

PARIS AIR SHOW

Tata, Lockheed join hands to build F-16s in India

AJAI SHUKLA
New Delhi, 19 June

US defence giant Lockheed Martin and India's Tata group signed an agreement on Monday to jointly build the F-16 Block 70 fighter in India, should New Delhi opt for the American aircraft in the procurement of single-engine fighters for its air force.

Highlighting the importance of this contract for the Tata group's aerospace and defence aspirations, Chairman Emeritus Ratan Tata attended the signing ceremony at the ongoing Paris Air Show in France.

The Tata group has earmarked Tata Advanced Systems Ltd (TASL) to build the F-16 in India with technology and manufacturing facilities transferred from Lockheed Martin.

Coming ahead of Prime Minister Narendra Modi's visit to the United States

this month, Lockheed Martin's sinking of this joint venture (JV) — which would have required formal clearance from Washington — indicates that, despite President Donald Trump's promises to keep skilled jobs in the US, his administration is willing to transfer the ageing F-16 production line from Texas to India.

TASL and Lockheed Martin already have a joint venture (JV) that manufactures airframe components in Hyderabad, including for the C-130J Super Hercules airlifter and the Sikorsky S-92 helicopter.

However, the manufacture of F-16 Block 70 would be a far more ambitious project. This would first require the Ministry of Defence (MoD) to select the Tata group as an Indian "strategic partner" for aircraft production. Next, the IAF and the MoD would have to

choose the F-16 Block 70 as the air force's single-engine fighter aircraft. That multi-billion dollar procurement has already kicked off with the issue of a global request for information (RFI) by the IAF.

MoD and IAF sources confirm aviation market intelligence that the IAF's chosen fighter is likely to be either the F-16 Block 70, or the Gripen E fighter that Swedish company, Saab, has offered to India. Turn to Page 16 ▶



SPICEJET TO BUY 20 BOEING PLANES; UPGRADES 20 ORDERS

P2

Boeing inks \$100-mn deal on P-8I aircraft

AJAI SHUKLA
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The Indian Navy's Boeing P-8I long-range maritime patrol aircraft — reputedly the world's most fearsome submarine hunters — have proved themselves in joint patrols with the US Navy in the Indian Ocean, tracking Chinese submarines. Last July, a pleased Indian Navy signed a billion-dollar contract with Boeing for four more P-8Is to augment the eight aircraft it already

flies. Delivery will begin in 2020.

But, with Chinese submarine activity growing in the Indian Ocean, the navy wants more P-8Is on station today. Last Monday, the navy signed a \$100-million contract, requiring Boeing to maintain spare parts and personnel in India, ready to respond to any defects or failures in the P-8I fleet over the next three years.

The so-called "performance-based logistics" contract requires Boeing to continue the warranty services it has so far provided under an initial production contract, which will expire in October.

"This contract will substantially bolster Boeing's performance-based support to the Indian Navy and should maintain or increase the operational capability of the eight-aircraft fleet," said Boeing on Monday.

Since the P-8I is based on a commercial Boeing 737-800/900 airliner, material support will also be sourced from the Boeing Commercial Aviation Services' Fleet Services division. This is yet another lucrative triumph for Boeing, which has won more than \$10 billion worth of Indian defence contracts since 2009.

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Tata...

In case the IAF opts for Saab's Gripen E, the role of Indian partner is likely to fall to the Adani group, say senior Saab executives. The Adani group, despite its lack of experience in defence or aerospace, is positioning itself to be chosen as a "strategic partner" for this purpose. Lockheed Martin expects the IAF will choose the F-16, based on the calculation that transferring the world's only F-16 production line to India "creates new manufacturing jobs in India, and positions Indian industry at the centre of the most extensive fighter aircraft supply ecosystem in the world", as a company release stated on Monday.

Lockheed Martin points out that over 4,500 F-16s have been built since the 1970s, of which approximately 3,200 fighters remain in operational service in 26 countries. An Indian production line could expect to benefit from their custom, including from the Pakistan Air Force.

The IAF's global procurement of single-engine fighters stems from the failure of its high-profile acquisition project for 126 "medium multi-role combat aircraft" (MMRCA), which fizzled out into the procurement of just 36 Rafale fighters from French company Dassault. The shortfall of 90 fighters this created, along with the likely retirement of almost 200 MiG-21 and MiG-27 fighters this decade, drives the IAF's requirement for the early production of single-engine fighters. Exacerbating the IAF's fighter shortfall is Hindustan Aeronautics Ltd's slippages in building 100 Tejas light fighters, designed and developed in India by the Defence Research and Development Organisation.