

A front-facing view of a white and blue aircraft on a runway at dusk. The aircraft's nose, cockpit, and landing gear are visible. The background shows a dark sky and some distant structures.

FRAMEWORK FOR AIRCRAFT LEASE IN IFSC, GIFT CITY

A compendium of IFSCA regulations and other circulars

INDIA JURIS

2024

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INTRODUCTION

The Government of India and the International Financial Services Centres Authority (IFSCA) have established a regulatory framework under the IFSCA Act, 2019, to promote and regulate aircraft leasing activities in International Financial Services Centres (IFSCs). This includes recognizing operating, financial, and hybrid leases for aircraft, helicopters, their parts, ground support equipment, and aviation training devices as "financial products."

The framework, detailed in the IFSCA Finance Company Regulations, classifies financial leasing as a core activity and operating leasing as a non-core activity, enabling entities to register as Finance Companies or Units to facilitate the growth of the aircraft leasing business in India and position the country as a global hub for aviation financing.

Disclaimer: This document, titled "Framework for Aircraft Lease in IFSC, GIFT City: A Compendium of IFSCA Regulations and Other Circulars", has been prepared for informational purposes only. It compiles and summarizes various government notifications, circulars, and regulatory provisions issued by the Government of India, the International Financial Services Centres Authority (IFSCA), and other relevant authorities.

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FRAMEWORK FOR AIRCRAFT LEASE

A. Applicability:

This framework shall apply to all applicants desirous of seeking registration for one or more of the permissible activities specified under this Circular.

B. Definition:

For the purpose of this Circular:

- (i) "Aircraft Ground Support Equipment" shall have the same meaning as assigned to it under Explanation of the Gazette Notification number IFSCA/2022- 23/GN/023- dated April 12, 2022, issued by the IFSCA.
- (ii) "Lessor" shall mean an entity registered with IFSCA as a Finance Company or a Finance Unit in accordance with Finance Company Regulations and -
 - (a) engaged in the business of providing aircraft or helicopter and engines of aircraft or helicopter or any other part thereof and/or aircraft ground support equipment and/or aviation training simulation device under an operating lease, financial lease and/or a hybrid of financial and operating lease;
 - (b) any other related activity as may be specified by the IFSCA from time to time.

C. Eligibility and Registration Requirement:

- (i) An applicant desirous of undertaking permissible activities in IFSCs as a Lessor shall meet the eligibility criteria and other requirements as specified under the Finance Company Regulations including the following:
 - (a) The applicant shall set-up operations in IFSC in the form of a Company or a Limited Liability Partnership (LLP) or a Trust or in any other form as maybe specified by the IFSCA from time to time.
 - (b) In case the applicant is a company, the 'promoter', as defined in the Companies Act, 2013, of the applicant shall be located in a Financial Action Task Force compliant jurisdiction. In case the applicant is an LLP or a Trust, the partners or the trustees, as the case may be, shall also comply with this requirement.
- (ii) An entity in IFSC, intending to undertake aircraft lease only through its wholly owned subsidiary(ies) setup in IFSC for the purpose, shall also be deemed to be a Lessor under this framework and it may make application for registration accordingly.

D. Application for Registration:

- (i) An applicant desirous of undertaking permissible activities as a Lessor shall submit an application form in the format specified in **Annexure** hereunder to the IFSCA along with the application fees as specified in this framework.
- (ii) An applicant shall not undertake permissible activities as a Lessor unless it has obtained a Certificate of Registration from the IFSCA under the Finance Company Regulations.

Explanation: An applicant desirous of undertaking 'Asset Management Support Services' for an asset other than as mentioned at clause 5 (E) (iv) of this Circular shall obtain a separate authorisation under the Framework for enabling Ancillary Services at IFSC (Circular F.No. 206/IFSCA/Anc.Aux/2020-21 dated February 10,2021), issued by the IFSCA.

Part 1

Aircraft Operating Lease

E. Permissible Activities

A Lessor shall be permitted to undertake all or any of the following activities:

- (i) Operating lease for an aircraft lease arrangement;
- (ii) Operating lease for an aircraft ground support equipment;
- (iii) Operating lease for an aviation training simulation device;
- (iv) Asset Management Support Services for assets owned or leased out by the entity or by any of its Group Entities set up in IFSCs in India;

Here the term "Group Entities" shall mean an arrangement involving two or more entities related to each other through any of the following relationships, viz. Subsidiary – parent (defined in terms of AS 21), Joint venture (defined in terms of AS 27), Associate (defined in terms of AS 23), a related party (defined in terms of AS 18), Common brand name and investment in equity shares (of 20% and above).

- (v) Sale and lease back, purchase, novation, transfer, assignment, and such other similar transactions in relation to permitted activities specified in (i) to (iii) above, and;
- (vi) any other related activity with the prior approval of the IFSCA.]

F. Capital Requirement:

- (i) A minimum owned fund of USD 200,000 or its equivalent in freely convertible foreign currency,

is to be maintained at all times by the entity as specified in item no. 1 of Schedule of the Finance Company Regulations.

Explanation: "Owned fund" for a Lessor under this framework shall mean the paid-up capital and free reserves balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;

- (ii) In addition to F.(i) above, the IFSCA may specify maintenance of additional capital, as a risk management measure, based on the nature and scale of business of the Lessor.

G. Fees

- (i) An entity desirous of undertaking permissible activities under this Part shall adhere to the fee structure and conditions, if any, specified under the IFSCA Circular No. 865/IFSCA/Banking/Fee Revision/ 2022-23 dated May 17, 2023 on 'Fee structure for the entities undertaking or intending to undertake permissible activities in IFSC' (Fee Circular);
- (ii) The fees payable during the process of application (application fees and registration fees) and after grant of registration (recurring fee) shall be as per the relevant provisions of the Fee Circular. The current applicable fees as per the Fee Circular areas under:
 - a) Application Fee: \$ 1000 (one time)
 - b) Registration Fee: \$ 12500 (one time)
 - c) Annual Fee: \$ 5000 (recurring fee)]

Part II

Aircraft Financial Lease

H. Permissible Activities under financial lease:

A Lessor shall be permitted to undertake all or any of the following activities:

- (i) Financial lease or a hybrid of financial and operating lease for an aircraft lease arrangement;
- (ii) Financial lease or any hybrid of financial and operating lease for an aircraft ground support equipment;
- (iii) Financial lease or any hybrid of financial and operating lease for an aviation training simulation device;
- (iv) Sale and lease back, purchase, novation, transfer, assignment, and such other similar

- transactions in relation to permitted activities specified in (i) to (iii) above;
- (v) Permitted activities as stated above at clause 5 (E) of this framework, and;
 - (vi) any other related activity with the prior approval of the IFSCA.]

I. Capital Requirement for Lessors undertaking financial lease:

- (i) A minimum owned fund of USD 3 million or its equivalent in freely convertible foreign currency, is to be maintained at all times by the entity as per item no. 2 of Schedule to the Finance Company Regulations.
- (ii) In addition to (i) above, the IFSCA may specify maintenance of additional capital, as a risk management measure, based on the nature and scale of business of the entity.

J. Prudential and Other Requirements:

Any entity desirous of undertaking permissible activities referred under Clause 5(H) above, except for the activities under Clause 5(H)(v)¹¹, which is a core activity under the Finance Company Regulations, shall apply separately for registration for undertaking the permissible activities under this Part. For this purpose, an entity registered with IFSCA for undertaking operating lease for aircraft shall also be eligible. These activities shall be subject to the requirements under Regulation 4 (applicable prudential regulations), Regulation 7 (Know Your Customer and Anti-Money Laundering) and Regulation 8 (Corporate Governance and Disclosure requirements) as applicable for undertaking permissible core activities as per item no. 2 of Schedule to the Finance Company Regulations.]

K. Fees

- (i) An entity desirous of undertaking permissible activities under this Part shall adhere to the provisions under Fee Circular.
- (ii) The fees payable during the process of application (application and registration fees) and after grant of registration (recurring fee) shall be as per the relevant provisions of the Fee Circular. The current applicable fees as per the Fee Circular are as under:
 - a) Application Fee: \$ 1,000 (one time)
 - b) Registration Fee: \$ 12,500 (one time)
 - c) Annual Fee: \$ 12,500 (recurring fee)]

Part III

General Conditions

L. Currency for Conduct of Business:

All transactions undertaken by a Lessor shall be in freely convertible foreign currency only. However, the Lessor may defray their administrative expenses in INR by maintaining a separate INR account.

M. Maintenance of Books of Accounts, Records and Documents

The Lessor shall maintain its books of accounts, records, and documents as required under applicable law. The books of accounts and other financial information shall be maintained in any such freely convertible currency.

N. Submissions of Report / Information

- (i) The Lessor shall furnish the following information to the IFSCA within 15 days from the finalisation of annual financial statements:
 - a. Audited Annual financial statements.
 - b. Confirmation of compliance with the applicable regulations, circulars, guidelines and directions issued by the IFSCA.
 - c. Confirmation of compliance with capital requirement and details thereof.
 - d. Details of material regulatory action, if any, against the Promoters, Key Managerial Persons or persons controlling the Lessor.
- (ii) The Lessor shall submit all the financial information, expressed in USD, to the IFSCA, unless otherwise specified.
- (iii) The IFSCA may, from time to time, call for any information, documents, or records as it may deem necessary from the Lessor.

O. Compliance with Other Requirements

- (i) The Lessor shall comply with the Cape Town Convention and Protocol and all other applicable statutory obligations, regulatory requirements, standards, policies, directions and guidelines.
- (ii) The Lessor shall deploy resources commensurate with its business operations.
- (iii) The Lessor shall comply with the IFSCA (Anti Money Laundering, Counter- Terrorist Financing and

Know Your Customer) Guidelines, 2022, dated October 28,2022.

O.1. Sharing of office space or manpower or both as per Rule 21B of the SEZ Rules 2006:

The terms and conditions of sharing of office space or manpower or both as per Rule 21B of the SEZ Rules 2006 shall be governed by the circular No.535/IFSCA/FC/ALF/2023- 24/02, titled 'Utilisation of office space or manpower or both by entities undertaking aircraft leasing activity in the International Financial Services Centre ('IFSC'), dated April 18, 2023.

P. Action in Case of Default

If a Lessor fails to fulfil the conditions subject to which the registration is granted, the IFSCA may take any action as it may deem fit, after giving an opportunity of making submissions, if any.

Q. Power to Remove Difficulties, Specify Procedures and Issue Clarifications

For the purpose of implementation of this framework and matters incidental thereto, or in order to facilitate and regulate the permissible activities, the IFSCA may specify the necessary norms, procedures, processes, manners and may also provide necessary relaxations.

ANNEXURE

FORM OF APPLICATION FOR PERMISSION TO SET UP A FINANCE COMPANY/ FINANCE UNIT(FC/FU) AT IFSC UNDER SECTION 3 OF INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (FINANCE COMPANY) REGULATIONS, 2021, DATED MARCH 25, 2021.

By Registered Post AD/ Hand Delivery

(TICK ✓ WHICHEVER IS APPLICABLE)

FINANCE COMPANY (FC) **FINANCE UNIT (FU)**

SPECIFIC ACTIVITY LIST

Core Activity **Non-core Activity**

Name of the Applicant entity¹ (in block letters):_

Address of Registered Office:

To,
The Head of Department,
Banking Division,
International Financial Services Centres Authority,
2nd & 3rd Floor, Savvy Pragya, Gujarat International Finance Tec-City,
Gandhinagar, Gujarat - 382355

Dear Sir,

Application for Certificate of Registration to commence the business of a Finance Company /Unit (Strike whichever is not applicable)

We make this application in terms of Regulation 3(4) of the International Financial Services Centres Authority (Finance Company) Regulations, 2021, dated March 25, 2021, for issue of a Certificate of Registration (CoR). The required documents/ information as per the instructions are furnished.

