AVI-NEWS

Editorial

Dear Friends,

Union Budget 2025-26, reaffirmed the Indian government's commitment to strengthening regional connectivity in the country. Having already enabled 1.5 crore passengers to experience affordable air travel, the target is to extend this benefit to 4 crore more in the next decade.

So far, the scheme has operationalized 619 routes and connected 88 airports across the country. Building on this success, a revamped UDAN initiative is being planned to further enhance regional connectivity, adding 120 new destinations. Additionally, the scheme will focus on supporting helipads and smaller airports in remote, hilly, and aspirational districts, including the North Eastern region.

The number of air passengers annually has surpassed 350 million, positioning India as the third-largest aviation market globally. Over the past ten years, domestic air passenger traffic has been growing at an annual rate of 10-12%,

and the number of airports has more than doubled to 159. India is committed to developing 50 more airports in the next 5 years.

The finance minister in her budget address also underscored the government's focus on upgrading air cargo infrastructure. India's air cargo sector is growing at over 10% annually, with airport cargo handling capacity reaching 8.0 million MT in FY24. There is a special focus on air cargo warehousing, particularly for perishables, opening up greater market opportunities for Indian producers and enhancing both exports and domestic trade efficiency. Streamlining cargo screening and customs protocols will enhance efficiency and promote ease of doing business in the sector.

This issue of newsletter evaluates Indian Aviation industries performance in the last financial year 2024-25.

It clearly indicates that India is well on its way to emerging as both a major hub for civil aviation and a centre for aircraft component manufacturing. With deep reservoir of talent and resources and by integrating valuable industry insights, she can chart a unified national roadmap that transforms these opportunities into concrete, strategic outcomes.

Happy travels!

Sanjiv Aggarwal

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India Becomes Second Country to Launch Electronic Personnel License (EPL) in Civil Aviation

Union Minister for Civil Aviation, Sh. Ram Mohan Naidu launched the Electronic Personnel License (EPL) for Pilots, a ground-breaking initiative set to modernize and enhance the safety, security and efficiency of India's civil aviation sector. With this advancement, India becomes the second country globally to implement this advanced system, following approval from the International Civil Aviation Organization (ICAO).

The EPL is a digital version of a personnel license that will replace traditional physical licenses for pilots. It will be securely accessible via the eGCA Mobile Application, ensuring a seamless and transparent process in alignment with the Government of India's "Ease of Doing Business" and "Digital India" initiatives.

The introduction of EPL follows ICAO's Amendment 178 to Annex 1- Personnel Licensing, which encourages Member States to adopt electronic licenses for improved security and efficiency. While major global aviation leaders, are still in the process of implementing similar systems, India has successfully taken the lead in digital aviation solutions.

The Union Minister remarked, "With the unprecedented growth of India's aviation sector, we will need approximately 20,000 pilots in the near future. Pilots are the backbone of civil aviation, and with eGCA and EPL, we are leveraging innovative, tech-driven solutions to enhance their comfort and employability globally, while providing real-time access to their credentials to support security operations."

Prior to this implementation, DGCA was issuing licenses to the Pilots in the smart card format and had issued 62000 card licenses till date. The total licenses issued in the year 2024 requiring printed cards stand at approximately 20,000 which is average of 1,667 cards per month. With the launch of EPL, the need for printed cards will be reduced in a phased manner, significantly streamlining the licensing process. Additionally, this shift will have a positive impact on environmental sustainability by reducing paper and plastic usage.

The Minister, also highlighted other transformative initiatives for reshaping Indian aviation through digital innovation and making operations more efficient. Key advancements include the eGCA platform for streamlined licensing, the Digital Sky Platform for drones, and the Electronic Flight Folder (EFF) for airline operations.

The introduction of the Electronic Personnel License (EPL) for pilots represents a significant milestone in establishing a globally recognized regulatory framework. It strengthens India's position as a global leader in aviation innovation and ensuring a more robust and tamper-proof licensing system.

