AGREEMENT
BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF CANADA ON AIR SERVICES

The Government of India and the Government of Canada hereinafter referred to as the Contracting Parties,

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December, 1944, and

Desiring to conclude an Agreement on air services between and beyond their respective territories,

Have agreed as follows:

ARTICLE I

For the purpose of this Agreement, unless otherwise stated:

(a) "Aeronautical Authorities" means, in the case of Canada, the Minister of Transport and the Canadian Transport Commission and, in the case of India, the Director General of Civil Aviation or in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities;

(b) "Agreed services" means scheduled air services on the routes specified in the Annex to this Agreement for the transport of passengers, cargo and mail, separately or in combination;

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(c) "Agreement" means this Agreement, the Annex attached thereto, and any amendments thereto;

(d) "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944;

(e) "Designated airline" means an airline which has been designated and authorized in accordance with Articles IV and V of this Agreement;

(f) "Tariffs" shall be deemed to include all tolls (rates, fares, charges for transportation, classifications, allowances), conditions of carriage, rules, regulations and practices related thereto, and conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail;

(g) "Territory", "Air service", "International Air Service", "Airline" and "Stop for non-traffic purposes" have the meaning respectively assigned to them in Articles 2 and 96 of the Convention;

(h) "Stopover" means a deliberate interruption of a journey by a passenger, agreed to in advance by the designated airline at a point between the place of departure and the place of destination;

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(i) "Intransit traffic" means traffic carried by an airline designated by one Contracting Party on the same aircraft through the territory of the other in a third country;

(j) "Change of gauge" means the operation of one of the agreed services by a designated airline in such a way that one section of the route is flown, in accordance with Article III, by aircraft different in capacity from those used on another section.

ARTICLE II

1. Each Contracting Party grants to the other Contracting Party, except as otherwise specified in the Annex, the following rights for the conduct of international air services by the airline designated by the other Contracting Party:

(a) to fly without landing across the territory of the other Contracting Party;

(b) to make stops in the said territory for non-traffic purposes;

(c) to make stops in the said territory for the purpose of taking up and discharging, while operating the routes specified in the Annex, international traffic in passengers, cargo and mail, separately or in combination; and

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(d) to carry into and out of the territory of the other Contracting Party with stopover privileges intransit traffic originating in or destined for points in third countries.

2. Nothing in paragraph 1 of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

ARTICLE III

A designated airline of one Contracting Party may make a change of gauge at any point on the specified route only on the following conditions:

(a) that the substitution in justified by reasons of economy of operation;

(b) that the aircraft operating on the sector more distant from the territory of the Contracting Party designating the airline shall operate only in connection with the airline on the near sector and shall be scheduled so to do; the former shall arrive at the point of change for the purpose of carrying traffic transferred from, or to be transferred into, the latter; and the capacity of the former shall be determined with primary reference to this purpose;

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(c) that the airline shall not hold itself out to the public by advertisement or otherwise as providing a service which originates at the point where the change of aircraft is made, unless otherwise permitted by the Schedule of routes;

(d) that in connection with any one aircraft flight into the territory in which the change of gauge is made, only one flight may be made out of that territory unless authorized by the Aeronautical Authority of the other Contracting Party to operate more than one flight; and

(e) that the provisions of Article XI of the Agreement shall govern all arrangements made with regard to change of gauge.

ARTICLE IV

Each Contracting Party shall have the right to designate by diplomatic note, an airline or airlines to operate the agreed services on each of the routes specified in the Annex for such a Contracting Party and to substitute another airline for that previously designated.

ARTICLE V

1. Following receipt of a notice of designation or of

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substitution pursuant to Article IV of this agreement, the aeronautical authorities of the other Contracting Party shall, consistent with its laws and regulations, grant with a minimum of delay to the airline so designated the appropriate authorizations to operate the agreed services for which that airline has been designated.

