



Volker Thum
Managing Director, BDLI

“Every Second, Aircraft order from India or China”

suppliers. In every Airbus commercial aircraft coming out of the assembly lines are integrated parts made in India. HAL produces half of all A320 forward passenger doors. Dynamatic Technologies supplies flap track beams for the A320 and A330 family aircraft on a global single source basis. Tata Advanced Materials, in partnership with Spirit Aerostructures, is producing composite parts for the A350 XWB programs – just to name a few.

Also the defence sector is subject to mutual business. Airbus Defense and Space has submitted to produce the C295 in India, along with Tata. This project ties up perfectly with the “Make in India” initiative as a majority of the aircraft would be produced in India. Additionally, the division has been selected to supply six A330 MRTT (Multi Role Tanker Transport) to the Indian Air Force, a contract the Airbus Group hopes to sign soon with the Indian Ministry of Defense.

India’s space travel programme grabbed the headlines in the international press at the end of 2014 with the highly successful and most economical Mars mission of all time. In the space sector, ISRO and Airbus Defense and Space have jointly designed and built two communication satellites in India for European operators. In addition, ISRO has successfully launched the Group’s earth observation satellites, SPOT 6, SPOT 7 and DMC-3.

Airbus Helicopters is also pursuing partnership initiatives with domestic companies. The intention is to enlarge the currently limited supply chain through sharing of technology and knowhow. Recently, the division teamed up with Mahindra with the aim of establishing the first private sector joint venture company under “Make in India” which is geared towards producing helicopters locally. On the defence side, the joint venture will pitch as the prime contractor for different acquisition programs. Rolls-Royce has been associated with India for the past eight decades and is contributing significantly towards the modernization of the armed forces. Recently, the company announced the expansion of its engineering capability with a new facility in Bangalore, which has plans to employ around 500 people by 2017.

Indian market is especially promising because of its growth opportunities, says Volker Thum, Managing Director, German Aerospace Industries Association – BDLI. India’s increasing prosperity brings about rising passenger numbers in air. With 190 million passengers projected by the end of 2015, year-on-year growth stands at 12.47% – and is thus significantly higher than the average global growth in air traffic, which is projected at 4.7%. A total of 59 million passengers were carried by domestic airlines in the period January to September 2015. This represents an increase of 20% as compared to the 49 million passengers in the same period last year, he told “Aeromag”.

These growth rates are the engine for fundamental regional shifts within our industry, Volker Thum, Managing Director, German Aerospace Industries Association – BDLI believes. The main sales markets are no longer Europe and the United States, but the Asia-Pacific region. In 20 years’ time, almost every second aircraft order will come from this region – China and India, in particular, he added. Throughout this interview he is optimistic about Indian market.

On the Presence of German and Euro Aerospace Companies in India

Indo-German economic relations have intensified markedly in recent years. This is especially true of the aerospace industry. Our industry has a long-standing and successful partnership with India and recognized the great potential of India very early. As early as the 80s, Airbus started a pioneering industrial cooperation with Hindustan Aeronautics Limited. Today, the Indian aerospace industry has taken a centre-stage role in Airbus’ international activities with impact on our supplier industry.

Airbus Group is giving India wings: In the last decade, the sourcing volume of Airbus has grown twelve time from around 40



On behalf of EOS, we extend our congratulations to Hindustan Aeronautics Limited (HAL), for your 75 glorious years of excellence in the development of Advanced Aerospace components. Given the level of commitment and sincerity your company has committed, it has been impressive to watch your significant contribution to shaping the Aerospace industry as a whole.

Hindustan Aeronautics Limited's longevity speaks for itself. Coming together is a beginning, keeping together is progress, working together is success. Congratulations and we look forward to many more years of partnership with HAL.

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On BDLI Indian Market and Growth Opportunities

After China, India is the most populous country in the world. Germany is India's main trading partner in the EU. Bilateral trade stood at some 16 billion euro in 2014. The importance to Germany of India as a global trade partner was demonstrated not least by the visit of Chancellor Angela Merkel in October 2015 in the course of the Indo-German intergovernmental consultations, during which defense and aviation were key topics.

Since the beginning of the new millennium, India's civil aviation market has been marked by steady growth, which now makes India the ninth largest market for aviation.

