

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

STARRED QUESTION NO.528
TO BE ANSWERED ON THE 4TH APRIL, 2018

PRODUCTION OF EQUIPMENT

*528. SHRI S.R. VIJAYAKUMAR:
SHRI T. RADHAKRISHNAN:

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

- (a) the details of the Public Sector Undertakings (PSUs) under the administrative control of her Ministry;
- (b) the details of the production of equipment by the defence PSUs along with their value during each of the last three years and the current year;
- (c) whether the Government has signed a Memorandum of Understanding with foreign countries for production of equipment and if so, the details thereof, company-wise;
- (d) whether the Government has any plan to revitalize and make Defence PSUs and Ordnance factories more dynamic and if so, the details thereof along with the action taken by the Government so far; and
- (e) the steps taken / being taken by the Government to modernize their infrastructure and enhance defence production in order to meet the requirements of the Indian armed forces?

A N S W E R

MINISTER OF DEFENCE

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(SMT. NIRMALA SITHARAMAN)

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(a) to (e): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA
STARRED QUESTION NO. 528 FOR ANSWER ON 4.4.2018**

(a) There are 9 Public Sector Undertakings (PSUs) under Ministry of Defence as per following details:

- (1) Hindustan Aeronautics Limited, HAL.
- (2) Bharat Electronics Limited, BEL.
- (3) Bharat Earth Movers Limited, BEML.
- (4) Bharat Dynamics Limited, BDL.
- (5) Garden Reach Shipbuilders & Engineers Limited, GRSE.
- (6) Goa Shipyard Limited, GSL.
- (7) Hindustan Shipyard Limited, HSL.
- (8) Mishra Dhatu Nigam Limited, MIDHANI.
- (9) Mazagon Dock Shipbuilders Limited, MDL.

(b) The details of Major products and their value of production are given below:

S. No.	Name of DPSUs	Major Products	Value of Production (Rs. in Crore)			
			2014-15	2015-16	2016-17	2017-18 (upto March, 2018-prov.)
1.	HAL	SU-30MKI, Hawk, Dornier Do-228, Light Combat Aircraft (LCA), ALH, Cheetal helicopters, PTA Lakshya Platforms, AL-31FP, Adour 871, Garrett, RD-33, Artouste IIIB, Shakti Engine, PTAE, Jaguar, Mirage, MiG 21, Kiran, AN 32, HS 748, Cheetah,	15621	16586	17605	18207

		Chetakand Gnome engine, Dart, Orpheus, Structure of PSLV, GSLV, MKII, MKIII, IRS, Mass Orbiter Mission, Human Space program etc.				
2.	BEL	Radars, Electronic warfare & Avionics, Communications, Sonars, Network Centric Systems, Missile Systems, Electro-Optics, Tank Electronics, Homeland Security etc.	6659.00	7775.00	9244.00	10667.00
3.	BEML	Dozers, Excavators, Loaders, BEML HMV 12x12, BEML HMV 8x8 & Variants, BEML HMV 6x6, ARRV, TRAWL for T-72, Sarvatra Modification. (Ministry of Defence), All Terrain Vehicle, BMP TRANS & Aggre, E&AC Assy, Air Craft Towing Tractor, Akash Missile Sec IV & V, AIRCRAFT JIGS etc	2809.00	2981.00	2499.00	3196.00
4.	BDL	Missiles and allied equipment	2799.68	4159.97	4886.62	4542.00

5.	GRSE	Water Jet Fast attack Landing Utility, ASW(Corvette), and Offshore Patrol Vessel etc.	1612.66	1660.75	927.85	1343.08
6.	GSL	105M Offshore Vessel, 105M Offshore Vessel, Fast Interceptor Boats, Damage Control Simulator, 1000T Fuel Barge and 50M Fast Patrol Vessel etc.	543.86	721.42	791.31	1361.00
7.	HSL	Inshore Patrol Vessel (IPV), 25 Ton Bollard Pull Tug, 10 Ton Tugs and Pontoon, berthing pontoon	Nil	121.64	129.43	600.00
8.	MDL	Warships & Submarines	3592.60	4106.22	3523.67	4250.00
9.	MIDHANI	Nickel Base, Cobalt Base and Chromium Superalloys, Special purpose steels, Titanium & Titanium alloys and soft magnetic alloys etc.	648.37	723.48	732.06	735.00

