GOVERNMENT OF INDIA

OFFICE OF THE DIRECTOR GENERAL OF CIVIL AVIATION

TECHNICAL CENTRE, OPP SAFDURJUNG AIRPORT, New Delhi

CIVIL AVIATION REQUIREMENT
SECTION 3 - AIR TRANSPORT
SERIES 'C' PART XII
ISSUE I, DATED _____ EFFECTIVE:_____

Subject: REQUIREMENTS FOR GRANT OF AIR OPERATOR CERTIFICATE FOR SCHEDULED COMMUTER AIR TRANSPORT SERVICES.

1. INTRODUCTION

1.1 Sub-rule 1 of Rule 134 of the Aircraft Rules, 1937 specifies that no person shall operate any scheduled air transport service from, to, in, or across India except with the permission of the Central Government. Accordingly, DGCA grants an Air Operator Certificate to operate Scheduled Air Transport Services in pursuance to sub rule (1) of rule 134.

1.2 In order to promote/enhance Regional Connectivity, the concept of Scheduled Commuter Air Transport Services has been introduced. This Civil Aviation Requirement contains the minimum requirements for grant of Air Operator Certificate to operate Scheduled Commuter Air Transport Services.

1.3 The Air Operator Certificate for Scheduled Commuter Operations shall be granted in two categories i.e. Scheduled Commuter (Small) for aircraft AUW upto 5700 kgs and Scheduled Commuter Operator (Large) for aircraft AUW more than 5700 kgs and upto 40,000 kgs. In case of mixed fleet of aircraft the requirements of Scheduled Commuter Operator (Large) shall have to be complied with.

1.3 The existing Regional Scheduled Operator shall have an option either to upgrade to the Scheduled Operator Category within a period of 01 year from the date of issue of this CAR or may opt for Scheduled Commuter Category within a period of six months from the date of issue of this CAR subject to fulfilling the requirements of the appropriate category.

1.4 This CAR is issued under provisions of Rule 133A of the Aircraft Rules, 1937.

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2. DEFINITIONS

Scheduled Commuter Air Transport Service means an air transport service undertaken between two or more places/routes except on Category I routes, operated according to a published time table or with flights so regular or frequent that they constitute a recognizably systematic series, each flight being open to use by members of public.

Note: *Category I routes are those routes which are defined in Route Dispersal Guidelines as amended from time to time.*

3. ELIGIBILITY CRITERIA

3.1 A Scheduled Commuter Air Operator Certificate for operating Scheduled Commuter Air Transport Services shall be granted only to:

a) a citizen of India; or

b) a company or a body corporate provided that:

i) It is registered and has its principal place of business within India;

ii) Its Chairman and at least two-thirds of its directors are citizens of India; and,

iii) Its substantial ownership and effective control is vested in Indian nationals.

3.2 The applicant shall meet the following Paid up Capital requirements, as confirmed with a certificate from the banker or chartered accountant:

(i) For Operating with aircraft having All- Up-Weight up to 5700 kgs:

a) Up to 3 aircraft. – Rs. 05 crores

b) For each addition of aircraft paid up capital of Rs. 2 crores will be required subject to a maximum of Rs 15 crores after which no further equity enhancement is required.

(ii) For Operating with aircraft having All- Up-Weight- more than 5700 kgs. and upto 40,000 kgs:

a) Up to 3 aircraft. – Rs. 10 crores

b) For each addition of aircraft paid up capital of Rs. 3 crores will be required subject to a maximum of Rs 25 crores after which no further equity enhancement is required.

Note:

1. Full equity as required shall be available with the Company at the time of initial NOC to demonstrate their commitment, seriousness and genuineness.

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3.3 In case of FDI, the guidelines as contained in Aeronautical Information Circular on FDI shall be followed.

Note: *In case of Sea plane services, wherein 100% FDI is permitted, if operated for Scheduled Commuter Air Transport Services, such investment by foreign airlines shall be restricted to 49%.*

3.4 **Security Clearance**

3.4.1 Ministry of Home Affairs (MHA) is the competent authority for grant of Security Clearance. In accordance with Policy Guidelines of MHA on National Security Clearance the applicant/company and its Board of Directors shall obtain security clearance from (MHA).

