



**NAMAN SHARMA**  
IAS ACADEMY

# Daily

# **CURRENT AFFAIRS**

 January 12th, 2026



 **Offline Centre Location:**  
SCO 173-174, Sector 17C, Chandigarh

## **Index**

- 1. Countdown to launch of PSLV-C62 mission begins**
- 2. Centre seeks access to phone source codes**
- 3. Iranian President slams U.S., Israel as protests continue**
- 4. Faster, demand-led approach needed for PSE privatisation: CII**
- 5. Environment Ministry funds sought for forest management committees**
- 6. Faster is not fairer in POCSO case clearance numbers**
- 7. The year gone by, the Quad's year of interregnum**
- 8. Will India soon have 3 new airlines?**

# 1. Countdown to launch of PSLV-C62 mission begins

## Why in the News?

The countdown has begun for the launch of PSLV-C62/EOS-N1, scheduled at 10:17 a.m. from Sriharikota, marking the 105th launch from Indian soil. The mission is significant due to:

- Deployment of an Earth observation satellite (EOS-N1) with strategic utility
- Carriage of 15 co-passenger satellites, many built by Indian start-ups and academic institutions
- PS4 stage re-start and de-orbit experiment, followed by KID capsule re-entry, indicating advances in space sustainability and reusability



## Background

- The mission is undertaken by the Indian Space Research Organisation (ISRO) using the Polar Satellite Launch Vehicle (PSLV).
- It is the 64th flight of PSLV and the 5th mission of the PSLV-DL variant (dual strap-on motors).
- The launch takes place from Satish Dhawan Space Centre, India's primary spaceport.
- The mission is commercial in nature, executed through NewSpace India Limited (NSIL), reflecting India's transition from a state-led to a market-oriented space ecosystem.

## Features

### Strategic Earth Observation (EOS-N1)

- Designed for strategic and surveillance purposes
- Injected into a Sun Synchronous Orbit (SSO), ideal for consistent earth imaging
- Enhances border monitoring, disaster management, and national security

### Multi -satellite Ride-share Model

- 15 co-passenger satellites from India, Nepal, Thailand, the UK, Brazil, Spain, and France
- Includes satellites by Indian start-ups like Dhruva Space, OrbitAid, and academic institutions
- Promotes space democratisation and South-South cooperation

### PS4 De-orbit and KID Capsule Experiment

- PS4 upper stage restart to reduce orbital debris
- KID capsule separation and controlled re-entry into Earth's atmosphere
- Impact planned in the South Pacific Ocean
- Demonstrates progress in space debris mitigation and re-entry technologies

## Challenges

### Space Debris and Sustainability

- Increasing launches raise concerns over orbital congestion
- Need for systematic post-mission disposal norms

### Commercial Competition

- Growing competition from SpaceX (USA), Long March (China), and Arianespace
- Pressure to maintain cost-effectiveness and reliability

### Technology Transfer and Start-up Scaling

- Indian space start-ups still rely heavily on ISRO infrastructure
- Need for independent testing, insurance, and financing ecosystems

### Strategic Vulnerabilities

- Earth observation satellites can become targets during conflicts
- Requires cyber and space security preparedness

## Way Forward

### Strengthen NewSpace Ecosystem

- Expand the role of IN-SPACe and NSIL in enabling private launches
- Encourage PPP models in satellite manufacturing and launch services

### Focus on Space Sustainability

- Institutionalise PS4 de-orbit experiments
- Align with UN guidelines on space debris mitigation

### **Boost Indigenous Capabilities**

- Promote Made-in-India sensors, propulsion, and avionics
- Support start-ups through viability gap funding and assured procurement

### **Strategic Integration**

- Integrate EO data with defence, climate action, and disaster response systems.
- Strengthen space situational awareness (SSA)

### **Conclusion**

The PSLV-C62/EOS-N1 mission reflects India's maturing space capabilities, combining strategic objectives, commercial outreach, start-up participation, and sustainability initiatives. As ISRO moves towards a NewSpace-driven future, such missions position India as a reliable, affordable, and responsible space power, aligned with both national interests and global space governance norms.

