

India jet engine push: GE-HAL, Safran ToT in 2026

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A technical pact that moves co-production closer

GE Aerospace and Hindustan Aeronautics Limited (HAL) said they have reached an agreement on technical matters to co-produce the F414 jet engine. The two companies disclosed the update in a joint statement issued Tuesday. The companies described the move as a step that brings them closer to production after a process that has been underway for about three years. The agreement is positioned as part of India's broader effort to modernise its air force and expand domestic weapons production.

Why the GE-HAL F414 agreement matters

The co-production plan is being framed as a first for both partners in terms of jointly manufacturing fighter jet engines in India. For New Delhi, propulsion is one of the most complex and sensitive segments in defence manufacturing, and it is also a longstanding dependency area for fighter programs. The GE-HAL deal signals progress toward localising a critical subsystem rather than importing it as a finished product. It also fits India's push to bring foreign partners into a larger "make in India" defence supply chain.

India's milestone claim: joining a small club

The broader narrative around the pact is that India has reached a milestone, becoming the sixth nation capable of building modern fighter jet engines from scratch. The finalised technical pact between GE Aerospace and HAL is being linked to a shift toward greater domestic capability in military aviation. The messaging places the engine program within a larger goal of air power modernisation and reduced reliance on foreign-origin propulsion.

HAL's role as the anchor public-sector platform

HAL is described as the backbone of India's aerospace sector and a government-owned "Maharatna" entity. The article notes that nearly 100% of HAL's revenue is derived from aerospace. It manages the full lifecycle for multiple defence platforms, including design, development, repair, and overhaul. Its portfolio includes the LCA Tejas, helicopter platforms such as Dhruv, LCH, and LUH, and aero-engines. With 21 manufacturing divisions, HAL remains the primary supplier to the Indian Defence Services and a key vehicle for indigenous aerospace technology.

Private suppliers: who does what, and how much is aerospace

Alongside HAL, several private companies are described as building specialised capability across aerostructures, wiring, precision components, and engineering services.

Aequus Aerospace: aerospace accounts for about **89%** of its business, with vertically integrated contract manufacturing and Tier-1 supply relationships with Airbus and Boeing.

Rossell Techsys (Rossell India): about **85%** of its parent company revenue from aerospace-related work such as EWIS, cockpit looms, and avionics assemblies.

Azad Engineering: **18%** of revenue from aerospace and defence, focused on mission-critical turbine components like 3D rotating airfoils and high-precision blades.

Unimech Aerospace: **82%** focus on aerospace, energy, and semiconductors.

Dynamatic Technologies: **43%** of revenue from aerospace, including flight-critical airframe structures.

Cyient: roughly **25%** of business concentrated in aerospace engineering services.

Tata Elxsi: about **20%** of efforts tied to aerospace, including digital transformation and avionics.

Bharat Forge: aerospace segment at **11%** of total revenue, supplying large forgings for airframes and landing gear.

Sansera Engineering: aerospace division contributes **<1%** of revenue.

Safran's 100% ToT offer for AMCA engine development

Separately, French aerospace major Safran has agreed to a **100% transfer of technology** to India, including the hot section of the engine, for an indigenous fifth-generation stealth fighter program. Safran CEO Olivier Andries told ET that Safran and DRDO will develop a new engine together in India, calling the offer unique. The engine is described as a **120-140 kN** class powerplant intended for the twin-engine Advanced Medium Combat Aircraft (AMCA). People aware of the development said the government will soon announce a joint venture with the Gas Turbine Research Establishment (GTRE), an arm of DRDO, and the project is likely to cost **\$1 billion**.

An ecosystem approach: R&D, public platforms, and private production

The AMCA development is expected to be driven by the Indian private sector, with the Tata group, L&T, and Adani Defence cited as ready to participate. State-owned HAL, Tata Advanced Systems, Larsen & Toubro, and Adani Defence & Aerospace are also mentioned as respondents to the Aeronautical Development Agency's expression of interest for the fifth-generation jet. The article

underscores that, at present, Indian fighter jets are powered by foreign-origin engines. Against that backdrop, the Safran-DRDO plan is positioned as a route to absorb know-how and strengthen the domestic aerospace ecosystem.