3.4.2 The Positions of the Chief Executive Officer (CEO) and/or Chief Financial Officer (CFO) and/or Chief Operating Officer (COO), and /or any other similar Designation(s) exercising management control, if held by foreign nationals, would also require security clearance from MHA.

Note: *Denial/Withdrawal of Security Clearance by MHA at any stage will lead to rejection of the application for AOC, and AOC if already issued shall be liable to be withdrawn.*

3.5 The applicant shall obtain an initial No Objection Certificate from Ministry of Civil Aviation (MoCA).

4. GRANT OF INITIAL NOC FROM MINISTRY OF CIVIL AVIATION AND EXTENSION THEREOF

4.1. An applicant desirous of obtaining an AOC for Scheduled Commuter Air Transport Services shall apply for an initial No-Objection Certificate (NOC) to the Ministry of Civil Aviation, New Delhi, in the proforma prescribed in Annexure I, along with a fee of Rs. 25,000/- (Rupees twenty five thousand only) to be paid in a manner as prescribed by Director General in favor of the Pay and Accounts Office, Director General of Civil Aviation, Ministry of Civil Aviation, New Delhi.

4.2. The initial NOC shall initially be valid for a period of one year and six months from the date of issue and shall stand automatically cancelled if the applicant does not take effective steps to obtain the AOC for Scheduled Commuter Air Transport Services within this period.

4.3. The Ministry of Civil Aviation may, however, extend the validity of the NOC on genuine grounds for a period of six months at a time against payment of a fee of Rs. 50,000 (Rupees fifty thousand only) to be paid in a manner as prescribed by Director General in favor of the Pay and Accounts Office, Director General of Civil Aviation, Ministry of Civil Aviation, New Delhi. Such extensions shall be governed by the policy of Ministry of Civil Aviation in this regard.

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5. APPLICATION FOR GRANT OF AOC

5.1. Based on the initial NOC granted by the Ministry of Civil Aviation, the applicant shall take necessary steps in accordance with Air Operator Certification Manual for obtaining Air Operator Certificate for Scheduled Commuter Air Transport Services.

5.2. The applicant shall submit a formal application to DGCA along with a fee of Rs 20,00,000/- (Rupees twenty lakhs only) to be paid in a manner as prescribed by Director General in favor of the Pay and Accounts Office, Director General of Civil Aviation, Ministry of Civil Aviation, New Delhi along with duly filled Appendices A/B/C of Air Operator Certification Manual and requisite manuals as specified therein.

5.3. The applicant shall obtain approval of their security programme from BCAS and submit the same during the certification process.

6. AIRCRAFT REQUIREMENTS

6.1. The Scheduled Commuter Operations shall be permitted only with a multi-engine aircraft having an AUW upto 5700 Kg for Scheduled Commuter Operator(Small) and AUW more than 5700 kgs and upto 40,000 kgs for Scheduled Commuter Operator(Large).

6.2. The applicant shall import/acquire a fleet of minimum 03 aircraft in two years and 05 aircraft within 5 years either by outright purchase or through commercial dry lease. However, to facilitate the start of operations, operators may be permitted to operate with one aircraft and will be given two years time from the date of securing Air Operator Certificate, to have the fleet size of three aircraft.

6.3. The applicant shall obtain permission from DGCA for import/ acquisition of aircraft as per Air Transport Circular 01/2016.

6.4. The operator shall ensure that aircraft : -

i. has a type certificate issued or validated or accepted by DGCA;

ii. is maintained in an approved maintenance organization and certified by licensed personnel;

iii. continuous airworthiness is managed by an approved Continued Airworthiness Management Organization(CAMO);

iv. remains airworthy during its operation and complies with applicable Aircraft Rules 1937 and Civil Aviation Requirements;

v. is fitted with appropriate instruments and equipments suitable for the type of operations in which it is engaged.