## **2. Centre seeks access to phone source codes**

### **Why in the News?**

The Union government is considering legally mandating access to smartphone source codes under proposed Telecom Security Assurance Requirements (TSAR) for "vulnerability analysis". The proposal has triggered strong resistance from global technology firms such as Apple and Samsung, which argue that such requirements threaten proprietary technology, privacy, and innovation.

### **Background**

- India is the world's second-largest smartphone market, with nearly 750 million devices.
- Rising online fraud, spyware threats, and data breaches have prompted the government to tighten digital security norms.
- The draft standards were prepared in 2023 and fall under India's broader telecom and cybersecurity framework.
- Recently, the Centre revoked a mandate requiring the installation of the state-run cyber safety app Sanchar Saathi, amid concerns of overreach and surveillance.
- International precedent shows resistance: Apple previously refused China's request for source code access, and U.S. law enforcement has also failed to obtain it.

### **Features**

#### **Source Code Access**

- Smartphone makers may be required to share source code for security analysis.

- Testing to be conducted at designated Indian laboratories.

## **Mandatory Malware Scanning**

- Automatic and periodic scans for malicious software on user devices.

## **Activity Log Storage**

- Devices must store at least one year of system and activity logs.

## **Government Oversight of Updates**

- Firms must inform the National Centre for Communication Security before releasing:
  - Major software updates
  - Security patches
- The government reserves the right to test updates before rollout.

## **User Control Enhancements**

- Ability to uninstall pre-loaded apps
- Blocking background access to camera and microphone to prevent misuse

## **Challenges**

### **Privacy and Surveillance Risks**

- Source code access could enable state surveillance or misuse.
- Storing long-term activity logs raises data protection concerns.

### **Intellectual Property and Trade Issues**

- Source code is a core commercial secret.
- No such requirements exist in the EU, North America, Australia, or Africa, as noted by the Manufacturers' Association for Information Technology (MAIT).
- Risk of trade disputes and investor uncertainty.

### **Technical and Practical Limitations**

- Continuous malware scanning may:
  - Drain battery
  - Reduce device performance
- Many devices lack storage capacity for a one-year log retention.
- Government pre-approval of updates may delay urgent security patches.

### **Innovation and Ease of Doing Business**

- Excessive compliance may:

- Discourage global manufacturers
- Slow adoption of new technologies
- Undermine India's image as a tech-friendly destination

## Way Forward

### Adopt a Risk-Based Security Model

- Focus on high-risk components instead of blanket source code access.
- Allow black-box testing and third-party audits.

### Align with Global Best Practices

- Harmonise standards with OECD, EU GDPR principles, and trusted security frameworks.

## Surveillance tools

The Indian Telecom Security Assurance Requirements propose 83 security standards including **source code disclosure** for smartphone manufactures in Indian markets



**Gray area:** Tech companies say the proposal lacks any global precedent.

■ **Background permission restriction:** Apps cannot access cameras, microphones or location services in the background when phones are inactive

■ **One-year log retention:** Devices must store security audit logs for 12 months

■ **Periodic malware scanning:** Phones must automatically scan and identify potentially harmful applications

■ **Informing govt. of major updates:** Phone makers must notify a govt. body before releasing any major updates or security patches

## Strengthen Legal Safeguards

### Clearly define:

- Scope of access
- Data retention limits

- Oversight and accountability mechanisms

### **Industry–Government Collaboration**

- Institutionalise consultations through MAIT and start-up bodies.
- Co-develop security standards rather than impose unilateral mandates.

### **Strengthen Data Protection Regime**

- Integrate proposals with India’s Digital Personal Data Protection Act
- Ensure independent regulatory oversight.

### **Conclusion**

India’s attempt to enhance smartphone security reflects legitimate concerns over cyber fraud and national security, especially in a rapidly digitising economy under Narendra Modi’s governance. However, mandatory source code access and intrusive compliance norms risk undermining privacy, intellectual property, and global trust. A balanced, consultative, and globally aligned approach is essential to safeguard both national security and India’s digital innovation ecosystem.

## **3. Iranian President slams U.S., Israel as protests continue**

### **Why in the News?**

Iranian President Masoud Pezeshkian has blamed the United States and Israel for attempting to escalate ongoing protests in Iran, even as demonstrations over rising living costs and economic distress entered their second week. His remarks came amid allegations of a violent crackdown, Internet shutdowns, and warnings by rights groups of a possible “massacre”.



