

Regulatory Hotline

July 08, 2021

DRONES ROUND-UP: INDUSTRY & LEGAL UPDATES

The final Unmanned Aircraft System Rules, 2021 ("UAS Rules") were notified by the Government of India in March, 2021, which is the new law governing civil use of drones in India. Since these UAS Rules contain significant restrictions and compliance requirements on ownership / operations of unmanned aircraft systems / drones ("UAS"), they have been subject to severe industry criticism. Nevertheless, in the recent few weeks, there have been many policy and legal developments in India which are encouraging for the potential and acceptability of drones, especially from a commercial usage perspective. Most of these developments are proofs of concept, and either driven by private entities, or as a public-private partnership. The industry is likely to benefit from these developments since the Government has permitted such entities to venture into the drone sector and take the first steps towards full-fledged operations. We have summarised some of the key updates below.

1. BEYOND VISUAL LINE OF SIGHT & DRONE DELIVERIES: HEALTHCARE

- First trial of medicine delivery through drones¹** - In a collaboration project between Narayana Health Care, Throttle Aerospace Systems and Honeywell aerospace, drone trials will be conducted for delivery of medicines in Karnataka. One drone has a 1 kg payload capacity with a range of 15 kms and the other drone has a capacity of carry 2 kg with a range of 12 kms. The Directorate General of Civil Aviation ("DGCA") has stated that it will permit the drones only after conducting minimum 100 hours of flying.
- Consortium for vaccine and healthcare items delivery through drones²** – Blue Dart's Med-Express Consortium has been formed to supply healthcare items to India's remotest locations. It is also part of the 'Medicine from the Sky' project in collaboration with the Telangana State Government, Niti Aayog, World Economic Forum and Healthnet Global. The MOCA has granted exemptions to the project for trials. The project will focus on drone-enabled delivery of medicines, covid-19 vaccines, units of blood, diagnostic specimens and other lifesaving equipment.
- Odisha Government planning vaccine delivery through drones³** - As part of the Skill Odisha project, drones had been manufactured for surveying and mapping, especially of mining areas. These drones have now been repurposed for the Odisha Government to carry vaccines to remote areas of Odisha. The drones have high resolution cameras and infrared capacity, and are capable of being airborne for 3 hours, with a speed of up to 35 kms per hour.
- Swiggy's drone partner ANRA obtains approvals for food and medicine delivery trials through drones⁴** - The final clearances were granted by the Ministry of Defence, DGCA and Ministry of Civil Aviation ("MOCA") for beyond visual line of sight ("BVLOS") operations. This news follows from a similar announcement earlier by Dunzo's.

2. ANTI-HOSTILE DRONE MEASURES:

- Drone counter-measures to be deployed⁵**: India was recently subjected to its first ever drone attack,⁶ and to counter future threats, an anti-drone system developed by the Defence Research and Development Organisation (DRDO) will soon be deployed. Among other things, the system is capable of detecting drones which are up to 2 kms away and neutralizing them with the help of laser beams. This technology, once fully implemented, should prove highly effective against hostile UAS.

3. DRONE SURVEYS: INFRASTRUCTURE

- National Highway Authority of India ("NHAI") has made drone survey mandatory for all national highway projects⁷** - These surveys are required to be undertaken during the development, construction, operation and maintenance of all national highway projects through video recording. The videos will subsequently be analysed by supervision consultants for providing their inputs and comments.

4. DRONES COMMERCIAL USAGE: DELIVERIES & SERVICES

- SpiceXpress and Delhivery to collaborate for commercial delivery through drones⁸** - SpiceXpress, which is the largest air cargo carrier in India had been shortlisted by the DGCA to conduct trials on BVLOS drones. It has now entered into an MoU with Delhivery for testing commercial applications of drone delivery such as emergency services, delivery of goods, critical medical services and environmental monitoring.

These developments are significant steps forward towards realizing the benefit of drones, and further proof that the UAS Rules, 2021 need to be revisited such that they facilitate the drone industry, while focusing only on the strictly necessary restrictions for the purposes of security. From a practical perspective, the current UAS Rules are under

Research Papers

Structuring Platform Investments in India For Foreign Investors

March 31, 2025

India's Oil & Gas Sector— at a Glance?

March 27, 2025

Artificial Intelligence in Healthcare

March 27, 2025

Research Articles

Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

Key changes to Model Concession Agreements in the Road Sector

January 03, 2025

Audio

CCI's Deal Value Test

February 22, 2025

Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

heavy criticism from the drone industry for the blanket restrictions and prohibitive compliance requirements. As the UAS Rules stand, even the implementation of line of sight operations is unclear. Hence, operations such as those mentioned above appear to be far-fetched for many stakeholders. However, as per some news reports,⁹ it is contemplated that the UAS Rules may be relaxed in the near future. It is hoped that the said relaxations will be in line with industry feedback, otherwise the impediments in the existing UAS Rules are likely to render the industry redundant as a whole.

Further, as per reports, draft guidelines for BVLOS operations may be released by December, 2021 for public consultations and the final guidelines may be released by March, 2022.¹⁰ It cannot be emphasized enough that all regulations should be formulated only after meaningful public consultations, and ensuring that the feedback is actually reflected in the final laws.

— **Aniruddha Majumdar & Huzefa Tavawalla**

You can direct your queries or comments to the authors

¹ Available at <https://www.news18.com/news/india/1st-trials-of-medicine-delivery-through-drones-begin-in-karnataka-3877502.html> (Last visited on June 28, 2021).

² <https://www.news18.com/news/tech/blue-dart-forms-med-express-consortium-to-facilitate-drone-based-delivery-of-vaccines-medial-supply-3882641.html> (Last visited on June 27, 2021).

³ Available at <https://www.telegraphindia.com/india/odisha-govt-mulls-use-of-drones-to-deliver-covid-vaccines-to-remote-areas/cid/1819961> (Last visited on June 27, 2021).

⁴ Available at <https://gadgets.ndtv.com/apps/news/swiggy-deliver-food-using-drones-anra-2465798> (Last visited on June 27, 2021).

⁵ Available at <https://www.financialexpress.com/defence/drdo-anti-drone-system-expected-to-be-installed-in-critical-military-installations/2281271/> (Last visited on July 7, 2021).

⁶ Available at <https://indianexpress.com/article/india/jammu-blast-pakistan-drone-attack-iaf-bsf-7378131/> (Last visited on June 27, 2021).

⁷ Available at https://www.business-standard.com/article/economy-policy/nhai-makes-drone-survey-mandatory-for-all-national-highway-projects-121061600936_1.html (Last visited on June 27, 2021).

⁸ Available at <https://theprint.in/ani-press-releases/spicexpress-delivery-join-hands-for-commercial-drone-delivery/683744/> (Last visited on June 27, 2021).

⁹ Available at: https://www.business-standard.com/article/economy-policy/drone-policy-set-to-be-relaxed-as-iaf-goes-for-counter-rogue-tech-121070700030_1.html (Last visited on July 7, 2021).

¹⁰ Available at: <https://economictimes.indiatimes.com/tech/newsletters/morning-dispatch/drone-delivery-trials-begin-this-week/articleshow/83498983.cms?from=mdr> (Last visited on July 7, 2021).

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Vaibhav Parikh, Partner, Nishith Desai Associate on Tech, M&A, and Ease of Doing Business

March 19, 2025

SIAC 2025 Rules: Key changes & Implications

February 18, 2025