

# The Rafale deal and what is wrong with India's defence planning

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**Contradictory claims about costs and objectives aside, the IAF is now looking at a nightmare from the logistics point of view.**

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## The Rafale deal

**The Rafale deal is a perfect case study in what is wrong with India's defence planning and purchases**

There are few air forces in the world that have such a diverse inventory of aircraft as the Indian Air Force. After the Indian and French Defence ministers signed an Inter-Governmental Agreement for the purchase of 36 Rafale aircraft on Friday, the IAF is now staring at managing one of the most complex fleets in history.

At the bottom of this purchase is another tale of how badly India manages its strategic planning and defence acquisitions. Already burdened with ageing aircraft, the IAF will now have to deal with multiple kinds of aircraft sourced across three continents. The bulk of the IAF's inventory still comprises Soviet/Russian aircraft - the MiGs, Sukhois, AN-32s, IL-76. Add to this the British Jaguars, French Mirages and Rafales, American C-130s and it starts to look like a circus that picked up every new act that was available to it.

But the nearly Rs 58,000 crore that India will pay for 36 aircraft comes at a steep cost, and ensures there won't be money to buy the 126 aircraft that it originally needed. Where the balance 90 aircraft will come from and how much they will cost remains unclear.

Some have claimed that the Indian government managed to bring the price down significantly to about Rs 58,000 crore [1]. But different figures have been provided by the defence minister. The original price for 126 aircraft was pegged at Rs 90,000 crore, he said in an interview to Doordarshan on April 13, 2015 [2]. He revised this figure to Rs 1.3 lakh crore in a subsequent interview to PTI [3]. How this figure was escalated by the defence minister has not been explained.

However, if the earlier figure of Rs 90,000 crore is correct then the 36 aircraft are nearly double the cost of the original deal to buy 126 of them. The claim of Rs 90,000 crore, incidentally, was made by

the defence minister to the very person who has now written that the government managed to reduce the price [4].

### **Conflicting claims**

What is also revealing is the minister's claim that this purchase was not to replace the ageing MiG 21s, but of a "high end" aircraft that was needed to plug the IAF's pressing needs. However, the original 126 aircraft tender had been floated to plug the gap for the ageing MiG-21s. This explains why the MiG-31 [see article below] and the Swiss Gripen became part of the original bid. How this need was replaced by the need for a "high end" aircraft also remains unclear. It also does not explain why the IAF then chose to ignore the proven Su-30 MKI, which has the same capabilities as the Rafale, but comes at a much lower cost. Either way, it reflects poorly on the higher defence planning process that led to this sudden acquisition.

What is also interesting to note is that in April 2015, the Defence Minister was of the opinion that more Rafales would be purchased. But by May of the same year, his view had changed and he was of the opinion that there wouldn't be any more purchase of the Rafale. "We are not buying the rest. We are only buying the direct 36," he told PTI.

With this purchase the IAF will have two functional squadrons of the Rafale. If it buys a further 18 (16 + two trainers), then it will have three. This is exactly what has dogged the IAF in the past. It has two squadrons of the Mirage 2000 and the MiG-29 each. In the past, as accidents dogged the squadrons, the IAF had to make emergency purchases just to keep up with the force levels of the Mirage 2000 squadron.

From a logistics point of view, the IAF is looking at a nightmare. Today, it has to contend with aircrafts and their spare parts from Russia and the former Soviet Republics, France, UK and the US. This complexity will continue to increase if more types of combat aircraft are added to this mix. There is talk of manufacturing the American F-16 in India, which was also competing with the Rafale for the 126 aircraft deal.

The key to any acquisition is the long term integrated planning that every service headquarters undertakes before zeroing in on equipment. The threats that will emanate in the future, coupled with the capabilities of the adversary, go into deciding the kind of weapon systems the military purchases to maintain its superiority. But as this case has shown, contradictory statements and postures, coupled with knee-jerk purchases will only add to the confusion that has dogged India's military for decades.

