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DRONE OPERATIONS LEGALISED FOR CIVIL AND COMMERCIAL USE: WHAT DO THE REGULATIONS MEAN?

1. INTRODUCTION

On August 27, 2018, the Directorate General of Civil Aviation (the “**DGCA**”), under the Ministry of Civil Aviation (the “**Aviation Ministry**”), introduced regulations (the “**Drone Regulations**”)¹ to set out the civil aviation requirements for the operation of *civil remotely piloted aircraft systems*, more commonly known as *drones*, which will come into effect on December 1, 2018.

The Drone Regulations were preceded by two sets of draft regulations released by the DGCA. The first was released in April 2016 and the second in November 2017. Both drafts received inputs from stakeholders, and it appears that the Drone Regulations have taken into account such inputs. Additionally, the DGCA has constituted a *drone task force* which will provide further recommendations, either to introduce a new set of regulations, or to modify the Drone Regulations.²

We highlight below the key aspects of the Drone Regulations.

2. CATEGORIES OF DRONES UNDER THE DRONE REGULATIONS

The Drone Regulations categorize drones into the following five classes, based on their total weight:

- (a) those less than or equal to 250 grams (approximately 0.5 pounds) (“**Nano Drones**”);
- (b) those greater than 250 grams and less than or equal to 2 kilograms (approximately 4.4 pounds) (“**Micro Drones**”);
- (c) those greater than 2 kilograms and less than or equal to 25 kilograms (approximately 55 pounds) (“**Small Drones**”);
- (d) those greater than 25 kilograms and less than or equal to 150 kilograms (approximately 330 pounds) (“**Medium Drones**”); and

¹ The Drone Regulations, available at <http://dgca.nic.in/cars/D3X-X1.pdf>.

² DGCA Press Release, available at <http://www.pib.nic.in/PressReleaseDetail.aspx?PRID=1544087>.

(e) those greater than 150 kilograms (“**Large Drones**”).

3. APPLICATION PROCESS FOR IMPORTED AND LOCALLY PURCHASED DRONES

3.1. Drones imported into India

Before the Drone Regulations were introduced, the Directorate General of Foreign Trade (the “**DGFT**”) issued a notification on July 27, 2016³, under which the import of drones was *restricted*, and required prior clearance from the DGCA and an import license from the DGFT.

The procedure for the import of aircraft was specified by the DGCA through a circular on August 23, 2017,⁴ which authorises the Directorate of Air Transport (the “**DAT**”) to grant an in-principle approval to the entity seeking to import drones for private use.

After this approval, generally, the DGCA issues a letter to the DGFT, recommending that an import licence be issued to such entity. The application to the DAT is a lengthy process involving other various permissions, documents and fees.⁵

Although the Drone Regulations do not expressly talk about superseding any notifications or circulars, they state that any entity *intending* to import drones into India shall obtain the following permits, in sequential order, for *each* make and model of a drone:

- (a) an equipment type approval from the Department of Telecommunication for operating a drone in de-licensed frequency bands (an “**ETA**”);
- (b) an import clearance issued by the DGCA for each drone (except for Nano Drones), upon an application⁶;
- (c) an import license from the DGFT, which shall be based on the import clearance from the DGCA;
- (d) a unique identification number (a “**UIN**”)⁷ issued by the DGCA, upon an application⁸ and after receiving the import license; and

³ DGFT Notification, available at [http://dgft.gov.in/exim/2000/NOT/NOT16/Notification_No.16_\(English\).pdf](http://dgft.gov.in/exim/2000/NOT/NOT16/Notification_No.16_(English).pdf).

⁴ Air Transport Circular No.2/2017 dated August 23, 2017, available at http://dgca.nic.in/circular/ATC02_2017.pdf

⁵ Please refer to Paragraph 2 of the Air Transport Circular for the list of permissions, documents and fees.

