Aviation & Tourism Pulse

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A Nation's Strength: PM Thanks Families for Vital Sacrifices

Prime Minister Modi thanked citizens for embracing critical conservation measures during the West Asia crisis. To protect foreign reserves and lower import bills, families are making vital everyday sacrifices.

- Public/private sectors to revive remote work, online classes, and virtual meetings to eliminate commuting.
- Switch from personal vehicles to metros, electric buses, public transit, and carpooling.
- Cut chemical fertilizer use by 50%; adopt natural farming and solar irrigation pumps to replace diesel
- Avoiding personal activities that drain foreign currency protects the Indian Rupee and cutting down on the import bills of non-essential items.
- Defer Gold Purchases pause buying gold for weddings and festivals for at least one year.
- Cut Foreign Travel: Avoid luxury international vacations and destination weddings; choose domestic tourism instead.
- Decrease household cooking oil consumption to lower import dependency.
- Vocal for Local: Prioritize locally produced goods over imported alternatives to support domestic business.

'Charting a Resilient Future for Indian Aviation'

V.P.Agrawal
Vice President, FAST;
and Former Chairman, AAI

The stress—manifested through rising pilot fatigue and systemic bottlenecks— underscores a troubling reality: deep financial strain eventually compromises human factors and vital safety margins.

To fulfil the visionary mandate of Ude Desh Ka Aam Nagrik (UDAN), aviation cannot be treated as a luxury. It is an essential public service and a driver of national connectivity. Consequently, the Foundation for Aviation and Sustainable Tourism (FAST) has submitted a comprehensive position paper to the Ministry of Civil Aviation titled 'Charting a Resilient Future for Indian Aviation'. A concise summary is featured in this issue at page no. 2. Sustainability cannot rely on commercial margins alone; it must be anchored in industry credibility, safety safeguards, and public trust.

GOVT. SECTOR

From the President, FAST desk

Global Civil Aviation and India's Strategic Path

Globally, civil aviation faces unprecedented headwinds, from geopolitical disruptions and volatile fuel markets to strict Sustainable Aviation Fuel (SAF) mandates. These external shocks strain airline balance sheets and drive fare volatility. Managing these dynamics in India requires an aggressive shift toward structural resilience. India must build national fuel reserves, enforce strict regulatory guardrails, and upgrade infrastructure to match international safety and economic standards. As a fast-growing aviation market, India must insulate its domestic sector from global disruptions while keeping safety absolute.

Reimagining Sustainable Tourism

Tourism is intrinsically linked to aviation, serving as a powerful engine for economic mobility, employment, and cultural preservation. However, the sector faces parallel global and domestic challenges, demanding a renewed focus on climate resilience, sustainable infrastructure, and inclusive growth.

To deliberate on these vital bottlenecks, FAST is organizing its next major seminar in September 2026, focusing explicitly on the tourism potential and a roadmap for India's accelerated tourism growth to 2047. This convention will assemble senior policymakers, hospitality experts, and key stakeholders to address industry hurdles through digital innovation, multimodal connectivity, and community-first frameworks.

Lt Gen KM Seth,
PVSM, AVSM (Retd) and
Former Governor of Tripura and Chhattisgarh

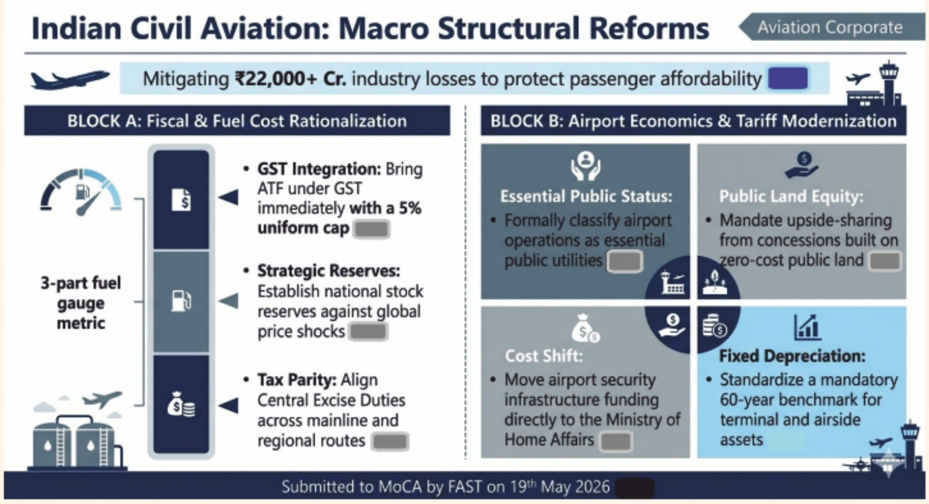
MORE STOREIS

Tourism Roadmap of Incredible India for the Viksit Bharat Vision - P3

Exclusive write-up by
Vinod Zutshi, IAS (Retd),
Former Secretary, Ministry of Tourism, Government of India