2. We hereby request you to kindly issue the necessary CoR to enable our company/unit to commence the business of an FC/FU limited to the list of activities proposed by us in the application form.

3. We solemnly declare that to the best of our knowledge and belief, the information furnished in this application and the annex hereto and statements enclosed are correct, complete and true. We are aware that if any of the information furnished herein is found to be incorrect/ incomplete/ untrue, the application for grant of CoR is liable to be rejected and the CoR if granted, is liable to be cancelled.

Yours faithfully,

(Signature of Authorized Official)
Name :

¹ In case of Finance Units – the parent entity will be the applicant entity.

Information to be provided by Finance Companies/Finance Units (FC/FU) desirous of establishing presence in GIFT SEZ IFSC

Sr. No	Particulars	Comments by the Applicant	Remarks by IFSCA
A) Purpose			
1)	Application for registration in IFSC (tick the relevant box) a) Finance Company <input type="checkbox"/> b) Finance Unit <input type="checkbox"/>		
2)	Proposed activity: Tick the relevant activity and mention the name of the activity in the space provided.		
	a) Core Activity <input type="checkbox"/>	b) Non-Core Activity <input type="checkbox"/>	
B) Basic Corporate information			
1)	Name of the applicant entity (parent entity in case of Finance Unit)		
2)	Place and date of incorporation of the applicant entity.		
3)	Legal form of the applicant entity.		
4)	Address of Head office of the applicant entity.		
5)	Address of Corporate office of the applicant entity.		
6)	Registration details of the applicant entity, with regulatory authority(ies) in other jurisdiction(s) (Must include name of the regulator, registration number date of incorporation address and other relevant information)		
7)	Whether the applicant entity and its promoters are from FATF compliant jurisdiction.	Yes/No	
8)	Board Resolution for setting up the Finance Company/Finance Unit in IFSC.		
9)	Contact details of the primary coordinator(s) of the applicant entity: a) Name: b) Contact Number and; c) E-mail:		
10)	Certified copies of Constitutional documents (such as Memorandum and Articles of Association/Partnership Deed, Trust Deed etc.) of the applicant entity.		
C) Business plan			
1)	Proposed sources for meeting the minimum capitalization by the applicant entity.		
2)	Number of officials proposed to be posted in FC/FU.		
3)	Details about products and business projections which shall include the projected balance sheet and profit and		

	loss account for three consecutive years of the applicant entity in the IFSC (along with the assumptions made)		
D)	Ownership and management of applicant entity (i.e. parent entity in case of Finance Unit)		
1)	<p>a) List of names and addresses of promoters of the applicant entity. (i) If the promoter is a natural person – the Income Tax Return for past three years or the Net Worth Certificate dated not earlier than three months from the date of application, for each promoter. (ii) If the promoter is a not a natural person - the last 3 years audited balance sheet, profit and loss statement and Auditor reports shall be submitted for each such promoter.</p> <p>b) Duly filled 'Information on Management' (IOM) for the promoters of the applicant entity (for assessment of compliance with the fit and proper criteria for the promoters/directors) as per attached format. (Refer Annex I)</p>		
2)	<p>a) List the names of directors of the applicant entity. b) Duly filled 'Information on Management' (IOM) for the directors of the applicant entity (for assessment of compliance with the fit and proper criteria for the promoters/directors) as per attached format.</p>		
3)	Name & designation of the senior official/key personnel responsible for operation of the proposed FC/FU		
4)	In case of FU, name & designation of senior official/key personnel of parent entity (at the Headquarters), who will be responsible for the operations.		
5)	In case of FU, date of commencement of business of parent entity in other jurisdictions. (Mention the name of the jurisdiction and date of commencement of business).		
E)	Group Structure		
1)	<p>a) The group structure (vertical) of the applicant entity (represented diagrammatically), indicating percentage of holding at each level and their country of incorporation.</p> <p>b) Whether all the group entities are functioning only in FATF compliant jurisdictions, if No, kindly provide details.</p> <p>c) Details of activities undertaken by the companies in the group structure (vertical).</p> <p>d) Kindly provide details of any group entity, if listed in any jurisdiction.</p> <p>(The group structure shall include each of the subsidiaries/associates/group companies/related parties of the applicant entity)</p>		
F)	Financial Information		
1)	<p>a) In case of FC, amount of Owned Funds (as defined under Chapter I section 2, sub-section 1(i) of IFSCA (Finance Company) Regulations, dated March 25, 2021): (USD million)</p> <p>b) In case of FU, amount of Owned Fund (as specified at</p>		

	Chapter II, section 3, subsection 5(ii) of IFSCA (Finance Company) Regulations, dated March 25, 2021. (USD million)		
	In case of FU, details of applicant entity (parent):		
	a) Total Assets (USD million)		
2)	b) Total Liabilities (USD million)	Equity capital (Owned fund): in USD million	
		Borrowed capital: in USD million	
G)	Supervisory arrangement in Home country		
1)	Home regulator / supervising authority (This field is must for Finance Units and for Finance Company if any group company is undertaking financial services activity in any jurisdiction).		
2)	In case of FU, details of supervisory arrangements to which the applicant entity is subject to including prudential norms.		
3)	a) In case of FC, state the instances where the promoter has been subject to any refusal or restriction on the right to carry on business requiring a license, registration or other permission from any regulator/supervisor, in the last three years. b) In case of FU, state the instances where the applicant entity (parent) has been subject to any refusal or restriction on the right to carry on business requiring a license, registration or other permission from any regulator/supervisor, in the last three years.		
H)	Track record		
1)	Whether the applicant entity has accepted public deposits ² in the past? If yes, please specify a) The provisions of law for acceptance of public deposit. b) Period and the quantum of public deposits outstanding as on the date of this application c) Whether it defaulted in the repayment of the public deposits, if yes the amount of default.	Yes/No	
2)	Is the applicant entity created out of mergers and acquisition, if any, with/of other companies? If yes, please furnish information about the merger/acquisition and the names of the earlier company(ies) which merged to form the applicant entity.	Yes/No	
3)	Are there any pending civil or criminal cases against the applicant entity? If yes, give information about the case and the court(s) in which it is pending.	Yes/No	

4)	Declaration: I Mr./ Ms. _____ director of (Name of the applicant entity) confirm on behalf of the entity that the entity has adequate infrastructure and is capable to electronically submit data/returns through internet as and when required by IFSCA (Tick <input checked="" type="checkbox"/> if complied)																								
I) Additional Information (to be submitted by Global/Regional Corporate Treasury Centre applicants only)																									
Details of the Group Entities to be served:																									
1)	S. No	Name and Address of Group Entity	Jurisdiction of Incorporation																						
J) Payment Details:																									
Fees: As applicable ³ Bank account details of IFSCA: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Mode of payment</td> <td style="width: 40%;">USD (if applicant outside India)</td> <td style="width: 45%;">INR (only application and registration fee, by an applicant from India)</td> </tr> <tr> <td>Account Name</td> <td>International Financial Services Centres Authority</td> <td>IFSCA FUND 2</td> </tr> <tr> <td>Account Number</td> <td>970105000174</td> <td>39907189884</td> </tr> <tr> <td>Type of Account</td> <td>USD Current Account</td> <td>INR Current Account</td> </tr> <tr> <td>Bank Name</td> <td>ICICI Bank Limited</td> <td>State Bank of India</td> </tr> <tr> <td>SWIFT Code</td> <td>ICICINAAXX</td> <td>IFSC Code: SBIN0060228</td> </tr> <tr> <td>Nostro Details</td> <td>CHASUS33XXX JP Morgan Chase Bank NA, NewYork, USA Account No: 833999532</td> <td>NA</td> </tr> </table>					Mode of payment	USD (if applicant outside India)	INR (only application and registration fee, by an applicant from India)	Account Name	International Financial Services Centres Authority	IFSCA FUND 2	Account Number	970105000174	39907189884	Type of Account	USD Current Account	INR Current Account	Bank Name	ICICI Bank Limited	State Bank of India	SWIFT Code	ICICINAAXX	IFSC Code: SBIN0060228	Nostro Details	CHASUS33XXX JP Morgan Chase Bank NA, NewYork, USA Account No: 833999532	NA
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Details of the Authorised Official of the applicant entity																									
Signature																									
Name																									
Designation																									
Company Seal																									
Date: _____ Place: _____																									

ANNEX I

Information on the Management (IOM)*

(Separate form should be submitted in respect of each of the Promoters and Directors)

Sr. No.	Particulars	Response	Remarks by IFSCA
1)	Name		
2)	Director Identification Number (DIN)		
3)	Designation in company		
4)	Nationality. If not an Indian citizen, please specify country and Passport Number and copy of the Passport	Country:	
		Passport Number:	
5)	Date of Birth	DD\MM\YYYY	
	Age as on the date of application	Age: – Yrs.	
6)	Business Address (along with Phone, Fax and Email)		
7)	Residential Address (along with Phone, Fax and Email) with supporting document		
8)	Permanent Account Number (PAN) under Income Tax Act, if applicable		
9)	Educational/professional qualifications		
10)	Experience if any, in the Financial Services Sector. (Details such as name of the company, designation held, experience in years etc. should be provided)		
11)	Is the promoter/director associated with any other entity in any capacity? If yes, please furnish the name(s) of other organizations or entities or associations or unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity indicating the activity of the company and regulators, if any.	Yes/No	
12)	Declaration: I, Mr./ Ms. _____ promoter/director of (Name of applicant company) confirm that I have not accepted public deposit ⁴ as defined in the Regulations		

⁴ The term "public deposit" is defined under Chapter 1, section 2, sub-section 1(j) of IFSCA Finance Company Regulations, dated 25th March 2021, as "Public deposit", for the purposes of these Regulations shall mean an amount raised from a resident or a non-resident, in any form which is repayable on demand or is a term deposit and includes such other amount as may be specified by the Authority from time to time;

* Response (details, if any) to any of the questions herein, may not necessarily impair our assessment towards fitness and propriety of the applicant. However, deliberately withholding information or providing false or misleading information may be viewed adversely.

13)	<p>Has the promoter/director or any relative of the director or the companies/entities in which the director is/was associated with, are in default or have defaulted in the past in respect of credit facilities obtained from any entity or bank? If yes, please furnish information about the default and the name of the lending institution.</p>	Yes/No	
14)	<p>Whether the promoter/director has been disqualified to act as promoter/director under any law in any jurisdiction where the applicant entity or the group companies of the applicant entity are operating</p>	Yes/No	
15)	<p>Name/s of the companies, firms, partnership firms, in which the promoter/director holds substantial interest.</p>		
16)	<p>Whether the company or any of its promoter(s)/director(s) was/is involved in any investigation /disciplinary action /legal or regulatory violations /criminal case by any law enforcement /regulatory agencies? If yes, please furnish details.</p>	Yes/No	
17)	<p>Whether any order has been passed by any bankruptcy / resolution authority against any company with which the promoter(s)/director(s) are associated? If yes, please furnish details.</p>	Yes/No	
18)	<p>Credit report/ Information / Score (Adverse remarks, if any to be incorporated)</p>		
	Signature:		
	Name:		
	Designation		
	Company Seal:		
	Date:	Place:	

Details / Checklist of documents to be submitted by applicant entity.