⁶ Please refer to Annexure IA of the Drone Regulations for the format of the application. The applicant is required to submit details like fleet strength, details of the drone (like model, date of manufacture, weight and height), mode of import (through lease or outright purchase) and the purpose of operating the drone.

⁷ Please refer to Annexure V of the Drone Regulations for the format of the issue of the UIN.

⁸ Please refer to Annexures II, III and IV of the Drone Regulations, which include application formats for security clearance and procurement of a UIN

- (e) an unmanned aircraft operator permit (a “UAOP”)⁹ issued by the DGCA, upon an application¹⁰ and after receiving the import license.

3.2. Drones purchased in India

Any entity, which has purchased a drone *within* India shall obtain the following permits, in sequential order, for *each* make and model of a drone:

- (a) an ETA;
- (b) a UIN¹¹ issued by the DGCA, upon an application which shall include certain information to be submitted¹²; and
- (c) a UAOP¹³ issued by the DGCA, upon an application¹⁴ which shall include certain information to be submitted.

3.3. Platform for applications

The Drone Regulations have introduced a portal called the ‘*Digital Sky Platform*’ (the “**Platform**”) which, according to the Aviation Ministry,¹⁵ will be a unique portal, and will implement a ‘*no permission, no take-off*’ policy. Every drone user, operator and owner must register themselves, as well as the drone they intend to operate, on the Platform. This registration shall be a one-time registration and all further permissions and applications will be processed through the Platform. To seek permission through the Platform, users will be required to enter their request on a mobile application, and an automated process shall instantly process such requests.¹⁶

4. REQUIREMENTS FOR A UIN

4.1. Ownership of the drone

The Drone Regulations state that a UIN will *only* be granted to drones, which are *wholly owned* by the following persons or entities:

⁹ Please refer to Annexure VII of the Drone Regulations for the format of the issue of the UAOP.

¹⁰ Please refer to Annexure VI of the Drone Regulations for the format of the application to issue or renew a UAOP.

¹¹ Please refer to Annexure V of the Drone Regulations for the format of the issue of the UIN.

¹² Please refer to Annexure IB of the Drone Regulations for the proforma of information to be submitted for locally purchased drones. The applicant is required to submit details like fleet strength, details of the drone (like model, date of manufacture, weight and height), mode of import (through lease or outright purchase) and the purpose of operating the drone.

¹³ Please refer to Annexure VII of the Drone Regulations for the format of the issue of the UAOP.

¹⁴ Please refer to Annexure IB of the Drone Regulations for the proforma of information to be submitted for locally purchased drones.

¹⁵ DGCA Press Release, available at <http://www.pib.nic.in/PressReleaseDetail.aspx?PRID=1544087>.

¹⁶ DGCA Press Release, available at <http://www.pib.nic.in/PressReleaseDetail.aspx?PRID=1544087>.

- (a) a citizen of India; or
- (b) the government of India or a state within India, or any company owned or controlled by either of such governments; or
- (c) a company or a body corporate: (i) which is registered and has its principal place of business within India; (ii) whose chairman and at least two-thirds of whose directors are citizens of India; and (iii) whose *substantial ownership and effective control* is vested in Indian nationals; or
- (d) a corporation registered outside India, which has given on lease the drone to any organization mentioned in paragraphs 4.1 (b) or 4.1 (c) above.

Essentially, a non-resident individual or company, or an entity which is owned or controlled by a foreign resident (an “FOCC”), cannot procure a UIN for engaging in drone operations.

4.2. Application for a UIN

To apply for a UIN, one needs to make an application to the DGCA through the Platform¹⁷, along with certain documents¹⁸ and the fee¹⁹ specified under the Drone Regulations.

One such document is a security clearance to be obtained from the Ministry of Home Affairs (the “MHA”)²⁰ for all drones except those owned by entities under paragraph 4.1 (b). However, individuals who are Indian citizens may either obtain such a security clearance or submit self-attested copies of at least two out of the following three valid identity proofs: passport; driving license; and Aadhaar card.