Ease of Travel—Fare Rationalisation and Regulatory Reforms in Indian Civil Aviation

Background and Executive Summary: The Indian civil aviation sector faces intense structural and financial strain. Unchecked airfare volatility severely hurts passenger affordability and sector stability. Recently, FAST convened a high-level assembly of senior aviation, infrastructure, and regulatory professionals to deliberate upon the structural crises currently confronting the Indian aviation sector. With reported industry losses for FY 2025–26 exceeding ₹22,000 crore for the Air India Group alone, driven by ATF volatility and geopolitical disruptions—the House observed that the current financial stress is adversely impacting passenger affordability and operational safety.



1. Fiscal & Fuel Cost Rationalization

Aviation Turbine Fuel (ATF) remains the primary barrier to cost competitiveness in India. To protect the industry from volatile price shocks, FAST advocates three interventions:

- **GST Integration:** Bring ATF under GST immediately with a maximum uniform rate of 5%.
- **Strategic Reserves:** Form national ATF stock reserves to counter global supply shocks.
- **Tax Parity:** Harmonise Central Excise Duties across mainline and regional operations (like ATR-72).

2. Enhanced Airport Economics & Tariff Modernisation

Airport infrastructure costs must not unfairly burden traveling passengers. FAST proposes major structural shifts to airport commercial models:

- **Essential Service Status:** Classify airport operations formally as essential public services.
- **Public Land Equity:** Mandate "Upside-Sharing" clauses for concessions built on zero-cost public land.
- **Cost Realignment:** Shift security infrastructure funding directly to the Ministry of Home Affairs.
- **National Depreciation Standards:** End operator discretion on asset life calculations. MoCA must direct AERA to set a uniform, 60-year depreciation benchmark for terminal buildings and airside infrastructure.

3. The "Bharat Civil Aviation Lokpal" (B-CAL)

India lacks an independent, statutory grievance redressal authority for aviation consumers. Existing internal nodal officers and portals lack binding arbitration powers . FAST proposes the establishment of B-CAL with the following parameters:

- **Independent Funding:** Finance B-CAL via statutory contributions or operator levies at zero cost to passengers.
- **Strict Eligibility:** Restrict leadership to retired Supreme Court Judges or retired Government Secretaries.
- **Binding Adjudication:** Grant authority to settle service deficiency claims up to ₹20 lakh within 45 days.
- **Safety Whistleblowing:** Create a secure, protected channel for operational crew to report safety violations safely.

4. Fare Rationalization & Pricing Transparency

Unregulated dynamic pricing models have eroded public trust. Market transparency requires immediate regulatory adjustments:

- **Calibrated Pricing:** Transition toward a "Price-Cap" or "Cost-Plus" model during market crises.
- **Operational Disclosure:** Mandate airlines to disclose seat availability across fare buckets 60 days ahead.

5. Regulated Car Parking Tariffs

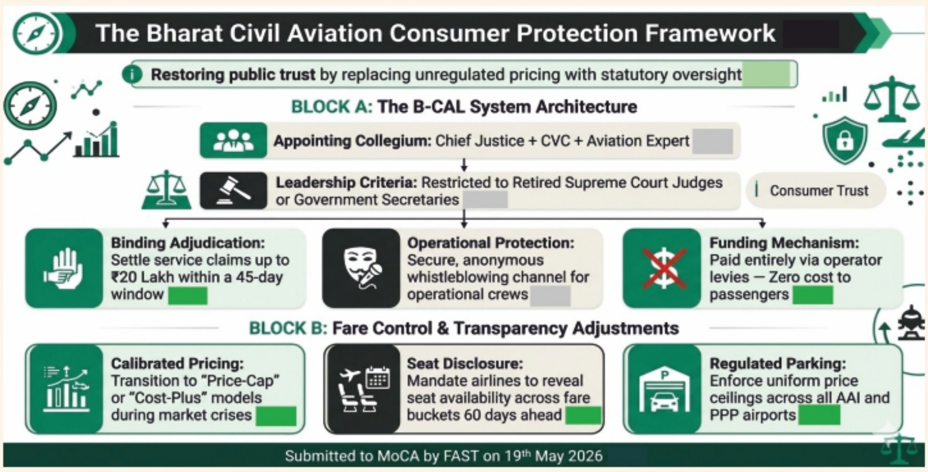
Car parking at major Indian airports operates under market-linked tariffs without oversight. This lack of regulation leads to steep, predatory pricing structures/

- **Regulatory Inclusion:** Notify car parking as a 'regulated service' under the AERA Act, 2008.
- **Ceiling Tariffs:** Prescribe uniform ceiling tariffs across all AAI and PPP airports.

