

Aerospace vendors to bid for projects

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Aerospace engineering vendors in India plan to form a consortium to bid for high-value projects that can be jointly executed in the country. More than seven aerospace IT players, such as Infosys, Satyam, HCL, Quest, Cades, Infotech and BAE-HAL among others, are said to be in the process of forming the consortium, to secure better recognition for the domestic aerospace skills in the global market.

The initiative was led by an 'empowered committee' of industry players formed by the directive of Society of Indian Aerospace Technologies and Industries (SIATI). The empowered committee has held around three meetings so far, but are



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yet to form a structured group.

Industry players said the formation of the consortium was primarily an attempt by the sector to "move up the value chain".

"Nearly 60-70% of the work being done in India is still low-value, non-core work, such as maintenance and component design. We need to prove that a large project, like making an entire plane, or a complete engine can be executed by Indian private

sector," said an industry source.

SIATI honorary secretary general Joseph Varkey said while the intention of the consortium-mode was to seek larger projects, a joint move would help the small and medium sized companies who were unable to invest in executing large projects. "A joint move would mean a pool of funds and also avoid hassles such as under-quoting.

A single company could bid for the

project and split the work among the members," Varkey said.

Cades MD and CEO Dataram Mishra said the move would enable companies of varying domain strengths to work together and procure long-term projects to India.

Indian software industry's apex body Nasscom has estimated a \$40 billion opportunity for the country in offshored engineering market across aerospace, automotive, telecom and others.

SIATI recommended consortiums of member companies based on their interests, such as machining, electrical, avionics, rubber and composites industries, Varkey said, adding, "The buying and bargaining power of a group is stronger than of an individual company."