Year End Review 2024:
The Indian Civil Aviation

- **2nd Asia-Pacific Ministerial Conference on Civil Aviation:**

Under the chairmanship of Union Minister of Civil Aviation Sh. Ram Mohan Naidu, Ministry successfully organized the 2nd APAC-MC on 11th and 12th September, 2024 in New Delhi. As a major achievement, Delhi Declaration was proclaimed by Hon'ble Prime Minister of India Sh. Narendra Modi during the conference. The conference was attended by Hon'ble Ministers and high-level dignitaries from twenty-nine (29) Asia Pacific countries. Further, the conference was also attended by other aviation related International Organizations such as IATA, ACI, etc. and representatives from ICAO.

- **Expansion of Airports and Terminals:**

Significant infrastructure development included laying the foundation for new terminals at Varanasi, Agra, Darbhanga, and Bagdogra. The Hon'ble Prime Minister Narendra Modi also inaugurated airports in Sarsawa, Rewa, and Ambikapur, strengthening regional connectivity.

- **Record Passenger Traffic:**

Domestic Routes - During the year 2024 (January-November), Scheduled domestic airlines operated a total number of 1.02 million scheduled flights carrying a total of 146.4 million scheduled passengers as against 0.97 million scheduled flights carrying total of 138.2 million scheduled passengers during the previous year 2023 (January-November). The number of domestic passengers carried by scheduled domestic Indian Carriers has witnessed a growth of 5.9% in the year 2024 as compared to the previous year 2023 during the same period (Jan to Nov). Marking a new record, domestic air passenger traffic crossed 5 lakhs for the first time in a single day on November 17, 2024.

International Routes - During the period January to November 2024 a total of 64.5 million passengers were carried on international routes by Scheduled Indian & foreign operators as against 58.0 million in the corresponding period in 2023, thereby witnessing a growth of 11.4%. Out of the 64.5 million passengers, 29.8 million passengers were carried by Scheduled Indian carriers while 34.7 million passengers were carried by scheduled foreign carriers during the period January to November 2024.

● **Setting up of Greenfield Airports:**

Government of India has so far accorded 'in-principle' approval for setting up of 21 Greenfield Airports across the country namely, Mopa in Goa, Navi Mumbai, Shirdi and Sindhudurg in Maharashtra, Kalaburagi, Vijayapura, Hassan and Shivamogga in Karnataka, Dabra (Gwalior) in Madhya Pradesh, Kushinagar and Noida (Jewar) in Uttar Pradesh, Dholera and Rajkot in Gujarat, Karaikal in Puducherry, Dagadarthi, Bhogapuram and Oravakal (kurnool) in Andhra Pradesh, Durgapur in West Bengal, Pakyong in Sikkim, Kannur in Kerala and Itanagar in Arunachal Pradesh. Out of these, 12 Greenfield airports, namely Durgapur, Shirdi, Sindhudurg, Pakyong, Kannur, Kalaburagi, Oravakal (Kurnool), Kushinagar, Itanagar, Mopa, Shivammogga and Rajkot have been operationalized.

Further, development works at two major airport projects i.e. Noida (Jewar) and Navi Mumbai International Airports are at advance stage of completion and these airports are targeted for operationalization by first quarter of FY 2025-26. Besides, GoI has also granted 'Site Clearance' for construction of 9 Greenfield airports namely Alwar in Rajasthan, Singrauli in Madhya Pradesh, Mandi in Himachal Pradesh, Kottayam in Kerala, Puri in Odisha, Doloo in Assam, Parandur in Tamil Nadu, Kota in Rajashtan and Raichur in Karnataka. Among these, 'Site Clearance' to 4 Greenfield Airport projects viz. Doloo, Parandur, Kota and Raichur has been granted during 2024.

● **CAPEX on Infrastructure Development:**

Under National Infrastructure Pipeline (NIP), CAPEX of more than Rs. 91,000 crore is envisaged for airport infrastructure development during the period FY 2019-20 to FY 2024-25, where the share of AAI is approx. Rs. 25,000 crore and remaining expenditure is to be borne by airport developers under PPP mode. Expenditure of approx. Rs. 82600 crores have been incurred under NIP from FY 2019-20 till November, 2024.

● **6th Helicopters & Small Aircraft Summit:**

The 6th Helicopters & Small Aircraft Summit held in Shillong, Meghalaya served as a platform to address key challenges and explore opportunities within the aviation sector, with a particular focus on helicopters, small aircraft, seaplanes, and skill development. Discussions explored opportunities for enhancing regional connectivity through helicopters and small aircraft, particularly in remote areas. The Summit highlighted the potential of expanding helicopter services to support tourism, healthcare, and trade.