## Background

- Iran has been facing severe economic stress due to:
  - Long-standing U.S.-led sanctions
  - High inflation, unemployment, and currency depreciation
- Periodic protests have become a recurring feature of Iran's political economy (2017–18, 2019 fuel protests, 2022 Mahsa Amini protests).
- Masoud Pezeshkian, elected President in 2024, is viewed as a reformist-leaning figure, though constrained by Iran's powerful unelected institutions.
- The current protests were initially economic, but have increasingly taken on political overtones.

## Features

### Nature of Protests

- Triggered by the rising cost of living and economic hardship
- Spread across multiple cities
- Protesters chanting anti-government slogans

### State Response

- Internet blackouts, allegedly to prevent mobilisation and documentation
- Security deployment amid reports of casualties and arrests
- State media portray protesters as “rioters” and arsonists

### Government Narrative

- President Pezeshkian acknowledged the right to protest
- Distinguished peaceful protesters and “rioters”
- Accused the United States and Israel of exploiting unrest

### Escalation in Rhetoric

- Parliament Speaker Mohammad Bagher Qalibaf warned that U.S. and Israeli assets would be “legitimate targets” if military action is taken.
- U.S. President Donald Trump has reportedly threatened action over the unrest

## Challenges

### Economic Legitimacy Crisis

- Persistent inflation and unemployment undermine state credibility
- Limited fiscal space due to sanctions restricts reform options

### Human Rights Concerns

- Allegations of excessive force and suppression
- Internet shutdowns weaken transparency and accountability

### Internal Political Constraints

- The President's reformist agenda is constrained by:
  - Islamic Revolutionary Guard Corps (IRGC)
  - Clerical establishment
- Limits the scope for meaningful compromise

### **Externalisation of Internal Crisis**

- Blaming foreign actors may:
  - Escalate regional tensions
  - Distracting from domestic accountability
- Risk of international confrontation

## **Way Forward**

### **Economic Stabilisation Measures**

- Targeted subsidies for essentials
- Currency and inflation management
- Employment-focused reforms

### **Political Engagement**

- Dialogue with civil society and labour groups
- Allow space for peaceful dissent

### **Restraint in Security Response**

- Avoid excessive force
- Restore Internet access to build public trust

### **De-escalation of External Rhetoric**

- Prevent domestic unrest from spilling into regional conflict
- Re-engage diplomatically on sanctions relief and economic integration

## **Conclusion**

The ongoing protests underscore Iran's deep-rooted economic and governance challenges, where popular discontent repeatedly collides with a security-centric state response. While President Masoud Pezeshkian has attempted to balance reformist rhetoric with establishment pressures, externalising internal unrest risks further destabilisation. Sustainable stability in Iran will depend not on coercion, but on economic relief, political inclusion, and calibrated state restraint.

## 4. Faster, demand-led approach needed for PSE privatisation: CII

### Why in the News?

The Confederation of Indian Industry (CII) has called for a faster, demand-led and predictable approach to Public Sector Enterprise (PSE) privatisation, in its recommendations for the Union Budget 2026–27. It estimates that reducing the government stake to 51% in listed PSEs alone could unlock nearly ₹10 lakh crore, providing critical resources for infrastructure creation and fiscal consolidation.

### Background

- Disinvestment and privatisation have been key components of India's economic reform agenda since 1991.
- The government distinguishes between:
  - Strategic PSEs (defence, atomic energy, railways, etc.)
  - Non-strategic PSEs, where private participation is encouraged
- Despite policy intent, India's privatisation record has been uneven, affected by:
  - Market conditions
  - Valuation challenges
  - Political and labour resistance
- With rising capital expenditure needs and global economic uncertainty, the government is exploring non-tax revenue mobilisation, including PSE stake dilution.