The following documents must be attached with this application. Mark the appropriate response cell with a “tick” to confirm that these attachments are enclosed with the application form.

Sr. No	Particulars	Yes	No	N/A
1)	Board Resolution for setting up the Finance Company/ Finance Unit.			
2)	Contact details of the primary coordinator of the FC/FU (for processing the application).			
3)	No-Objection Certificate from the home country regulator for setting up a Finance Company/ Finance Unit in IFSC Gandhinagar, if applicable.			
4)	SEZ Approval Letter			
5)	Provisional Allotment of office space in IFSC Gandhinagar			
6)	Permanent Account Number (PAN) or any Tax Identification document and address proof of the applicant entity.			
7)	Proof of payment of the application fees paid by the applicant entity (Details of SWIFT MT 103 or UTR of the transaction)			
8)	Copy of power of attorney or authorization granted to its authorized signatories of the applicant entity for signing the application and to transact on its behalf (if applicable)			
9)	Certified copies of the following, for the applicant entity.			
	a) Certificate of Incorporation			
	b) Memorandum of Association			
	c) Articles of Association and;			
	d) Last 3 years audited consolidated financial statements, wherever applicable.			
10)	e) other constitutional documents as applicable			
	Certified copies of the promoter as specified at point D 1(a)(ii) of the application form.			
	a) Certificate of Incorporation			
	b) Memorandum of Association			
	c) Articles of Association			
	d) Last 3 years audited consolidated financial statements.			
11)	Last 3 year Income Tax Return or Net Worth certificate for promoters as specified at point D 1(a)(i) of the application form.			
12)	Group structure of the applicant entity as per section E of the application form.			
13)	'Information on Management' for all promoters and directors (Annex I of the application form)			
14)	Business plan and projections as per section C of the application form.			
15)	An undertaking by the applicant that it shall fulfill the owned fund requirement before entering into any permissible activity as mentioned in the IFSCA (Finance Company) Regulations, 2021,			

	or within such timeline as may be prescribed by the Authority, whichever is earlier.			
16)	<p>Board Resolution stating that:</p> <p>a) The applicant has not accepted any public deposit⁵, in the past /does not hold any public deposit as on date and will not accept the same in future without the prior approval of IFSCA.</p> <p>b) The Unincorporated body in the group where the directors / key persons/promoters hold substantial interest or otherwise has not accepted any public deposit in the past/ does not hold any public deposit as on date and will not accept the same in the future.</p>			
17)	<p>A Declaration cum Undertaking by the Applicant that -</p> <p>(a) the information provided in the application (including the attachments), is complete and true;</p> <p>(b) it shall notify the IFSCA immediately of any material change in the information provided in the application;</p> <p>(c) it shall comply with and be bound by the guidelines, directions and regulations issued by IFSCA, as amended from time to time; and</p> <p>(d) it shall abide by such operational instructions/directives as may be issued by the IFSCA from time to time, as a condition of authorization.</p> <p>(e) it shall seek specific registration for any category of activity, if so prescribed by IFSCA.</p> <p>(f) (to be submitted by Global/Regional Corporate Treasury Centre applicants only) we shall notify the IFSCA immediately of additional group entity/ies to be served from IFSC, if any.</p>			

⁵ As defined in section 2(1)(j) under Chapter 1 of the IFSCA (Finance Company) Regulations, 2021, dated March 25, 2021.

CAR Section 2 - Airworthiness Series - F Part VII

Issue II regarding Special Flight Permits



GOVERNMENT OF INDIA
OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION
TECHNICAL CENTRE, OPP SAFDURJUNG AIRPORT, NEW DELHI

**CIVIL AVIATION REQUIREMENTS
SECTION 2 - AIRWORTHINESS
SERIES 'F', PART VII
ISSUE II, 10th August, 1999**

EFFECTIVE: FORTHWITH

F. No. 11-690/CAR/F-Part/VII/2006-AI(2)

SUBJECT: SPECIAL FLIGHT PERMITS

1. Introduction

- 1.1** Rule 15 of the Aircraft Rules, 1937 states that no aircraft shall be flown unless the aircraft holds a valid certificate of airworthiness or a special certificate of airworthiness. Further, the said rule allows an aircraft to be flown under a special flight permit issued by the Director General.
- 1.2** Subrule 3 of Rule 55 of the Aircraft Rules, 1937 states that an aircraft shall not be flown during any period for which its certificate of airworthiness or special certificate of Airworthiness is suspended or deemed to be suspended. Further, subrule 4 of the said rule states that "Where the certificate of airworthiness or the special certificate of airworthiness of an aircraft is suspended or deemed to be suspended, the Director-General may, upon an application by the owner or operator, issue a special flight permit under rule 55A".
- 1.3** Rule 55A of the Aircraft Rules, 1937 states that the Director-General may issue a special flight permit when an aircraft is not fully in compliance with the airworthiness requirements but is in a condition for safe operation subject to such conditions as are specified in the special flight permit. The owner or operator of an aircraft may apply to the Director-General for the issue of a special flight permit in respect of the aircraft for any of the purposes as specified by the Director-General.
- 1.4** This part of the CAR lays down the conditions for the issuance of a special flight permit in respect of an aircraft with a suspended or deemed to be suspended or invalid C of A, which may be permitted to undertake flight.
- 1.5** This CAR is issued under the provisions of Rules 55, 55A and 133A of Aircraft Rules 1937.

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2. Definitions

"Special Flight Permit" means a document issued by the Director-General to an aircraft which does not meet the conditions of airworthiness as defined in clause (1GA) but is in a condition for safe operation subject to limitations as may be specified therein; (Rule 3 (51C) of the Aircraft Rules, 1937)

"Airworthy" means the status of an aircraft, engine, propeller or part when it conforms to its approved design and is in a condition of safe operation in accordance with norms specified by the Director-General. (Rule 3 (1GA) of the Aircraft Rules, 1937)

"Maintenance check flight (MCF)" means a flight carried out to provide reassurance of the aircraft's performance or to establish the correct functioning of a system or equipment that cannot be fully established during ground checks:

- (a) as required by the aircraft maintenance manual (AMM) or any other maintenance data issued by a design approval holder being responsible for the continuing airworthiness of the aircraft; or
- (b) after maintenance, as required by the operator or proposed by the continuing airworthiness management organisation; or
- (c) as requested by the maintenance organisation for verification of a successful defect rectification; or
- (d) to assist with fault isolation or troubleshooting.

"Demonstration flight" means a flight performed with the purpose of demonstrating an aircraft's handling, performance, capabilities and functionalities to prospective lessees.

3. Conditions for the issuance of a special flight permit

Defects and damages may be encountered during operation of an aircraft for which repair facilities may not exist at en-route stations. At times in order to carry out a mandatory modification/ inspection/ Airworthiness Directive, it is essential for the aircraft to be dispatched to base. In certain other conditions, evacuation of aircraft or persons from, areas of impending danger may be required. There may be occasions where the aircraft has to be flown for experimental or test flights including production test flights without valid C of A. In these circumstances, special flight may be authorized, if the aircraft is otherwise safe, to conduct the intended flight.

3.1 A special flight permit may be issued by DGCA Hdqrs./ Regional/ Sub-Regional Airworthiness Office to an aircraft when Certificate of Airworthiness has been suspended or deemed to be suspended or has become invalid. Such aircraft currently may not meet applicable airworthiness requirements but is capable of performing safe flight for the following purposes:

- i) Ferry fly to a base without fare paying passengers or property onboard where repair, modification and maintenance are to be performed to remove the suspension of the C of A.

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- ii) Test flying after modification/ repair during a process of applying for a supplementary type certificate.
- iii) Evacuation of aircraft or persons from areas of impending danger or in the case of force majeure.
- iv) Ferry fly to a point of Temporary/ Permanent storage.
- v) Operation of an aircraft at a weight in excess of its maximum certified take-off weight for flight beyond the normal range over water, or over land areas where adequate landing facilities or appropriate fuel is not available. The extra weight that is limited to additional fuel, fuel tanks and navigation equipment necessary for the flight.
- vi) Test flying after maintenance / modification/ repair for revalidation / revocation of C of A, if required, in accordance with CAR Section 2 Series F Part III Para 8.
- vii) Test flying in case of expired ARC.

3.2 Special Flight Permit may also be issued for:

- (a) a new delivery aircraft from manufacturing facility as specified in CAR Section 2 Series F Part III.
- (b) After erection of an aircraft for the purpose of conducting test flight.
- (c) Undertaking maintenance check flight/ demonstration flight/ positioning flight in respect of aircraft registered with aircraft leasing company approved by IFSCA as 'Operator'.

Note 1: Such Lessor/ Operator must comply with all operational requirements for the intended flight (MCF/ Demo/ positioning).

Note 2: Lessors are only be permitted for normal routine flight for Demo purposes. For demonstration flight, Lessor and Lessee representative(s) as required shall only be permitted on board.

4. Procedure

4.1 The owner/ operator seeking a special flight permit shall submit an application as per Appendix I. The operator shall substantiate how the aircraft can be flown safely and the steps taken for safe flight. The application shall be concurred and signed by the engineering and operations departments of the operator signifying that the proposed operation is safe from engineering and operational aspects.

4.1.1 For a damaged aircraft:

- a) the application shall be submitted to the local Regional Airworthiness /Sub Regional Office under whose jurisdiction the aircraft has sustained damage and will be accompanied with a report covering assessment of defect and extent of damage sustained. A copy of the report shall also be forwarded to the Regional/ Sub-Regional office where the aircraft is based.



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- b) In case the aircraft sustains damage/defect outside the country, application for special flight permit shall be submitted to the office where the aircraft is based.
- 4.2 The application and the report, detailing the condition of the aircraft and the steps taken for safe flight will be analysed and based on the assessment with regard to safety of aircraft (also persons on board), the local Regional/ Sub regional Airworthiness Office may grant special flight permit subject to the following conditions/ limitations:
- a) A copy of the special flight permit shall be carried on board the aircraft when operating under this special flight permit;
 - b) The registration marks assigned to the aircraft shall be displayed on the aircraft in conformity with the requirements as laid down in Aircraft Rules, 1937 and Civil Aviation Requirements;
 - c) Person or property shall not be carried for compensation or hire;
 - d) No person shall be carried on the aircraft unless that person is essential to the purpose of the flight and has been advised of the contents of the permit and the airworthiness status of the aircraft;
 - e) The aircraft shall be operated only by flight crew members who are aware of the purpose of the flight and any limitation imposed, and who hold appropriate licence issued or validated by DGCA;
 - f) All flights shall be conducted so as to avoid areas where flights might create hazardous exposures to person or property;
 - g) All flights shall be conducted within the performance operating limitations prescribed in the Aircraft Flight Manual and any additional limitations prescribed for the particular flight; and
 - h) The flight shall be conducted within the period of the validity of the Permit.
 - i) Before undertaking the flight, the aircraft shall be inspected and repaired to a degree necessary to ensure safe flight, and a maintenance release signed by a person/ organisation licensed/ authorized.
 - j) If the flight involves operation over States other than India, the operator of the aircraft must obtain necessary overfly authorization from the respective authorities of each of those States prior to undertaking the flight.
- 4.3. It is the responsibility of the operator / owner to ensure that the aircraft is capable of performing safe flight for the intended purpose. However, Regional/ Sub regional Airworthiness Office may require the applicant to make the aircraft available for inspection especially when the aircraft is damaged or the airworthiness/ safety of aircraft is in doubt or C of A of the aircraft is expired.

