

---

# Regulatory Framework for Drones in India

---

New Age Technologies (NTL)  
Research Report - September 2021

-----  
✉ [contact@digilaw.in](mailto:contact@digilaw.in)  
-----

## TABLE OF CONTENTS

1. INTRODUCTION	3
1.1 Background	3
1.2 Drone Rules, 2021	4
2. KEY PROVISIONS OF DRONE RULES, 2021	6
2.1 Applicability and Scope	6
2.2 Categorisation and Classification of the Drones	6
2.3 Necessity for certification of the Drones	7
2.4 Registration of drones	8
2.5 Airspace and Zoning	9
2.6 General Obligations	9
2.7 Remote Pilot License	10
2.8 Exemption for research, development and testing	10
2.9 Insurance	11
2.10 Consequences of Contravention	11
2.11 Review	12
3. RULES GOVERNING UAS IN OTHER JURISDICTIONS	13
3.1 United States of America	13
4. THE WAY FORWARD	14
5. PROFIT LINKED INCENTIVE SCHEME	15
ANNEXURE I	16

## 1. INTRODUCTION

Drones or Unmanned Aircrafts essentially are small and agile machines flying in the air autonomously or remotely without having any pilot on board. The evolution of drone technology can be considered to be a significant technological revolution all over the world.

Drones have multi-dimensional utility in agriculture, mining, infrastructure, surveillance, emergency response, transportation, geo-spatial mapping, defence, law enforcement, etc. due to their versatility, ease of use, and reach, especially in India's remote and inaccessible areas. The uses of drones are extensively varied – from capturing aerial images to mapping difficult terrains for delivering goods, spraying pesticides over vast area of land, and to carry out surveillance in sensitive areas, etc., drones play an important role in providing access to areas which are usually inaccessible or are difficult to access.

The annual sales turnover of the drone manufacturing industry is expected to grow from INR 60 crore (roughly \$8 million) in 2020-21 to over INR 900 crore (roughly \$122 million) in FY 2023-24. The government has also come up with a profit linked incentive (PLI) scheme to give further impetus to drone and drone components manufacturing.

India, while recognising the importance of drones, enacted several rules to govern this area, with the most recent being the Drone

Rules, 2021 notified by the Ministry of Civil Aviation on August 25, 2021. These new rules would replace the existing Unmanned Aircraft System (UAS) Rules, notified in March, 2021. The Drone Rules, 2021 are based on “trust, self-certification and non-intrusive monitoring”, which will likely drive more investment and will promote innovation in the drone sector, thereby giving a leg-up to the drone industry.

### 1.1 Background

The Aircraft Act, 1934 is the parent legislation that is in place with regards to the control of the manufacture, possession, use, operation, sale, import and export of aircrafts, which include the unmanned aircraft system, or in layman's words, the drone. The government also framed the Aircraft Rules, 1937 in terms of the mandate of the Act to provide for the detailed regulatory framework for aircrafts operating within the territory of India. The Aircraft Rules have stringent provisions regarding the registration and operation of aircraft, which is justified given the higher risk involved in the operation of aircrafts. However, these stringent provisions, if applied to the drones or unmanned aircrafts, would have a detrimental effect as they create a barrier for innovations in the sector.

The pre-independence legislation and the rules, though amended from time to time, failed to recognize drones separately due to which, there was an elongated period of ambiguity and confusion related to governance of drones. Also, the remotely manned drones are substantially different than the manned aircrafts and therefore, an evolved and more comprehensive legal framework was required for the regulation of the drone sector.

In August 2018, the Director General for Civil Aviation (DGCA) for the first time issued the detailed requirements and compliance procedures under Civil Aviation Requirements (CAR) for remotely piloted aircraft system.<sup>1</sup> However, these CAR rules were not elaborate and certain important aspects relating to national security were not addressed. Moreover, the requirements were restrictive for the new entrants and special exemptions would be required for most of the use cases, which made it difficult for stakeholders to undertake research and testing of drones.