Where an Indian organization has taken any drone on lease under paragraph 4.1 (d), such Indian organization shall obtain the UIN.

If the application is in order, the UIN will be issued²¹ by the DGCA within 2 working days. It is important to note here that *each* make and model of a drone is required to have a UIN attached to it.

¹⁷ Please refer to Annexure IV of the Drone Regulations for the application for the issue of a UIN.

¹⁸ Please refer to Regulation 6.2 and Annexure IB of the Drone Regulations. Documents to be submitted include those in relation to the contact details of the owner or lessee of the drone, purpose and base of operation, equipment-related documents and proofs, ETA and security clearance from the MHA.

¹⁹ As per Annexure IV of the Drone Regulations (application for the issue of a UIN), the fee for the issue of a UIN is INR 1,000 (approximately USD 14).

²⁰ The application forms for the security clearance from the MHA are provided in Annexures II and III of the Drone Regulations.

²¹ Please refer to Annexure V of the Drone Regulations for the format of a UIN.

4.3. Drones not requiring a UIN

Obtaining a UIN is mandatory. Without a UIN, operating a drone is illegal and will attract penalties, as set out below in paragraph 7. However, the Drone Regulations specify the following types of drones which do not require a UIN:

- (a) Nano Drones intended to fly up to 50 feet or 15 meters above ground level, in uncontrolled airspace²², or enclosed premises for commercial, recreational or research and development purposes ("**Exempted Nano Drones**"); and
- (b) Drones owned or operated by the National Technical Research Organization, the Aviation Research Centre or Central Intelligence Agencies.

5. REQUIREMENTS FOR A UAOP

5.1. Application for a UAOP

A UAOP, unlike other licenses, is issued to a drone *operator* and not to any single drone. A drone operator, or a remotely piloted aircraft operator, is defined in the Drone Regulations as "*a person, organization or enterprise engaged in or offering to engage in an aircraft operation [which includes the drone system]*".

To apply for a UAOP, drone operators must apply to the DGCA through the Platform, along with certain documents²³ and fees²⁴ specified under the Drone Regulations, at least 7 *working* days prior to the actual commencement of drone operations.

If the application is in order, the UAOP will be issued²⁵ by the DGCA within 7 working days. Like a UIN, if an Indian organization has taken drones on lease under paragraph 4.1 (d) above, the UAOP shall be issued to such organization.

A UAOP is valid for a period of five years from the date of issue. However, if the operator obtains a fresh security clearance from the MHA, the UAOP may be renewed.²⁶ It is also important to note that a UAOP cannot be transferred.

²² Uncontrolled airspace is one which does not have defined dimensions within which air traffic control service is provided. Controlled airspace has such defined dimensions within which air traffic control is provided, in accordance with the airspace classification.

²³ Please refer to Regulation 7.3 and Annexure VI of the Drone Regulations. The applicant is required to submit details of the UIN, the existing UAOP, training records, the security programme (with permission), permission of the land owner from where the take off and landing is being undertaken, insurance and standard operating procedures.

²⁴ As per the Drone Regulations, the fee for the issue of a UAOP is INR 25,000 (approximately USD 362).

²⁵ Please refer to Annexure VII of the Drone Regulations for the format of the issue of the UAOP.

²⁶ As per Annexure VI of the Drone Regulations, the fee for the renewal of a UAOP is INR 10,000 (approximately USD 145).

5.2. Drone operators not requiring a UAOP

Without a UAOP, an operator cannot operate a drone. Doing so may attract penalties, as set out below in paragraph 7. However, the Drone Regulations state that operators operating the following types of drones will not require a UAOP:

- (a) Exempted Nano Drones;
- (b) Micro Drones operating below 200 feet or 60 meters above ground level in uncontrolled airspace or enclosed premises. However, the operator or user is required to inform local police authorities of any drone operation, at least 24 hours prior to the conduct of actual operations; and
- (c) Drones owned and operated by the National Technical Research Organization, the Aviation Research Centre or Central Intelligence Agencies. However, the relevant agency is required to inform local police authorities and the concerned Air Traffic Service units, prior to the conduct of actual operations.

