

Rafale deal comes with 50 per cent offset clause



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New Delhi, Sep 23 (PTI) France has offered to help India revive the unsuccessful Kaveri engine project for indigenous Tejas aircraft and a host of other high-end collaborations as part of the offsets in the 7.87 billion euro Rafale fighter plane deal.

The deal comes with a 50 per cent offset clause which means that Indian companies, big and small, will get businesses worth over 3 billion euros. Defence sources said that one main point of the offset was that 74 per cent of it has to be imported from India. This means a lot of business and job opportunities in India, sources said.

They added that the offset, spread over a period of seven years, will be finalised soon.

"The offset clause of 50 per cent in the Rafale deal will provide a great opportunity for indigenous manufacturers such as us who have put in years of effort in developing world class technology within the country.

"It further outlines the commitment made by the Indian government to promote the Indian manufacturing industry and support indigenisation of defence needs of the country," Samtel Avionics MD and CEO Puneet Kaura said. (MORE) PTI SAP MR