Accordingly, the Ministry of Civil Aviation notified the Unmanned Aircraft System Rules, 2021 (the “UAS Rules”)<sup>2</sup>. However, these Rules were narrowly focused on addressing the national security concerns by toughening the licenses and approval norms, which

made them highly restrictive for other people. Hence, these Rules garnered a lot of criticism from people in academia, start-ups, end-users and other stakeholders stating to be restrictive in nature as they involved considerable paperwork, required permissions for every drone flight and very few “free to fly” green zones were made available.

To address the concerns of various stakeholders, the government floated draft rules in July 2021 and sought objections and suggestion from all the stakeholders. After taking into consideration the objections and suggestions, the Ministry of Civil Aviation notified the Drone Rules, 2021<sup>3</sup> in exercise of the powers conferred by the Aircraft Act, 1934.<sup>4</sup> These Rules superseded the UAS Rules.

## 1.2 Drone Rules, 2021

Through these Rules, the government has considerably liberalised the regime on drones, by removal of express restrictions on foreign-owned and controlled Indian companies, by simplifying the drone registration and certification process and making it time-bound and less expensive, by creating an online platform (digital sky platform) for approvals and airspace map, by

---

<sup>1</sup> Civil Aviation Requirements, Section 3, Series X Part I, issued on 27<sup>th</sup> August, 2018 and made effective from 1<sup>st</sup> December, 2018.

<sup>2</sup> Govt. of India, Ministry of Civil Aviation, F. No. AV-11012/4/2019-DG (March 12, 2021)

<sup>3</sup> Govt. of India, Ministry of Civil Aviation, F. No. AV-29017/37/2021-SDIT-MoCA (August 25, 2021)

<sup>4</sup> Sections 5, 10(2), 10A, 10B and 12A of the Aircraft Act, 1934

imposing lesser restrictions on nano drones, etc. However, these rules failed to deal with the privacy and safety concerns arising out of

drone operations in open skies. This report discusses in detail the regulatory framework in place for drones in India.

#### Comparison of repealed UAS Rules with the new Drone Rules, 2021

	<i>Unmanned Aircraft Systems Rules, 2021 (notified in March 2021)</i>	<i>Drone Rules, 2021 (notified in August 2021)</i>
<i>Norms regarding compliance</i>	Twenty-five (25) forms were required to be filled. Fees were applicable for 72 procedures – fee for certification, license, authorisation, permit etc., and it varied between INR 500 to INR 25,000.	Required forms have been reduced to five (5). Fees is required for only few procedures. Fees for some of the procedures have been removed, and all sort of issuance fees have been reduced to INR 100. Only authorisation or renewal of authorisation of remote pilot training organisation fees is INR 1000.
<i>Airspace Mapping</i>	No provisions	Interactive airspace map segregating all three zones has to be published within 30 days of the notification of the Drone Rules.
<i>Research, Development, and Testing</i>	No person other than authorised research and development organisation can undertake research and development of UAS. Prototypes needed several mandatory approvals prior to flying.	Recognised institutions and start-ups would not require a type certificate, unique identification number, prior permission and remote pilot license for operating drones for research, development and testing purposes if operation takes place within a green zone and within their premises.
<i>Penalty</i>	Maximum penalty of INR 5 lakhs (roughly \$6,800) could be imposed.	Reduced to maximum of INR 1 lakh (roughly \$1,400) penalty.
<i>Drone Deliveries</i>	Only limited permission given according to approved operations manual.	Specific framework has been proposed to develop dedicated corridors for safe and seamless transfer of goods by drones within and across zones.

## 2. KEY PROVISIONS OF DRONE RULES, 2021

### 2.1 Applicability and Scope

The Drone Rules are applicable to-

- a) all persons owning or possessing, or engaged in leasing, operating, transferring or maintaining an unmanned aircraft system ("UAS") in India.
  - b) all the UAS that are registered in India, and
  - c) all the UAS that are being operated for the time being, in or over India.
- b) rotorcraft (a heavier-than-air aircraft supported in flight by the reactions of the air on one or more power driven rotors on substantially vertical axes); and
  - c) hybrid UAS (a heavier-than-air UAS capable of vertical take-off and landing which depends principally on power-driven lift devices or engine thrust for the lift during the flight regimes and on non-rotating airfoil for lift during horizontal flight).

