

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2416
(To be answered on the 5th March 2020)**

MRO IN THE AVIATION SECTOR

**2416. DR. (PROF.) KIRIT PREMJI BHAI SOLANKI
SHRIMATI RITA BAHUGUNA JOSHI**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has been successful in creating new jobs in the aviation sector during the last financial year and if so, the details thereof;
- (b) the details of the steps taken to develop the Maintenance, Repair and Overhaul (MRO) for flights industry in India;
- (c) whether airports in India have been equipped with necessary space and infrastructure for hosting the MRO industry and if so, the details thereof including the list of airports that have MRO facilities;
- (d) the steps taken by the Government to enable Indian MRO industries to get global certification such as European Aviation Safety Agency (EASA); and
- (e) the proposed plan of action for skilling of the manpower to meet the demands of these MRO facilities?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a): In the airport sector, the Central Public Sector Enterprises (CPSEs), namely, Airports Authority of India (AAI) and its subsidiary, recruited 1,834 officers and staff in 2018-19. In the airline sector, including ground handlers and Maintenance, Repair and Overhaul (MRO) sub-sectors, Air India and its subsidiaries recruited 5,251 persons and Pawan Hans Ltd. 85 persons in 2018-19. Data on employment created either through the vendors of CPSEs under contract or in the private sector aviation companies is not maintained.

(b): The major initiatives taken from time to time under the National Civil Aviation Policy 2016 and other recent ones for creation of a congenial atmosphere for broad-based development of MRO in the country, inter alia, include the following:

- (i) Exempted Customs Duty on tools and tool kits,**

- (ii) Reduced Goods and Services Tax rates on various spare parts, accessories, and consumables,
- (iii) Simplified clearance processing of parts,
- (iv) Relaxed restriction on utilization of duty-free parts from one year to three years,
- (v) Extended stay in India of foreign aircraft for entire duration of MRO work or 6 months, whichever is lesser,
- (vi) Revised the Notification to enable export of serviceable parts,
- (vii) Permitted 100% Foreign Direct Investment via automatic route for MRO,
- (viii) Liberalised policy for borrowing and lending in Foreign Currency and Rupees on competitive terms for MROs,
- (ix) Prescribed modalities for concessional temporary imports of spare parts by foreign airlines for repair of their aircraft in transit, and
- (x) Prescribed the policy provisions for allotment of land by AAI to promote MROs at AAI airports.

(c): Yes, Sir. The leading MRO in India, namely, Air India Engineering Services Ltd. (AIESL) have 07 full MRO facilities at Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Nagpur, and Thiruvananthapuram, besides another 79 Line Maintenance MRO facilities co-located at airports across the country. As per data maintained by the Directorate General of Civil Aviation (DGCA), besides the MROs of AIESL, AAI airports have another 16 MROs co-located at the airport.

(d) DGCA has framed the requirements and guidelines for granting the approval to MRO organizations under Civil Aviation Requirement (CAR) - 145 for maintaining India-registered aircraft. The regulations are based on International Civil Aviation Organization (ICAO) standards and have been harmonized with European Aviation Safety Agency (EASA) regulations. These regulations are amended from time to time based on amendment to ICAO standards and EASA regulations for enabling Indian MRO industry to obtain EASA approval/ certification.

(e): DGCA approves training organizations under the provisions of CAR-147 for skilling manpower to obtain Aircraft Maintenance Engineers (AME) licenses. Currently in India, there are 46 approved training organizations to conduct basic training and 12 type-training organizations.
