

# Significant Cases of Global Arms Trade

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## Indian Air-Transportation capability

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**Key Data:**

**Years:** 2021

**Involved Countries:** India; Europe

**Weapon Systems:** C-295MW

**Arms Producers:** Airbus; Tata-Group

**Perpetrators/Involved Parties:**

**Victims/Affected:**

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**Main article**

In September 2021, India signed a Rs 21,935 crore deal with Airbus Defence and Space to procure 56 C295MW aircraft to replace the aging Avro transport aircraft of the Indian Air Force (IAF) [[1][4][7][9][10]]. The aircraft deal, which costs over \$2.8 billion, will involve 16 aircraft being imported from Airbus Defence, Spain, while the remaining 40 will be manufactured in India by the Tata Consortium over the next 10 years [[8][9]]. The acquisition of C295MWs will not only rejuvenate the aging fleet but also add new capabilities such as being able to air-drop cargo and paratroopers from the rear loading ramp [[3][10]].

The C295MW is a twin-turboprop transport aircraft of 5-10 tonne capacity with contemporary technology. It is designed to operate in a range of environments and can be used for troop and cargo transport, medical evacuation, and humanitarian aid operations [[2][10]]. The aircraft has a rear ramp door for quick reaction and para dropping of troops and cargo, which makes it an ideal platform for airborne operations [[10]].

The procurement of the C295MW is part of the Make-in-India initiative in the aerospace sector. The initiative aims to encourage domestic production of defense equipment and reduce reliance on imports [[2]]. The involvement of the Tata Consortium, a company from the Indian private sector, in the manufacturing of the aircraft is a significant step in this direction [[9]].

The deal is a major boost to the Indian defense industry and has the potential to create jobs and promote technology transfer [[1][9]]. It is also expected to provide a fillip to the aerospace industry in India and pave the way for future collaborations and joint ventures [[2][9]].

The C295MW deal has been in the works since 2012 and was finally cleared by the Cabinet Committee on Security (CCS) in September 2021 [[7][8]]. The deal has faced several delays and obstacles in the past, including concerns over the involvement of the Tata Consortium, which was initially barred from participating in the bidding process [[9]]. However, these issues have been resolved, and the deal has been successfully concluded.

In conclusion, the Indian C295MW deal is a significant step towards modernizing the country's defense capabilities and promoting domestic manufacturing in the aerospace

sector. The acquisition of the C295MW will provide the Indian Air Force with a state-of-the-art platform for airborne operations and help it meet its operational requirements. The involvement of the Tata Consortium in the manufacturing of the aircraft is a significant milestone in the Make-in-India initiative and will help in creating jobs and promoting technology transfer. The deal is a major boost to the Indian defense industry and has the potential to pave the way for future collaborations and joint ventures in the aerospace sector.

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## Additional Information / Sources

[1] "The C295 was originally produced by a Spanish aircraft manufacturer named Construcciones Aeronauticas SA. This company is now part of Airbus and the aircraft's manufacturing takes place at Airbus's plant in Spain. In September 2021, India signed a Rs 21,935 crore deal with Airbus Defence and Space to procure 56 C295 aircraft to replace ..."

URL: <https://indianexpress.com/article/explained/explained-c295-aircraft-tata-airbus-features-8238509/>

[2] "Why in News. The Cabinet Committee on Security (CCS) has cleared procurement of 56 C-295 MW medium transport aircraft for the Indian Air Force under the Make-in-India initiative in the aerospace sector.. The C-295MW aircraft will be purchased from Airbus Defence and Space S.A., Spain.; Key Points. About: Capacity: The C-295 MW is a transport aircraft of 5-10 tonne capacity with contemporary ..."

URL: <https://www.drishtiias.com/daily-updates/daily-news-analysis/c-295-aircraft-deal>

[3] "The acquisition of C295MWs will not only rejuvenate the aging fleet but also add new capabilities such as being able to air-drop cargo and paratroopers from the rear loading ramp. Also added to the..."

URL: <https://www.ainonline.com/aviation-news/defense/2021-09-10/india-approves-c295-airlifter-purchase>

[4] "The Ministry of Defence (MoD) on Friday signed an estimated ₹22,000-crore deal with Airbus Defence and Space S.A., Spain, for 56 C-295MW transport aircraft to replace the Indian Air Force's..."

URL: <https://www.thehindu.com/news/national/government-seals-mega-deal-with-airbus-for-purchase-of-56-c-295-military-transport-aircraft/article36644148.ece>

[5] "Por Gastón Dubois. -. 08/09/2021. 0. After 4 years of virtual stalemate, the Security Committee of the Council of Ministers finally gave the go-ahead for the purchase of 56 Airbus C295MW tactical transport aircraft from Airbus, which will replace as many Avro-748s of the Indian Air Force (IAF). IAF to get 56 new transport aircraft."

URL: <https://www.aviacionline.com/2021/09/indian-government-approves-purchase-of-56-airbus-c295mw-for-its-air-force/>

[6] "At present, India maintains a fleet of more than 40 748Ms, which were license-built domestically by Hindustan Aeronautics Ltd (HAL) and began military operations in 1962. The Indian CCS approved the procurement of 56 C295MW medium-lift tactical transports (similar to the one pictured) on September 8, 2021."

URL: <https://www.key.aero/article/india-approves-purchase-56-c295mws>

[7] "The aircraft deal, which costs over Rs.21,000 crore (around \$2.8 billion), was cleared by the Cabinet Committee on Security on September 8, seven years after being consigned to the back-burner...."

URL: <https://frontline.thehindu.com/dispatches/ministry-of-defence-signs-military-transport-aircraft-deal-worth-rs21000-crore-with-airbus-defence-and-space/article36651131.ece>

[8] "Estimated in excess of ₹15,000 crore, the deal for 56 of the C295MW transport aircraft has been in the works since 2012, finally reaching the CCS in February, as reported by ET. While 16 aircraft will be imported from Airbus Defence, Spain, the rest will be made in India at a Tata facility over 10 years."

URL: <https://economictimes.indiatimes.com/news/defence/ccs-clears-deal-to-make-military-aircraft-in-india/articleshow/86052740.cms>

[9] "Central government clears Rs.21,000 crore deal to buy 56 military transport planes from Airbus Defence and Space; 40 to be manufactured in India by the Tata Consortium Published : Sep 09, 2021 12:07 IST ... The C295MW deal will witness for the first time a consortium/company from the Indian private sector producing a military aircraft in India ..."

URL: <https://frontline.thehindu.com/dispatches/central-government-clears-rs21000-crore-deal-to-buy-56-military-transport-planes-from-airbus-defence-and-space-40-to-be-manufactured-in-india-by-the-tata-consortium/article36375673.ece>

"Debarred companies — those who have previously been found corrupt — will be unable to do business in India."

<https://www.defensenews.com/industry/2018/02/21/india-debars-suspends-and-restricts-defense-firms-in-new-corruption-rule/>

Airbus as part of the Tata-Consortium was probed due to corruption in india

<https://www.sfo.gov.uk/download/airbus-se-deferred-prosecution-agreement-statement-of-facts/>

[10] "C-295MW aircraft is a twin-turboprop transport aircraft of 5-10 Tonne capacity with contemporary technology that will replace the ageing Avro aircraft of IAF. The aircraft has a rear ramp door for quick reaction and para dropping of troops and cargo."

URL: <https://www.opindia.com/2021/09/cabinet-approves-purchase-of-56-c-295mw-military-transport-aircraft/>

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