### Features

#### Demand-Led Privatisation

- Select PSEs for privatisation based on investor demand and market readiness, rather than a purely administrative list.
- Focus on sectors where private participation can improve:
  - Efficiency
  - Technology adoption
  - Global competitiveness

### **Rolling Three-Year Privatisation Pipeline**

- Announce a rolling 3-year roadmap of PSEs proposed for privatisation.
- Benefits:
  - Greater policy predictability
  - Improved price discovery
  - Enhanced investor confidence

### **Phased Reduction in Government Stake**

- Reduce stake in listed PSEs in stages:
  - First to 51% (retain management control)
  - Later to 33%–26%
- CII estimates that:
  - Reducing stake to 51% in 78 listed PSEs could unlock ₹10 lakh crore

### **Balanced Approach to Control and Value Creation**

- Government remains the single largest shareholder initially
- Over time, deeper privatisation to maximise economic efficiency and capital release

## **Challenges**

### **Valuation and Market Volatility**

- Global economic uncertainty may depress valuations
- Risk of undervaluation of public assets

### **Political and Labour Resistance**

- Concerns over:
  - Job security
  - Social obligations of PSEs
- Privatisation often faces political pushback

### **Strategic and Governance Concerns**

- Need to ensure:
  - Strategic interests are safeguarded
  - Post-privatisation regulation is robust

### **Implementation Bottlenecks**

- Delays due to:
- Legal disputes
- Inter-ministerial coordination
- Asset-specific complexities

## Way Forward

### Adopt a Calibrated, Sector-Specific Strategy

- Prioritise non-strategic and commercially competitive sectors
- Avoid one-size-fits-all privatisation

### Ensure Transparency and Predictability

- Publish and regularly update a medium-term disinvestment calendar
- Strengthen communication with investors and markets

### Strengthen Regulatory Oversight

- Ensure independent regulators prevent monopolistic practices
- Protect consumer and labour interests post-privatisation

### Use Proceeds Productively

- Channel disinvestment proceeds into:
- Infrastructure
- Health and education
- Fiscal deficit reduction

## Conclusion

CII's proposal underscores the need to reframe privatisation not as an asset sale, but as value unlocking. A demand-led, phased, and predictable approach can balance strategic control with efficiency gains, while mobilising substantial capital for India's development priorities. If executed with transparency and regulatory safeguards, accelerated PSE privatisation can become a key pillar of sustainable fiscal and economic reform.

## 5. Environment Ministry funds sought for forest management committees

### Why in the News?

The Ministry of Tribal Affairs is seeking financial support from the Ministry of Environment, Forest and Climate Change to fund Community Forest Resource (CFR) management committees established under the Forest Rights Act (FRA), 2006. The move aims to strengthen community-led forest governance and address the long-standing perception of conflict between forest bureaucracy and tribal self-governance.

### Background

The Forest Rights Act (FRA) recognises the historical injustice faced by Scheduled Tribes and other traditional forest dwellers.

#### Under the FRA:

- Gram Sabhas are vested with rights over Community Forest Resources (CFRs).
- Communities are empowered to protect, regenerate, conserve, and manage the forests they have traditionally depended on.
- Over the last two decades, CFR titles have been granted across several States, but institutional and financial support for post-recognition forest management has remained weak.
- In 2023, the Tribal Affairs Ministry issued guidelines for CFR forest management, institutionalising community-based governance mechanisms.



### Features

#### CFR Management Committees

- CFR Management (CFRM) Committees to be constituted under title-holding Gram Sabhas.

#### Responsible for:

- Preparing conservation and management plans
- Day-to-day forest governance

- Sustainable use of forest produce

### **Community-Led Planning**

- Management plans are to be prepared by communities first
- Forest Department involvement only to:
  - Align plans with the working plan codes of the Environment Ministry
- Reinforces the principle of subsidiarity and decentralisation

### **Funding Support from the Environment Ministry**

- **Funds sought for:**
  - Hiring technical personnel
  - Capacity building and training of community members
  - Preparation of forest management plans
- Aims to ensure CFRM committees are functionally viable, not merely symbolic

### **Inter-Ministerial Coordination**

- Meetings held at the Secretary level between the two Ministries
- Efforts are underway to formalise funding arrangements while preserving community autonomy

### **Challenges**

#### **Resource Constraints**

#### **Gram Sabhas often lack:**

- Technical expertise
- Financial resources
- Without funding, CFR rights risk remaining paper entitlements.