#### **Saikat Datta**

\* "The Rafale deal is a perfect case study in what is wrong with India's defence planning and purchases":

<http://scroll.in/bulletins/24/athleisure-is-the-new-black>

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## **Rafale deal: How 'make in India' becomes 'made in France'**

### **The sudden decision to buy 36 Rafale fighters in fly away condition raises questions.**

Prime Minister Narendra Modi seems to have sewn up a deal with French President Francois Hollande for the Indian Airforce to buy 36 Rafale jet fighters. We are still to be officially told about how much this will cost us. The Rafale is a twin engine multi-role fighter designed and built by Dassault Avions to replace a multitude of specialised platforms such as the Jaguar, Mirage F-1, Mirage 2000 and Super Etendard. To that extent, it is truly a multi-role aircraft, but still a far cry from what it was initially intended to replace - the Mirage 2000.

The single engine Mirage 2000 was designed as a competitor to the USA's F-16 and made an impressive debut at the Farnborough air show in 1978. In 1985, in response to Pakistan's acquisition of F-16 fighters, the Rajiv Gandhi government decided to induct 150 Mirage 2000 fighters into the Indian Air Force. The first 49 aircraft were to be imported from France and the rest manufactured by Hindustan Aeronautics Limited. But the second part of the programme was not implemented despite HAL having invested in an assembly line for the Mirage 2000s. What happened is still a matter of speculation. In 2004, India bought 10 more Mirage 2000s. In July 2011, India approved a \$3 billion plan to upgrade the Mirage 2000 fleet and the first of the upgraded fighters came last month.

There is another scandal implicit in how a bid by the IAF to buy more single engine Mirage 2000 fighters became a bid for the heavy Medium Multi-Role Combat Aircraft. The ministry of defence turned the IAF request down saying that the Mirage 2000-5 variant being offered by Dassault was a different aircraft because it was not the Mirage 2000. The "dash 5" was enough for the mandarins to decide it was a different aircraft and hence a fresh bid should be called for.

This is how the requirement for a light fighter became a tender for a heavy twin-engine fighter. Thus, by wilful default, a bid to replace the ageing and depleting fleet of MiG series and fill in the gap with the Mirage 2000s, became a white elephant of a deal that will end up costing the country over Rs 50, 000 crores. That's how "Make in India" becomes make for India.

## **Not made in India**

This year India has earmarked for defence a sum of over Rs 2.47 lakh crore representing 1.7% of GDP and almost 13% of the central government's budget. This expenditure represents an increase of about 8% on defence over the previous year. Capital expenditure accounts for 41.15% of the budget. This is a juicy Rs 94,600 crores.

From 2015 to 2025, India is expected to spend a sum in excess of \$200 billion on capital expenditure. This is a lot of money by any standards. At present India spends almost 70% of its capital expenditure on imports. India's import dependence is well known, as are its reasons and it is unlikely to change soon. It is also a cause for many sniggers in the international strategic community on India's pretensions of being a major power. That's why, apart from the huge economic benefits, "make in India" becomes so important. Without it we are just like another Saudi Arabia splurging on military hardware.

It's not that India is incapable of indigenising, but for that to happen it must be willing to make do with what is possible and its armed forces must not insist on state of the art weapons systems right away. That is at the crux of this problem. It is not infrequently that our top brass will simply say that

without a particular weapons system, they cannot guarantee the outcome of a conflict. Often this argument is just a fig leaf to obscure other intentions. Thus many programmes to develop indigenous main weapons like fighter aircraft and tanks have fallen by the wayside.

The Light Combat Aircraft development is a case in point. The IAF did everything possible to stall the project by changing requirements and delaying approvals at various stages. For instance, when the Aeronautical Development Agency team designing the Tejas proposed changing over to the new and more powerful GE414 engine instead of the somewhat aged GE404 power plant, the IAF balked and insisted on a complete approval of all specifications again. It took some more years before this happened.

The Defence Research and Development Organisation must also share a good part of the blame for this as it has a habit of over promising and being unable to deliver on time, or often at all. Sometimes the DRDO just bluffs.

