

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2641
(To be answered on the 17th March 2022)

MRO IN AVIATION SECTOR

2641. MS. DEBASREE CHAUDHURI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether ninety per cent of Maintenance, Repair and Overhaul (MRO) of aircraft is done abroad thereby making India lose nearly 2 billion dollars annually and if so, the details thereof;
- (b) whether any efforts have been made to use Defence MROs for civilian aircraft and if so, the details thereof;
- (c) whether any consultation in this regard have been held with the Ministry of Defence and if so, the details thereof; and
- (d) the reasons for only small improvement in MRO industry in the country despite bringing down GST from eighteen per cent to five per cent?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a): As per information received from MRO Association of India, it is estimated that about 85% of MRO work is done abroad. The total size of the MRO market is estimated to be about 2 billion dollars.

(b) and (c): One of the announcements made by the Government under the "Atma Nirbhar Bharat Abhiyan" was to establish convergence between defence sector and civil aviation MRO. In order to establish convergence between defence sector and civil aviation MRO, a Joint Group was constituted with representatives of Ministry of Defence, Ministry of Civil Aviation, Hindustan Aeronautics Limited, Indian Air Force, Directorate General of Aeronautical Quality Assurance and other representatives of the MRO industry. Under Civil and Military Convergence Project, Hindustan Aeronautics Limited (HAL) has approved HAL, Nasik as the centre point for Civil MRO diversification. HAL Nasik has converted one hangar as a civil MRO hangar and has also received Directorate General of Civil Aviation (DGCA) approval for four variants of business jets in collaboration with Air

Works Pvt. Ltd. HAL, Nasik, has also conducted DGCA approved familiarization/ on-job training courses for its employees with Air India Engineering Services Ltd. (AIESL) and Air Works. HAL, Nasik, has signed Memorandum of Understanding (MoU) with leasing MRO players to "Explore business cooperation, opportunities in the area of MRO for Airframe, Landing gears, Engines, Auxiliary Power Units (APUs), Aircraft part out and components for commercial/ civil aircraft at HAL, Nasik.

(d): Government has taken various steps through "Atma Nirbhar Bharat Abhiyan", "Make in India", National Civil Aviation Policy, 2016 and recently through release of revised Maintenance, Repair & Overhaul (MRO) guidelines w.e.f. 1st September, 2021 for making India as an MRO hub. There has been growth in Indian MRO industry as a total of 10 new MROs have been approved in India since GST on MRO was reduced from 18% to 5%.