#### **Institutional Tensions**

- **Historical friction between:**
  - Forest Departments (command-and-control model)
  - Gram Sabhas (rights-based, participatory model)
- Risk of bureaucratic capture of community institutions

#### **Capacity Gaps**

- Limited experience among communities in:
  - Scientific forest management
  - Documentation and compliance with formal planning codes

#### **Uneven Implementation of the FRA**

- CFR recognition and implementation vary widely across States
- Some States remain reluctant to fully operationalise CFR rights

## Way Forward

### Dedicated Funding Window

- Create a separate budget line within the MoEFCC schemes for CFR management
- Ensure funds flow directly to Gram Sabhas

### Safeguards for Community Autonomy

- Explicit legal and administrative safeguards to prevent takeover by Forest Departments
- Forest officials to act as facilitators, not controllers

### Capacity Building and Handholding

- Training in:
  - Sustainable forestry
  - Financial management
  - Biodiversity monitoring
- Use NGOs and academic institutions as knowledge partners

### Integration with Climate and Biodiversity Goals

- Link CFR management with:
  - Climate adaptation
  - Carbon sequestration
  - Biodiversity conservation
- Align with India's international commitments (CBD, UNFCCC)

## Conclusion

Seeking Environment Ministry funding for CFR management committees marks a crucial shift from rights recognition to rights realisation under the Forest Rights Act. If backed by adequate resources, institutional safeguards, and genuine decentralisation, community-led forest governance can simultaneously advance tribal empowerment, forest conservation, and climate resilience. The success of this initiative will test India's commitment to participatory environmental governance.

## 6. Faster is not fairer in POCSO case clearance numbers

### Why in the News?

In 2025, India's fast-track special courts (FTSCs) recorded a 109% disposal rate under the Protection of Children from Sexual Offences Act (POCSO)- clearing 87,754 cases against 80,320 registered. While this milestone has been projected as a success, new data shows a disturbing

trend: faster case disposal has coincided with falling conviction rates and weak child support, raising concerns about the quality of justice.

## Background

- The POCSO Act, 2012, was enacted because general criminal law failed to address the distinct vulnerabilities of child survivors.

### It mandated:

- Child-friendly procedures
- Time-bound trials
- Special courts and trained personnel
- Following directions of the Supreme Court of India, FTSCs were set up in 2019 using funds from the Nirbhaya Fund.

### As of 2025:

- 773 FTSCs exist
- 400 are dedicated to POCSO cases
- These courts dispose of nearly three times more cases per month than regular courts.



## Recent Data

### Disposal Up, Convictions Down

- Conviction rate declined from 35% (2019) to 29% (2023).
- FTSCs record an even lower conviction rate of ~19%.
- In several States, acquittals outnumber convictions, undermining deterrence.

### Speed vs Substantive Justice

- **Faster trials often mean:**
  - Incomplete charge sheets
  - Delayed forensic reports
  - Rushed investigations
- States with heavy caseloads like Uttar Pradesh and Maharashtra show particularly weak outcomes.

### Child Support Systems Missing

- Support persons under Section 39 of POCSO, mandated by the Supreme Court (2021) and detailed in 2024 guidelines of the National Commission for Protection of Child Rights, remain unevenly implemented.
- Absence of support persons leads to:
  - Case collapse before trial
  - Re-traumatisation of children

## Structural and Ethical Challenges

### Para-Legal Volunteers (PLVs) Gap

- In December 2025, the Supreme Court directed the appointment of PLVs at every police station for POCSO cases.

### Ground reality:

- Andhra Pradesh: PLVs in 42 of 919 stations
- Tamil Nadu: None in 1,577 stations

### Without PLVs, families face:

- FIR delays
- Police intimidation
- Evidence loss

### Problematic Judicial Reasoning

- **In some cases, courts have:**
  - Accepted offers of marriage by the accused
  - Cited “happy marriage” to dilute punishment
- Such reasoning contradicts POCSO’s strict liability framework and forces survivors into lifelong harm.

### Compensation Delays

- Though courts can order interim compensation, most wait for final verdicts.
- Survivors often receive compensation years later, diluting its rehabilitative purpose, as noted by the Vidhi Centre for Legal Policy.

### **Socio-economic Burden on Families**

- Marginalised families:
- Lose daily wages due to court hearings
- Incur debt for travel and legal costs
- Speed without welfare deepens inequality, rather than correcting it.

