Nadergul Aerospace Park, GMR Aerospace SEZ, Adani Aerospace Park and Hardware Park 1&2. So the States are taking up this initiative because this aerospace and aircraft-manufacturing is creating so much jobs and it is bringing in the necessary know-how and technical expertise which is going to further help in bringing a lot more other industries also. This becomes the anchor industry. So the States have been proactively moving like the Government of Telangana, Karnataka, and now Andhra Pradesh. All these States are actively looking into it. On top of that, if there is anything that is required from Government of India, we are very much willing and looking forward to offer the necessary support so that there is an increase in the industry setting-up.

MR. DEPUTY CHAIRMAN: Ms. Dola Sen.

MS. DOLA SEN: Sir, about 80 per cent of civilian aircraft by airlines in India is acquired on lease, which is much higher than the global average of 53 per cent. With leased aircraft, the lessors demand that airlines conduct maintenance operations at designated sites overseas, which is a big barrier for Indian MRO operations. Moreover, aircraft OEMs need to do move technology transfers with India to allow for boosting of Ministry planning to overcome these constraints to promote MRO and

aircraft component manufacturing in India. I also want to know whether the law of the land, labour law, is being maintained in the jobs which have been created by the Ministry in this respect.

SHRI KINJARAPU RAMMOHAN NAIDU: Sir, regarding the MRO set-up, what the hon. Member has mentioned is definitely a flagging issue and we have tried to overcome that issue. One important aspect in promoting MROs that we have seen when we import these components for the MRO facility is that there have been multiple slabs. Some come under 5 per cent, some 12 per cent, and some 18 per cent. So there was a lot of confusion in the taxation also. To improve and create a much better process of importing these parts, we have unified slab rate of 5 per cent right now, which has greatly pushed of setting up MRO facilities in the country. The second thing is, there is another aspect of it where the OEMs, the equipment manufacturers wanted to have these MRO facilities in other countries and not preferring India because there was no harmonization. Here we have the DGCA, which is the Directorate General of Civil Aviation, and then the EASA is there in the Europe and FAA in the America. So, there has to be harmonization when these aircraft come from other areas. Thus, harmonization is one issue and we are looking into it.

MR. DEPUTY CHAIRMAN: Question Hour is over, Mr. Minister. Thank you. Hon. Members, the House stands adjourned to meet at 2.00 p.m.