However, these Rules will apply only to a UAS with maximum all-up-weight<sup>5</sup> of not more than 500 kg. If the maximum all-up-weight of the UAS exceeds 500kg, the stringent provisions of the Aircraft Rules will apply.

Furthermore, these Rules will also not apply to any UAS belonging to, or used by, the naval, military or air forces of the Union of India.

### 2.2 Categorisation and Classification of the Drones

The UAS have been categorised into three categories:

- a) Aeroplane;

They are then further sub-categorised as:

- a) remotely piloted aircraft system ("RPAS");
- b) model RPAS (RPAS with all-up weight not exceeding 25 kg, used for educational, research, design, testing or recreational purpose only and operated within visual line of sight); and
- c) autonomous UAS.

On the basis of the maximum all-up weight including the payload, the UAS have been classified as:

- a) Nano UAS: weighing less than or equal to 250 gm;
- b) Micro UAS: weighing more than 250 gm, but less than or equal to 2 kg;

---

<sup>5</sup> The total weight of an aircraft with passengers, cargo, and fuel.

- c) Small UAS: weighing more than 2 kg, but less than or equal to 25 kg;
- d) Medium UAS: weighing more than 25 kg, but less than or equal to 150 kg; and
- e) Large UAS: weighing more than 150 kg.

### 2.3 Necessity for certification of the Drones

No person shall operate a UAS in India unless such UAS conforms to a type certificate.<sup>6</sup> However, the model remotely piloted aircraft and the nano UAS are exempted from the requirement of obtaining type certificate for their operation. Also, the type certificate is not required for manufacturing or importing a UAS. The central government is empowered to specify the standards<sup>7</sup> for obtaining a type certificate for UAS on the recommendation of the Quality Council of India (QCI).

#### Procedure for obtaining type certificate

Any person, who intends to get a type certificate, is required to make an application in the prescribed format on the digital sky platform along with the payment of the fee (specified in Rule 46) and the required information and documents. The prototype UAS is required to be physically handed over

to the authorised testing entity specified on the digital platform. The proposal would then be examined by the Quality Council of India or the authorised testing entity, and the test report along with its recommendations has to be submitted to the Director General of Civil Aviation (DGCA) within 60 days from the date of receipt of the application. The DGCA will then issue a type certificate for the specific type of UAS, on the basis of the test report and the recommendations, within 15 days of receiving such test report.

#### Approval by foreign regulators

The Rules also allow issuance of type certificate on the basis of approval granted to any type of UAS by the notified Contracting States.<sup>8</sup>

#### Safety Features

The Rules empowers the central government to specify mandatory safety features to be installed on a UAS by the owner. These safety features can, inter alia, include –

- a) ‘No permission No Takeoff’ hardware and firmware;
- b) real-time tracking beacon which can communicate the UAS's location, altitude, speed and unique identification number; and

<sup>6</sup> A certificate certifying that the UAS of a specific type meets the requirements specified under the Drone Rules. It is issued by the DGCA or any other entity authorised by the DGCA on the recommendation of the Quality Council of India or an authorised testing entity. (Rules 3(y) and 8)

<sup>7</sup> No standards have been notified by the government till date.

<sup>8</sup> “Contracting State” means any country which is for the time being a party to the Convention on International Civil Aviation concluded at Chicago on 7th December 1944;

- c) geo-fencing capability to restrict movement of UAS within a defined airspace.

Once specified, these features have to be adopted by the owners of UAS within 6 months from the date of the publication of such notification.<sup>9</sup>

## 2.4 Registration of drones

Any person who intends to operate a UAS shall -

- a) register it on the digital sky platform, and
- b) obtain a unique identification number (UIN), and
- c) ensure that such UAS conforms to a valid type certificate. (except for model RPAS and nano UAS)

The DGCA is required to maintain the record of the registration.

