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Uttar Pradesh Negotiates with Global Firms for Noida Airport Repair Hub

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Noida International Airport (NIAL) plans to issue an expression of interest (EOI) next month for establishing a maintenance, repair, and overhaul (MRO) hub next to the upcoming Noida International Airport in Jewar. This hub will be part of the second phase of the airport project and will involve the acquisition of 1,365 hectares of land designated for this purpose and for an aviation hub. The process of land acquisition is currently on-going.

NIAL officials indicated that discussions are underway with some of the world's leading aircraft manufacturers to collaborate on this initiative. The government of Uttar Pradesh is also engaged in talks with global companies to set up the repair hub at the airport. To attract investment, the government has introduced a new MRO policy that offers capital investment subsidies ranging from 5 per cent to 12 per cent for companies that apply by December 31, 2024.

NIAL CEO Arun Vir Singh stated that the organisation is in talks with four major companies, encouraging them to invest in Jewar. He emphasized that the government is dedicated to developing the state as an MRO hub and has introduced a specialized policy to support this goal. Singh noted that the demand for MRO services in India is expected to increase faster than the global average due to the growing fleet size and passenger traffic.

Singh also mentioned that India currently operates 713 civilian aircraft, with over 1,500 more expected to be added to the fleet in the next seven years. He explained that major airports in India generally have limited or no land available for MRO hangars within or near the airport. In contrast, Noida International Airport will feature an MRO facility within its premises and a larger-scale facility adjacent to it. He highlighted the sector's potential, noting that maintenance costs account for approximately 12 per cent to 15 per cent of overall revenue, making it the second most expensive item after fuel.

Additionally, the concessionaire of Noida International Airport has issued a global tender for the development of an MRO facility on a 40-acre site within the airport's 1,334-hectare premises. Singh

