

# 'May open engine unit in India if more Rafales ordered'

## Safran CEO says the firm is planning to increase local sourcing in India to € 500 mn by 2030

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French aerospace and defence major Safran is open to establishing a final assembly line (FAL) in India for M88 engines and other critical equipment, which power the Rafale, if the armed forces place additional sizeable orders for these planes, its chief executive officer (CEO) Olivier Andries said on Wednesday.

Safran is currently sourcing about € 100 million worth of components per year from its vendors in India, which is "not much," he said.

The firm is now planning to increase local sourcing to € 500 million by 2030. It is really happy with the quality, on-time delivery and competitive pricing of vendors in the country, he added.

Andries was talking to reporters after Prime Minister Narendra Modi on Wednesday inaugurated Safran's largest MRO facility for CFM Leap engines in Hyderabad through

video conferencing. These engines will power commercial narrowbody aircraft.

Moreover, the foundation laying ceremony for setting up an MRO facility for M88 engines was also held in Hyderabad on Wednesday. The CEO also mentioned that Safran's India revenue is expected to treble to € 3 billion by 2030.

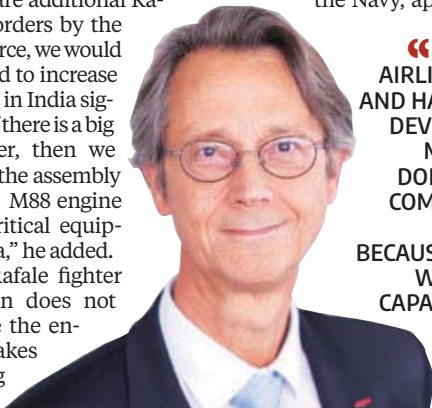
"If there are additional Rafale fighter orders by the Indian Air Force, we would be committed to increase our presence in India significantly... If there is a big enough order, then we would bring the assembly line for the M88 engine and other critical equipment to India," he added.

On the Rafale fighter plane, Safran does not just produce the engine. It makes the landing gear, elec-

trical systems, air conditioning and oxygen systems.

"We are also the partner for ejectable seats. So, we have a lot of critical equipment on the Rafale... More than 20 per cent of Rafale is made by Safran," he said.

India has so far placed firm orders for 62 Rafale jets — 36 for the air force in 2016 and 26 Rafale-M fighters for the Navy, approved in 2025.



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Olivier Andries,  
CEO, Safran

The air force jets have already been delivered. Separately, the Indian Air Force has this year proposed acquiring 114 additional Rafales, to be built in India with significant local content under "Make in India." If cleared, this would take India's total Rafale fleet to about 176 aircraft.

Some commercial airlines or their related companies — such as Singapore Technologies, Air France-KLM, Lufthansa Technik and Delta Airlines — have taken a licence from Safran to establish their own CFM Leap engine MRO facilities.

"If any Indian airline is willing and has decided to develop its own MRO shop, we don't view it as competition. We welcome it because we believe we need more capacity 20 years ahead. So, we would be very keen to support it," he said.

However, he added that to develop its engine MRO facility, an airline must have a very large fleet of planes that use CFM Leap engines.

The new CFM Leap engine MRO

centre, which was inaugurated on Wednesday, represents a total investment of € 200 million and will be operational in 2026. The 45,000-square-metre facility will ramp up to a capacity of 300 Leap engine shop visits a year.

The new site in Hyderabad will employ more than 250 people at launch and up to 1,100 at full capacity. An on-site training centre will train more than 100 Indian technicians and engineers each year. India is CFM Leap's third-largest market, with five Indian carriers operating more than 400 Leap engine-powered aircraft and 2,000 engines on order.

The M88 engine MRO facility, which was developed just near the CFM Leap engine MRO facility in Hyderabad, represents an investment of over € 40 million, Andries added.

The M88 facility will provide MRO services for more than 600 engine modules a year. It will employ up to 150 people at full capacity.