### Procedure for registration

Any person who intends to register and obtain a UIN for their UAS shall make an application on the digital sky platform in the prescribed format along with the fee (specified in rule 46) and the requisite details (including the unique number of the type certificate to which such unmanned aircraft system conforms to). The digital sky platform will then issue a unique identification number (UIN) to the applicant upon verification. The

UIN of a UAS shall be linked to the unique serial number (USN) provided by the manufacturer and the unique serial numbers of its flight control module and remote pilot station (RPS). No person shall replace the flight control module or RPS of a UAS whose serial number is linked to such UAS's UIN, without first updating, on the digital sky platform, the USN of the new flight control module or RPS, within a period of 7 days from the date of such replacement or before operating such UAS, whichever is earlier.

### Registration of existing drones

A person owning a UAS manufactured in India or imported into India on or before the November 30, 2021 shall, within a period of 31 days make an application to register and obtain a UIN for his UAS.

### Transfer

A person may transfer a UAS to another person by way of sale, lease, gift or any other mode, after providing requisite details of the transferor, transferee and UIN of the UAS on the digital sky platform.

### De-registration

In case, a UAS registered in a person's name is either permanently lost or permanently damaged, he shall, on arriving at a reasonable conclusion that it is so lost or damaged, apply for deregistration of such UAS.

---

<sup>9</sup> Till date, the government has not notified any additional safety feature.



## 2.5 Airspace and Zoning

The central government is required to publish an airspace map for UAS operations on the digital sky platform, segregating the entire airspace of India into three zones – namely red zone, yellow zone and green zone, with a horizontal resolution equal or finer than 10 meters. These zones are dynamic in nature and the central government is empowered to change the status of an area from one zone to another, but such change can come into effect only after 7 days of the update.

Prior permission is required to operate drones in red or yellow zone. However, no such prior permission is required for operating a drone in a green zone but the remote pilot is mandatorily required to verify, before commencing any drone operation, the digital sky platform for any notification or restriction applicable in the intended area of operation.

The airspace map for UAS operations shall be so designed as to be programmatically accessible through a machine-readable Application Programming Interface (API)<sup>10</sup> so as to ensure that the UAS pilots shall be able to plot their proposed flight plan and easily identify the zone within which it falls so as to assess whether or not they need to make an application for prior approval.

---

<sup>10</sup> API is a software intermediary that allows two applications to communicate with each other.

## 2.6 General Obligations

The Rules stipulate that no person operating the drone shall:

- a) operate the drone in a manner, either directly or indirectly, as to endanger the safety and security of any person or property; or
- b) carry or cause or permit to be carried in any drone to, from, within or over India, any arms, ammunitions, munitions of war, implements of war, explosives and military stores, except with the written permission of the central government or any other person authorised by the central government in this behalf and subject to the terms and conditions of such permission; or
- c) carry dangerous goods on unmanned aircraft unless such operation is in compliance with the Aircraft (Carriage of Dangerous Goods) Rules, 2003; or
- d) violate the right of way of a manned aircraft and shall remain clear of all manned aircrafts.

Furthermore, the remote pilot is required to mandatorily report any incident of accident involving drone to the DGCA through the digital sky platform within 48 hours of the accident.

## 2.7 Remote Pilot License

Remote Pilot License (RPL) is essentially a permit to operate a drone in India. However, no such license is required to operate a micro drone for non-commercial purposes or to operate a nano drone. The RPL holder must be mandatorily listed on the digital sky platform to operate a drone. Such RPL should mention the category, sub-category and classification of the UAS or a combination of these, for which it is issued.

### Eligibility for obtaining Remote Pilot License

An individual is eligible to obtain a remote pilot license if –

- a) he is between 18 to 65 years of age;
- b) he has passed class tenth exam or its equivalent; and
- c) he has successfully completed training prescribed by the DGCA<sup>11</sup> from any authorised remote pilot training organisation.

### Procedure for obtaining RPL

The remote pilot training organisation needs to make an application for RPL in Form D-4 on digital sky platform along with the fee (prescribed in Rule 46) within 7 days of completion of the training and passing of tests by an individual. Subsequently, such individual would be issued remote pilot certificate through the digital sky platform. Thereafter, the

DGCA will issue the remote pilot license through digital sky platform within 15 days from the issuance of remote pilot certificate.

