

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION

Rajya Sabha

UNSTARRED QUESTION NO. : 1615

TO BE ANSWERED ON THE 13th December 2021

MAINTENANCE, REPAIR AND OVERHAUL (MRO) POLICY

1615. SHRI PRABHAKAR REDDY VEMIREDDY

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

- (a) whether it is a fact that Government has recently unveiled Maintenance, Repair and Operations (MRO) policy;**
- (b) if so, salient features of the policy; and**
- (c) the details of airports that have been identified for MRO works?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION
(GEN. (DR) V. K. SINGH (RETD))

(a) and (b): Government has issued revised Maintenance, Repair & Overhaul (MRO) guidelines on 1st September, 2021 to create a conducive environment for the development of aircraft MRO services. The salient features of the guidelines are enumerated below:

i. Concession fee, in any manifestation including royalty, shall not be leviable on new/ renewal of existing contracts.

ii. Selection of agency and procedures for allotment of land/ space under rationalized land/ space rental for new MRO contracts and renewal of existing MRO contracts, shall be through e-tender by AAI.

iii. The renewal of the existing land leases/ space license of MRO service providers/ Aircraft Maintenance Organizations (AMOs) shall be on the basis of bidding wherein Right of First Refusal (RoFR) shall be given to the existing lessee/ licensee to match the first rank bid in terms of the selection criteria provided its bid is within 15% of the most competitive bid received.

iv. The quoted/ accepted lease fee shall be escalated @ 15% after every 3rd year.

v. The maximum period of contract, new or renewal, for allotment of land/ space shall be 30 years from the date of handing over of site.

(c): As per the guidelines, the following airports have been identified for promotion of MRO activities: Bhopal, Chandigarh, Chennai, Hyderabad (Begumpet), Juhu, Kolkata, Delhi and Tirupati. Airports Authority of India (AAI) has invited e-tenders on 11.10.2021 for

establishing MRO facilities at 05 airports i.e. Bhopal, Begumpet, Chandigarh, Chennai and Juhu airports.
