

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:4329  
ANSWERED ON:20.04.2015  
NEW AVIATION POLICY  
Ering Shri Ninong

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

- (a) whether the Government has any proposal to introduce new aviation policy to democratise airspace to enhance mass transit of people and goods via air;
- (b) if so, the details thereof including the plans for improving the cost effectiveness of airlines/aviation industry and increasing competition; and
- (c) the steps taken by the Government to reduce various aviation-related taxes in the country?

**Answer**

Minister of CIVIL AVIATION (Shri Ashok Gajapathi Raju Pusapati)

(a) and (b): Hon`ble Minister for Civil Aviation has unveiled a Draft Civil Aviation Policy on 10th November, 2014 to address various issues related to the sector.

Main features of policy related to Development of airports, Rationalizing the cost of Aviation Turbine Fuel (ATF), Development of the Cargo sector, Institutional reforms, Enhancing Regional Connectivity, Maintenance, Repair and Overhaul (MRO) facilities, Modernization of Air Navigation Services (ANS), Development of Helicopter Aviation, DGCA and e-Governance. These steps interalia are expected to improve cost effectiveness and increase competition. The Ministry has invited comments/suggestions of the public/stakeholders /State Governments on the draft policy. Finalisation of Civil Aviation Policy is being undertaken taking into account various suggestions received on the draft policy.

(c): Ministry of Civil Aviation has requested Ministry of Finance, Government of India to reduce the burden of Service tax on MRO work and State Governments to reduce VAT on aircraft parts to reduce overall maintenance charges of aircraft.