

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA

UNSTARRED QUESTION NO.3354

TO BE ANSWERED ON THE 4TH AUGUST, 2017

DEFENCE EQUIPMENT

3354. SHRI DEVUSINH CHAUHAN:

SHRI B. VINOD KUMAR:

ADV. NARENDRA KESHAV SAWAIKAR:

SHRIMATI VANAROJA R.:

SHRI JAYADEV GALLA:

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

- (a) the details of policy regarding engagement of private sector in manufacturing of high-tech defence equipment in the country;
- (b) whether Defence Acquisition Council (DAC) has framed a policy to engage the Indian private sector in manufacturing of high-tech defence equipment and to develop defence industrial eco-system in the country through the involvement of both major Indian corporates as well as Micro, Small and Medium Enterprises Sector and if so, the details thereof;
- (c) whether the Government has finalized the strategic partnership policy for private sector participation in defence production and if so, details thereof and the sectors identified for private sector manufacturing along with the details of proposals of the Government to comply the Indian armament companies with Global partnership;
- (d) whether the strategic partnership policy is likely to reduce dependence on imports of defence equipment and encourage Make in India initiative and if so, the details thereof; and
- (e) whether the approval of the Cabinet Committee on Security has been taken for the new policy, if so, the details thereof and the other steps taken by the Government in respect of transparency and competitiveness as part of defence procurement procedure and production of ammunitions?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

रक्षित राक्षस मंत्री

(डा. सुभाष भामरे)

(a) to (e): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 3354 FOR ANSWER ON 4.8.2017

1. Government is committed to the goal of achieving self reliance in meeting national security objectives. The 'Make in India' initiative is the focal point of the current defence procurement policy and procedure and aims to promote indigenous design, development and manufacturing of defence equipment, platforms and systems, involving the public and private sector in the country.

2. As an important step towards meeting broader national objectives, Government has recently promulgated the Strategic Partnership Policy to facilitate broader participation of the private sector, in addition to DPSUs / OFB, in manufacture of major defence platforms and equipment such as aircraft, submarines, helicopters and armoured vehicles. It is expected that the implementation of the Policy will enhance competition, increase efficiencies, facilitate faster and more significant absorption of technology and create a tiered industrial ecosystem in the country, including in the MSME Sector. The award of contracts in such cases will be through a transparent and competitive process. The policy is expected to contribute to building indigenous capabilities within the country in respect of the identified segments.