Commercial aerospace spillover: sourcing and manufacturing scale-up

India's aerospace manufacturing push is also being reinforced by growing global sourcing. Boeing's annual sourcing from India is cited at **over \$1 billion**, compared with **\$150 million** a decade ago. Airbus plans to increase procurement from India to **\$1 billion by 2030**. The article also notes that aerospace giants are boosting sourcing from India, local firms are expanding capacity, moving into higher-value work, and looking at acquisitions.

Market and company signals: revenues, order books, and IPO plans

Several specific datapoints show how India's aerocomponent segment is scaling.

Aequs earned **INR 925 crore** revenue in FY25, with **89%** from aerocomponents.

Azad Engineering reported an **84%** jump in aerospace and defence business revenue to **INR 81 crore** in FY25, and its stock price has risen **215%** since listing in Dec 2023.

Azad's order book is **INR 1,700 crore**, stated as exceeding 20 times its annual sales, and it has set up an additional facility in Tuniki Bollaram, Telangana.

The sector is preparing about **INR 5,700 crore** of IPOs in the coming months, and Prime Database data shows Sebi approval for **INR 4,000 crore** (SMPP) and **INR 1,700 crore** (Aequs) IPOs.

Key facts at a glance

Item	Detail	Numbers / timeframe (as stated)
GE Aerospace and HAL	Agreement on technical matters for F414 co-production	Deal in works about 3 years; joint statement Tuesday
Safran and DRDO/GTRE	100% ToT offer including hot section for AMCA engine	120-140 kN engine; JV likely cost \$1 billion
India fighter fleet	Current propulsion sourcing	Indian fighter jets powered by foreign-origin engines
Aequs	FY25 revenue and aerocomponents share	INR 925 crore; 89% from aerocomponents
Azad Engineering	FY25 aerospace and defence revenue and order book	INR 81 crore; order book INR 1,700 crore
Global sourcing	Boeing and Airbus procurement from India	Boeing over \$1 billion annually; Airbus \$1 billion by 2030

India's engine mission timeline and ambition

The article also references a national mission of **INR 65,400 crore (USD 7.44B)** to design and produce fighter jet engines by **2035**. Led by GTRE chief SV Ramana Murthy, the initiative is described as blending Indian R&D, private players, and partnerships with GE, Safran, and Rolls-Royce for a fifth-generation engine. It positions HAL and GTRE as central to a broader goal of building a sovereign aerospace capability.

Conclusion

Taken together, the GE-HAL technical agreement for F414 co-production and Safran's 100% ToT proposal for an AMCA-class engine highlight how India is combining foreign partnerships with domestic manufacturing scale-up. Parallel growth in aerocomponents, order books, and IPO pipelines points to a deeper supplier base forming around this theme. The next milestones flagged in the report include a likely government announcement on the Safran-GTRE joint venture and continued progress toward the 2035 engine mission goals.

Frequently Asked Questions

GE Aerospace and HAL said they reached an agreement on technical matters for co-production of F414 engines, moving a roughly three-year effort closer to production.

Safran agreed to a 100% transfer of technology to India, including for the engine hot section, for a 120-140 kN engine to power the AMCA, to be developed with DRDO.

People aware of the development said the government may soon announce a joint venture with GTRE that is likely to cost \$7 billion.

Aequus reported INR 925 crore FY25 revenue with 89% from aerocomponents, and Azad Engineering's aerospace and defence revenue rose 84% to INR 81 crore in FY25.

Boeing is sourcing over \$1 billion annually from India versus \$250 million a decade ago, while Airbus plans to raise procurement from India to \$2 billion by 2030.