6. Conclusion

Protecting passenger rights does not mean sacrificing airline financial viability. Implementing these targeted regulatory reforms will stabilize operational costs and eliminate predatory pricing. This balanced framework will ensure the vision of "Ude Desh Ka Aam Nagrik" remains safe and accessible.

Submitted by FAST to MOCA on 19th May 2026



Tourism Roadmap of Incredible India for 'Viksit Bharat Vision 2047'

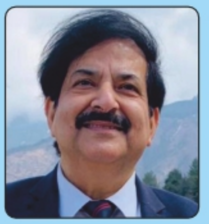
As India moves towards becoming a developed nation by 2047, tourism is expected to play a transformative role in driving economic growth, employment generation, cultural preservation, and regional development.

A strong 'tourism infrastructure' forms the foundation of this roadmap:

India has already made significant investments in highways, expressways, airports, railway stations, metro systems, and inland waterways. By 2047, seamless multimodal connectivity is expected to link major tourist destinations with urban centres and international gateways. The expansion of international and regional air connectivity under schemes such as UDAN, modernization of railway stations, development of high-speed rail corridors, and improvement of last-mile connectivity will significantly enhance tourist mobility. Equally important will be the development of tourism infrastructure including quality accommodation, exhibition and convention centres, way-side amenities, sanitation facilities, wifi connectivity and tourist information centres, to ensure a comfortable visitor experience.

'Destination development' constitutes the second pillar of the tourism roadmap:

India possesses unparalleled diversity in heritage, culture, spirituality, wildlife, adventure, wellness, rural life, and coastal tourism. Vision 2047 should prioritize the development of high-potential destinations through planned investment, local branding, and community participation. Destination development must also ensure safety, hygiene, interpretation centers, multilingual information, and high service standards so that tourists experience India not as scattered attractions, but as curated, memorable journeys. Effective Destination management through Destination Management Organisations (DMO), as envisaged in the draft national tourism policy of the Ministry of Tourism would be essential not only for coordination with all tourism stakeholders at the destination but also for sustainability of the destinations.



Vinod Zutshi, IAS (Retd.),
Former Secretary, Ministry of Tourism, Government of India

India's Vision 2047 must envisage the country as one of the world's leading tourism destinations, attracting both domestic and international visitors through world-class infrastructure, sustainable destination development, and advanced technology integration.

The third pillar, 'technology' will emerge as a key enabler in transforming India's tourism sector. Technology will define the competitiveness of Indian tourism in the coming decades and will help in following ways:

1. A digital-first tourism ecosystem will further simplify planning, booking, travel, and feedback mechanism.
2. Integrated tourism platforms are required to provide real time destination information, transport links, hotel bookings, event calendars, permits, and grievance support in one place.
3. Use of Artificial intelligence must be further augmented to personalize travel recommendations, chat support, and demand forecasting.
4. Big data will be essential to help governments manage tourist flows, avoid overcrowding, and design evidence-based policies.
5. Digital payments, e-ticketing, smart passes, and QR-enabled interpretation can improve convenience and transparency.
6. Virtual reality and augmented reality can enrich museums, monuments, and cultural sites, and
7. Drone mapping and GIS tools can support planning and conservation.

To realize this roadmap, governance must be coordinated across the Union, States, Districts, local bodies, and private stakeholders. Public-private partnerships, skill development, hospitality training, and support for MSMEs will be essential.

Furthermore, sustainability and inclusivity must remain central to the Vision 2047 tourism strategy. Green infrastructure, renewable energy, waste management, accessibility for senior citizens and persons with disabilities, and community-based tourism models will contribute to responsible growth.

In conclusion, India's tourism roadmap under Vision 2047 should aim to create a globally competitive, technology-driven, sustainable, and inclusive tourism ecosystem. By combining modern infrastructure, well-developed destinations, and cutting-edge technology, India can emerge as one of the world's most attractive and resilient tourism destinations, contributing significantly to national prosperity and cultural pride.