6. OTHER REQUIREMENTS AND RESTRICTIONS

The Drone Regulations lay down certain other requirements and restrictions that all drone operators must keep in mind prior to and in the course of conducting drone operations. These have been summarized below.

6.1. Security and safety requirements²⁷

If a drone is lost, the operator must report this loss immediately to the local police authorities, the Bureau of Civil Aviation Security as well as the DGCA. In case of an accident involving a drone, except an Exempted Nano Drone, the operator shall be responsible for notifying the Director of Air Safety under the DGCA.²⁸ If a drone is irreparably damaged, the operator must notify the DGCA so that the UIN for the drone can be cancelled.

Additionally, every drone operator is required to obtain insurance for any damage that may be caused to any third party, from an accident or incident involving a drone.

The Drone Regulations also state that a drone which carries a UIN shall not be sold or disposed of in any way to any person or firm, without permission from the DGCA.

6.2. Remote pilot training requirements²⁹

A remote pilot is a person charged by the drone operator with duties essential to the operation of a drone, and who manipulates the flight controls during flight time. The Drone Regulations lay

²⁷ Please refer to Regulation 8 of the Drone Regulations for the security and safety requirements, in detail.

²⁸ Please refer to Annexure VIII of the Drone Regulations for the format of the drone occurrence report.

²⁹ Please refer to Regulation 9 of the Drone Regulations for the training process, in detail.

down training requirements for remote pilots, which include pilots obtaining ground training at any DGCA-approved flying training organization, with at least the minimum syllabus and curriculum being covered.³⁰

However, the training requirements under the Drone Regulations are not applicable to remote pilots intending to operate Exempted Nano Drones and Micro Drones in uncontrolled airspace.

6.3. Drone maintenance, equipment and manufacturing requirements³¹

The Drone Regulations state that operators and remote pilots must maintain and repair the drones according to the drone manufacturer's approved procedures. However, records of every drone flight are required to be maintained by the UAOP holder in a specific format³², and such records shall be made available to the DGCA on demand.

The Drone Regulations also set out certain equipment such as anti-collision strobe lights, a *SIM card* for real-time tracking through the mobile application, and a fire-resistant identification plate inscribed with the drone's UIN, which are to be embedded in each drone, except for Exempted Nano Drones.

The Indian Air Force has the authority to monitor drone movements within India, in coordination with the Airports Authority of India.

The Drone Regulations also set out minimum standards for the manufacturing of Small Drones, Medium Drones and Large Drones.³³ For all categories of drones, except Nano Drones, the manufacturer is required to provide a certificate of compliance to the DGCA, which shall include an undertaking relating to its compliances with the '*no permission, no take-off*' policy.

6.4. Operating requirements and restrictions³⁴

Every drone operator must prepare a list of standard operating procedures, which shall contain drone procedures such as take-off, landing, collision avoidance and noise abatement.

The Drone Regulations also lay down certain specific timings and meteorological conditions during which drones, except those operating in enclosed premises, are not permitted to operate,

³⁰ Please refer to Annexure IX of the Drone Regulations. The training syllabus includes the regulations introduced by the DGCA, the basic principles of a flight, Air Traffic Control procedures and radio telephony, fixed wing operations and aerodynamics, multi-rotor operations, drone maintenance, emergency identification and handling, image interpretation, flight simulator training and practical flying lessons.

³¹ Please refer to Regulations 10, 11 and 15 of the Drone Regulations for the drone maintenance, equipment and manufacturing requirements, in detail.