Note: In case of an aircraft possessing non-expiring C of A, the C of A will be deemed to have expired once the ARC is not renewed.

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- 4.4. When an aircraft has sustained damage, DGCA shall judge whether the damage is of nature such that the aircraft is no longer airworthy.
- 4.5. If the damage is sustained or ascertained when the aircraft is in the territory of another Contracting State, the authorities of the other Contracting States shall be entitled to prevent the aircraft from resuming its flight on the condition that they shall advise DGCA immediately, communicating to it all details necessary to formulate the judgement necessary for ascertaining the nature of the damage and its effect on airworthiness and safety.
- 4.6. When the DGCA considers that the damage is of a nature such that the aircraft is no longer airworthy, it shall prohibit the aircraft from resuming flight until it is restored to airworthy condition. The DGCA may however, in exceptional circumstances, prescribe particular limiting conditions to permit the aircraft to undertake a non-commercial operation to an aerodrome at which it will be restored to an airworthy condition. In prescribing particular conditions the DGCA shall consider all limitations proposed by the Contracting State that had originally, in accordance with para 4.5, prevented the aircraft from resuming its flight. DGCA shall permit such flight or flights within the prescribed limitations.
- 4.7. When DGCA considers that the damage is of a nature such that the aircraft is still airworthy the aircraft shall be allowed to resume flight.
5. Upon completion of the flight, the operator will render a report to the Regional/ Sub Regional Airworthiness Office, where the aircraft is based and a copy forwarded to the authority who had issued the special flight permit which shall include.
 - a) Any abnormality encountered during flight.
 - b) Action taken at base to render aircraft airworthy.
 - c) Result of production test flight.
 - d) Any other information regarding the flight as deemed necessary.
6. Notwithstanding the above, the Regional/Sub Regional Airworthiness Office may refuse to grant permit to any flight if there is reasonable doubt that such flight may jeopardize the safety of the aircraft and/ or persons on board.



(Vikram Dev Dutt)
Director General of Civil Aviation



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Appendix I

APPLICATION FOR ISSUE OF SPECIAL FLIGHT PERMIT					
1. Details of owner:					
Name Aircraft owner (as stated in the C of R)					
Aircraft owner's address			Telephone number		
			e-mail address		
2. Details of applicant :					
Name of applicant					
Address			Telephone number		
			e-mail address		
3. Aircraft Details:					
Registration Marks	Aircraft Manufacturer	Aircraft type / Model	Aircraft Serial Number	Year of Construction	
VT- <input type="text"/> <input type="text"/> <input type="text"/>					
4. Purpose of Special Flight Permit:					
<input type="checkbox"/>	Ferry for Repairs, Maintenance, Storage etc.	<input type="checkbox"/>	Evacuating Aircraft	<input type="checkbox"/>	Demonstration Flight
<input type="checkbox"/>	Test Flight	<input type="checkbox"/>	In Excess of MTOW	<input type="checkbox"/>	Maintenance Check Flight
<input type="checkbox"/>	Positioning Flight				
5. Proposed Itinerary:					
Flight Details					
From: _____ (Place)		To: _____ (Place)			
Period for which the Special Flight Permit is requested					
From ___/___/___		To ___/___/___		Proposed Departure Date ___/___/___	
6. Details of crew required to operate the aircraft:					
Name(s):		Licence and Rating(s):		Licence validity:	
7. Details of non-compliance to airworthiness requirements:					
<i>(Attach supporting documents including damage assessment report if any)</i>					
8. Details of limitation/ restriction, the applicant considers necessary for safe operation of the aircraft:					
Engineering:					
Operation:					
9. Proposed action to make the aircraft fit for special flight:					
10. Any other information relevant to the flight for the purpose of prescribing Operating limitations:					
11. Detail of Fees Paid:					
<i>Certified that the aircraft is capable of safe flight to the intended destination. The above particulars and full documents submitted in support of this application are true in every respect.</i>					
Signature of CAM/ Quality Manager			Signature of Chief of Operations*		
Date:			Place:		

*PIC for the purpose as specified in note under para 3.2 (c) of CAR Section 2 Series F Part VII.

An exemption from applicability of provisions of the Insolvency and Bankruptcy Code, 2016 for the transactions, arrangements or agreements, under the Convention and the Protocol, relating to aircraft, aircraft engines, airframes and helicopters.

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THE GAZETTE OF INDIA : EXTRAORDINARY

[PART II—SEC. 3(ii)]

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 3rd October, 2023

S.O. 4321(E).—WHEREAS, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment were adopted under the joint auspices of International Civil Aviation Organization and the International Institute for the Unification of Private Law concluded at Cape Town on 16th November, 2001;

AND WHEREAS, India, being a signatory to and having acceded the Convention and the Protocol by depositing with the International Institute for the Unification of Private Law the instruments of accession on 31.03.2008;

Now, therefore, in exercise of the powers conferred by clause (a) of sub-section (3) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby notifies that the provisions of sub-section (1) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), shall not apply to transactions, arrangements or agreements, under the Convention and the Protocol, relating to aircraft, aircraft engines, airframes and helicopters.

[F. No. Insol-30/9/2020-Insolvency-MCA]

ANITA SHAH AKELLA, Jt. Secy.

The Department of Commerce introduced Rule 29A enabling import, acquisition, supply and export of aircraft to and from IFSC from any customs airport, port or landing station in India.

MINISTRY OF COMMERCE AND INDUSTRY

(Department of Commerce)

NOTIFICATION

New Delhi, the 3rd October, 2022

G.S.R. 761(E).—In exercise of the powers conferred by section 55 of the Special Economic Zones Act, 2005 (28 of 2005), the Central Government hereby makes the following rules further to amend the Special Economic Zones Rules, 2006, namely: -

1. (1) These rules may be called the Special Economic Zones (Fourth Amendment) Rules, 2022.
- (2) They shall come into force on the date of their publication in the Official Gazette.



2. In the Special Economic Zones Rules, 2006, after rule 29, the following rule shall be inserted, namely: -

‘29A. Procedure of import or export or procurement from or supply to Domestic Tariff Area of aircraft by a Unit in International Financial Services Centre. - (1) Notwithstanding anything in rule 29, the Unit based in the International Financial Services Centre approved by the International Financial Services Centre Authority, importing aircraft shall follow the procedure as given below, namely:-

- (a) the Unit in the International Financial Services Centre shall file Bill of Entry for home consumption in quintuplicate giving therein, description with specially stamped endorsement as “International Financial Services Centre Cargo” along with invoice and packing list with the Authorised Officer who shall register and assign a running annual serial number and assess the Bill of Entry, on the basis of transaction value, which shall not require any counter signature of the Specified Officer;
- (b) while filing the bill of Entry, the lessor shall indicate port of discharge or customs landing station as the respective customs airport or port or landing station where aircraft is expected to be received first time by the International Financial Services Centre Unit:

Provided that where the Bill of Entry is not assessed on the date of filing itself, the goods shall be allowed to be transferred to place designated by the International Financial Services Centre Unit on the basis of the registered Bill of Entry if an endorsement to this effect has been made by the Authorised Officer:

Provided further that, the place designated by the International Financial Services Centre Unit shall be the customs area or a customs bonded warehouse within the customs airport where aircraft is expected to be received first time by the International Financial Services Centre Unit:

Provided also that where the aircraft is supplied free of cost or on loan or lease basis, the Bill of Entry shall be filed jointly in the name of the International Financial Services Centre Unit and the supplier;

- (c) assessed Bill of Entry shall be submitted to the customs officer at the place of import through an e-mail or any other mode authorised under these rules and the same shall be treated as permission for transfer of goods to the place designated by the International Financial Services Centre Unit;
- (d) on receipt of assessed Bill of Entry, the customs officer at the customs airport shall inspect marks and numbers of the aircraft and conduct examination, if necessary, and forward examination or inspection report, including the location where the aircraft is stored or parked, to the Special Economic Zone Customs Authorised Officer through an e-mail or any other mode authorised under these rules;
- (e) the receipt of the report from customs officer at the customs airport and verification of the details from the assessed Bill of Entry by the Authorised Officer at the Gujarat International Finance Tec-City Special Economic Zone shall be deemed to be the arrival of such goods to the International Financial Services Centre Unit and completion of the customs procedure for out of charge of the goods;
- (f) the International Financial Services Centre Unit shall be responsible for ensuring that aircraft imported by the International Financial Services Centre Unit is under the custody of such person approved under section 45 of the Customs Act, 1965, for the respective customs airport or port or landing station.

(2) In case of procurement of aircraft from Domestic Tariff Area, the International Financial Services Centre Unit shall follow the procedure as given below, namely:-

- (a) lessors approved as Unit in the International Financial Services Centre may procure aircraft on purchase or on a lease basis;
- (b) for procurement, all Tax Invoice, filing of Domestic Tariff Area Procurement and other documents prescribed under the Goods and Services Tax Act, 2019 or the Act or the rules made thereunder, shall be submitted through SEZ Customs;



Provided that where the aircraft is supplied on loan or lease basis by a domestic supplier, documents for Domestic Tariff Area procurement shall be filed jointly in the name of the International Financial Services Centre Unit and domestic supplier;

- (c) the documents stated in clause (b) shall indicate port of receipt or landing station as the respective customs airport or port or landing station where aircraft is expected to be received first time by the International Financial Services Centre Unit;
 - (d) for examination and inspection of marks and numbers of the aircraft, the Authorised Officer shall communicate to the appropriate customs officer of concerned customs airport within twenty-four hours of filing of respective documents by the International Financial Services Centre Unit, through an e-mail or any other authorised mode;
 - (e) customs officials at the respective customs airport shall carry out examination or inspection of marks and numbers of such aircraft and forward examination or inspection report, including the location where the aircraft is stored or parked, to the Authorised Officer concerned through an e-mail or any other authorised mode;
 - (f) on receipt of the report from customs officer at the customs airport and verification of the details from the document filed as per clause (b) by the Authorised Officer at the International Financial Services Centre Unit shall be deemed to be arrival of such goods to the International Financial Services Centre Unit and completion of the customs procedure for out of charge of the goods;
 - (g) the lessor shall be responsible for ensuring that aircraft imported by the International Financial Services Centre Unit is under the custody of such person approved under section 45 of the Customs Act, 1965, for the respective customs airport or port or landing station.
- (3) In case of supply of aircraft on lease or outright basis, or the International Financial Services Centre Unit based in Special Economic Zone into India shall follow the procedure given below, namely:-
- (a) lessors approved as the International Financial Services Centre Unit located in Special Economic Zone may supply the aircraft on lease or outright basis into Domestic Tariff Area;
 - (b) all Bill of Entry for Domestic Tariff Area sale and other such documents, as the case may be, prescribed under the Act or the rules made thereunder shall be submitted through Special Economic Zone online system by the International Financial Services Centre Unit with the Customs;
 - (c) the documents stated in clause (b) shall indicate port of receipt or landing station as the respective customs airport or port or landing station where aircraft is already stored or parked by the International Financial Services Centre Unit;
 - (d) after assessment of Bill of Entry for Domestic Tariff Area sale, the importer in India shall make payment of duty as applicable;
 - (e) for examination and inspection of marks and numbers of the aircraft, the Authorised Officer shall communicate to the appropriate customs officer of the customs airport or port or landing station concerned, as the case may be, within twenty-four hours of filing of respective documents by the International Financial Services Centre Unit, through an e-mail or any other mode authorised under these rules;
 - (f) customs officials at the respective customs airport or port or landing station shall carry out examination or inspection of marks and numbers of such aircraft and forward the examination or inspection report, including the location where the aircraft is stored or parked, to the Authorised Officer concerned through an e-mail or any other mode authorised under these rules;
 - (g) the receipt of the examination or inspection report from customs officer at the airport or port or landing station and verification of the details from the assessed Bill of Entry by the Authorised Officer at the Special Economic Zone shall be deemed to be completion of the customs procedure for out of charge of the goods into Domestic Tariff Area;
 - (h) after out of charge of Bill of Entry for Domestic Tariff Area sale has been completed, the Authorised Officer shall intimate the customs officials at the respective customs airport or port or landing station to allow the physical removal of aircraft into India;

Directorate General of Civil Aviation (DGCA) exempted IFSC-based Aircraft leasing units from any approval/NOC for import/acquisition of the Aircraft



GOVERNMENT OF INDIA
OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION
TECHNICAL CENTRE, OPP. SAFDARJUNG AIRPORT, NEW DELHI.