➡ **Key Highlights:**

Enhancing regional connectivity and fostering development.

Supporting tourism, trade, and healthcare access in remote areas.

Exploring innovations in small aircraft design for economic and infrastructure growth.

● 2nd North East Aviation Summit:

The 2nd North East Aviation Summit focussed on transforming the aviation landscape of the Northeast with improved connectivity and world-class infrastructure. It underscored the importance of initiatives like UDAN in empowering local communities and unlocking the region's economic and tourism potential. Participants discussed the need for enhanced regional connectivity to support tourism, trade, and healthcare access. The Summit also highlighted a demand for increasing direct international flights from Assam to destinations like Bangkok, Dhaka, Singapore, and Kathmandu, aiming to position the region as a global hub.

● Guidelines for Seaplane Operations:

The Minister of Civil Aviaiton Sh. Ram Mohan Naidu launched Guidelines for Seaplane Operations in India on 22.08.2024. These guidelines prioritize the safety and security of operations and define the responsibilities of all stakeholders, ensuring a seamless and efficient seaplane operation across the nation. The adoption of the Non-Scheduled Operator Permit (NSOP) framework for seaplanes is a significant step forward in the Government's commitment to enhancing regional connectivity with a focus to allow expeditious commencement of seaplane operations in the country. UDAN Round 5.5 has been launched to invite bids for seaplane operations from more than 50 Water-bodies across the country.

● MRO Sector Development:

The Government has introduced several policies and regulations to bring India's MRO sector at par with global peers and support growth of MRO industry in India. In a major boost to the domestic MRO industry and to the aviation sector, the Government has announced on 12th July, 2024 that a uniform rate of 5% IGST will apply to imports of Parts components, testing equipment, tools and tool-kits of aircraft, irrespective of their HSN classification subject to specified conditions. Previously, the varying GST rates of 5%, 12%, 18%, and 28% on aircraft components created challenges, including an inverted duty structure and GST accumulation in MRO accounts. This new policy eliminates these disparities, simplifies the tax structure, and fosters growth in the MRO sector. Further, the period for export of goods imported for repairs has been extended from six months to one year. Also, the time-limit for re-import of goods for repairs under warranty has been extended from three to five years.

● Advancing Gender Equality in India's Aviation Sector:

In order to promote gender equality in aviation section, an advisory has been issued on "gender equality in the civil aviation sector" for industry stakeholders to increase the number of women in various positions to 25% by 2025 in India's aviation industry. Stakeholders have been advised to promote enhanced representation of women in the aviation workforce, introduce leadership and mentorship programs for women in the organization.

Under the initiative "The President with the People," Hon'ble President of India and the Civil Aviation Minister Sh. Ram Mohan Naidu interacted with 51 women achievers in the civil aviation sector. This included pilots, cabin crew, flight dispatchers, air traffic controllers, maintenance engineers, airport managers and regulators, highlighting their pivotal contributions to the industry.
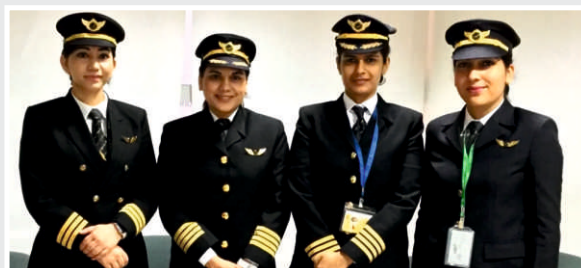
● Pioneering Green Energy Adoption:

The Minister of Civil Aviation Sh. Ram Mohan Naidu has been driving adoption of conventional sources of energy at airports reducing the carbon footprint of operations. 80 airports have switched over to 100% green energy usage with 12 airports making the switch in 2024. Bengaluru Airport has achieved the highest Carbon Accreditation Level 5 of Airports International Council (ACI), whereas Airports viz. Delhi, Mumbai and Hyderabad have achieved Level 4+ ACI.