### Validity and Renewal

A remote pilot license remains valid for ten (10) years. It can be renewed for another ten (10) years. However, the holder of remote pilot license has to undergo refresher courses from time to time. The license needs to be enlisted on the digital sky platform to remain valid. The license can also be suspended or cancelled by the authorities.

## 2.8 Exemption for research, development and testing

The Rules provide a list of entities which do not need a type certificate, UIN or prior permission, and RPL for operating a drone for the purpose of research, development and testing. However, the drone operations by exempted entities must take place within a green zone and within the premises of the entity where such research, development and testing is being carried out or within an open area in a green zone under such entity's control. Following entities have been exempted-

- a) any governmental research and development entity;

---

<sup>11</sup> Training has not been prescribed under new Drone Rules, 2021 till date but the requirements

are covered under Civil Aviation Requirements (CAR), SERIES X, Part I, 9.3, Annexure-IX.

- b) any governmental educational institution;
- c) any start-up recognised by the Department for Promotion of Industry and Internal Trade;
- d) any authorised testing entity; and
- e) any drone manufacturer having Goods and Service Tax (GST) Identification Number.

## 2.9 Insurance

The provisions of the Motor Vehicles Act, 1988<sup>12</sup> and rules made thereunder will apply to the third-party insurance of the drones and compensation in case of damage to life or property caused by such drones, however, a nano UAS may operate without third party insurance. The insurance companies can specially design an insurance product for drone operations after approval from the Insurance Regulatory and Development Authority of India (IRDAI).

## 2.10 Consequences of Contravention

The DGCA or any person authorised by him can inspect any UAS, any related facility, interact with any personnel, and inspect any document or record for the purpose of securing compliance.

The contravention of Rule 22 (operating UAS in a red zone or yellow zone without prior permission) and Rule 27 (carriage of arms, ammunition, explosives and military stores, etc. without written permission of the central government) will be cognizable<sup>13</sup> and non-compoundable<sup>14</sup>. The Rules, however, provide that any stress of weather or other unavoidable cause or circumstances, beyond the control of such person or without his knowledge or fault leading contravention of, or failure to comply with the Rules will be considered as a valid defence in any proceeding.

The authorities, upon satisfaction that a person has contravened or failed to comply with the Rules, can levy a penalty up to INR 1 lakh and can also cancel or suspend any licence, certificate, authorisation or approval granted under the Rules. However, an opportunity of being heard has to be provided and the reasons for the proposed action have

<sup>12</sup> Chapter XI of the Motor Vehicles Act, 1988

<sup>13</sup> an offence for which a police officer may arrest without warrant.

<sup>14</sup> Section 10 of the Aircrafts Act, 1934 provides for punishment on contravention of rules. "10. Penalty for act in contravention of rule made under this Act. — (1) If any person contravenes any provision of any rule made under clause (1) of sub-section (2) of section 5 prohibiting or regulating the carriage in aircraft of arms, explosives or other dangerous goods, or when required under the rules

*made under that clause to give information in relation to any such goods gives information which is false and which he either knows or believes to be false or does not believe to be true he, and if he is not the owner, the owner also (unless the owner proves that the offence was committed without his knowledge, consent or connivance) shall be punishable with imprisonment which may extend to two years and shall also be liable to fine which may extend to one crore rupees."*

to be recorded in writing. The aggrieved party has a right to appeal under Section 10A of the Aircraft Act, 1934.

## 2.11 Review

The Rules have liberalised the regulatory framework to a greater extent, however, there are certain issues which have either been missed out or could have been better addressed in the Rules, as detailed below –

### Safety concerns

Operation of drones in the sky poses several safety and security risks. After procurement of a type certificate and UIN, drones can be operated in green zones freely. Such zones may include densely populated civilian areas, due to ambiguity in the Rules. Also, there could be instances wherein the carriage of heavy payload may pose a danger to life and property during drone operations. Even lighter objects may cause damage and injury if they are dropped from the higher altitudes. Further, there is no mandate of inbuilt safety measures for drones to prevent failure during flight operations.