AIR TRANSPORT CIRCULAR NO. 02/2017

File No. AV.14027/AAC/2012-AT-1

Issue II, Dated: 19.09.2022

SUBJECT: PROCEDURE FOR OBTAINING PERMISSION FOR IMPORT/LOCAL ACQUISITION OF AIRCRAFT

1. INTRODUCTION

- 1.1 Aircraft Act 1934, Section 5, inter alia, empowers the Central Government to make rules for regulating the Export/Import of an aircraft for securing the safety of operation. The requirements for import of aircraft are laid down by Director General of Foreign Trade (DGFT), Ministry of Commerce, from time to time.
- 1.2 As per the order issued by Ministry of Civil Aviation and requirements contained in DGFT notifications, DGCA shall issue permission for Import/Local Acquisition of aircraft by Scheduled Operator, Scheduled Commuter Operator, Non-Scheduled Operator, Flying Training Organisations (FTO), holder of Aerial Work Authorisation and will recommend to DGFT for issue of Import License for import of aircraft for private use and for Central/State Govt./Public Sector Undertakings.
- 1.3 DGCA also issues permission to individuals/Company etc. for Import/Local acquisition of microlight aircraft, powered hang gliders and hot air balloons for private use, hobby flying, joy rides etc. The relevant DGCA CAR regarding Design, Manufacture, Registration and Operation including MHA requirements of such category of aircraft shall be complied by the applicant.
- 1.4 The permission for import of aircraft, except in case of aircraft for private use and Central/State Govt./Public Sector Undertakings shall be issued in two stages, namely "In-Principle approval" and "NOC for Import". The permission for Local acquisition of aircraft shall be issued in one stage as "Permission for Local Acquisition".

- 1.5 Directorate of Air Transport (DAT) shall issue In-Principle approval/Permission for local acquisition for all categories of aircraft in consultation with other relevant Directorates of DGCA.
- 1.6 In case of import of aircraft for private use and Central/State Govt./Public Sector Undertakings Import Licence from DGFT shall be required.

2. PROCEDURAL REQUIREMENTS

2.1. Application

An application for In-Principle Approval/NOC for Import/Permission for Local Acquisition of aircraft shall be submitted to Directorate of Air Transport (DAT), O/o DGCA online through eGCA portal along with requisite fees as mentioned at para 2.3 and following enclosures, as may be relevant for the category of applicant.

- i. Initial NOC issued by the Ministry of Civil Aviation in case of a new applicant intending to undertake Scheduled/Scheduled Commuter Air Transport Services.
- ii. Scheduled/Scheduled Commuter operator shall submit a Parking Permission for the intended aircraft issued by Aerodrome Operator licensed for Public Use.

Note: Operators of all other categories may either submit a parking permission as above or submit an undertaking that the subject aircraft shall be parked appropriately complying with all the prescribed safety and security requirements contained in relevant regulations. Such undertaking shall be applicable only for obtaining permission for Import/Local Acquisition of the aircraft.
- iii. Document indicating the arrangement made for Continuing Airworthiness (CAMO) and Maintenance of the intended aircraft to be imported.
- iv. Compliance statement in respect of FDI as specified in the applicable AIC.
- v. Certificate from Chartered Accountant/Company Secretary stating the Paid-up capital of the organisation (only for Scheduled/Non-Scheduled Operator's).
- vi. Letter of Type Acceptance/Validation issued by DGCA with Revision/Issue of Type Certificate Data Sheet as applicable for intended aircraft to be imported.
- vii. Certificate of Registration, Certificate of Airworthiness and Airworthiness Review Certificate of aircraft in case of local acquisition of an Indian registered aircraft.

- viii. A letter of intent (LOI)/communication from the owner/lessor regarding the proposed sale/lease of the aircraft to the applicant.
- ix. Any other document to substantiate the information provided.

2.2. Issuance of Permission for Import/Local Acquisition of aircraft.

2.2.1. The aircraft to be imported should be meeting the criteria with regard to its Type Certificate, age and other relevant mandatory requirements as laid down in the applicable/relevant CARs.

Note: For any financial arrangements towards purchase/lease of any aircraft and for remittance of any foreign exchange for import/Local acquisition of aircraft, the applicable regulations/guidelines issued from time to time by Reserve Bank of India (RBI) and/or any other institution/agency/department etc. in this regard shall be followed by the applicant.

2.2.2. In accordance with National Civil Aviation Policy 2016 "All aircraft being registered in India from 1st Jan 2019 will mandatorily have to be GAGAN enabled." The Government has subsequently deferred the above date to 01.07.2021. Accordingly, the aircraft being imported for registration on or after 01.07.2021 shall be suitably equipped with GAGAN equipment.

2.2.3. For import/local acquisition of aircraft the applicant and the seller/lessor of the aircraft shall be responsible for:

- a) Ensuring compliance with regulations/guidelines from Customs Authorities as may be applicable for such transaction.
- b) Any third party charge and/or liability, if applicable over such aircraft.

2.2.4. The aircraft proposed to be imported shall comply with the requirements specified in CAR Section 2, Series 'F', Part XX.

2.2.5. For import of aircraft for Scheduled/Non-scheduled Air Transport Services, DAT will issue In-Principle approval on compliance of requirements under this circular and relevant CAR. Subsequently, NOC (No Objection Certificate) for import will be issued by DAT on the basis of certification requirements for inducting intended aircraft to be imported on the Air Operator Certificate/Permit. The applicant would be required to provide the following details at the time of seeking NOC for actual import.

- i. Copy of In-Principle approval.
- ii. Details of aircraft and enclosures as mentioned in Annexure-A
- iii. Details of augmentation of Pilots, Cabin crew and Aircraft Maintenance Engineers for the intended aircraft to be imported.
- iv. Any other information that may be sought by DGCA.

- 2.2.6. For Import/Local Acquisition of aircraft for private use including microlight aircraft, powered hang gliders and hot air balloon for private use, hobby flying, Joy rides etc. the applicant shall apply for security clearance online through “e-sahaj” portal. On receipt of security clearance from MHA, DAT shall issue In-Principle approval in case of Import and Permission for Local Acquisition of aircraft which shall also be communicated to DGFT for grant of import license.
- 2.2.7. For Import/Local Acquisition of aircraft by FTO, DAT shall issue the In-Principle approval for Import/Permission for Local Acquisition of aircraft which shall also be communicated to DFT (Directorate of Flying & Training). Subsequently, NOC for import shall also be issued by DAT. The applicant would be required to provide aircraft details as per Part-II of Annexure ‘A’ of this circular for issuance of NOC along with a copy of In-Principle approval. Such proposals for import/acquisition of aircraft for flying training purpose shall be examined in consultation with DFT.
- 2.2.8. For Import/Local Acquisition of aircraft for the purpose of aerial work operations, DAT shall issue the In-Principle approval for Import/Permission for Local Acquisition of aircraft only after the receipt of security clearance as part of approval process for grant of aerial work authorisation under Rule 134B of the Aircraft Rules 1937.

2.3. **Fee:**

Fee to be paid as follows in a manner as prescribed by Director General.

	Category		
	Commercial/Private/Aerial Work (Based on weight of the aircraft)		FTO/Microlight Aircraft/Powered Hang Gliders/Hot Air Balloon
Fees	All-up weight less than or equal to 10,000 kg	Rs. 1,00,000/- (One Lakh Only)	Rs. 20,000/- (Twenty Thousand only) per aircraft
	All-up weight more than to 10,000 kg	Rs. 2,00,000/- (Two Lakh Only)	

Note:

- i. In case of Scheduled Operators seeking In-Principle approval for ‘aircraft in bulk’, the requisite fee can be paid at the time of request for NOC for aircraft. Aircraft in bulk here refers to purchase of brand new aircraft to be inducted over a period of time.

- ii. In case of import of single aircraft, the applicable fee shall be paid at the time of issuance of In-Principle approval. Based on the In-Principle approval operator should apply for issuance of NOC for actual import of aircraft.

2.4. Validity of Permission for Import/Local Acquisition of aircraft.

The validity of the permission for Import/Local Acquisition of each aircraft shall be one year which may be extended up to a period of 1 year on genuine grounds. However, in any case, such permission will not be extended beyond the validity of the initial NOC issued by MOCA, in case of fresh applicants. In case of Scheduled /Scheduled Commuter Operators the validity of In-Principle Approval for import of 'aircraft in bulk' shall be as per the induction plan of the operator.

3. Aircraft Leasing from IFSC, GIFT-City, Gujarat.

Notwithstanding anything contained in this circular, the leasing companies/entities registered with International Financial Services Centre (IFSC) located in GIFT-City, Gandhi Nagar, Gujarat, and approved by International Financial Services Centres Authority (IFSCA) for undertaking leasing of aircraft, shall not require any approval/NOC from DGCA for import of aircraft or for acquisition of an Indian registered aircraft for the purpose of leasing. However, such leasing companies/entities shall be required to comply the applicable regulations/guidelines prescribed by IFSCA, DGFT, Customs or any other relevant authorities for the purpose.

Provided that, if any entity/operator intends to procure any aircraft on lease from IFSC (located in GIFT City, Gandhi Nagar, Gujarat) based leasing company for its operation in India, then such entity/operator shall obtain approval/NOC from DGCA as per the provisions of this circular.



(Arun Kumar)
Director General of Civil Aviation

Annexure-A

APPLICATION FOR IMPORT/LOCAL ACQUISITION OF AIRCRAFT

PART I: GENERAL INFORMATION

1. Name and Address of the Applicant/Operator :
2. Category (Scheduled/Scheduled Commuter /Non-schedule/Private/FTO/Aerial Work/ State Govt./PSU) :

3. Existing fleet strength :

S. No.	Aircraft Type	Registration	Owned/Leased

4. Details of aircraft proposed to be Imported/Acquired

MSN No.	Type & Make	TCDS No. and Issue/Revision date	Nationality	Registration	AUW	Year of Manufacture

(Specific details of the aircraft to be furnished as per format given in Part-II of this Annexure)

5. Whether the aircraft has complied with all Airworthiness Directives mandated by the Authority issuing the Type Certificate : Y/N (If 'No' give details)
6. Paid Up Capital (Only for scheduled/Non-Scheduled Operator) (Enclose documentary evidence) :
7. Mode of Import/Local Acquisition (Outright Purchase or Dry Lease) :

Outright Purchase	Dry Lease		
Name & Address of the owner (name of manufacturer in case of new aircraft)	Name &Address of the owner of aircraft	Name & Address of the Lessor	Name & Address of the Lessee



Annexure-A

- 8. Usual Station/Night Parking allotted
(Enclose documentary evidence) :

- 9. Arrangement/level of readiness for
Continuing Airworthiness (CAMO) and
Maintenance of aircraft
(Enclose documentary evidence) :

- 10. Level of readiness of security arrangements/
Security program :

- 11. Application for security clearance through
e-sahaj portal.
(In case of aircraft for private use) :

- 12. Details of Fee Paid :
(Enclose documentary evidence)

Bharat Kosh/NTRP Receipt No.	Date	Amount

UNDERTAKING

- i. The aircraft shall be used only for the purpose for which it is being permitted to import/acquired and also shall meet the airworthiness/type acceptance criteria for import as per relevant CARs.

