

Thales eyes \$1.23 bn revenue from joint ventures in defence



The company plans to double its annual sourcing from India to \$740 million

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Thales, an European technology major, catering to the defence and other sectors globally, has set a target for the near term to generate annual revenue of \$1.23 billion from India, a nearly threefold rise.

The company, which has joint ventures (JV) with Bharat Electronics (BEL), Reliance, and Larsen & Toubro, among others, said it would be using India to export some products. It will also double its annual sourcing from India, to \$740 million.

Emmanuel de Roquefeuil, the vice-president and country director for Thales in India, said India was one of their three main markets, which Thales wanted to develop. The others are China and the United States.

The company has operated in India for six decades and got projects such as the combat aircraft and Mirage 2000 upgrade programmes. It reported a revenue of \$370 million from India last year and has set a target of \$1.23 billion in the near term.

In the past five years, the company has also increased its annual sourcing to the tune of \$370 million from 50 suppliers and plans to double it in the next four to five years.

"We are seeing opportunities in development, manufacturing and sourcing in India," said Roquefeuil.

The company had signed two memorandum of understanding

(MoUs) with MKU for strategic co-operation in the development and production of optronic devices, and for the F90 close-quarter battle (CQB) rifle. The optronic devices will be co-developed by Thales and MKU, and both the optronic devices and the F90 rifles will be manufactured at MKU's facilities in Kanpur, Uttar Pradesh. These products will be offered to the army and homeland security forces.

The Company's JV with BEL has developed a multi-tracking radar 'Pharos', for use in land and sea applications. The company plans to export to various markets, including Europe.

The company, which bagged orders to upgrade 60 aircraft under the Mirage 2000 programme, said the first six would be done by Thales. The rest would be done with the Hindustan Aeronautics, which will upgrade 6-10 aircraft every year, with the help of Thales.

The JV with Reliance Defence is an Indian supply chain for radar and electronic warfare sensors, and expected to be ready by end of 2018.

Thales, which accounts for 25 per cent (in value terms) of the Rafale aircraft, also has JVs with Samtel and L&T Technology Services, and a technology transfer agreement with Bharat Dynamics for STARstreak missile capability, among other collaborations, in India which cater to the defence, transport, aerospace and other sectors.