2. Upon receipt of such authorizations the airline may begin at any time to operate the agreed services, provided that the designated airline fulfills the provisions of this Agreement.

ARTICLE VI

1. The aeronautical authorities of each Contracting Party shall have the right to refuse or withhold the authorizations referred to in Article V of this Agreement with respect to an airline designated by the other Contracting Party, to revoke or suspend such authorizations or impose conditions, temporarily or permanently:

(a) in the event of failure by such airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations normally and reasonably applied by these authorities in conformity with the Convention;

(b) in the event of failure by such airline to comply with the laws and regulations of that Contracting Party;

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(c) in the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals; and

(d) in case the airline fails to operate in accordance with the conditions prescribed under this Agreement.

2. Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party. Unless otherwise agreed by the Contracting Parties, such consultations shall begin within a period of thirty (30) days from the date the other Contracting Party receives the request.

ARTICLE VII

1. The laws, regulations and procedures of one Contracting Party relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft shall be complied with by the designated airline of the other Contracting Party upon entrance into, departure from and while within the said territory.

2. The laws and regulations of one Contracting Party

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in respect of entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the designated airline of the other Contracting Party and by or on behalf of its crews, passengers, cargo and mail upon transit of, admission to, departure from and while within the territory of such a Contracting Party.

3. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE VIII

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the agreed services on the routes specified in the Annex to this Agreement provided that such certificates or licences were issued or rendered valid pursuant to and in conformity with the standards established under the Convention. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals by the other Contracting Party.

2. If the privileges or conditions of the licences or certificates referred to in paragraph 1 above, issued by the aeronautical authorities of one Contracting Party to any person

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or designated airline operating the agreed services on the routes specified in the Annex to this Agreement, should permit a difference from the standards established under the Convention, and which difference has been filed with the International Civil Aviation Organization, the aeronautical authorities of the other Contracting Party may request consultations with the aeronautical authorities of that Contracting Party with a view to satisfying themselves that the practice in question is acceptable to them. Failure to reach a satisfactory agreement in matters regarding flight safety will constitute grounds for the application of Article VI of this Agreement. In other cases Article XXI of this Agreement applies.

ARTICLE IX

1. The Contracting Parties agree to cooperate with each other as necessary with a view to preventing unlawful seizure of aircraft and other unlawful acts against the safety of aircraft, airports and air navigation facilities and any other threat to aviation security.

2. Each Contracting Party agrees to observe the security provisions required by the other Contracting Party for entry into the territory of the other Contracting Party and to take adequate measures to inspect passengers and their carry-on items. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for special security measures for its aircraft or passengers to meet a particular threat.

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3. The Contracting Parties shall act consistently with applicable aviation security provisions established by the International Civil Aviation Organization identified as the International Standards and Recommended Practices on Security and designated as Annex 17 to the Convention on International Civil Aviation to the extent that such security provisions are applicable to the Contracting Parties. Should a Contracting Party depart from such provisions the aeronautical authorities of the other Contracting Party may request consultations with the aeronautical authorities of that Contracting Party. Failure to reach a satisfactory agreement will constitute grounds for the application of Article VI of this Agreement.

4. The Contracting Parties shall act in conformity with the provisions of the Convention on Offences and certain other Acts Committed on Board Aircraft, signed at Tokyo on September 14, 1963, and any other relevant conventions that might be in force in respect of both Contracting Parties.

5. When an incident, or threat of an incident, of unlawful seizure of aircraft or other unlawful acts against the safety of aircraft, airports and air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE X

1. The charges imposed in the territory of one Contracting Party on the aircraft of the designated airline of

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the other Contracting Party for the use of airports and other air navigation facilities shall not be higher than those imposed on aircraft of a national airline of the first Contracting Party engaged in similar international air services.

2. Neither of the Contracting Parties shall give a preference to its own or any other airline over the airline engaged in similar international air services of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways, air traffic services and associated facilities under its control.