FAST Charts Vision 2047 Roadmap with Major Leadership and Educational Upgrades

The Foundation for Aviation & Sustainable Tourism (FAST) held a joint meeting of its Executive Committee and General Body on 11 May 2026. The meeting was chaired by the President, Lt. Gen. K M Seth (Retd).

Vision 2047 Roadmap and Tourism Seminar

FAST has formulated its Vision 2047 Roadmap and decided to host a major seminar titled "Tourism Potential: Road Map to 2047" in the last week of September 2026. Spearheaded by the newly appointed Life Trustee, Shri Vinod Zutshi, the upcoming event will feature comprehensive panel discussions focusing on infrastructure, destination development, and technology.

Facility Upgrades and New Educational Ventures

- **Infrastructure Growth:** FAST approved the complete refurbishment of its office training and classroom facilities to improve the learning environment.
- **Professional Courses:** The Board agreed in principle to launch specialized professional courses in Aviation and Tourism, alongside IATA-approved airline training programs. Members have been encouraged to actively participate and bring forward effective proposals for these programs.

Institutional Updates and Leadership Changes

- **Financial Health:** The body formally approved the audited accounts for FY 2024-25 and noted that the organization remains financially sound, despite a challenging FY 2025-26.
- **Executive Committee Restructuring:** Dr. Sanjay Kumar and Shri Manoj Gangal (former ED Cargo, AAI) were newly appointed to the committee.
- **Tenure Extensions:** The terms for Shri GS Bawa, Shri JS Rawat, Shri Sanjay Soni, and Shri Rajan Sehgal were extended by two years.
- **Membership Drive:** FAST will actively invite prominent industry leaders, including representatives from the Drone Federation of India, to expand its membership network.

A Proud Moment for FAST: Father and Son dedicated in Service to the Nation

The Foundation for Aviation and Sustainable Tourism (FAST) is proud to share a moment of immense pride for our extended family and the nation.

Lt Gen Dhiraj Seth has been appointed as the next Chief of the Army Staff, assuming office upon the retirement of Gen Upendra Dwivedi on 30 June 2026. He will serve until 31 August 2028.

Lt Gen Dhiraj Seth becomes the first officer from the Armoured Corps to lead the Indian Army in nearly three decades. His distinguished career includes command of Skinner's Horse, an armoured brigade, a counter-insurgency force in Jammu & Kashmir, a strike corps on the western front, and the South Western and Southern Commands. At the time of his appointment, he was serving as the Vice Chief of Army Staff.

What makes this moment doubly special for FAST is that Lt Gen Dhiraj Seth is the son of our President, *Lt Gen Krishan Mohan Seth, PVSM, AVSM (Retd.)*.

This is a rare instance where a father and son have both risen to the highest echelons of military leadership. Lt Gen K.M. Seth's own legacy of distinguished service to the nation is now carried forward by his son, in a continuum of duty, honor, and commitment that exemplifies the spirit of the Indian Armed Forces.

For the members of FAST, this is more than news. It is a reaffirmation of the values we stand for – leadership, professionalism, and service to the nation. It is a moment of pride for our President, for the Seth family, and for all of us who draw inspiration from their example.

The Foundation for Aviation and Sustainable Tourism congratulates Lt Gen Dhiraj Seth on this well-deserved appointment and extends its best wishes for a successful and impactful tenure as Chief of the Army Staff. We also salute Lt Gen K.M. Seth, whose guidance and legacy continue to inspire generations.

May this father-son legacy of service continue to be a beacon for the armed forces and for India.

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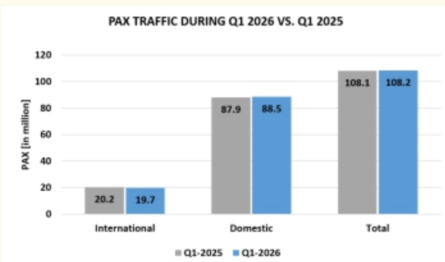
ANALYTICS
FAST

Quarterly Review of Indian Aviation – Q1-2026

Pax traffic at a glance

The Indian aviation sector has been facing strong headwinds in the form of rising fuel prices and broader geopolitical & economic uncertainties. This has influenced airline operations and air travel decisions, as reflected in the pax air traffic during Q1 of 2026 which remained flat as compared to the same quarter last year. In this period, airports across the country handled 108.23 million pax traffic as against 108.14 million in the previous year.