As of today, Airbus aircraft form a significant part of the fleets of all major Indian carriers and with well over 70% market share. Airbus is India's aircraft of choice.

On the Challenges for the German companies in the Indian market

Most of the challenges faced by German companies in India are the same as those faced by the companies of other nationalities including Indians. These include the complexity of the bureaucratic processes in India.

Aerospace manufacturing is a high skill area. One challenge is the lack of a mature supply chain in India and scarcity of the required skill set. But this is also an opportunity for German companies to partner India on terms of skilling the workforce here. Even if Indian suppliers sometimes lack certain skills, they are able to compensate for that by their ambition and eagerness to learn and adapt.

Major Initiatives of BDLI in Indian & Asian Pacific Market

The BDLI strongly supports the efforts of member companies to boost their business activities in target countries and helps to establish first key contacts in the domestic industry. Very recently, for example, the BDLI organized an information event in Berlin about the Indian aerospace industry.

An important issue to explore and develop new markets are business trips to the prospect countries. On behalf of the German Federal Ministry for Economic Affairs and Energy (BMWi), the Indo-German Chamber of Commerce in cooperation with the BDLI is conducting a market exploration tour to India from 15th – 18th March 2016.

The market exploration tour to Hyderabad and Bengaluru will provide small and medium-sized enterprises in the aerospace industry a sound market insight and information on export opportunities, investment opportunities, and support programs.

Since 2007, the BDLI and its member companies are represented with a joint stand, the so called "German Pavilion", at the Aero India Exhibition in Bangalore which is ranked amongst top international exhibitions in the Indian and Asian Pacific market. Our companies promote their technological capability and industrial skills, which are renowned all over the world.

On "Make in India" initiative in Aerospace and Defense Manufacturing and role of German companies

German aerospace companies' support Prime Minister Modi's "Make in India" call and are ready to manufacture in India, for India and the world. On the one hand, this progressive initiative will open up investment opportunities for them. On the other hand, it will help Indian industries become globally competitive. With this framework, complementary industrial partners will be drawn into integrated manufacturing clusters. I already mentioned different examples for successful "Make in India" projects.

On association with HAL

HAL has become one of the largest and most important Asian aviation companies that also gained an excellent reputation in our aerospace branch. Headquartered in Bengaluru, it attracted many other companies to this undisputed "capital" of Indian aerospace industry which led to the formation of the first Indian Aviation Cluster.

India was the official partner country at the ILA Berlin Air Show in 2008. India was chosen not only because it is one of the biggest global markets, but also as a long-term commercial and industrial partner. India impressed with a strong presence: Some 25 Indian companies presented their displays. ILA is a top meeting point for industrial representatives, for politicians and high-ranking military officers. Industrial leaders will meet industrial leaders, engineers will meet engineers and procurement officers from both sides will search for new suppliers. We would be very glad to welcome again our Indian sister organization, the Society of Indian Aerospace Technologies & Industries (SIATI) as well as our Indian aerospace partners.

On BDLI's and German Aerospace Industry's Performance

The German Aerospace Industries Association (Bundesverband der Deutschen Luft- und Raumfahrtindustrie e.V. – BDLI) with more than 220 members represents the interests of an industrial sector, which owing to international technology leadership and worldwide success has become a significant driver of economic growth in Germany. Combining almost all strategic key technologies, the German aerospace industry with a directly employed labor force of around 105,700, achieves an annual turnover of currently Euro 32.1 billion (2014). All segments and companies of various operating capacities are being covered in the German Aerospace Industry – small and medium sized companies as well as large manufacturers such as Airbus, Airbus Helicopters, MTU or Rolls Royce.

Communication with political institutions, authorities, associations and foreign representations in Germany is a major task of the BDLI, as well as a variety of services in Germany and abroad for its members. The BDLI is the trademark owner of the ILA Berlin Air Show, a bi-annual international aerospace exhibition, which will be held in Berlin from June 1 to 4, 2016.

Eaton congratulates HAL for 75 years of aerospace leadership.



Eaton celebrates the history, vision and innovation of HAL — an aerospace leader whose commitment to excellence is still going strong after 75 years. Eaton is proud to be a longtime strategic supplier for HAL providing world-class products, services and solutions. Here's to the next 75 years of success!

For more information about Eaton, visit www.eaton.com/aerospace