(c) The Defence Public Sector Undertakings-wise details of Memorandum of Understanding (MoU) with Foreign Countries for production of equipments are as under:

- i. **OFB:** OFB has signed MoU with M/s BAE systems SWS, Sweden for development in production of 155mm Mounted Gun system to meet the requirement of Indian Army.
- ii. **HAL:** To implement Inter Government Agreement (IGA) for manufacture of Kamov Ka-226T helicopters in India, a Joint Venture Company (JVC) between HAL, Russian Helicopters and Rosoboronexport has been incorporated in May 2017, as Indo Russian Helicopters Ltd (IRHL). The JV has 50.5% shareholding by HAL, 42.5% by Russian Helicopters and 7% by Rosoboronexport.
- iii. **BDL:** BDL has signed MoU with Thales UK Limited for very short Range Surface to Air Missile for their export production of Business under Make In India concept.
- iv. **BEL:** Details of major Transfer of Technology (ToT) agreements signed with foreign companies in the defence sector for production of equipment are given below:

Company	Project
Elbit Systems Electro-Optics ELOP Ltd, Israel	Compact Multi-purpose Advanced Stabilized system (COMPASS)
Reshef Technologies Israel	Percussion, Time and Proximity Fuzes Setter for Artillery Ammunition
INDRA Sistemas, Spain	Mobile Ground Based ELINT System (MGBES)
Thales Air Systems, France	Low Level Transportable Radar (LLTR).

v. **GSL:** GSL has signed following MoU with Foreign Countries:

- ✓ MoU with M/S NAIAD, UK for Indigenous manufacturing of Steering Gear and Fin/Roll Stabilisers.
- ✓ MoU with M/S FHS, Germany for Indigenous manufacturing of Helicopter Landing Grid, Traversing System and Hanger Doors.
- ✓ MoU with M/S Griffon, UK for range of Amphibious hovercrafts for Indian Army, Indian Navy & Coast Guard.
- ✓ MoU with M/s DCNS, France (Now Naval Group, France) for setting up of advanced submarine escape training tower(Seett), IPMS Simulator and Combat Management Simulator for Submarine of Indian Navy.

vi. **GRSE:** GRSE has licence agreement with MTU Fridrichshafen GmbH, Germany for assembly, Testing and Indigenisation of Marine Diesel Engines. By this agreement, the Diesel Engine Plant of GRSE at Ranchi has planned to indigenise manufacturing to an extent of 40% engine parts progressively over next 4 to 5 years.

GRSE has also an agreement on collaboration with M/s Mac Teggart, Scott & Co. Ltd UK for Indigenisation of Rail Less Helo Traversing System (RLHTS) for warships and other ships.

vii. **HSL:** HSL has entered an MoU with Joint Stock Company United Ship building Corporation, Russian for cooperation in construction of Civil Vessels & Craft for Inland Waterways of Andhra Pradesh and cooperation in the areas of military & technical cooperation.

(d) DPSUs have been instrumental in developing a robust Defence manufacturing eco-system in the country. DPSUs aim to be lead integrators, primarily through robust private partnership, while retaining its core competencies, thus ensuring availability of a vibrant defence manufacturing system in the country. To strengthen and consolidate Research and development functions, DPSUs / Ordnance factories are taking research assistance from academic institutes like IIT, NITs etc. The Government has also been encouraging all DPSUs for their meritorious performance by conferring Raksha Mantri awards.

Moreover, DPSUs and Ordnance Factories have been permitted to export up to 10% of their annual production. For items where there is a capacity constraint, in DPSUs export, they would be required to ramp up their capacity accordingly in subsequent years. The strategy provides for creation of an Export Promotion Body, engaging Indian Missions / Embassies abroad in export promotion, better use of offset policy, export of indigenously developed defence systems and streamlining of the export regulation process. Standard Operating Procedure (SOP) for issue of "Authorisation" for export has been simplified and put in public domain and requirement of Government signed End User Certificate (EUC) for export of parts and components and other non-sensitive military store, sub-assemblies, sub-systems has been done away with.

(e) Modernizing the existing Production facilities is a continuous process of DPSUs. Modernization is taken up to enhance capability and capacity. This includes up-gradation of technology through establishment of new processes, state-of-the art manufacturing and design facilities with an aim of increased productivity efficiency and improved work condition.

DPSUs have modernized its infrastructure by increasing capital expenditure to meet the requirements of Indian Armed forces.