7. PERSONNEL REQUIREMENTS

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7.1. The applicant shall have sufficient number of flight crew, cabin crew as applicable commensurate to their operations/flight schedule, taking into account the FDTL requirements etc. under their own employment. The flight crew should hold current licenses and the cabin crew, as applicable, should have appropriate authorization as per the requirements of the DGCA and having appropriate endorsements on the type of aircraft operated.

Note: *DGCA may, permit a few appropriately qualified foreign licensed pilots to fly Indian registered aircraft after containment of authorization on their foreign licenses for a limited period to enable the operator to recruit and train Indian pilots for them to acquire aircraft type endorsement on their licenses. However, foreign cabin crew shall not be permitted.*

7.2. The operator shall have sufficient number of aircraft maintenance engineers holding licenses/ authorisations issued by DGCA in various categories. The engineers should be supported by sufficient number of technicians in each category. However, DGCA may allow, with the approval of the competent authority, a few appropriately qualified and licensed foreign engineers to carry out and certify maintenance work of Indian registered aircraft for a limited period to enable engineers of the operator to acquire necessary maintenance experience for acquiring the type endorsement.

8. FACILITIES

8.1. The operator shall have adequate operational management organisation to the satisfaction of DGCA which shall be adequately staffed with qualified and trained personnel to conduct operations safely and regularly as per applicable regulatory requirements.

8.2. The operator shall have adequate arrangement for ground handling, preparation of load and trim sheet, flight dispatch and passenger/cargo handling. The staff should have undergone the training and checks as specified by DGCA.

8.3. The operator shall have facilities for conducting pre-flight medical examination of flight crew and cabin crew as per the requirements.

8.4. The operator shall have approved arrangements/ facilities and manpower for imparting training to their flight crew, cabin crew, flight dispatchers and other operational staff. And should conduct refresher courses as per the requirements laid down by DGCA.

8.5. The operator shall have a computerised system to analyse Digital Flight Data Recorder (DFDR) / Solid State Flight data Recorder (SSFDR) data of all flights to determine exceedances in flight operations and to ensure compliance of operating procedures.

8.6. The operator shall regularly carry out monitoring of Cockpit Voice Recorder (CVR) readout as part of his accident and incident prevention programme and

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to ensure compliance of operating procedures.

8.7. The operator shall have an approved main operational base which may be supported by sub-bases commensurate with scale of operations. The main base shall have appropriate mechanism to supervise and monitor the entire operations.

8.8. The operator shall ensure that all the personnel engaged in carriage and handling of dangerous goods undergo initial and recurrent dangerous goods training programmes in accordance with CAR Section 3 – Air Transport, Series 'L' Part III.

9. DOCUMENTATION

9.1. The operator shall ensure that the maintenance control manual (MCM), Maintenance programme requirements, maintenance record-keeping, modification and repair data approval requirements, AMO and maintenance release requirements specified in the Aircraft Rule 1937 and Civil Aviation requirements are compiled, and the aircraft remains in a safe condition throughout the operational life of the aircraft and continues to confirm to the approved design data.

9.2. The operator shall have all necessary operational documents and publications like operations manual, CARs, AICs, NOTAMs, aeronautical maps and charts, operational circulars etc. for reference by flight crew personnel at the main base and also at the night stopping stations. The operator shall have a system to maintain these documents up to date and disseminate the information to all concerned operational personnel.

9.3. The operator shall have a Flight Safety Manual laying down his policies and procedures for ensuring safety of operations, investigation of occurrences, implementation of safety recommendations, accident/incident prevention programmes and safety enhancement measures. Proactive safety measures should be adopted to the maximum extent.

10. GRANT OF AIR OPERATOR CERTIFICATE AND CONDITIONS FOR OPERATION

10.1. The Air Operator Certificate for Scheduled Commuter Air Transport Services shall be granted upon successful completion of the process as contained in Air Operators Certification Manual wherein the applicant would be required to demonstrate, to the satisfaction of DGCA, an adequate organization, method of control and supervision of flight operations, training programmes as well as ground handling and maintenance arrangements consistent with the nature and extent of the intended operation.