### **Way Forward**

#### **Shift Focus from Disposal to Conviction Quality**

- Quarterly conviction audits, especially in low-performing States
- Case-bundling of old and similar cases

#### **Strengthen Investigation and Forensics**

- Enforce strict timelines for forensic labs
- Improve police training in child-sensitive investigation

#### **Universalise Support Systems**

- Mandatory empanelment and RTI-based tracking of:
  - Support persons
  - PLVs at police stations

#### **Child-Centric Compensation Framework**

- Institutionalise interim compensation during trial
- Fast-track education and health-related relief

#### **Judicial Sensitisation**

- **Continuous training for judges on:**
  - Trauma-informed adjudication
  - Non-negotiable nature of consent under POCSO

### **Conclusion**

The recent surge in POCSO case disposal marks administrative efficiency, not judicial justice. Faster trials without robust investigation, child support, and survivor rehabilitation risk hollowing out the very spirit of POCSO. True justice lies not in clearing files, but in secure convictions, meaningful reparations, and a system that heals rather than harms children. Without this shift, speed will remain procedural success masking substantive failure.

## 7. The year gone by, the Quad's year of interregnum

### Why in the News?

The year 2025 has been described as a period of interregnum for the Quad, as the grouping failed to convene a leader-level summit despite heightened geopolitical churn in the Indo-Pacific. This occurred amid the return of Donald Trump to the White House and growing strategic competition with China, raising questions about the Quad's momentum, cohesion, and future direction.

### Background: What is the Quad?

- The Quad (Quadrilateral Security Dialogue) comprises India, Australia, Japan, and the United States.
- First formed in 2004 after the Indian Ocean tsunami as a coordination mechanism for disaster relief.
- Lost momentum soon after due to differing strategic compulsions.
- Revived in 2017, largely under President Trump's first term, in response to China's growing assertiveness in the Indo-Pacific.
- Core objective: A free, open, inclusive, and rules-based Indo-Pacific order.



### Developments in 2025

#### Strategic Priority but Leadership Gap

- Despite early doubts due to Trump's "America First" doctrine, the Quad remained a priority:
  - U.S. Secretary of State Marco Rubio hosted Foreign Minister-level Quad meetings in January and July 2025.
- However, the leader-level summit, to be hosted by India, did not take place in 2025.

## Continued Operational Momentum

### Despite the absence of a leaders' summit, Quad initiatives progressed:

- Quad-at-Sea Ship Observer Mission
- Operationalised in June 2025
- Enhanced Coast Guard-level cooperation

### Ports of the Future Partnership

- First meeting held in Mumbai (October 2025)
- Focus on resilient and sustainable port infrastructure in the Indo-Pacific

### Malabar Naval Exercise

- Conducted in Guam
- Enhanced maritime interoperability
- Though not formally a Quad initiative, it involves all four Quad navies

### Political Transitions

- Leadership changes in key Quad members:
- Return of Donald Trump in the U.S.
- Appointment of Sanae Takaichi as Japan's Prime Minister in October 2025
- These transitions contributed to delays in high-level convergence.

### Challenges

- Absence of Institutional Structure
- Quad lacks a permanent secretariat or treaty framework
- Relies heavily on leader-level political will

### Leadership-Level Disconnect

- No leader-level summit since Wilmington, Delaware (2024), hosted by the U.S. under Joe Biden
- New leaders have not yet built a personal strategic rapport.

### Geopolitical Volatility

- Intensifying U.S.–China rivalry
- Regional anxieties over the consistency of U.S. commitments

### Perception of Strategic Drift

- Absence of summit fuels speculation about Quad “withering”
- Risk of losing agenda-setting momentum

## Way Forward

### Early Leader-Level Summit

- Crucial to restore momentum and political signalling

- U.S. Ambassador to India Sergio Gor has indicated efforts to hold a summit in early 2026

### **Deepen Functional Cooperation**

- Strengthen cooperation in:
  - Maritime security
  - Supply chains
  - Infrastructure and connectivity
  - Climate and disaster resilience

### **Maintain Strategic Messaging**

- Reaffirm commitment to rules-based order
- Avoid perception of Quad as purely anti-China bloc

### **Gradual Institutionalisation**

- Without formalising into an alliance, improve:

### **Policy coordination**

- Continuity across leadership changes

### **Conclusion**

The year 2025 tested the Quad's cohesion, marking a pause rather than a decline. While the absence of a leader-level summit made it a year of interregnum, the continued operationalisation of initiatives demonstrated institutional resilience and strategic relevance. Given the centrality of the Indo-Pacific in global geopolitics, it is too early to write off the Quad.

