

# Indian Industries participating in Berlin Air Show



## Indian Industry

1. The Indian Industry today is on the threshold of entering into a new era where it will assume greater responsibility in making the nation self-reliant in Defence Production. The resurgence of India's manufacturing sector has been remarkable. Not only are the profits soaring, the sector is also making its presence felt abroad as many Indian firms are becoming transnational companies. The Indian manufacturing sector is internationally competitive with international quality standards, efficiency and manufacturing facilities. India is fast developing into a manufacturing hub for world corporations wanting to leverage the sector's proven skills in product design, reconfiguration and customization with creativity, assured quality and value addition.

## Defence Industry Sector in India

2. The defence industry sector in India is now open up to 100% for Indian Private Sector participation with Foreign Direct Investment permissible up to 26%. Procurement policies and procedures have been streamlined and transparent procurement procedures have also been put in place. The introduction of 30% offsets in defence contracts for capital acquisitions valued over Rs.300 crores (about US \$75 million) provides immense opportunities for creation of joint ventures and partnerships for co-development/co-production arrangements in the defence sector in India.

## Indian Aerospace Industry

3. The Indian Aerospace Industry is witnessing an unprecedented growth. Hindustan Aeronautics Limited (HAL), which is fully owned by the Government of India, is the premier aerospace company in

the country. HAL has played a major role in the Defence aviation of India through design, manufacture and overhaul of fighters, trainers, helicopters, transport aircraft, engines, avionics and system equipment. HAL is now ranked 34th in the list of world's top 100 defence companies. HAL is a major partner for the Space programmes of Indian Space Research Organization (ISRO) and manufactures structures and assemblies for the launch vehicles and satellites at its dedicated Aerospace Division in Bangalore.

4. The civil aviation sector in India is growing rapidly. It has recorded annual growth of over 41% in passenger traffic during in the last two years. In fact, it has contributed significantly to the growth of international civil aviation sector. The rapid growth of civil aviation has put extreme pressure on the existing civil aviation infrastructure. As a result, the thrust is now on modernization of airports, communications, navigation and surveillance systems for air traffic management, radars and facilities for Maintenance Repair and Overhaul of aircraft and sub systems.

5. There is thus enormous potential and huge opportunities for collaboration and creation of joint ventures in the aerospace sector in India for establishing Maintenance Repair Overhaul (MRO) facilities for civil and military aircraft, overhaul and maintenance of aero engines and production of avionics, components and accessories both in the civil and military aviation sectors. Major