- ii. It is confirmed that the aircraft after registration in India shall be maintained, operated and de-registered (if required) in accordance with the Indian rules, regulations, procedures and any condition specified by DGCA India and there is no binding or limitation of any kind in this regard in the lease agreement for the Local acquisition of the aircraft.

- iii. It is confirmed that the applicant shall comply with the provision of relevant CAR regarding adequate number of flight crew/cabin crew and maintenance personnel.

- iv. Certified that the information given above is correct.

(Signature of the Applicant/Authorised Signatory)
Name:
Designation:

Annexure-A

PART II: AIRCRAFT DETAILS

- a) Type and Make of the aircraft:
- b) Nationality and Registration of the aircraft :
- c) Year of manufacture of aircraft :
- d) Name of manufacturer of the aircraft :
- e) Serial number of the aircraft:
- f) No. of passenger seats/Weight of cargo permissible as per type certificate of the aircraft:
- g) Maximum Certified take-off mass:
- h) Engine Type mounted on aircraft:
- i) Number of hours flown since new:
- j) Number of landing since new:
- k) Number of pressurisation cycle since new:
- l) Last major check done and number of hours since flown:
- m) Next major check due:
- n) Name of the company from which the aircraft/helicopter is being taken on lease:
- o) Previous history of aircraft with details of any incident/accident involving structural damage:
- p) Name of the Authority and Country which issued the last Certificate of Airworthiness:

Certified that the information given above is correct.

(Signature of the Applicant/Authorised Signatory)

Name:

Designation:

Notification enabling Operating lease including any hybrid of operating and financial lease of such product or equipment as may be specified by International Financial Services Centres Authority, as financial product.

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

New Delhi, the 14th December, 2021

S.O. 5199(E).—In exercise of the powers conferred by sub-clause (vi) of clause (d) of sub-section (1) of section 3 of the International Financial Services Centres Authority Act, 2019 (50 of 2019), the Central Government hereby notifies operating lease including any hybrid of operating and financial lease of such product or equipment as may be specified by International Financial Services Centres Authority, as financial product.

2. This notification shall come into force on the date of publication in the Official Gazette.

[F. No. 3/4/EM/2020]

ANAND MOHAN BAJAJ, Addl. Secy.

(DGFT) permitted the import of Aircraft by IFSC based Aircraft leasing entity under its Import Policy.

MINISTRY OF COMMERCE AND INDUSTRY
(Department of Commerce)
(DIRECTORATE GENERAL OF FOREIGN TRADE)

NOTIFICATION

New Delhi, the 31st August, 2021

No. 21/2015-2020

Subject : Amendment in Policy Condition No. 1 of Chapter 88 of ITC (HS) 2017, Schedule-I (Import Policy) -regarding

S.O. 3560(E).—In exercise of powers conferred by Section 3 and Section 5 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government, hereby amends Policy Condition 1 of Chapter 88 ITC (HS) 2017, Schedule-I (Import Policy), as under:

Existing Policy Condition No.1	Revised Policy Condition No.1
1. Aircraft and Helicopters (including used/second hand aircraft and helicopters) may be imported by the following without the need to obtain an import license from Directorate General of Foreign Trade.	1. Aircraft and Helicopters (including used/second hand aircraft and helicopters) may be imported by the following without the need to obtain an import license from Directorate General of Foreign Trade.

<p>(a) Air India</p> <p>(b) Pawan Hans Limited</p> <p>(c) Airports Authority of India</p> <p>(d) Indira Gandhi Rashtriya Uran Akademi (IGRUA)/and such other flying clubs/Academies recognised by the Ministry of Civil Aviation, Government of India</p> <p>(e) Any person who has been granted permission by the Ministry of Civil Aviation, to operate scheduled or non-scheduled air transport services, based on which DGCA has issued permission to import aircraft/ helicopter for operating such air transport services.</p>	<p>(a) Air India</p> <p>(b) Pawan Hans Limited</p> <p>(c) Airports Authority of India</p> <p>(d) Indira Gandhi Rashtriya Uran Akademi (IGRUA)/and such other flying clubs/Academies recognised by the Ministry of Civil Aviation, Government of India</p> <p>(e) International Financial Leasing Centre (IFSC) based Aircraft Leasing Entity</p> <p>(f) Any person/entity who has been granted NOC for import of aircraft/helicopters by DGCA, for undertaking Scheduled/Scheduled Commuter/ Non-Scheduled Air Transport Services or Aerial Work operations</p>
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Effect of this Notification: Policy Condition no.1 of Chapter 88 of ITC (HS) 2017, Schedule- I (Import Policy), is revised in part (e) to allow import of aircrafts by Aircraft Leasing Entities in IFSC, located in GIFTcity, Gandhinagar, Gujrat in line with the revised Air Transport Circular 02/2017 issued by DGCA. Further, the existing part (e) of Policy Condition 1 is revised and is now part (f) in the revised Policy condition due to amendment in Rule 134B of Aircraft Rules, 1937 and doing away of permission by Ministry of Civil Aviation which is as part of measures to reduce transaction cost and for ease of doing business.

This issues with the approval of Minister of Commerce & Industry.

[F. No. 01/89/180/39/AM-11/PC-2(A)/E-5921]

AMIT YADAV, Director General of Foreign Trade
& ex-officio Addl. Secy.

Aircraft Leases Classified as Financial Products Under IFSC Act, 2019

MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATION

New Delhi, the 16th October 2020

S.O. 3652(E).—In exercise of the powers conferred by sub-clause (vi) of clause (d) of sub-section (1) of section 3 of the International Financial Services Centres Authority Act, 2019 (50 of 2019), the Central Government hereby notifies aircraft lease which shall include operating and financial lease and any hybrid of operating and financial lease of aircraft or helicopter and engines of aircraft or helicopter or any other part thereof, as financial product.

2. This notification shall come into force on the date of publication in the Official Gazette.

[F. No. 3/4/EM-2020]

ANAND MOHAN BAJAJ, Addl. Secy.

NOTIFICATION

New Delhi, the 16th October, 2020

S.O. 3653(E).—In exercise of the powers conferred by sub-clause (xiv) of clause (e) of sub-section (1) of section 3 of the International Financial Services Centres Authority Act, 2019 (50 of 2019), the Central Government hereby notifies Global in-House Centres (GIC), as financial service to provide services relating to financial products and financial services, for which eligibility criteria shall be provided by the Authority in regulations.

2. This notification shall come into force on the date of publication in the Official Gazette.

[F. No. 3/4/EM-2020]

ANAND MOHAN BAJAJ, Addl. Secy.

CAR Section 2 - Airworthiness Series - F Part I Issue II regarding Registration/De-registration of aircraft



GOVERNMENT OF INDIA
OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION
TECHNICAL CENTRE, OPP SAFDURJUNG AIRPORT, NEW DELHI

CIVIL AVIATION REQUIREMENTS SECTION 2 - AIRWORTHINESS SERIES F PART I

ISSUE II, 10th SEPTEMBER, 1998

EFFECTIVE: FORTHWITH

File No. 11-690/Sec-2/F-I/2008-AI(2)

Subject: **Registration/Deregistration of Aircraft.**

1. INTRODUCTION

Rule 5 of the Aircraft Rules, 1937 requires that no person shall fly or assist in flying any aircraft unless it has been registered and bears its nationality and registration marks and the name and residence of the owner affixed or painted thereon in accordance with Rule 37.

Rule 30 of the Aircraft Rules, 1937 empowers the Central Government to register an aircraft and to grant a Certificate of Registration in respect thereof. Rule 31 to 37A further describe the legislation with regard to registration of aircraft, its cancellation and change of ownership, the Nationality and Registration Marks and the manner in which they are to be affixed.

This part of Civil Aviation Requirements provides detailed requirements for registration of aircraft, which are in compliance with the Aircraft Rules and ICAO Annex 7.

It may be noted that the registration by the DGCA is for the purpose of controlling the safety of aviation in India and it in no way establishes the legal ownership of an aircraft. Disputes with regard to the ownership and liabilities of the owners, if any, will have to be decided in a Court of Law.

2. DEFINITIONS

(a) Nationality or Common Mark: A group of characters affixed on aircraft surface to identify the country to which the aircraft belongs.

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- (b) Registration Marks:** A group of characters affixed on aircraft surface following Nationality marks to identify a particular aircraft.
- (c) Fireproof Material:** A material capable of withstanding heat as well as or better than steel when the dimensions in both cases are appropriate for the specific purpose.
- (d) Heavier-than-air Aircraft:** Any aircraft deriving its lift in flight chiefly from aerodynamic forces.
- (e) Lighter-than-air Aircraft:** Any aircraft supported chiefly by its buoyancy in the air.
- (f) Cape Town Convention:** The Convention on international interests in mobile equipment signed at Cape Town, South Africa on the 16th of November, 2001, together with any regulations made in connection therewith as acceded to by India on March 31, 2008;
- (g) Cape Town Protocol:** The Protocol to the Cape Town Convention on matters specific to Aircraft Equipment, signed in Cape Town, South Africa on the 16th of November, 2001, together with any regulations made in connection therewith as acceded to by India on the 31st March, 2008;
- (h) IDERA:** The “Irrevocable Deregistration and Export Requested Authorisation” as contemplated in Article XIII of the Cape Town Protocol and substantially in the form and manner provided as an Annexure to the Cape Town Protocol;
- (i) IDERA Holder:** The authorized party under an IDERA or its certified designee;
- (j) Registered Interest:** “A Registered Interest” means any interest registered pursuant to Chapter V of the Cape Town Convention.