³² Please refer to Annexure X of the Drone Regulations. The format includes details regarding the remote pilot, the place and time of the operation and the termination of the operation, the hours of flight, all observations by the pilot, and records of maintenance prescribed by manufacturers.

³³ Please refer to Annexure XIV of the Drone Regulations for the minimum standards for the manufacturing of Small Drones, Medium Drones and Large Drones.

³⁴ Please refer to Regulations 12 and 13 of the Drone Regulations for the operating requirements and restrictions, in detail.

unless the DGCA has authorized their operations.³⁵ Essentially, the Drone Regulations enable visual line-of-sight, daytime-only drone operations up to a maximum altitude of 400 feet or 120 meters.

The Drone Regulations further clarify that an operator, except an operator for Exempted Nano Drones, shall, before undertaking a drone flight, obtain permission through the Platform. Such operators are also required to file flight plans at least 24 hours before actual operations, and obtain certain clearances from Air Traffic Control, the Indian Air Force and the Flight Information Centre. Operators are also required to notify all appropriate authorities immediately, in the event of cancellation of any drone operations which were scheduled to take place.

It is important to note that the Drone Regulations state that all drone operators, except those with Exempted Nano Drones, shall inform the local police authorities, in writing, *prior* to commencing operations. For operations in controlled airspace, remote pilots shall establish and maintain contact with Air Traffic Control, prior to entering the controlled airspace.

No person is permitted to act as a remote pilot for more than one drone operation at a time. Further, a drone is not permitted to discharge or drop substances, unless this has been specially permitted by the DGCA and such permission is mentioned in the UAOP. The Drone Regulations also state that no drone shall transport any hazardous material and animal or human payload.³⁶

Regulation 13 of the Drone Regulations lays down a specific list of areas over which drones are not allowed to operate.³⁷ Air space has been partitioned into the red zone (flying not permitted), the yellow zone (controlled airspace), and the green zone (automatic permission). However, the DGCA may authorize drone operations like aerial photography or remote sensing surveys, on a case-to-case basis, subject to the approval of the Ministry of Defence.³⁸

To encourage new technology, the Drone Regulations have set out certain areas as test sites to facilitate research and development by recognized Indian organizations to test or demonstrate aspects related to drones.³⁹

³⁵ Please refer to Regulations 12.2 and 12.3 of the Drone Regulations. Irrespective of weight, all drone operations except those in enclosed spaces, must be (i) restricted to the day; (ii) within a visual line of sight; (iii) with a minimum ground visibility of 5 kilometres and a cloud ceiling not less than 1,500 feet; (iv) during surface winds of not more than 10 knots; and (v) when there is no precipitation.

³⁶ Payload has been defined under the Drone Regulations as “all components of equipment on board the unmanned aircraft that are not needed for the flight or its control.”

³⁷ No drones are allowed to be flown in certain specific areas, including (i) within 5 kilometres of the airports located in Mumbai, Delhi, Chennai, Kolkata, Bengaluru and Hyderabad, or within 3 kilometres of airports in other locations; (ii) within 25 kilometres of international borders, including the Line of Control and the Line of Actual Control; (iii) beyond 500 metres into the sea from the coastline; (iv) within 3 kilometres of military installations or facilities; (v) within 3 kilometres of state secretarial complexes; (vi) from a mobile platform such as a moving vehicle, ship or aircraft; and (vii) over eco-sensitive zones.

³⁸ In such a case, seven copies of an application shall be submitted to the Director Regulations & Information of the DGCA in the prescribed format as indicated in Annexure XI of the Drone Regulations. The application must include identity proof numbers, registered office or permanent residence details, purpose of the aerial survey or photography, camera details, drone descriptions, proposed dates and representations regarding all necessary permissions procured.

³⁹ Please refer to Annexure XII of the Drone Regulations for the list of identified areas for the testing and demonstration of drones.

