

## INAUGURAL CEREMONY OF AERO-INDIA 2017

Hon'ble Chief Minister's Speech,

Read by the Hon'ble Minister for Infrastructure Development,

Large and Medium Industries

14-02-2017/ 09-30 A M / Air Force Station, Yelahanka, Bengaluru

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Shri Manohar Parrikar,  
Hon'ble Union Minister for Defence,

Shri Ashok Gajapathi Raju Pusapathi,  
Hon'ble Union Minister for Civil Aviation,

Dr Subhash Rama Rao Bhamre,  
Hon'ble Union Minister of State for Defence,

Shri Jayant Sinha,  
Hon'ble Union Minister of State for Civil Aviation,

Chiefs of the Defence Forces,

Dignitaries on the dais and off-the dais,

Ladies and Gentlemen,

1. It gives me immense pleasure to welcome all of you to the biggest Air Show in Asia and the World's 2<sup>nd</sup> largest Air Show.
2. This is the 11<sup>th</sup> edition of Aero India and ever since its inception in the year 1996, the air show has grown from strength to strength.
3. During its first edition, Aero India had less than 50 exhibitors, delegates from some 100 companies and representatives from about 10 countries.

4. I am informed that this year, there are more than 400 exhibitors, 800 companies and representatives from 109 countries.
5. With four lakh plus business and general visitors expected over the next five days, Aero India is without doubt one of the very best air shows anywhere in the world and this is a matter of great pride for every Indian.
6. At the outset, I wish to compliment Defence Exhibition Organization in meticulously planning and executing Aero India over all these years.
7. It is because of your hard work and dedication that Aero India is one of the most sought after events on the global Aerospace calendar.
8. Needless to say that Government of Karnataka will continue to provide the best support required by the Ministry of Defence to host this mega event, so that, we can jointly continue to raise the bar every time.
9. Friends, Karnataka and the Aerospace Sector are synonymous. Long before Karnataka became known for its achievements in Information Technology, Aerospace, thanks to the presence of Public Sector Undertakings and Defence Research Organizations, was the **'bread and butter'** sector for this State.

10. However, unlike the Information Technology Sector which benefitted from the economic reforms unleashed in 1991, the Aerospace sector had to wait for another 10 years for sectoral reforms.
11. Today, the Aerospace and Defence sector is completely liberalized with Foreign Direct Investment permitted up to 49 per cent through the automatic route and up to 100 per cent in case of transfer of critical technology, through the approval route.
12. The opportunities in this sector arising out of our capital acquisitions as well as those arising from offset programs are well documented.
13. Besides this, manpower costs in India are three to four times less than that of developed nations.
14. A combination of lower manpower costs and the technical know-how of the sector is attracting global majors to source components and sub-systems from India, as part of their global supply chain for the civil aircraft programs.
15. Karnataka's Aerospace, which accounts for more than 65 per cent of the country's investment in the sector, stands to benefit the most due to these domestic and global trends.

16. Besides, the big presence of public sector, many international majors and large and medium sized Indian aerospace companies have invested in Karnataka, in cutting edge research and development, product design and development, large scale production and engineering services.
17. Most importantly, there are scores of aerospace Small and Medium Entrepreneurs (SMEs) present in Karnataka.
18. These companies form the backbone of the sector and without whom Karnataka would not have achieved such stupendous success in Aerospace.
19. At this juncture, I wish to commend the outstanding work being done by our aerospace SMEs in Karnataka.
20. However, none of this has happened by default. This State boasts of the best workforce and the best eco-system which guarantees success for anyone present in this sector, whether you are an Original Equipment Manufacturer (OEM) or a SME.
21. Realizing the long term potential of Aerospace and the spin off benefits it can have on other sectors, Government of Karnataka commissioned the country's first Aerospace Park and Special Economic Zone at Devanahalli, near Bengaluru in 2008. We also constituted an Aerospace Task Force in 2010, which advises the Government on all matters of the sector.

22. Subsequently, at Aero India 2013, we announced the country's first and only Aerospace Policy. Since then, we have approved 33 projects in the sector with proposed investments of about Rs. 15,000 Crore (about 2.5 Billion US\$) and created 10,500 new employments.
23. Several policy reforms were announced by Government of India in the recent past, which include the FDI policy, the new Defence Procurement Policy 2016, the National Civil Aviation Policy 2016 and the Regional Connectivity Scheme.
24. Further, Karnataka Aerospace Policy was announced when the States Industrial Policy of 2009-14 was in force. The announcement of the new Industrial Policy 2014-19, and other developments on national front necessitated revision of our Aerospace Policy.
25. Therefore, in September last year, we reviewed the policy in consultation with the Aerospace Task Force and announced a revised policy to align with all the recent developments.
26. Our new policy is broad based and it now includes Civil Aviation infrastructure and Maintenance, Repair, and Operations (MRO).
27. I urge all delegates and investors to go through the policy. It provides several attractive incentives and concessions for investments in the sector.

28. I am also happy to inform you that Government of Karnataka has entered into an agreement with National Aerospace Laboratories, Hindustan Aeronautics Limited and M S Ramaiah University of Applied Sciences to create the Aerospace Technology Centre.
29. This first of its kind 'Industry-Academia-Government' partnership in the sector will focus on research, incubation, trainings and certifications will come up in the Bangalore Aerospace Park later this year.
30. Besides this, an Aerospace and Aviation Sectoral Skill Council has been established with Chairman, Hindustan Aeronautics Limited as its Chairman along with 18 other sector specialists as Governing Council members with a mandate to define 90 job roles, certify 5,20,000 trainees and 6,000 qualified instructors over the next 10 years.
31. Our Government will actively associate with the council in all its endeavors to augment the skills in the sector.
32. Back in 1940, the then Maharaja of Mysore Jaya Chamarajendra Wodeyar allotted 700 acres of land, free of cost, to help HAL set up its first aircraft facility in Bengaluru.
33. Last year, HAL approached Government of Karnataka to purchase land to set up a new Helicopter facility.

34. Acknowledging the outstanding contribution of HAL to this State and to our nation, and keeping history and tradition in mind, we allotted 610 acres of land at Tumakuru District - free of cost.
35. We have also set aside another 300 acres in the vicinity of this new facility so that ancillary units can come up to support HAL in the future. This of course will not be free !
36. Friends, even as we inaugurate Aero India 2017, elsewhere in the city, Karnataka is hosting the Make in India Karnataka Conference.
37. It is important to know that Aerospace and Defence Sector is at the heart of the Make in India program because of the spin-off benefits this sector has over all other sectors in manufacturing and services.
38. Keeping in mind the critical importance of the sector to our national security and its global and domestic leverage, I request our Hon'ble Defence Minister to take up the case to declare it as a strategic sector at the earliest.
39. Earlier in my speech I had referred to Aerospace as being synonymous with Karnataka. By now, I am sure you are convinced why I said so.
40. Shortly, we will all witness the booming fly pasts and acrobatic displays of some of the best flying machines.

41. Watch out for very own “Tejas” - fighter jets and “Dhruv” - Advance Light Helicopters built by HAL right here in Karnataka.
42. Last but not least, let us acknowledge the men behind the machines - the pilots of the Indian Air Force and Indian Army Aviation who are the cream of our country and the very best pilots in the World.
43. Officers and men, our country is proud of you. This nation is indebted to your selfless service and we salute you!
44. Finally, I wish Aero India-2017, all success !
45. Let us keep our tricolor flying the highest!

**JAI HIND! JAI KARNATAKA!!**

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