3. Each Contracting Party shall encourage consultations between its competent charging authorities and the designated airlines using the services and facilities, and where practicable through the airlines' representative organizations. Reasonable notice should be given to users of any proposals for changes in user charges to enable them to express their views before changes are made.

ARTICLE XI

1. There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate the agreed services on the routes specified in the Annex to this Agreement.

2. In operating the agreed services, the designated airline of each Contracting Party shall take into account the

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interest of the airline of the other Contracting Party so as not to affect unduly the services which the latter provides on the whole or part of the same route.

3. The agreed services provided by the designated airlines of the Contracting Parties shall bear reasonable relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objectives the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail between the territories of the Contracting Parties which have designated the airline and the countries of ultimate destination of the traffic.

4. Provision for the carriage of passengers, cargo and mail both taken up and discharged at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principle that capacity shall be related to :

(a) traffic requirements to and from the territory of the Contracting Party which has designated the airline;

(b) traffic requirements of the area through which the airline passes after taking account of other transport services established by airlines of the States comprising the area; and

(c) the requirements of through airline operation.

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5. The capacity to be provided on the specified routes shall be agreed between the designated airlines in accordance with the principles laid down in this Article and subject to the approval of the aeronautical authorities of the Contracting Parties. In the absence of an agreement between the designated airlines, the matter shall be referred to the aeronautical authorities of the Contracting Parties which will endeavour to resolve the problem, if necessary, pursuant to Article XIX of this Agreement. Pending an arrangement either at the airline level or between the aeronautical authorities the status quo shall be maintained.

ARTICLE XII

1. The aeronautical authorities of both Contracting Parties shall cause their designated airlines to provide the aeronautical authorities of the other Contracting Party with monthly statements of statistics on a monthly calendar basis, including all information required to determine the amount of traffic carried over the routes specified in the Annex to this Agreement, including flight uplift and discharge of traffic, and if possible, the initial origins and final destinations of such traffic.

2. The details of the statistical data to be provided and the methods by which such data shall be provided shall be agreed upon between the aeronautical authorities and implemented not later than three (3) months after designated airline

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of one or both of the Contracting Parties commence operations, in whole or in part, of agreed services.

ARTICLE XIII

1. Each Contracting Party shall on a basis of reciprocity exempt the designated airline of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, sales and excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores (including liquor, tobacco and other products destined for sale to passengers in limited quantities during the flight) and other items intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services, as well as printed ticket stock, air way bills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed without charge by that designated airline.

2. The exemptions granted by this Article shall apply to the items referred to in paragraph 1 of this Article:

(a) introduced into the territory of one Contracting Party by or on behalf of the designated airline of the other Contracting Party;

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(b) retained on board aircraft of the designated airline of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party;

(c) taken on board aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party and intended for use in operating the agreed services;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are not alienated in the territory of the said Contracting Party.

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the Customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.

ARTICLE XIV

1. The tariffs to be charged by the airline of one Contracting Party for carriage to or from the territory of the other Contracting Party shall be established at reasonable

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levels, due regard being paid to all relevant factors, including cost of operation, reasonable profits, and where it is deemed suitable, the tariffs of other airlines.

2. The tariffs referred to in paragraph 1 of this Article shall, if possible, be agreed by the designated airlines concerned for both Contracting Parties, and such agreement shall, wherever, possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariffs.

3. The tariffs so agreed shall be submitted for the acceptance of the aeronautical authorities of both Contracting Parties at least forty-five (45) days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.

4. This acceptance may be given expressly. If neither of the aeronautical authorities has expressed disapproval within thirty (30) days from the date of submission, in accordance with paragraph 3 of this Article, these tariffs shall be considered as approved. In the event of the period for submission being reduced, as provided for in paragraph 3, the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

5. If a tariff cannot be agreed in accordance with paragraph 2 of this Article, or if, during the period applicable in accordance with paragraph 4 of this Article, one aeronautical authority gives the other aeronautical authority

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notice of its disapproval of a tariff agreed in accordance with the provisions of paragraph 2 the aeronautical authorities of the two Contracting Parties shall endeavour to determine the tariff by mutual agreement.