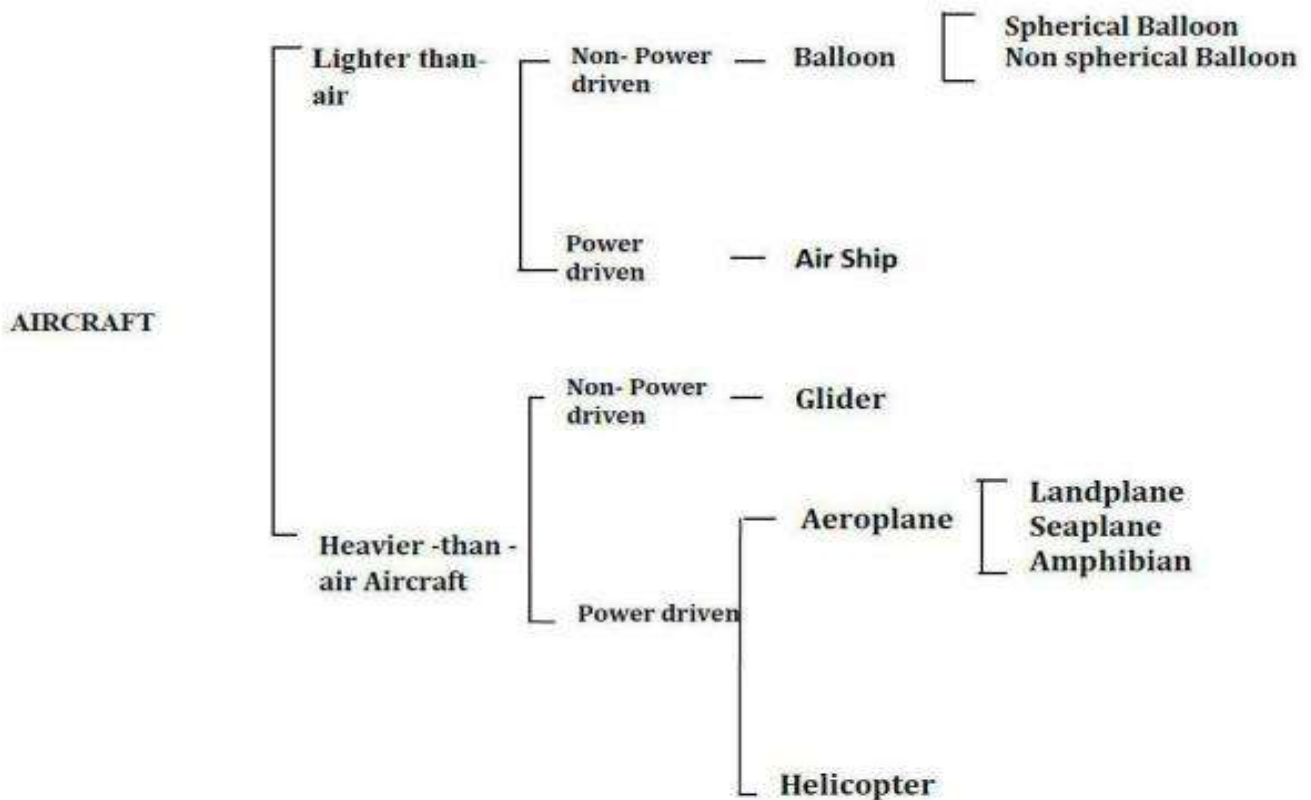
2 A. CLASSIFICATION OF AIRCRAFT

- a) Aircraft shall be classified in accordance with Table 1.
- b) An aircraft which is intended to be operated with no pilot on board shall be further classified as unmanned.
- c) Unmanned aircraft shall include unmanned free balloons and remotely piloted aircraft.

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Table 1
Aircraft Type



3. PROCEDURE FOR REGISTRATION OF AIRCRAFT

3.1 An aircraft may be registered in either of the following two categories, namely-

Category 'A', where the aircraft is wholly owned either-

- i. by citizens of India; or
- ii. by a company or corporation registered and having its principal place of business within India; or
- iii. by the Central Government or any State Government or any company or corporation owned or controlled by either of the said Governments; or

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- iv. by a company or corporation registered elsewhere than in India, provided that such company or corporation has given the said aircraft on lease to any person mentioned in para 3.1(i),(ii) or (iii) above; and

Category 'B', where the aircraft is wholly owned either-

- i. by persons resident in or carrying on business in India, who are not citizens of India; or
- ii. by a company or corporation registered elsewhere than in India and carrying on business in India.

3.2 No aircraft in respect of which the conditions required in 3.1 are not satisfied, or which is already validly registered in another country, shall be registered in India.

3.3 In a case where the usual station of an aircraft and its ordinary area of operation are not situated in India, the DGCA may decline to accept an application for registration of the aircraft in India, or, as the case may be, to permit the aircraft to remain registered in India, if, in its opinion, the aircraft could more suitably be registered in some other country.

3.4 In any particular case, the DGCA may decline to register an aircraft in India, if, in the circumstances of the case, it appears to it to be inexpedient in the public interest that the aircraft should be so registered.

3.5 Application for Registration of Aircraft

The owner or his authorized representative may apply for registration of the aircraft in the prescribed form CA-28 (Appendix 'A') completed with the following documents at least five working days for aircraft on outright purchase and ten working days for aircraft on lease, before the expected date of issue of Certificate of Registration.

- i. Customs clearance certificate / bill of entry of the aircraft.
- ii. Certificate of deregistration from the previous registering authority.
- iii. An evidence to the effect that the aircraft has been purchased or wholly owned by the applicant. For this purpose, a copy of invoice shall be accepted.

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- iv. For aircraft purchased from a previous owner, an affidavit as required.
 - v. In case the aircraft is taken on dry lease a copy of the lease agreement.
 - vi. In case the aircraft is owned by a company or corporation, a document of registration of the company and the names, addresses and nationalities of the Directors.
 - vii. A copy of the import license issued by Director General Foreign Trade or permission for import issued by the Ministry of Civil Aviation/DGCA. Where the aircraft is imported for private use, it will be registered in the name of the person or company to whom the import license has been issued.
 - viii. In cases where the aircraft has been mortgaged/ hypothecated, the owner/operator shall submit his consent for the same and the papers to this effect. Such a mortgage/hypothecation shall be endorsed on the Certificate of Registration.
 - ix. Fee for registration as prescribed in Rule 35 paid by web based online transaction system of DGCA (Bharatkosh).
- 4.** For aircraft imported under Indian short term Certificate of Registration, the Short-term Certificate of Registration shall be issued only after a confirmation of de-registration and/ or passing of the aircraft title to the operator has been received at DGCA.

5. CHANGE OF OWNER / OPERATOR / AMENDMENT OF C OF R

- 5.1 If an aircraft is sold to another person or company, or ceases to be owned by the owner indicated on its Certificate of Registration, the registered owner shall forthwith notify this fact to the DGCA in accordance with Rule 33 of the Aircraft Rules.
- 5.2 The new owner of the aircraft previously registered in India shall forthwith inform the DGCA of the fact of this change of ownership and shall make an application on form CA-28 (Appendix 'A') for registration of the aircraft in their name. In addition to that prescribed in para 3.2, the application shall be accompanied by an affidavit duly authenticated by a Notary Public/ Oath Commissioner from the old owner confirming his ownership and also indicating that he has sold it to the new owner and has received the sale proceeds in full.



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5.3 Until the Certificate of Registration is granted to the new owner, it shall not be lawful for any person to fly or assist in flying such aircraft except in accordance with a written permission of DGCA.

5.4 CHANGE OF OPERATOR

If an owner / lessor transfers the lease of an aircraft to a person or company, or operator, the process as mentioned for registration of an aircraft shall be followed. However the registration number of aircraft shall remain the same.

5.5. Amendment in Certificate of registration.

For amendments of any entry other than change of owner or operator, evidence required for affecting the amendments shall be provided by the applicant.

6. AIRCRAFT IMPORTED BY AIR

If an application is made for the registration of an aircraft before it is imported in India, for the purpose of bringing the aircraft by air, a temporary Certificate of Registration may be granted under the provision of Rules 30 and 31 and this CAR to the new owner of the aircraft.

6.1 The temporary Certificate of Registration will be valid only until the first landing at a customs aerodrome in India.

6.2 The temporary Certificate of Registration shall be surrendered by the owner or his representative to the DGCA along with the application for registration of the aircraft.

6.3 For the operation of an aircraft with a temporary C of R, an aeromobile station licence shall be required for which an application may be made to the Wireless Advisor, Ministry of Communications.

7. REGISTRATION CERTIFICATE AND VALIDITY OF REGISTRATION OF AIRCRAFT

7.1 On registration, DGCA will assign nationality or common marks for the aircraft.

7.2 Registration markings shall not be allotted which might be confused with International Code of Signals, especially:

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- a) Registration beginning with the letter 'Q'
- b) Registrations 'SOS', 'XXX', 'PAN' and 'TTT'

7.3 Upon registration a Certificate of Registration shall be issued to the owner, which will be valid from the date of registration till the date indicated on the Certificate of registration of the aircraft.

7.4 The Certificate of Registration shall be in accordance with Article 29 of the ICAO Convention and CAR Section 2 Series X Part VII, the Certificate of Registration shall be carried on board each aircraft engaged in air transport operation.

7.5 The registration of the aircraft will be deemed to have expired after the date of validity indicated on the C of R, rendering any operation of the aircraft invalid without revalidating its registration.

7.6 In case of aircraft registered under paragraph 3.1(iv), the registration will be valid so long as the lease is in force and therefore, the period of validity of Certificate in such cases shall be restricted to the date of lease agreement.

7.7 The operator may apply to DGCA Headquarters for varying any particular(s) including extension of validity in the Certificate of Registration.

7.8 When a new type of aircraft is registered, DGCA shall advise the State of design that it has entered such aircraft on its register.

7.9 For removing the hypothecation / mortgages name from the Certificate of Registration the owner may apply to DGCA with documents substantiating the same.

8. ISSUE OF DUPLICATE CERTIFICATE OF REGISTRATION

8.1 Where a certificate has been lost the owner may apply to Regional Airworthiness Office for the issue of a duplicate certificate with an affidavit, a copy of the FIR lodged with the police for the loss and the prescribed fee.

8.2 Where a certificate has been mutilated, the owner may apply for issue of a duplicate certificate to the Regional Airworthiness Office with the mutilated certificate and the prescribed fee.

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9. CANCELLATION OF REGISTRATION OF AIRCRAFT

9.1 The registration of an aircraft registered in India may be cancelled at any time by the DGCA, if it is satisfied that:-

- i. such registration is not in conformity with para 3.1 of this CAR; or
- ii. the registration has been obtained by furnishing false information; or
- iii. the aircraft could more suitably be registered in some other country; or
- iv. the aircraft has been destroyed or permanently withdrawn from use; or
- v. it is inexpedient in the public interest that the aircraft should remain registered in India; or
- vi. the lease in respect of the aircraft registered pursuant to paragraph 3.1(iv)
 - a) has expired, or
 - b) has been terminated by mutual agreement between the lessor and the lessee, or c) has been otherwise terminated in accordance with the provisions of the Lease Agreement, or terms of lease
- vii. the Certificate of Airworthiness in respect of the aircraft has expired for a period of five years or more.

9.2 The registration of an aircraft registered in India, to which the provisions of the Cape Town Convention or Cape Town Protocol apply, shall be cancelled by the DGCA, as provided in the Cape Town Protocol, if an application is received from IDERA Holder prior to expiry of the lease along with-

- (i) the original or notarized copy of the IDERA; and
- (ii) a certificate that all Registered Interests ranking in priority have been discharged or the holders of such interest have consented to the deregistration and export.

Provided that the deregistration of an aircraft by the DGCA under para 9.1 and 9.2 shall not affect the right of any entity thereof, or any inter-governmental organization, or other private provider of public services in India to arrest or detain or attach or sell an aircraft object under its laws for payment of amounts owed to the Government of India, any such entity, organization or provider directly relating to the services provided by it in respect of that object.

9.3 The registered owner or his authorized representatives may apply to DGCA, New

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Delhi for cancellation of registration, enclosing original C of R. The applicant should also specify the clause of Rule 30 and the relevant paragraph of this CAR under which cancellation is sought. In case, it is proposed to invoke para 9.1(vi)(c) of this CAR, the request for deregistration shall be supported by full explanation regarding the relevant provision of the lease agreement and the justification for using the provisions.

10. REGISTER OF AIRCRAFT

As required by Rule 36 of the Aircraft Rules, 1937, a register of all aircraft registered in India is maintained by DGCA. The register contains the particulars as provided for in the Certificate of Registration. This register is available in the Airworthiness Directorate at DGCA Hdqrs and is open to inspection by any person desirous of doing so during working hours of DGCA. The Register of aircraft is also available on DGCA website.

