INDIALAW

Aviation & Defence

Aviation and Defence Lawyers in India for Leasing, GIFT City, and Strategic Deals

PRACTICE PROFILE • OCTOBER 2026

Overview

Our Aviation and Defence practice advises international and domestic clients across the full life cycle of aviation transactions and defence engagement in India. We act for aircraft owners, lessors, financiers, scheduled and non-scheduled operators, charter companies, MROs, ground handlers, defence OEMs, and joint venture partners on regulatory, commercial, and transactional matters. Our work spans the DGCA and Ministry of Civil Aviation framework, the IFSCA regime for GIFT City leasing, the Aircraft Act 1934 and the Aircraft Rules, the Cape Town Convention as implemented in India, and the Defence Acquisition Procedure issued by the Ministry of Defence.

A significant part of our recent practice is built around GIFT City, the Indian financial centre that has emerged as a global platform for aircraft leasing and financing. We help offshore lessors, including clients headquartered in Malta, Ireland, the UAE, Saudi Arabia, and Mexico, set up GIFT City entities, structure headlease and sublease arrangements with Indian non-scheduled operators, and manage the foreign exchange, tax, and IFSCA compliance that follows. On the defence side, we advise Israeli, European, and other foreign defence players on joint ventures with Indian partners, industrial licensing, FDI compliance, and offset obligations under the Defence Acquisition Guidelines.

On the contentious and regulatory side, we represent clients in DGCA enforcement matters, aircraft de-registration and repossession, IDERA filings, accident investigation and compensation under the Carriage by Air Act, 1972, and disputes arising from leasing, charter, ground handling, and procurement contracts.

Our Services

Our Aviation & Defence team advises international clients on:

- Aircraft Leasing & Financing
- Aircraft Charter Arrangements
- Regulatory Approvals, Licences and Compliance (DGCA, ICAO)
- Setting up aircraft leasing entities in Gift City
- Regulatory licences and permissions for Gift City (SEZ and IFSCA)
- Establishment of Non-Scheduled Operations
- Foreign Investment and Exchange Control Advisory
- De-registration and Repossession of Aircrafts
- Strategic Collaborations, M&A and Joint Ventures
- Industrial licensing for defence products
- Offset obligations, Procurement Norms and other aspects of Defence Acquisition Guidelines
- Air Carrier Liability & Insurance
- Ground Handling & Airport Services Agreements
- Airspace Rights & Flight Operation Permits
- Accident Investigation & Compensation

Key Highlights

Set out below are some of the key matters handled by our aviation and defence team:

- Advised a Malta-based client in setting up its aircraft leasing entity in the Gujarat Gift City. The matter involved end-to-end advisory on setting up the Gift City entity in accordance with the requirements stipulated under the Indian Companies Act, foreign exchange regulations and International Financial Services Centre Authority regulations.
- Advised the Gift City entity of Malta-based conglomerate on the lease-in of aircrafts from its US-based group entity under a headlease structure and the subleasing of those aircrafts to an Indian non-scheduled operator on an operating lease basis.
- Advised a global aviation client on the reimport of an India-registered aircraft into India on an operating lease basis post acquisition of ownership of the aircraft from the Irish owner and legal & regulatory compliances related thereto.
- Advised, assisted and represented the clients in relation to stamping of aircraft leasing agreements in India.

- Advised and represented a Maltese entity in relation to the leasing of two aircrafts on an operating lease basis to an Indian non-scheduled operator for commercial purposes.
- Advised an Indian affiliate of a global aviation conglomerate in relation to an aircraft chartering agreement with an Indian non-scheduled operator and post-execution legal and regulatory compliances.
- Advised a Maltese aircraft lessor on the regulatory framework surrounding the de-registration and re-possession of aircrafts leased to an Indian non-scheduled operator.
- Advised the UAE-based affiliate of a global aviation company headquartered in Malta in its proposed acquisition of an Indian entity having a non-scheduled operation permit.
- Advised the client in relation to the regulatory aspects related to the mortgage of an India-registered aircraft and the post-financing actions to be undertaken from an Indian law perspective.
- Advised an Irish company being part of a Mexican conglomerate in relation to leasing of two aircrafts to an Indian non-scheduled operator for commercial purposes on operating lease basis. The matter involved reviewing the aircraft lease agreement and assisting & representing the client in negotiation and finalisation of lease agreements.
- Advised a Saudi Arabia-based aviation client in relation to the proposed transaction involving the acquisition of a 100% stake in its Indian joint venture entity, which is engaged in the business of providing ground handling services, including flight dispatch services, crew support services, aircraft management, global concierge and aircraft scheduling and planning.
- Issued legal opinions for the aircraft financiers in relation to the financing of India-registered aircrafts and advised on the legal process involved to secure their interest with DGCA
- Advised a Maltese aviation client on reviewing of an aircraft purchase agreement related to the purchase of an aircraft registered in India and the regulatory aspects related thereto.
- Advised Israel-based defence players in relation to the joint ventures with the Indian parties and the regulatory issues surrounding FDI in the defence sector, industrial licensing, and offset obligations.
- Represented an aviation conglomerate before the DGCA and suggested changes in the foreign direct investment and M&A norms for non-scheduled operators from a practical perspective.

Key Professionals



Dinesh Gupta
Partner



Shiju P V
Managing Partner

Frequently Asked Questions

Q1 **What does an aviation and defence law practice cover in India?**

It covers aircraft leasing and financing, DGCA regulatory approvals, GIFT City entity structuring, charter operations, de-registration and repossession under the Cape Town Convention, and defence procurement advisory including industrial licensing, offset obligations, and joint ventures with foreign OEMs.

Q2 **When should an international lessor engage aviation counsel in India?**

Ideally before committing to a lease structure. IFSCA registration in GIFT City, foreign exchange compliance under FEMA, tax structuring, and sublease arrangements with Indian operators all require early legal input. Engaging counsel after signing a term sheet often limits structuring flexibility.

Q3 **Which regulators and statutes govern aviation transactions in India?**

The DGCA regulates airworthiness and operator licensing under the Aircraft Act 1934 and Aircraft Rules 1937. IFSCA governs aircraft leasing entities in GIFT City. RBI oversees foreign exchange aspects under FEMA. Defence procurement follows the Defence Acquisition Procedure issued by the Ministry of Defence.

Q4 How long does it take to set up an aircraft leasing entity in GIFT City?

IFSCA registration for a finance or leasing unit typically takes 8 to 14 weeks, depending on the application quality and entity structure. Parallel workstreams, including SEZ approvals, bank account opening, and RBI filings, can extend the overall timeline if not managed concurrently.

Q5 What documents are needed to begin an aircraft lease transaction in India?

Typically, the aircraft technical records, certificate of airworthiness, lessor corporate documents, proposed lease term sheet, insurance certificates, and IDERA forms under the Cape Town Convention. For GIFT City transactions, IFSCA application forms and a detailed business plan are also required.

Q6 What common mistakes do foreign lessors make in Indian aviation deals?

A frequent error is not filing the IDERA with the DGCA at the time of lease execution. Without a valid IDERA, de-registration and repossession on default become significantly harder. Another common gap is misunderstanding withholding tax obligations on cross-border lease rentals under FEMA and the Income Tax Act.