10.2. Upon successful completion of document evaluation and demonstration phase of the certification process, the applicant shall submit the following documents for issuance of Air Operator Certificate:-

i. A current comprehensive insurance policy covering Aircraft, Passengers

& Cargo, Third Party liabilities, Crew members, Applicant's staff & general properties, Victim Protection Plan in case of an accident.

ii. List of Board of Directors.

iii. Copy of valid C of R, C of A and ARC of the aircraft.

iv. Any other documents that may be required by DGCA.

10.3 The Air Operator Certificate shall be initially issued for a period of two years and may be extended for a period of another three years upon augmentation of the aircraft fleet to a total number of three aircrafts and meeting the other applicable renewal requirements.

10.4 Prior to commencement of operation, the operator shall get their flight schedule approved by DGCA at least 30 days in advance and operate services in accordance with the flight schedules so approved.

10.5 The operator shall carry out operations in accordance with the scope of the AOC and the Operations Specifications.

10.6 The Operator shall ensure that before deploying an aircraft for operations, the aircraft has been endorsed on the AOC and Operations Specifications for the aircraft have been issued by DGCA.

10.7 The operator shall ensure that operations are conducted only to/from airports suitable for the type of aircraft. For operations to Defence airfields, requirements stipulated in CAR Section 3, Series 'D' shall be complied with.

10.8 The operator shall ensure that all the security requirements stipulated by Bureau of Civil Aviation Security are strictly followed in respect of their operations at all airports.

10.9 For carriage of dangerous goods by air to/ from/ within/ over India, the provisions of the Aircraft (Carriage of Dangerous Goods) Rules, 2003 shall be strictly complied with.

10.10 Arms, ammunition, munitions of war, explosives etc. shall be carried to, from, within or over India only with the written permission from DGCA and subject to the terms and conditions of such permission.

10.11 The Air Operator Certificate shall be displayed in the office of the Accountable Manager and a copy of the AOC along with the Operations Specifications shall be carried on board the aircraft when operating such services.

10.12 The operator shall ensure that all flight operations are conducted within India as per approved Schedule to/from airports duly licensed/approved for Public Use under Rule 78 of the Aircraft Rules 1937 within the framework of Aircraft Act, 1934, the Aircraft Rules, 1937 and all other instructions issued by DGCA from time to time.

10.13 During the validity of AOC, the Operator shall comply with all applicable regulations for operation, airworthiness, and any other directions issued by

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Director General from time to time.

10.14 Any changes in the Board of Directors or CEO/COO/CFO (if foreign National) shall not be effected without a prior permission from MoCA. The request for such permission shall be submitted with Ministry of Civil Aviation under intimation to DGCA along with the details of the new Director or CEO/COO/CFO (if foreign National) as per Annexure IIA/IIB.

10.15 Scheduled Commuter operators can conduct charter/ non-scheduled operations for transportation by air of persons, mail or goods provided such flights do not affect their normal approved operating schedule.

10.16 The Air Operator Certificate issued to a Scheduled Commuter Operator shall not be transferable.

10.17 Prior permission of Ministry of Civil Aviation/ DGCA shall be required for:-

(a) change in the name of the Company;

(b) change in management of the Company arising out of changes in the equity holdings of the Company;

(c) take-over of the Company by another Company.

10.18 The operator shall submit to DGCA the statistical data regarding their operations such as capacity deployed, passengers carried, aircraft hours flown, cargo carried etc. as per the prescribed proforma on a monthly basis so as to reach DGCA office before the tenth day of the next month.

10.19 The scheduled commuter operators shall issue passenger tickets in accordance with the provisions of the Carriage By Air Act, 1972 and any other requirements which may be prescribed by DGCA. The tickets shall stipulate the conditions of carriage including the liability of the operator. A sample copy of the ticket shall be submitted to DGCA.

10.20 The operator shall maintain a current insurance for an amount adequate to cover its liability towards passengers and their baggage, crew, cargo, hull loss and third party risks in compliance with the requirements of the Carriage by Air Act, 1972, or any other applicable law.

10.21 The operator may enter into code-share arrangement with any domestic/international Scheduled Air Transport Service provider.

