

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION  
LOK SABHA

UNSTARRED QUESTION NO.3989  
TO BE ANSWERED ON THE 9<sup>TH</sup> DECEMBER, 2016  
JOINT VENTURE NORMS FOR DEFENCE PSUs

3989. SHRI G. HARI:

Will the Minister of DEFENCE j{k k ea=h  
be pleased to state:

- (a) whether the Government has scrapped separate joint venture norms for Defence Public Sector Undertakings (PSUs);
- (b) if so, the details thereof;
- (c) whether the move will provide a level playing field to meet the goal of indigenization and self-reliance in defence sector; and
- (d) if so, the details thereof?

A N S W E R

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

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(डा. सुभाष भामरे)

- (a) **Yes, Madam.**
- (b) **In view of the fact that the guidelines issued from time to time by the Department of Public Enterprises (DPE) and Ministry of Finance (MoF) are already in force and uniformly applicable to all Central Public Sector Enterprises (CPSEs) on Joint Venture (JV) formations; it was felt that there is no need for separate set of guidelines for JV formations in respect to Defence Public Sector Undertakings (DPSUs). Accordingly the Government have abolished the “Guidelines for establishing Joint Venture (JV) Companies by Defence Public Sector Undertakings” notified on 17<sup>th</sup> February 2012 vide Ministry of Defence notification 18(4)/GC/2014/Dir(P&C)/149, dated 23<sup>rd</sup> August 2016.**
- (c) **The Defence Procurement Policy lays special emphasis on promoting Indigenous Design, Development & Manufacturing of goods and services in defence sector. Uniform set of rules governing joint venture formation will promote transparency and ensure level playing field for all entrepreneurs.**
- (d) **As per (c).**

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