

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:3115

ANSWERED ON:16.03.2015

AIRCRAFT MRO FACILITIES

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

- (a) the details of maintenance ,repairs and Overhauling (MRO) facilities for aircraft available in the country along with the current estimated worth of the MRO industry in the country;
- (b) whether the Government has proposed a reduction in royalty charged by airports for usage of space for MRO facilities for those under the Airports Authority of India and for private airports and if so, the details thereof;
- (c) whether the domestic MRO companies are making efforts to set up the said facilities abroad to garner business much of which is expected to come from Indian carriers and if so, the details thereof; and
- (d) the steps taken or being taken by the Government for development of MRO facilities in the country?

**Answer**

Minister of State in the Ministry of CIVIL AVIATION (Dr Mahesh Sharma)

- (a) There are 96 Maintenance Repair Organizations(MROs) approved in India (Appendix - 'A'). Government has not conducted a study on the worth of MRO industry in the country. However, various estimates indicated by consultants working in the sector indicate that the MRO industry in India is worth 500-700 million USD.
- (b) Airports Authority of India has finalized a policy for providing concessions to MROs in land-rental and royalty charged by them at their airports, providing major checks on aircraft.
- (c) Domestic MRO Companies are not required to inform the Government about their ventures set up abroad.
- (d) Ministry of Civil Aviation has requested Ministry of Finance, Government of India to reduce the burden of Service tax on MRO work and state government to reduce VAT on aircraft parts to reduce overall maintenance charges of aircraft.