

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA
UNSTARRED QUESTION NO.1885
TO BE ANSWERED ON 03rd JULY, 2019

PUBLIC PRIVATE PARTNERSHIP IN DEFENCE MANUFACTURING

1885. SHRI RAM MOHAN NAIDU KINJARAPU:

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

- (a) the progress achieved by the strategic partnership model unveiled by the Government in 2017 to build military platforms in India in partnership with global defence companies;
- (b) whether no mechanism exists for public-private partnership in defence manufacturing at present; and
- (c) if so, the details thereof and the action taken by the Government in this regard?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

रक्षा राज्य मंत्री

(SHRI SHRIPAD NAIK)

(श्री श्रीपाद नाईक)

(a) The policy and procedure for the selection of private Indian entities as Strategic Partners (SP) was approved by the Defence Acquisition Council (DAC) on 20.05.2017 and promulgated as Chapter VII of the Defence Procurement Procedure (DPP)- 2016 on 31.05.2017 after placing the same before the Cabinet Committee on Security (CCS). The procurements to be made through SP route pertain to the following four segments:

- (i) Fighter Aircraft;
- (ii) Submarines;
- (iii) Helicopters;
- (iv) Armoured Fighting Vehicles (AFVs)/Main Battle Tanks (MBTs).

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The cases progressed by Service Headquarters (SHQs) under the SP Model are as under:

- (i) Naval Utility Helicopter (NUH): Expression of Interest (EoI) has been issued for shortlisting of Indian Strategic Partners and OEMs (Original Equipment Manufacturers). Responses have been received and evaluation thereof has commenced.
- (ii) P-75(I) Submarines. EoI for shortlisting of Indian SPs and OEMs is at draft stage.
- (iii) Fighter Aircraft. The evaluation of responses to the RFI (Request for Information) and finalisation of SQR (Services Qualitative Requirements) have commenced.
- (iv) AFVs/MBTs. RFI is at draft stage.

(b) & (c): The OFB-DPSUs are intricately intertwined with the network of Indian private sector companies including MSMEs. There are more than 8000 MSMEs which are among the vendor base of OFB & Defence PSUs, supplying various items to them.
