

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION  
**LOK SABHA**  
**UNSTARRED QUESTION NO.3249**  
TO BE ANSWERED ON 17<sup>th</sup> DECEMBER, 2021

**DEFENCE PRODUCTION UNITS**

3249. SHRI A. RAJA:

Will the Minister of DEFENCE  
be pleased to state:

- (a) whether the Government has signed agreement with foreign countries to set up equipment manufacturing units and defence production units in the country during the last three years;
- (b) if so, the details of such agreements thereof;
- (c) the present status of all the defence deals in respect of foreign agreements that have been done since 2013-14 period to 2020; and
- (d) the details of domestic private partners coordinating and/or participating in such defence deals of the country since 2013-14?

**A N S W E R**

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) & (b): An Inter-Governmental Agreement (IGA) on “Mutual Cooperation in Joint Manufacturing of Spares, Components, Aggregates and other material related to Russian/Soviet Origin Arms and Defence Equipment” was signed during the 20<sup>th</sup> India-Russia Bilateral Summit held at Vladivostok in 2019. The objective of the IGA is to enhance the “After Sales Support” and operational availability of Russian origin equipment currently in service in Indian Armed Forces by organizing production of spares and components in the territory of India by Indian Industry by way of creation of Joint Ventures/Partnership with Russian Original Equipment Manufacturers (OEMs) under the framework of the “Make in India” initiative.

: 2 :

Further, an Inter-Governmental Agreement was signed in 2018 between Government of India and Government of Russia for manufacture of AK-203 rifle in India through a Joint Venture. Accordingly, M/s Indo Russian Rifles Pvt. Ltd. (IRRPL) was incorporated in 2019 with shareholding of erstwhile Ordnance Factory Board (OFB) (50.5%) from Indian side and Concern Kalashnikov (CK) (42%) & Rosoboron Export (ROE) (7.5%) from Russian side.

(c) & (d): Capital procurement of defence equipment are undertaken from various domestic as well as foreign vendors, based on threat perception, operational challenges and technological advancements and to keep the Armed Forces in a state of readiness.

During FY 2013-14 to 2020-21, 407 contracts have been signed, out of which 156 contracts have been signed with foreign vendors for capital procurement of defence equipment for Armed Forces. Delivery schedule of equipment is specified in each contract.

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