

India Accelerates Russian Fighter Deal as French Rival Argues Over Price

By [The Moscow Times](#)

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A Rafale fighter jet flies over the factory of French aircraft manufacturer Dassault Aviation in Merignac near Bordeaux during a visit by the French President Mar. 4.

India's frustration over a stalled \$20 billion fighter jet deal with France has prompted New Delhi to accelerate plans with Russia to begin co-production of another, more advanced fighter jet, an Indian newspaper reported Monday.

India and Russia are in the final stages of negotiating a contract for the delivery a brand-new stealth fighter designed in tandem under the leadership of Russia's Sukhoi design bureau.

The original plan stipulated that the fighter be built in India, with the first deliveries taking place 94 months after the contract was signed. The total cost of the contract is reported to be over \$25 billion for 127 new fighters.

But now New Delhi has told Russia it is willing to drop demands for localized production

of the new aircraft, known as the PAK FA, if they can promise deliveries beginning 36 months after the contract is signed, according to unidentified Indian military sources quoted by the Times of India.

"We have agreed to a lesser work-share for a realistic contract, with the initial lot of the [PAK FA] being imported and the rest being made here under technology transfer," the source told the paper.

India in 2012 awarded France's Dassault Aviation with a multibillion-dollar contract for 126 of its Rafale fighter jets in what was called one of the largest aviation contracts of all time. The deal stipulated that most of the fighters would be built by Hindustan Aeronautics in India, making it a large technology transfer deal. But three years on, the two sides are still locked in a price dispute, with Dassault saying localization will cost more than it anticipated. India has said it will not pay above the contract price agreed in 2012, and suggested it will pursue alternatives if Dassault does not come around.

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