6. If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph 3 of this Article, or on the determination of any tariff under paragraph 5 of this Article, the dispute shall be settled in accordance with the provisions of Article XX of this Agreement.

7. (a) No tariff shall come into force if the aeronautical authorities of either Contracting Party are dissatisfied with it except under the provisions of Article XIX of this Agreement.

(b) When tariffs have been established in accordance with the provisions of this Article, those tariffs shall remain in force until new tariffs have been established in accordance with the provisions of this Article or Article XIX of this Agreement.

8. If the aeronautical authorities of one of the Contracting Parties becomes dissatisfied with or wishes to review an established tariff they shall notify the aeronautical authorities of the other Contracting Party and the designated airlines shall attempt where required to reach an agreement. Should the designated airlines fail to agree, the procedures as set out in paragraph 5 and 6 of this Article shall apply.

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9. The aeronautical authorities of both Contracting Parties shall endeavour to ensure that (A) the tariffs charged and collected conform to the tariffs accepted by both aeronautical authorities and (B) no airline rebates any portion of such tariffs by any means.

ARTICLE XV

Each Contracting Party shall cause its designated airline to communicate to the aeronautical authorities of the other Contracting Party, as long in advance as practicable prior to the inauguration of the agreed services, the type of service, the type of aircraft to be used, the flight schedules, tariff schedules, and all other relevant information concerning the operation of the agreed services including such information as may be required to satisfy the aeronautical authorities that the requirements of this Agreement are being duly observed. The requirements of this Article shall likewise apply to any changes concerning the agreed services.

ARTICLE XVI

1. Each designated airline shall have the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, at its discretion, through its agents. Such airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation in the currency of that territory

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or in freely convertible currencies of other countries, subject to relevant national laws and regulations.

2. Each Contracting Party grants to the designated airline of the other Contracting Party the right of free transfer of funds obtained in the normal course of its operations. Such transfers shall be effected in accordance with relevant national regulations relating to foreign currency exchange at the time of the transfer and shall not be subject to any charges except those normally collected by banks for such tramsactions.

ARTICLE XVII

1. The designated airline of one Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the territory of the other Contracting Party its representatives and commercial, operational and technical staff as required in connection with the operation of agreed services.

2. Such representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party and consistent with such laws and regulations each Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary work permits, employment visas or other similar documents to the representatives referred to in paragraph 1 of this Article.

3. Both Contracting Parties shall dispense with the requirement of work permits or special working visas for

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personnel performing certain temporary services and duties except in special circumstances determined by the National Authorities concerned. Where such work·permits are required, they shall be issued promptly free of charge so as not to delay the disembarkation and entry into the State of the personnel concerned.

4. These staff requirements may, at the option of the designated airline, be satisfied by its own personnel or by using the services of any other competent organization, company or airline operating in the territory of the other Contracting Party, and authorized to perform such services in the territory of that Contracting Party. Notwithstanding this provision, should a designated airline choose not to provide its own ground and ramp handling services, it shall only use the services of an organization approved by the aeronautical authorities of that Contracting Party.

ARTICLE XVIII

1. The provisions set out in Articles VII, VIII, IX, X, XIII, XVI and XVII, of this Agreement shall be applicable also to charter flights operated by an airline of one Contracting Party into or from the territory of the other Contracting Party and to the airline operating such flights.

2. The provisions of this Article shall not be construed to imply any obligation on either aeronautical authority to approve charter flights by any airline of the other Contracting Party.

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ARTICLE XIX

1. In a spirit of close co-operation, the aeronautical authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and of its Annex.