Here is a visualization pax traffic handled at Indian airports during Q1 of 2026 vs. 2025:



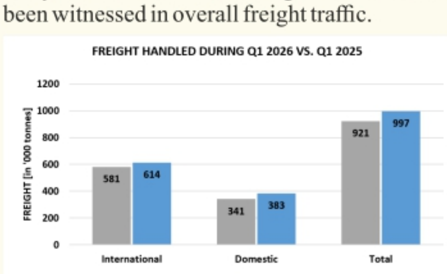
International pax traffic witnessed a decline of 2.5% during this quarter, while domestic pax traffic reported marginal growth of 0.7%, netting out at an overall growth of 0.1% in total pax traffic handled during this period.

Key highlights:

- The top 10 airports in the country continue to handle over 70% of the total pax traffic, reinforcing their role in strengthening India's aviation ecosystem. About 85% of the total international traffic and 67% of domestic traffic is handled by these airports.
- Delhi's Indira Gandhi International Airport (IGIA) reigns supreme with ~20% share of the total pax traffic handled across India, followed by Mumbai and Bengaluru with 13% and 11% share respectively.
- In terms of international pax traffic, Delhi Airport alone handled ~29%, followed by Mumbai Airport with ~21% and in domestic traffic, Delhi airport handled 18%, followed by Mumbai with 11.2% and Bengaluru with 10.7% share.
- At an overall level, Bengaluru witnessed the highest growth of 14% in international and 5% in domestic traffic handled during this quarter.

Freight traffic at a glance

Despite geopolitical challenges and global supply chain shifts, the air freight segment continued its growth stride. During Q1 2026, Indian airports handled a significant volume of 997 thousand tonnes of freight, compared to 921 thousand tonnes during the same quarter last year. With this, a robust growth of 8% has been witnessed in overall freight traffic.



The overall growth in air freight was powered by expansion in both international and domestic segments, with domestic volumes witnessing a higher growth rate during the quarter. International freight handled increased by 6% whereas domestic freight reported 12% growth.

Key highlights:

- The top five airports (Delhi, Mumbai, Bengaluru, Chennai and Hyderabad) handled more than 90% of the total international freight. Delhi Airport leads the international market, handling more than 30% of the total international freight, closely followed by Mumbai with a 29% share. Bengaluru (13.8%) and Chennai (13.4%) together account for a significant chunk of the volume.
- In the domestic segment, concentration is slightly lower, but still significant, with the top five airports handling over 66% of total domestic freight. Delhi retains the highest share at 27%, followed by Mumbai (15%) and Bengaluru (13%).
- In the international segment, Hyderabad reported the highest growth rate among the top 5 airports at 15%, followed by Mumbai and Chennai at 8% each. Hyderabad's status as a major global pharmaceutical and biotech hub coupled with new dedicated freighter services continue to be major contributors to this surge in volumes.
- Among the top 5 airports, Bengaluru reported remarkable growth in the domestic sector at 18%, followed by Delhi (9%).
- Other major airports contributing significantly to the expansion of domestic freight traffic include Kolkata, Ahmedabad, Pune, Jaipur, Guwahati, Chandigarh, Surat, Indore, Port Blair and Ranchi.