7. PENALTIES

In case of violations of any provisions of the Drone Regulations, the UIN or UAOP issued by the DGCA may be suspended or cancelled. If any person or entity falsifies records or fails to comply with any of the requirements under the Drone Regulations, such person or entity shall be liable for penal action, which may include penalties under the Indian Penal Code.⁴⁰ Additionally, necessary actions may be taken under the Aircraft Act, 1934, the Aircraft Rules, 1937 or any other statutory provisions.

The Aircraft Act, 1934 imposes a penalty of imprisonment for a term which may extend up to two years, or a fine which may extend up to INR 1 million (approximately USD 14,500), or with both, for anyone: (i) who *“wilfully flies any aircraft in such a manner as to cause danger to any person or to any property on land or water or in the air”*; or (ii) who *“wilfully fails to comply with any direction issued [by the DGCA] under section 5A”*⁴¹ of the Aircraft Act, 1934.

The relevant provision of the Aircraft Rules, 1937, states that *“the doing of any act prohibited by or under any rule, or failure to do any act required to be done by or under any rule, not specified elsewhere in this Schedule”* shall constitute an offence punishable with imprisonment for a term not exceeding 3 months or with a fine not exceeding INR 100,000 (approximately USD 1,450) or with both.

8. INDUSLAW VIEW

For a long time now, drones have been fairly popular among individuals and companies seeking to capture aerial images and videos. Up until the introduction of the Drone Regulations, drones were being flown by individuals and companies, but the general view was that their operation was either restricted or entirely prohibited.

At long last, the Aviation Ministry has *legalised* the private and commercial operation of drones. Although the Drone Regulations put in place several procedures to be complied with to purchase and operate drones in India, the uncertainty regarding the government’s stand on this subject has finally come to an end.

The Drone Regulations are largely in favour of drone operators and users, and will, undoubtedly, benefit individuals and smaller companies to carry out commercial operations, especially if the drones are purchased in India itself. In fact, shortly after the introduction of the Drone Regulations, multiple drone operators and users gave statements, welcoming the legalisation as a positive step.

⁴⁰ On October 21, 2016, the Mumbai police arrested three people for operating drones over a ground in Charkop, Mumbai and booked them under Section 188 (*disobedience to order duly promulgated by public servant*), Section 336 (*act endangering life or personal safety of others*) and Section 287 (*negligent conduct with respect to machinery*) of the IPC. Available at <http://indianexpress.com/article/cities/mumbai/mumbai-businessman-who-rents-drones-for-movie-shoots-two-employees-held-3094087/>. Since, at the time of their arrest, there were no consolidated regulations on drone operations for civil use, many such cases were reported under the Indian Penal Code, even for offences such as the *infringement of privacy*.

⁴¹ For Section 5A of the Aircraft Act, 1934, please refer to <http://dgca.nic.in/airact/act-5a.htm>.

Introduction of a one-time registration on the Platform, along with the ease of procuring permissions instantly through a mobile application, will facilitate ease of operations and encourage the usage of drones. We assume that the Platform and the mobile application will be introduced by or before December 1, 2018.

However, one unexpected but crucial implication of the Drone Regulations is that, by prescribing strict eligibility criteria for procuring a UIN, under Regulation 6.1 of the Drone Regulations, the DGCA has introduced a restriction which is not included in the foreign direct investment policy (the “**FDI Policy**”) of the Reserve Bank of India (the “**RBI**”).

Under the Drone Regulations, it appears that a non-resident or an FOCC can neither operate drones in India, nor substantially own or control any company which engages in this activity. The FDI Policy does not set out any such restriction. Further, although the Drone Regulations allow a non-resident company to lease its drones to an Indian company, it is likely that such a non-resident company will find it difficult to carry out drone operations through a subsidiary or any other entity within India.

Additionally, when procuring foreign investment, Indian companies will have to ensure that their resident Indian shareholders have the majority stake, since an FOCC is not permitted to operate drones. Therefore, to avoid confusion arising from this dichotomy, either the RBI will have to introduce this restriction in the FDI Policy, or the DGCA will have to relax the UIN eligibility norms.