11. FIXATION OF NATIONALITY AND REGISTRATION MARKINGS

11.1 The nationality marks to be affixed on Indian registered aircraft would be capital letters "VT" in Roman character and registration marking would consist of a group of three letters in Roman Character as assigned by the Director General of Civil Aviation. A hyphen must be placed between the nationality and registration marks. The Nationality and Registration marks shall be painted on the aircraft or shall be affixed thereto by any other means ensuring a similar degree of permanence. The marks shall be kept clean and visible at all times.

11.2 Location of Nationality or Common Mark and Registration Marks

(i) Lighter-than-air aircraft:

a) **Airships:** The marks on an airship shall appear either on the hull, or on the stabilizer surfaces. Where the marks appear on the hull, they shall be located lengthwise on each side of the hull and also on its upper surface on the line of symmetry. Where marks appear on the stabilizer surfaces, they shall appear on the horizontal and on the vertical stabilizers; the marks on the horizontal stabilizer shall be located on the right half of the upper surface and on the left half of the lower surface, with the tops of the letters towards the leading edge; the marks on the vertical stabilizer shall be Located on each side of the bottom half stabilizers, with the letters placed horizontally.

b) **Spherical Balloons (other than unmanned free balloons):** The marks

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shall appear in two places diametrically opposite. They shall be located near the maximum horizontal circumference of the balloon.

- c) **Non-Spherical Balloons (other than unmanned free balloons):** The marks shall appear on each side. They shall be located near the maximum cross section of the balloon immediately above either the rigging band or the points of attachment of the basket suspension cables.
- d) **Lighter-than-air aircraft:** The side marks on lighter-than-air aircraft (other than unmanned free balloons) shall be visible both from the sides and from the ground.
- e) **Unmanned free Balloons:** The marks shall appear on the identification plate.

(ii) **Heavier-than-air Aircraft:**

- a) **Wings:** The marks shall appear once on the lower surface of the wing structure. They shall be located on the left half of the lower surface of the wing structure unless they extend across the whole of the lower surface of the wing structure. As far as possible the marks shall be located equidistant from the leading and trailing edges of the wings. The tops of the letters shall be towards the leading edge of the wing.
- b) **Fuselage (or Equivalent Structure) and Vertical Tail Surfaces:** The marks shall appear either on each side of the fuselage (or equivalent structure) between the wings and tail surface, or on the upper halves of the vertical tail surfaces. When located on a single vertical tail surface they shall appear on both sides. When located on multi vertical tail surfaces they shall appear on the outboard sides of the outer surfaces.
- c) **Special Cases:** If an aircraft does not possess parts corresponding to those mentioned in 11.2 (ii) a) and 11.2 (ii) b), the marks shall appear in a manner such that the aircraft can be identified readily.

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12. Measurements of Nationality and Registration Marks

12.1 Lighter-than-air aircraft:

- a) The height of the marks on lighter-than-air aircraft (other than unmanned free balloons) shall be at least 50 centimeters.
- b) The measurements of the marks related to unmanned free balloons shall be determined taking into account the size of the Payload to which the identification plate is affixed, and shall have prior approval of Director General of Civil Aviation.
- c) Special case: If a lighter-than-air aircraft does not possess parts of sufficient size to accommodate the marks described in 12.1 a), the measurements of the marks shall have prior approval of the Director General of Civil Aviation.

12.2 Heavier-than-air Aircraft:

- a) Wings: The height of the marks on the wings shall be at least 50 centimeters.
- b) Fuselage (or equivalent structure) and vertical tail surfaces: The height of the marks on the fuselage (or equivalent structure) and on the vertical tail surfaces shall be at least 30 centimeters.
- c) Special case: If a heavier-than-air aircraft does not possess parts corresponding to those mentioned in 12.2 a) and 12.2 b) or if the parts are too small to accommodate the marks described therein, the measurements of the marks shall have prior approval of the Director General of Civil Aviation.

12.3 Types of Characters for Nationality and Registration Marks:

The letters used for Nationality and Registration marks shall be of equal height.

- b) The letters shall be capital letters in Roman characters without any ornamentation.
- c) The width of each letter (except the letter I) and the length of hyphens shall

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be two-thirds of the height of a letter. $W = \frac{2}{3}H$

- d) The letters and hyphens shall be formed by solid lines and shall be of a color contrasting clearly with the background. The thickness of the lines shall be one-sixth of the height of a letter. $T = \frac{1}{6}H$
- e) Each letter shall be separated from that which it immediately precedes or follows, by a space of not less than one quarter of a letter's width. A hyphen shall be regarded as a letter for this purpose. $D = \frac{1}{4}W = \frac{1}{4} * \frac{2}{3}H = \frac{1}{6}H$
- f) The letters shall always be kept in good condition, so that they are read clearly and easily.

13. Identification Plate

An aircraft shall carry an identification plate inscribed with Nationality and Registration mark together with the name and address of the registered owner. The plate shall be made of fireproof metal or other fireproof material of suitable physical properties and shall be secured to the aircraft in a prominent position near the main entrance or, in the case of an unmanned free balloon, affixed conspicuously to the exterior of the payload.

14. General

The provision of this CAR shall not apply to meteorological pilot balloons used exclusively for meteorological purposes or to unmanned free balloons without a payload.

15. Registration fees

15.1 The following fee shall be payable in respect of a certificate of registration for an aircraft having maximum permissible take-off weight —

- (i) of 15,000 kilograms or less :Rs. 20,000/-
- (ii) exceeding 15,000 kilograms, :Rs. 5,000/- for every 1,000 kilograms or part thereof.

Note: For the purpose of registration of the aircraft the maximum take-off weight shall be as indicated in the Flight Manual of the aircraft.

15.2 Where the original certificate of registration is lost or destroyed, a duplicate thereof may be issued on payment of ten percent of the fee payable under 15.1

15.3 A temporary certificate of registration referred to in rule 32, may be issued on payment of twenty five percent of the fee payable under 15.1

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15.4 The C of R may be renewed, or re-issued for any changes on payment of fifty percent of fee except change in owner and/ or operator for which full fee as prescribed in para 15.1 be payable.

15.5 All fee shall be paid by web-based online transaction system of DGCA (Bharatkosh).

Sd--
(B. S. BHULLAR)
Director General of Civil Aviation

**CIVIL AVIATION REQUIREMENTS
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CA-28 (Revised 2015)

**GOVERNMENT OF INDIA
 CIVIL AVIATION DEPARTMENT**

Application for Registration of Aircraft

Section 1: Aircraft Details

1. Name and Address of Manufacturer

2. Type and Model of Aircraft

3. Manufacturer's Serial Number

4. Year of Manufacture

5. Seating Accommodation

Crew	Passengers
<input type="text"/>	<input type="text"/>

6. Maximum Certificated Take off Mass (in kg.)

7. Engine

Type	Power Rating	Number of engines
<input type="text"/>	<input type="text"/>	<input type="text"/>

Section 2: Aircraft History

8. The Aircraft is: (Please tick the appropriate box)

New

Used

No. of Hours Flown and Cycles since New

9. Previously Registered in India

Previous or Existing VT Registration Mark

10. Particulars of Previous Registration(s) in any Country outside India, if applicable.

**CIVIL AVIATION REQUIREMENTS
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Note: The application shall be accompanied with the Certificate of deregistration from the previous registering authority.

11. History of Accidents (if any). Indicate incidents/accidents met by the aircraft, the nature and extent of damage sustained by the aircraft, details of any major repairs carried out and by whom. If required, a separate appendix may be attached.

Section 3: Particulars of Owner(s) / Lessor(s)

12. Owner

Name of Owner (in full)

In case of Company / Corporation, give Names of Owners / Directors and their Nationalities

Residential Address of Owner(s)

Nationality of Owner(s)

13. Lessor

Name of Lessor

Address

Nationality

Principal Place of Business

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14. Lessee

Name of Lessee	Address	Nationality	Principal Place of Business

Section 4: Ownership Details

15. Is the Aircraft Owned Wholly: (Please tick the appropriate box)

Category "A"

- (i) By citizens of India; or
- (ii) By a company or corporation registered and having its principal place of business within India or
- (iii) By the Central Government or any State Government or any company or any corporation owned or controlled by either of the said Governments; or
- (iv) By a company or corporation registered elsewhere than in India, provided that such company or corporation has given the said aircraft on lease to any person mentioned in sub-clause (i), sub-clause (ii) or sub-clause (iii)

OR

Category "B"

- (i) By persons resident in or carrying on business in India, who are not citizens of India; or
- (ii) By a company or corporation registered elsewhere than in India and carrying on business in India.

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16. Category in which Registration is claimed (A or B) vide Rule 30 of the Aircraft Rules.

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17. In the case of aircraft owner as in 15 – Category B (i) or (ii), state

- a) How long has the applicant been resident in or carrying on business in India?
- b) Nature of Business of the Owner / Lessor
- c) Nature of Business of the Lessee

18. Whether the Aircraft has been Mortgaged / Hypothecated:

- a) If yes the name of the mortgage / hypothecating company
- b) Address and nationality of the mortgage / hypothecating company

19. Usual station of Aircraft

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20. Proposed Operations

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21. Particulars of the Registration Fee Paid

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I hereby declare that the above particulars are true in every respect and that nothing has been concealed or withheld by me. I have studied the relevant Aircraft Rules and Civil Aviation Requirements and shall abide by them.

Date of Application

Signature of Applicant(s)

Note 1: In case the applicant is not the owner, he should provide evidence in writing that he has been duly authorized by the owner to furnish the required information and to sign the documents on his behalf.

Note 2: Documentary Proofs of the above items are required to be submitted by the applicant.

For Official Use Only

While entering the above Aircraft "VT-" on the Indian Civil Aircraft Register, it has been ensured that-

- | | | |
|----|--|--------------------------|
| 1) | The Requirements of this CAR have been complied with; | <input type="checkbox"/> |
| 2) | The Civil Aircraft Register has been updated; | <input type="checkbox"/> |
| 3) | The State of Design has been advised of the Registration (applicable for New Type of Aircraft only). | <input type="checkbox"/> |

Date:

(Signature of Authorized Officer)

HOW INDIA JURIS CAN ASSIST IN IFSC, GIFT CITY

Being the most active law firm in IFSC, GIFT City, INDIA JURIS is all set to assist clients in their global businesses through GIFT City. Our agile and experienced team is looking forward to extending end-to-end help in setting up aircraft leasing entity and business in GIFT City including following:

1. **Setting up:** End-to-end assistance in setting up Aircraft leasing entity and business in GIFT City.
2. **Regulatory Compliance:** Advising on compliance with IFSCA regulations, including the frameworks governing aircraft leasing and financing.
3. **Lease Structuring:** Assisting in structuring lease agreements that optimize tax benefits and regulatory advantages specific to GIFT.
4. **Financing Solutions:** Offering legal guidance on innovative financing solutions, including debt and equity financing tailored to the needs of lessors and lessees.
5. **Cross-Border Transactions:** Facilitating international aircraft leasing transactions, ensuring compliance with both domestic and international laws.
6. **Tax Advisory:** Offering insights on tax implications and benefits associated with aircraft leasing in the GIFT IFSC environment.
7. **Due Diligence:** Conducting comprehensive due diligence related to aircraft registration, ownership, and compliance with international norms.
8. **Legal Structuring:** Assisting in the establishment of entities for leasing operations within the IFSC, including special purpose vehicles (SPVs).
9. **Documentation:** Drafting and reviewing lease agreements, financing agreements, and other related documentation in compliance with IFSCA standards.
10. **Dispute Resolution:** Representation in arbitration and other legal dispute resolution

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