## **8. Will India soon have 3 new airlines?**

### **Why in the News?**

The issue is in the news following Civil Aviation Minister Ram Mohan Naidu Kinjarapu's recent meeting with the promoters of **Shankh Air, AI Hind Air and FlyExpress, which has revived expectations of new airline launches in India.** Simultaneously, other aspirants such as **TruJet and Air Kerala**, already holding "**No Objection Certificates**" (NOCs), are also preparing for a possible entry, renewing debate on whether India will soon see three or more new airlines take to the skies.

### **Background**

- India is the third-largest aviation market globally, after the U.S. and China.
- According to the International Air Transport Association, nearly 174 million passengers travelled to, from, or within India in 2024.

- Government initiatives such as UDAN (Ude Desh ka Aam Naagrik) have expanded air connectivity to Tier-2 and Tier-3 cities.
- Regional carriers like Star Air, India One Air, and Fly91 have demonstrated the viability of niche and commuter routes.
- However, India's airline startup history is marked by grand announcements, regulatory delays, funding crunches, and operational failures, as seen in cases like Go First and earlier regional airlines.



## Features

### Multiple Aspirants

- **Shankh Air:** Based in Uttar Pradesh, plans metro connectivity from Lucknow with Airbus A320 aircraft, claims strong funding but lacks an Air Operator Certificate (AOC).
- **TruJet:** A cautious relaunch after shutting down operations (2015–22); plans a phased fleet expansion starting from Visakhapatnam.
- **AI Hind Air & FlyExpress:** Have NOCs but face regulatory and financial bottlenecks.
- **Air Kerala:** Targeting diaspora-heavy Gulf routes, still awaiting operational readiness.

### Pipeline

- Airlines require:
- Ministry of Civil Aviation NOC
- Security clearance
- Air Operator Certificate from the Directorate General of Civil Aviation (DGCA)

### The AOC process involves:

- Detailed operational, safety, and engineering manuals
- Infrastructure inspection and tabletop emergency simulations
- Proving flights

- Though officially a 6-month process, it often stretches to 9–12 months.

## **Capital Requirements**

- Minimum paid-up capital norms:
- ₹50 crore – Scheduled airline
- ₹5 crore – Regional commuter
- ₹1 crore – Cargo airline
- Experts estimate \$1 billion in funding over five years for a national-level airline to survive.

## **Challenges**

### **Aircraft Leasing Constraints**

- Global aircraft shortages, high lease rentals, and cautious lessors (post Go First bankruptcy).
- Lessors prioritise cash-flow visibility, promoter credibility, and scale.

### **High Cost Structure**

- Fuel costs, airport charges, maintenance, and weak pricing power in a competitive market.
- Airlines remain loss-making until achieving scale.

### **Regulatory & Operational Delays**

- Delays in DGCA approvals, pilot hiring, and aircraft induction.
- Frequent mismatch between public announcements and ground readiness.

### **Market Structure**

- Dominance of established players with economies of scale.
- Thin margins and intense fare competition make survival difficult for startups.

## **Way Forward**

### **Phased & Regional-Focused Expansion**

- Begin with regional routes under UDAN to build load factors and credibility.

### **Financial Prudence**

- Conservative fleet induction and adequate loss provisioning.

### **Regulatory Streamlining**

- Faster, transparent AOC timelines without diluting safety standards.

### **Investor & Lessor Confidence**

- Strong governance, experienced management teams, and realistic business plans.