### No privacy protection

The word 'privacy' has not been mentioned in the Drone Rules even once. Drones could be used for surveillance and in the process, they could collect sensitive personal

information/data of the people, which could be misused. There are no rules regarding protection of personal information or data of people. Moreover, there is no legal mandate directing drone owners and operators to have a well-defined policy clearly enunciating the manner in which personal data could be collected, used and destroyed, the period of retention, the consent of the affected individuals, etc.

### Exemptions to research and development operations

These operations have been given an exemption from certification and registration mandates. Furthermore, their operators have been given exemption from obtaining a remote pilot license, which implies that even untrained operators could operate drones for such purposes. Markedly, such operations can include drones of any size, including those weighing 500 kgs. To curb this, the Rules need to mandate a track of research and development operations.

### Exclusion of drone sports

There are several events conducted all over the world related to drone sports like the FAI World Drone Racing World Cup in 2019. India has been unable to participate in such events owing to unfriendly drone regulations in the country. This aspect has still not been covered in the Rules.

### 3. RULES GOVERNING UAS IN OTHER JURISDICTIONS

#### 3.1 United States of America

In USA, the U.S. Federal Aviation Administration (FAA) has laid down details rules and regulations governing unmanned aircraft system.

The FAA mandates that drones weighing between 0.55 pounds and 55 pounds (almost 25 kgs) need to be registered through FAA's 'DroneZone' website. The rule for operating drones under 55 pounds in the National Airspace System (NAS) is 14 CFR Part 107, referred to as the Small UAS Rule.<sup>15</sup> However, for purely recreational purposes, there is a limited statutory exception ("carve out") that provides a basic set of requirements. Recreational users need to get their drones registered under the 'Exception for Recreational Flyers'.<sup>16</sup>

Drones lighter than 0.55 pounds (less than 250 g) need not be registered, but must follow all FAA regulations. Drones weighing more than 55 pounds must be registered through mailing the application manually. In case if the drone is used for profit, donations, or personal gain, such drones need to be registered, irrespective of their weight.

An individual must be at least 13 years old or more to own and register a drone, and in case

of the individual being below 13 years of age, a parent or guardian must assume responsibility. However, the age to operate a drone is 16 years.

The fee charged for registration is \$5. The registration needs to be renewed every three years. In case of failure in registration of drone, civil and criminal penalties can be imposed, including fines of up to \$27,500 and three years of imprisonment or both. The registration charges in India are lesser than that in USA, and the penalties in USA are significantly higher as well. India has reduced the fees and penalties to encourage the growth and development of the drone sector and ensure that it is available to all persons.

After registration of the drone, the FAA provides a 10-digit identification number, that must be clearly displayed on the drone at all times. A registration certificate or license must also be provided which must be carried while using the drone.

It can be found that in both India and USA, there is a dedicated website (In India, it is digital sky platform, and in USA it is DroneZone) wherein the drones need to be registered, which helps in streamlining and simplifying the process of registration.

---

<sup>15</sup> Recreational Flyers & Modeler Community-Based Organizations, Federal Aviation Administration, [https://www.faa.gov/uas/recreational\\_fliers/](https://www.faa.gov/uas/recreational_fliers/).

<sup>16</sup> Id.

## 4. THE WAY FORWARD

The Drone Rules, 2021 are undoubtedly a progressive step for the drone sector in India. The establishment of the digital sky platform would provide an impetus in growing the paperless approvals in today's digitalised world. The exemptions, reduction in fees and penalties would provide a substantial boost in establishing a more developed drone sector in the country. However, the authorities need to take certain steps to make the rules fully effective by publishing an airspace map, a policy framework in respect of UAS Traffic Management System, and various other actions contemplated under the Rules, as covered in detail in **Annexure I**.

The Drone Rules brings with them the potential of economic growth within the drone sector as well as in other sectors owing to cheaper logistics, intellectual property, better technology, availability of data etc.

The notification of liberalized rules for drones is a welcome step, however, it cannot be ignored that these Rules do not have provisions relating to protection of privacy, protection of the person and property during drone operation, etc. There is no legal mandate directing drone owners and operators to have a well-defined policy clearly enunciating the manner in which personal data could be collected, used and destroyed, the period of retention, the consent of the affected individuals, etc. The Drone Rules must include such data protection norms so as to protect the right of privacy of vulnerable private individuals. There is a hope that the impending personal data protection legislation might include this aspect.