Revolutionizing Aircraft Maintenance and Supply Chain Management with AI

The aviation industry is undergoing a significant transformation with the integration of Artificial Intelligence (AI) in aircraft maintenance and supply chain management. AI-powered solutions are streamlining maintenance processes, reducing downtime, and improving overall efficiency. In this article, we'll explore the applications of AI in aircraft maintenance and supply chain management and discuss the benefits and future directions of this technology.

● Aircraft Maintenance: A Complex Process:

Aircraft maintenance is a complex and time-consuming process that involves routine inspections, repairs, and replacements of parts. The process requires careful planning, execution, and documentation to ensure compliance with regulatory requirements and maintain aircraft airworthiness. However, traditional maintenance methods often rely on manual processes, leading to inefficiencies, errors, and increased downtime.

● AI-Powered Maintenance Solutions:

AI-powered solutions are revolutionizing aircraft maintenance by providing predictive, proactive, and personalized maintenance capabilities. Some of the key applications of AI in aircraft maintenance include:

1. Predictive Maintenance: AI algorithms analyze sensor data, flight logs, and maintenance records to predict potential failures and schedule maintenance accordingly.

2. Fault Detection and Diagnosis: AI-powered systems quickly identify faults and diagnose issues, reducing the time and effort required for troubleshooting.

3. Maintenance Planning and Scheduling: AI optimizes maintenance planning and scheduling, ensuring that maintenance tasks are completed efficiently and effectively.

4. Quality Control and Inspection: AI-powered systems analyze inspection data and detect defects, ensuring that maintenance tasks meet regulatory requirements.

● **Supply Chain Management for Maintenance:**

Effective supply chain management is critical to ensuring that maintenance tasks are completed efficiently and effectively. AI-powered solutions are transforming supply chain management for maintenance by providing real-time visibility, predictive analytics, and automated decision-making. Some of the key applications of AI in supply chain management for maintenance include:

1. Inventory Management: AI algorithms analyze demand patterns, lead times, and inventory levels to optimize inventory management and reduce stockouts.

2. Procurement and Sourcing: AI-powered systems analyze supplier performance, pricing, and lead times to optimize procurement and sourcing decisions.

3. Logistics and Transportation: AI optimizes logistics and transportation planning, ensuring that parts and materials are delivered to the right place at the right time.

4. Demand Forecasting: AI algorithms analyze historical data, seasonal trends, and external factors to predict demand patterns and optimize supply chain planning.

● **Benefits of AI in Aircraft Maintenance and Supply Chain Management:**

The integration of AI in aircraft maintenance and supply chain management offers numerous benefits, including:

1.Improved Efficiency: AI-powered solutions automate manual processes, reducing the time and effort required for maintenance tasks.

2. Increased Accuracy: AI algorithms analyze large datasets, reducing the likelihood of errors and improving the accuracy of maintenance tasks.

3. Enhanced Safety: AI-powered solutions predict potential failures and detect defects, ensuring that maintenance tasks meet regulatory requirements and maintaining aircraft airworthiness.

4. Reduced Costs: AI optimizes maintenance planning and scheduling, reducing downtime and minimizing the costs associated with maintenance tasks.

5. Improved Customer Satisfaction: AI-powered solutions ensure that maintenance tasks are completed efficiently and effectively, reducing delays and improving customer satisfaction.

● Future Directions:

The integration of AI in aircraft maintenance and supply chain management is a rapidly evolving field, with new applications and innovations emerging continuously. Some of the future directions for AI in aircraft maintenance and supply chain management include:

1.Increased Adoption of Autonomous Systemss: Autonomous systems, such as drones and robots, will play a critical role in aircraft maintenance and inspection.

2. Integration with Other Technologies: AI will be integrated with other technologies, such as blockchain and the Internet of Things (IoT), to create more efficient and effective maintenance processes.

3. Development of New Business Models: AI will enable new business models, such as pay-per-use maintenance and data-driven maintenance services.

In conclusion, the integration of AI in aircraft maintenance and supply chain management is transforming the aviation industry. AI-powered solutions are improving efficiency, accuracy, safety, and customer satisfaction, while reducing costs and downtime. As the technology continues to evolve, we can expect to see even more innovative applications of AI in aircraft maintenance and supply chain management.