



AVIATION MINISTRY RELAXES NORMS FOR AIRCRAFT IMPORT

News / Airlines



Further simplifying the procedures and making it easier for the procurement of aircraft by airlines, the Ministry of Civil Aviation has delegated the power to grant initial No Objection Certificate (NOC) or in-principle approval for import or acquisition of aircraft to the Directorate General of Civil Aviation (DGCA).

This comes two after the Reserve Bank of India (RBI) relaxed norms for remittances of money for import of aircraft, helicopters and other aviation related purchases by airlines.

The Ministry of Civil Aviation announced these changes through a circular issued on Saturday.

As per the existing procedure, Scheduled Operators (airlines) and Regional Scheduled Operators have to seek approval from the ministry for import of aircraft.

"The delegation of power is being done in order to simplify procedures as compliance of various Civil Aviation Requirements (CAR) are regulated by the DGCA," the Ministry said in a statement.

DGCA has been asked to make necessary amendment in the related CAR/Rules in accordance with the changes.

After the changes are effected by DGCA, "the Scheduled Operators/Regional Scheduled Operators need not approach the Ministry of Civil Aviation for initial NOC/In-principle approval for import/acquisition of aircraft," the statement added.

Earlier, the Ministry had asked Director General of Foreign Trade (DGFT) and the RBI to amend their existing notification and master circular respectively to relax the norms for aircraft import.

Responding to this, the RBI on November 26, 2015 issued a circular allowing banks to advance remittances of up to US\$50 million for import of aircraft once airline companies receive approval from the DGCA. Earlier, for remittance of funds, the approval of the ministry was mandatory.

In early October the DGFT had carried out the requisite amendments in its rules governing aircraft imports.

Several airlines had voiced their concern over the delay in approvals which had affected their aircraft induction, fleet expansion and replacement plans.

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