## 5. PROFIT LINKED INCENTIVE SCHEME

As a follow-through of the liberalised Drone Rules, the Central Government has approved the Production-Linked Incentive (PLI) scheme for drones and drone components.

The total amount allocated for the PLI scheme for drones and drone components is INR 120 crore (roughly \$16 million) spread over three financial years.

### The Incentive under the Scheme

Under the scheme, the manufacturers of drone and drone components would be incentivised by giving an incentive of 20% of the value addition made by the manufacturer. The value addition shall be calculated as the annual sales revenue from drones and drone components (net of GST) minus the purchase cost (net of GST) of drone and drone components. The tenure of the scheme is three (3) years starting from FY 2021-22.

### Eligibility

The minimum value addition norm is fixed at 40% of the net sales. This implies that the manufacturer will be eligible for the scheme only if the value addition is more than 40% of the net sales.

The eligibility norm in terms of the minimum annual sales turnover for MSME and start-ups is fixed at INR 2 crore (for drones) and INR 50 lakhs (for drone components) and for non-MSME companies, it has been kept at

INR 4 crore (for drones) and INR 1 crore (for drone components).

### Drone Components covered under Scheme

The PLI scheme covers a wide variety of drone components:

- a) Airframe, propulsion systems (engine and electric), power systems, batteries and associated components, launch and recovery systems;
- b) Inertial Measurement Unit, Inertial Navigation System, flight control module, ground control station and associated components;
- c) Communications systems (radio frequency, transponders, satellite-based etc.)
- d) Cameras, sensors, spraying systems and related payload etc.;
- e) 'Detect and Avoid' system, emergency recovery system, trackers etc. and other components critical for safety and security.

The list of eligible drone components covered under the scheme can be expanded by the Government, as the drone technology evolves. It has also been proposed to widen the coverage of the incentive scheme by including developers of drone-related IT products.

## ANNEXURE I

## List of power conferred upon authorities under Drone Rules, 2021

<i>Details of action/steps to be taken by the authorities</i>	<i>Authority mandated by the Rules to take the steps and the timeline (if any) in which the step is to be taken</i>
Specification of standards for obtaining a type certificate for drones [Rule 7]	Central Government on recommendations of the Quality Council of India (QCI)
Details of Contracting States whose approval would be recognised in India [Rule 10]	Central Government
Safety features to be installed on a drone [Rule 12(1)]	Central Government. Within 6 months of notification, these features have to be mandatorily installed in all drones.
Airspace map for drone operations segregating the entire airspace of India into red, yellow and green zones [Rule 19]	Central Government has to notify within 30 days from the notification of Drone Rules.
Declaration of temporary red zone [Rule 24(1)]	Concerned State Government, Union Territory Administration or law enforcement agency.
Specification of training for remote pilot license [Rule 33(c)]	DGCA
Policy Framework in respect of Unmanned Aircraft System Traffic Management System [Rule 43]	Central Government has to publish within 60 days from the notification of Drone Rules.
Constitution of Unmanned Aircraft Systems Promotion Council to promote the adoption and use of drones [Rule 45(1)]	Central Government
Evaluation of Drone Rules on the basis of economic impact [Rule 45(2)]	Central Government to prepare six-monthly report.
General or special directions related to drones [Rule 47]	Central Government
Exemption from Drone Rules [Rule 48]	Central Government



---

## CONTACT US

For any help or query,  
please email us on [contact@digilaw.in](mailto:contact@digilaw.in)  
or visit us at [www.digilaw.in](http://www.digilaw.in)

## DISCLAIMER

This publication is a copyright of DigiLaw. This publication contains general information only, and DigiLaw, by means of this publication, is not rendering professional advice or services. No one should act on the basis of any statement contained in this publication without seeking professional advice. The authors and the firm expressly disclaim any liability to any person, whatsoever, in respect of anything, and of consequences of anything done, or omitted to be done by any such person in reliance upon the contents of this report.