11 RENEWAL OF AOC

11.1 The operator shall apply for renewal of AOC at least 60 days prior to expiry along with the followings:

i. Appendix L of Air Operator Certification Manual along with requisite documents.

ii. Fee for renewal Rs. 10,00,000/- (Rupees five lakhs only) to be paid in a

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manner as prescribed by Director General in favor of the Pay and Accounts Office, Director General of Civil Aviation, Ministry of Civil Aviation, New Delhi

11.2 The operator shall demonstrate continued capability to conduct the operations authorized under the Air Operator Certificate as per process laid down in Air Operator Certification Manual.

12 AMENDMENTS TO AIR OPERATOR CERTIFICATE

12.1 Addition of same type of Aircraft

12.1.1 The operator shall ensure the compliance of paid up capital requirements commensurate to the type and number of aircraft as laid down in para 3.2 of this CAR.

12.1.2 The request for induction/endorsement of aircraft of same type shall be submitted with appendix M of the Air Operator Certification Manual along with following documents:

i. Copy of valid C of R, C of A, and ARC.

ii. Insurance coverage for Aircraft, Passengers & Cargo, Third Party liabilities, Crew members.

iii. Requisite supporting documents along with approvals for the operations specifications proposed to be endorsed for the aircraft.

iv. Any other document which may be required by DGCA.

12.2 Addition of new type of Aircraft

The operator shall submit a formal application with dully filled Appendices A/B/C of Air Operator Certification Manual along with updated manuals for the purpose of certification for the new type of aircraft as per Air Operator Certification Manual.

12.3 Deletion of Aircraft

The request for deletion of any aircraft from the AOC shall be submitted along with the copy of certificate of de-registration in respect of the aircraft.

12.4 Change in Operations Specifications of Aircraft

The request for change of Operational Specifications shall be submitted with Appendix M of Air Operator Certification Manual along with a copy of requisite approvals for the revised Operations specification elements.

13 PENAL PROVISIONS

Degradation of the operator's capability below the required level or breach of any of the requirements of this CAR or of any provisions of Aircraft Act, 1934, Aircraft Rules, 1937, Civil Aviation Requirements, orders/ directions/

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requirements issued under the said act or rules and as amended from time to time, may result in imposition of operational restrictions or enforcement action as appropriate.

(M. Sathiyavathy)
Director General Civil Aviation

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ANNEXURE I

APPLICATION FOR GRANT OF N.O.C. TO OPERATE

SCHEDULED COMMUTER AIR TRANSPORT SERVICES

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1. **Applicant's details**

A. In case of an individual

a) Name

b) Nationality

c) Address in India with Telephone, Telex, Fax numbers

B. In case of a company or a corporate body

a) Name of the company/corporate body with details of registration

b) Address with telephone, telex, Fax numbers of the registered office

c) Address of principal office of business, including operations and maintenance bases

d) Full details of any other business the company is engaged in.

e) Names and nationality of the Board of Directors and Chairman/ CEO.

f) Details of the share holding of the company

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g) Percentage share of foreign nationals or company, if any, in the capital of the company

h) A copy each of the certificate of incorporation and Memorandum and Articles of Association

i) State whether air transport operation is one of the objectives of your company and enclose a copy of Certificate of Incorporation.

j) Details of experience in civil aviation field/activities

2. **Particulars for Security clearance (To be provided as per Annexure IIA/IIB)**

3. **Financial resources**

a) Authorised equity capital

b) Subscribed equity capital

c) Other resources

(attach supporting documents such as balance sheet, bank certificates etc.)

4. **Details of Organisation**

a) Overall set up including details of operational, management, engineering quality control set up, flight safety cell etc.

b) Proposed maintenance facility with details of organisation, equipment and approved program.

c) Staff strength of the proposed maintenance personnel and plans of

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their training

d) Number of flight crew with details of their licenses and plans of their training for each type of aircraft in the fleet

e) Sources of pilots and engineers

f) Main maintenance base and operational bases

g) Place(s) where the aircraft will night stop with Number of aircraft at each place.