### **Policy Support**

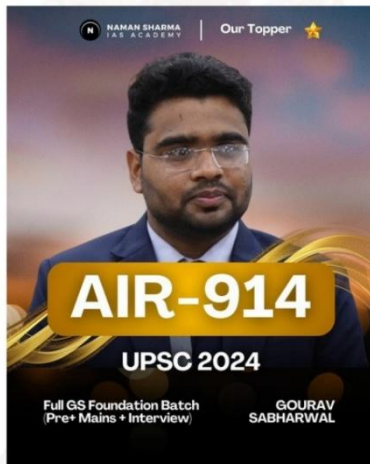
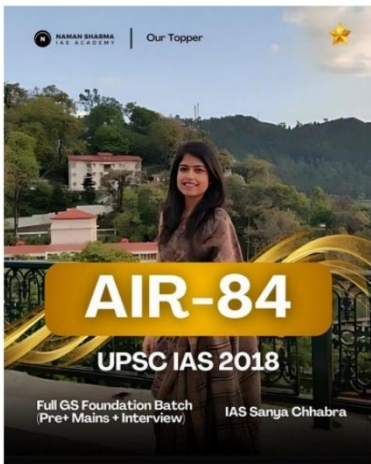
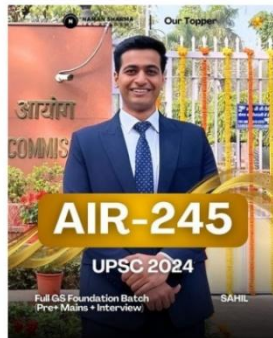
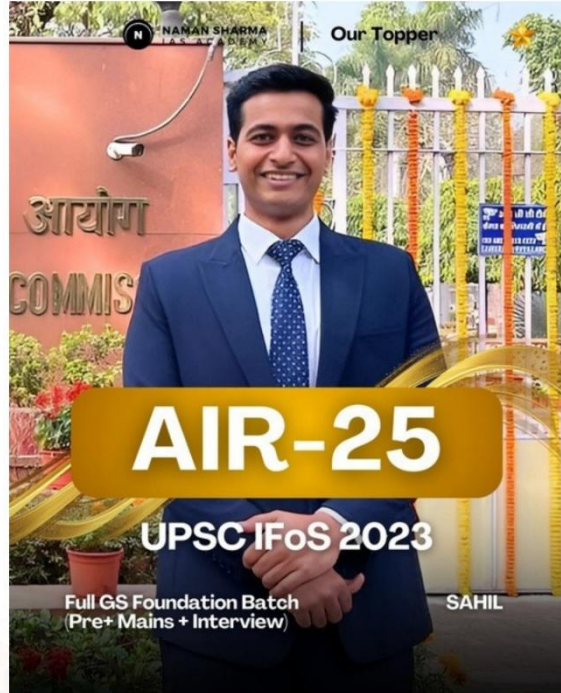
- Rationalisation of ATF taxes, airport charges, and an improved leasing ecosystem under GIFT City.

### **Conclusion**

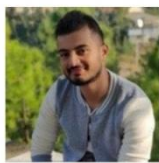
India's fast-growing aviation market offers immense opportunity, but history suggests that entry is easier than survival. While the renewed push by Shankh Air, TruJet, AI Hind Air, and others signals optimism, regulatory readiness, funding depth, and lessor confidence will ultimately determine whether India truly gets three new airlines, or merely another round of delayed takeoffs.



# Our Recent Toppers



**Vipin Kumar**  
AIR-4, HPAS 2022



**Anshul Shandil**  
AIR-7, HPPCS 2019



**Arshiya Sharma**  
AIR-3, HPPCS 2019



**Kirti Sharma**  
AIR-35, PCS 2021



**IPS Vineet Ahlawat**  
AIR-231, CSE 2020



**SDM Himani Sharma**  
AIR-2, HPAS 2024



WhatsApp Now +91-843-768-6541



Offline Centre Location: SCO 173-174, Sector 17C, Chandigarh

## Admissions Now Open!



**Saarthi for  
UPSC 2027/28**

- ✓ 1/2/3 Years Course with Lifetime access
- ✓ Inclusive of Crash Course + Test Series
- ✓ Full Prelims + Mains
- ✓ Offline + Online + Hybrid Mode

**Enroll Now**

+91-8437686541  
www.namaniasacademy.com

Enroll  
in just **₹2000**

- Mode: Offline/Hybrid/Online
- Medium: Hinglish (Notes in English)
- Timings:

Morning: 9 AM - 1 PM

Evening: 4 PM - 8 PM

### Enrollment Process:

- Visit Our Website: **Naman IAS Academy**
- Call us at **+91-843-768-6541**  
**for Free Seminar**

Free UPSC seminar

**Saturday, 4PM**



**Offline Centre Location: SCO 173-174, Sector 17C, Chandigarh**