2. Such consultations shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise agreed.

ARTICLE XX

If either of the Contracting Parties considers it desirable to modify any provisions of this Agreement, it may request consultations with the other Contracting Party. Such consultations, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date of the request. Any modification agreed pursuant to such consultations shall come into force when it has been confirmed by an exchange of notes.

ARTICLE XXI

If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall endeavour to settle it by

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consultation. Such consultations shall commence as soon as practicable but in any event not later than sixty (60) days from the date of receipt of the request for consultations, unless otherwise agreed by the Contracting Parties. Failure to reach a satisfactory settlement within a further ninety (90) days shall constitute grounds for the application of Article VI of this Agreement, unless otherwise agreed by the Contracting Parties.

ARTICLE XXII

Either Contracting Party may at any time from the entry into force of this Agreement give notice in writing through diplomatic channels to the other Contracting Party of its decision to terminate this Agreement: such notice shall be communicated simultaneously to the International Civil Aviation Organization. The Agreement shall terminate one (1) year after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by mutual consent before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

ARTICLE XXIII

This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

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ARTICLE XXIV

If a general multilateral air services agreement comes into force in respect of both Contracting Parties, the provisions of such agreement shall prevail. Consultations in accordance with Article XIX of this Agreement may be held with a view to determining the extent to which this Agreement is affected by the provisions of the multilateral air services agreement.

ARTICLE XXV

This Agreement shall enter into force when the Contracting Parties each have notified the other by Diplomatic Note that they have obtained whatever internal approval may be required to give effect to this Agreement.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at New Delhi on 20th day of July, 1982 in the Hindi, English and French languages, each version being equally authentic.

For the Government of India

For the Government of Canada

A N N E X

Section I

An airline designated by the Government of Canada shall be entitled to operate air services in both directions on the routes specified in this section and to land for traffic purposes in the territory of India at the points therein specified; it being understood that only one airline may be designated to operate air services on each of Route 1 and Route 2.

	Points of origin 1	Intermediate points 2	Point in India 3	Points beyond India 4
Route 1	Points in Canada	Two points in Europe including the United Kingdom and one point in Asia west of India, to be named by Canada	Bombay	Two points in south east Asia to be named by Canada and beyond to Canada
Route 2	Points in Canada	Points in the Pacific and Asia east of India to be agreed	Delhi or Calcutta	To be agreed

Note:

a) Any point or points specified above may be omitted on any or all services but all services must originate from or terminate in Canada;

b) Points other than those in Columns 2 and 4 may be served without traffic rights between such points and the points in Column 3;

c) Points in Europe shall be limited to points in countries excluding France and the USSR;

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d) Points beyond south east Asia on Route 1 shall be served only on all-cargo services operated in an easterly direction.

Section II

An airline designated by the Government of India shall be entitled to operate air services in both directions on the routes specified in this section and to land for traffic purposes in the territory of Canada at the points therein specified; it being understood that only one airline may be designated to operate air services on each of Route 1 and Route 2.

	Points of origin 1	Intermediate points 2	Point in Canada 3	Points beyond Canada 4
Route 1	Points in India	One point in Asia west of India and two points in Europe including the United Kingdom, to be named by India	Montreal	A point in the USA to be named by India and beyond to India.
Route 2	Points in India	Points in Asia east of India and Pacific to be agreed	Vancouver	To be agreed

Note:

a) Any point or points specified above may be omitted on any or all services but all services must originate from or terminate in India;

b) Points other than those in Columns 2 and 4 may be served without traffic rights between such points and the points in Column 3 subject to note c.

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c) The point in the USA selected by India in Column 4 shall be chosen from points east of Chicago and north of Washington, D.C., including both of those points. Points in the USA other than that selected shall not be served, even without traffic rights, unless mutually agreed.

d) Points in Europe shall be limited to points in countries excluding the Netherlands, Italy, Greece, Spain, Portugal and France. The point in Asia west of India shall be limited to countries other than Israel.

e) Points beyond the USA on Route 1 shall be served only on all-cargo services operated in a westerly direction.

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