5. **Details of aircraft proposed to be operated**

a) Whether the aircraft is acquired on outright purchase or dry lease or lease finance

b) Name and address of Owner /Lessor for the purpose of registration of aircraft.

c) Number and type of aircraft.

d) Passenger capacity of each type of aircraft.

e) Maximum all up weight

f) Whether the aircraft is type certified to FAA or JAA requirements

g) Arrangements for ground handling equipment at each airport of proposed operations.

h) Details of personnel to handle dangerous goods

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5. **Details of routes proposed to be operated with the type of aircraft.**

6. **Potential need for the proposed services**

7. **Projected profitability**

(a copy of feasibility study as given in Annexure III may be enclosed)

8. State if the applicant has at any time contravened any provision of the Aircraft Act, 1934, and/or the rules made thereunder. If so, give details.

9. Particulars of fees (to be paid in a manner as prescribed by Director General in favor of the Pay and Accounts Office, Director General of Civil Aviation, Ministry of Civil Aviation, New Delhi), -Please attach documentary evidence.

10. Statement showing compliance with the Civil Aviation Requirements (CAR Section 3 Series 'C' Part I, if the aircraft are leased by the operator.

11. By what time the operations are proposed to be started.

12. Details of Security programme filed with Bureau of Civil Aviation Security.

13. Any other relevant information.

Certified that the statements made/information given in this application are true.

(Signature of the Applicant/Authorised signatory.)

Note: Eight copies of the application are required to be submitted to the Ministry of Civil Aviation (Department of Civil Aviation). All copies of the application should be supported by documents wherever necessary.

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ANNEXURE IIA

Application Proforma for Security Clearance

I. Details in respect of Company/Firm (Indian/Foreign)

Sl No	Full Name of the company and its foreign collaborator, if any	Date of registration of the company	Address of Head Office, Regional Offices & Registered Office	Previous name of the company, if any.	Details of earlier approvals, if any (ref. No. & date)

II. Details in respect of Directors

Sl No.	Full Name of Board of Directors	Present Position held with date (since when)	Date of Birth	Parentage	Present & Permanent Address	Nationality	Passport Nos. and Issue date if any	Contact Address & Telephone Nos

III. Details of Shareholders of applicant company (All firms/companies/ entities/ individuals having shareholding more than 10%)

Sl No.	Full Name	Parentage Father/ Mother	Date of Birth	Permanent Address	Present Address	Present Position held in the company, if any	Nationality (if holding dual nationality, both must be clearly mentioned)	% of shares held in the company

IV. Details of criminal cases, if any, against the Company/Director(s) as per Annexure II B

(SIGNATURE OF AUTHORIZED SIGNATORY)

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ANNEXURE II B

Self-Declaration for Company and Director(s) for whom security clearance is sought

a. Name & address and registration no of the company :

ADD:

REGN NO. –

b. Name & address of owners, promoters and directors of the company :

1. -

2. -

3. -

c. Is the company owners, promoters or directors listed above, the subject of any

1. Preventive detention proceedings (PSA/NSA etc.) : Yes/No

2. Criminal proceedings : Yes/No

d. If Yes, please provide following details

1. Detention/Case/FIR/Warrant Number : None

2. Police Station/ District/ Agency : None

3. Section of law : None

4. Name & Place of the court : None

e. The above mentioned details are in respect of both India and any other foreign country.

(SIGNATURE OF AUTHORIZED SIGNATORY)

Note: The above self-declaration is required to be filled and signed by the authorized signatory of the company.

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Annexure III

PROJECT FEASIBILITY REPORT

I. The applicant's project feasibility report should clearly indicate the following:-

i) The applicant's background and credentials.

ii) Estimates of market demand.

iii) Proposed route; pattern.

iv) Aircraft type, number and source including aircraft lease/purchase terms.

v) Source of crew and technical personal.

vi) Source and deployment of funds.

vii) Profitability projections.

viii) Details of Foreign investment/equity participation and para wise comments on AIC on FDI.

ix) Arrangements for maintenance and training of aircraft maintenance engineers and crew.

II. Other details should include:-

i) Ownership pattern and proposed financial structure.

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ii) Acceptable proof of the applicant's activity to run air transport services on a sustained basis.

iii) Time-frame in which the project would be operationalised, schedule of activities and time frame for each activity.

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