Major Recent Events

- Indian Government announced an ATF Price Stabilization Mechanism with a ₹10,000-crore outlay, allowing domestic airlines to lock in jet fuel rates (around ₹115/litre in Delhi) for up to 36 months. The government will provide interest-free advances to oil marketing companies to absorb global price spikes and protect passengers from airfare surges.
- Due to operational challenges, Indian carriers have announced cuts to domestic and international networks. IndiGo has temporarily suspended flights to some international destinations and reduced domestic services during Jul–Aug'26. Air India has also rationalised operations by trimming select domestic and international routes.
- The Union Cabinet approved a revamped UDAN scheme with a ₹28,840 crore outlay for FY27–FY36 and extended the IVFRT immigration and visa scheme for five years with a ₹1,800 crore outlay. The plan includes converting 100 unused/unserved airstrips into operational airports and building 200 helipads in remote, hilly and island regions.
- In the upcoming third round of airport privatisation, to ensure fair competition and prevent market concentration, the government is considering capping single-entity bids at a maximum of two airport clusters (equivalent to four airports). It is also planning to group the proposed airports for privatisation into five bundles, each comprising a mix of metro and non-metro airports to improve the commercial viability of smaller airports.
- DigiYatra has enabled over 10 crore passenger journeys. By using biometric data, it has reduced airport entry processing time from 15 seconds to 5 seconds per passenger. It is currently active at 38 airports, and by next year, 27 more airports will be added.
- The Ministry of Civil Aviation has selected Delhi, Mumbai, Bengaluru and Rajkot as International Hub-and-Spoke Transfer Points to enable seamless domestic-to-international transfers and position India as a global transit hub. Delhi will serve as the primary hub, handling over 10 crore passengers annually. Mumbai and Bengaluru will act as tier-2 hubs, while Rajkot will serve regional and niche long-haul routes, helping decentralise traffic from major metros. Indian carriers including Air India, IndiGo and Akasa Air are building hub networks to support this vision.
- Delhi's Indira Gandhi International Airport has converted part of Terminal 3 domestic operations to international operations, increasing annual international passenger capacity to 30–32 million (up nearly 50%) and wide-body aircraft stand availability by about 40%.
- Navi Mumbai International Airport currently handles about 20,000 passengers and 150 daily ATMs and is expected to reach around 50,000 passengers and 380 daily flights by the end of 2026, supported by traffic growth and airline expansion.
- GMR Hyderabad International Airport Ltd. announced that Cargo Terminal 2 at Rajiv Gandhi International Airport is ready for operations with a capacity of about 50,000 metric tonnes annually. The facility includes a fully temperature-controlled pharma zone with advanced monitoring systems, providing end-to-end cold-chain capabilities for pharmaceutical and perishable cargo. It is positioned well to meet rising domestic and international cargo demand.
- GMR Group will take over operations of Nagpur's Dr. Babasaheb Ambedkar International Airport after receiving Union Cabinet approval. The plan includes renovation of the existing terminal and construction of a new integrated domestic and international terminal with a capacity of 30 million passengers annually.

Report By:
Ms Renu Grover,
Traffic Analyst,
Former GM (CP & MS),
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New India Rising: FAST Seminar Maps the Future of Air Cargo and MROs

The Foundation for Aviation & Sustainable Tourism (FAST) hosted a landmark seminar titled "New India Rising: Powering Growth with Air Cargo and MROs" on Tuesday, 7th April 2026 at the India International Centre, New Delhi. Held under the aegis of the Union Ministry of Civil Aviation, the event united senior policymakers, aviation experts, and industry stalwarts to dissect critical structural reforms necessary to fortify India's aviation ecosystem.

The Inaugural Session

The seminar commenced with a welcome address by FAST President Lt. Gen. KM Seth (former Governor of Tripura & Chhattisgarh), who emphasized that air cargo handles a vital 20–25% of overall aviation industry revenue. As the Hon'ble Minister of Civil Aviation could not attend due to prior commitments, his official goodwill message was delivered to the 120+ delegates by FAST Vice President Shri VP Agrawal. Lt. Gen. Seth highlighted that while India's MRO segment experiences robust expansion—bolstered by domestic fleet growth and proactive policies—strategic interventions remain essential to sustain this trajectory.

Business Session 1: Air Cargo Operations

Chaired and moderated by former Chief Economic Advisor Smt. Vandana Agarwal, this session addressed scaling operations to meet the Ministry's ambitious target of 10 million metric tonnes by 2030–31. Industry leaders emphasized transitioning from document-driven to data-driven digital infrastructure.

Key actionable recommendations emerged:

Tax Rationalization: Urgently bring Aviation Turbine Fuel (ATF) under the GST framework to lower operational cost disparities.

Infrastructure Upgrades: Expand inadequate domestic cargo terminals (especially in Delhi) and create dedicated regional cargo hubs via the UDAN 2.0 scheme.

Capacity and Cost: Allow foreign and domestic carriers to fill capacity gaps while reducing high security and terminal handling costs.

Business Session 2: MRO Services

Chaired and moderated by Dr. RK Tyagi (former Chairman, HAL), this session explored transforming India into a self-reliant global MRO hub. Experts discussed a stark reality: despite exponential fleet growth, domestic MRO capacity must scale rapidly to prevent capital outflow.

The panel recommended:

Infrastructure Classification: Classify the aviation MRO industry as part of the formal "Infrastructure Industry" to enable low-cost financing.

Strategic Committee: Establish a High-Powered National Aviation MRO Capability Committee to spearhead a uniform National MRO & Aviation Skills Policy (2026–2036).

Regulatory & Data Access: Harmonize licensing standards internationally and mandate OEMs to provide technical data access to local facilities.

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