The Drone Regulations also, seemingly optimistically, state that a UIN will be issued by the DGCA within 2 working days of a UIN application, and a UAOP will be issued within 7 working days of a UAOP application. Given that a drone operator must procure a UIN for *each* model and make of a drone, the 2-day time period for the issuance of a UIN may not be sufficient for the DGCA.

Further, if a user *intends* to import drones, he or she must get an ETA, import clearance and import license for every single drone that is intended to be operated. It is seen that a fairly large number of drone operators and users purchase drones from international websites and have them shipped to India. Therefore, it may be cumbersome for individual users and smaller companies to procure multiple approvals, just for placing an online order for a drone. Of course, the legalisation of drones by the DGCA may now allow drone companies abroad to tap into and maybe even operate from the Indian market, which may result in these issues arising out of import approvals, being eliminated altogether.

Currently, the most common instances of drone operations in India are with respect to aerial photography and videography, solar mapping, topography analysis, and mining and construction studies. For aerial views of a smaller area, the drones do not usually fly at a very high altitude. However, the Drone Regulations do not expressly permit drone operations at an altitude greater than 400 feet. Therefore, a large number of companies in mining, solar and construction sectors, which use survey sensors and drones to capture aerial views of much larger surface areas, may encounter problems in their operations. For many of them, flying at lower altitudes for surveys is uneconomical and expensive.

Additionally, many operators and pilots, except those operating Exempted Nano Drones and Micro Drones, will have to undergo an extensive training process, which will include theory subjects, ground training, practical drills and a DGCA-approved syllabus. This means that every person operating a drone heavier than 2 kilograms (approximately 4.4 pounds) will have to undergo this mandatory training process.

A newly-introduced instance of drone usage in countries like the United Kingdom, is delivery services by large companies such as Amazon. Delivery services through drones have not been attempted, at least at a commercial and large scale, by any company in India, due to the prohibition on drone operations in the past.

However, according to the Aviation Ministry, the Drone Regulations do not authorise delivery through drones just yet. Regulations 12.18 and 12.19 of the Drone Regulations state that a drone shall not discharge or drop *substances* unless specially allowed, and shall not transfer any *animal or human payload*.

A *payload* is any weight on a drone which is not required for its flight. We query whether a *package* such as a *book* or a *gift* would fall under the definition of a *substance* under Regulation 12.18 of the Drone Regulations, and further query whether *food* and *drink* deliveries would fall under the prohibition.

While the legalisation of drones in India will, in all likelihood, have a largely positive impact on the technological ecosystem of the country, it is important to note that, in the past, drones have been viewed as a security threat. Without proper implementation and supervision, drones may pose a safety threat, and may lead to air collisions and accidents. If a fairly large number of authorised drones are being operated in an area, it may be relatively easy for an unauthorised drone, which poses a security threat, to enter that space. Due to this threat, it is understandable that one of the penalties prescribed by the Drone Regulations is an action under the Indian Penal Code.

This is indicative of the fact that the law relating to drone operations is intended to severely penalize individuals and companies for any breach, due to the possible harmful impact.

The potential threats imposed by drones, and the security concerns and privacy issues they raise, might explain the intention of the DGCA behind restricting outright foreign ownership or control of drone companies.

However, if the implementation of the Drone Regulations is carried out efficiently, quickly and with ease, and if the Platform and mobile application work seamlessly, these Drone Regulations will prove to be a step in the right direction, especially to successfully work towards establishing India as a key player in new-age technology.

It will be interesting to see what the *drone task force* provides in its recommendations for the new set of regulations on drones, and whether delivery of goods through drones will be introduced by the DGCA in these new regulations. Many companies and stakeholders will also await communication from the RBI with respect to its position on the FDI restriction introduced by the Drone Regulations.

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