When the Indian Navy asked the DRDO point blank whether the Trishul surface to air missile to defend ships against sea-skimming missiles was tested and ready for induction, the answer was in the affirmative. The truth was that the Trishul was a failure and its promises a sham. The Indian Navy had to then hastily acquire the Israeli Barak for which a pound of flesh was carved out of its tight budget.

## **Deals and decisions**

However, not all purchases take place because of deals behind them. In fact the deals are far and few in between. When they did indeed take place, the considerations were often very small. One Air Chief was quite happy with a SLR camera and some lens. In 1967, India decided to buy the MiG-21 from Russia and this simply because the UK and US had shut all doors to us. So India turned to the USSR, which not only agreed to sell the supersonic MiG-21 but also agreed to transfer know-how to manufacture them in India.

In 1967, Indira Gandhi on a visit to Moscow decided to accept Leonid Brezhnev's offer of Su-7 ground attack fighters without even consulting the IAF who would have, no doubt, formed a committee which would have ended up contemplating without coming to a decision for a long time. The aircraft was big, ungainly and even unconventional. One veteran test pilot after flying it just kept uttering, "Why? Why?" The plane became a butt of ridicule in fighter base bars. One story had it that it was initially designed as a tank, which explained its solid structure. Another was that it was meant to be a midget submarine, and hence the periscope in the rear cockpit of the trainer version.

But Indira Gandhi's judgement prevailed and the IAF by the end of 1968 inducted six squadrons of Su-7s. This aircraft fared exceptionally well in the 1971 war and despite all the jokes made about it, the joke was on the Pakistanis who lost 69 tanks and 25 field guns too Su-7 ground attacks which played a crucial role in halting the Pakistan offensive in its tracks. If the Hunters won Longewalla, then the Su-7s won Chamb.

Another Rajiv era scandal pertained to Bofors about which so much has been written. The merits of the Bofors FH-77 155 mm howitzer are not in question, though ignorant people like Ram Jethmalani tried to paint it as a dud. But what became apparent was that irrespective of which howitzer was bought, Ottavio Quattrochi and the Hinduja brothers were indeed cut into the deal. The Hinduja influence seemed to go beyond party lines. Atal Behari Vajpayee even wrote to the then Prime Minister PV Narasimha Rao to exonerate them of all charges and Jethmalani defended them in court. The Hindujas have even been alleged to have been involved in the deal for Hawk Advanced Jet

Trainers. Like the Bofors howitzer, the Hawk is top class. That's not the issue. The issue is, as always: How much more did we pay?

Why have things become so murky? The problem starts because of the ministry of defence's patently stupid rules on agents and representatives acting on behalf of foreign or even Indian manufacturers. The MoD just doesn't recognize their existence, forcing everything underground.

And now we may have the latest incipient scandal - the sudden decision to buy 36 Rafale fighters in fly away condition from France's Dassault Avions instead of the 18 envisaged in the tender bid, and also to dump the tender to buy 126 planes. This leads to questions such as why the government isn't considering the Eurofighter Typhoon, which Britain too is offering on a flyaway basis. This opens several suspicions - warranted or unwarranted, we don't know yet. The decision can even be challenged in the courts and the perennial litigator, Subramanian Swamy, has promised to do just that.

### **Mohan Guruswamy**

\* Apr 15, 2015 · 08:15 am:

<http://scroll.in/article/720463/rafale-deal-how-make-in-india-becomes-made-in-france>

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### **P.S.**

\* We welcome your comments at [letters@scroll.in](mailto:letters@scroll.in).

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### **Footnotes**

[1] <http://bharatshakti.in/how-indian-negotiators-brought-down-the-price-of-rafale-jets%E2%80%8B/>

[2] <http://bharatshakti.in/how-indian-negotiators-brought-down-the-price-of-rafale-jets%E2%80%8B/>

[3] <http://www.thehindu.com/news/national/parrikar-to-buy-only-36-rafales-no-need-for-126/article7268264.ece>

[4] See note 2.