

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

STARRED QUESTION NO.295

TO BE ANSWERED ON THE 18TH DECEMBER, 2015

PARTNERSHIP WITH PRIVATE COMPANIES IN DEFENCE

*295. SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI KIRTI VARDHAN SINGH:

Will the Minister of DEFENCE जिकक ea=h
be pleased to state:

- (a) whether the Government proposes to enter into strategic partnerships with select domestic private sector companies in critical areas ranging from aircraft, warships, tanks, guided missile system, etc., to bolster country's defence industrial base and if so, the details thereof;
- (b) whether the Government has constituted a high powered committee to recommend guidelines for selecting Indian private firms for strategic partnership under the 'Make in India' programme and if so, the composition and terms of reference of the committee; and
- (c) the time by which the report is likely to be submitted?

A N S W E R

MINISTER OF DEFENCE

जिकक ea=h

(SHRI MANOHAR PARRIKAR)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA
STARRED QUESTION NO. 295 FOR ANSWER ON 18.12.2015**

The Government constituted a Committee of Experts under the chairmanship of Shri Dharendra Singh, IAS (Retd.) to evolve a policy framework to facilitate 'Make in India', align it with the Defence Procurement Procedure and suggest requisite amendments in DPP-2013. The Committee submitted its Report on 23.7.2015. The Committee inter-alia has recommended a 'Strategic Partnership (SP)' model for creating capacity in the private sector on a long term basis for strategic platforms such as aircraft / helicopters, warships / submarines, armoured vehicles, missiles, command control systems and critical materials.

2. The Government has constituted a Task Force to lay down criteria for selection of the Strategic Partners for various platforms from the private sector industry on 7.9.2015. The composition and the terms of reference are as follows:

(a) Composition:

- (i) Dr. V.K. Aatre, former SA to RM – Chairman.
- (ii) Shri Ishan Shankar, former CMD, National Industrial Development Corporation & former CEO, Bharat Heavy Electricals Ltd.
- (iii) Shri N.R. Mohanty, former Chairman, HAL.
- (iv) Shri V.P. Shetty, former Chairman, Canara Bank, UCO Bank, IDBI Bank.
- (v) Shri Shardul Shroff, Executive Chairman, Shardul Amarchand Mangaldas.
- (vi) Shri Naresh Takkar, MD & CEO, ICRA.
- (vii) Shri Kaushik Dutta, Director, Thought Arbitrage Research Institute.
- (viii) Dr. Ashish Bhattacharyya, Prof. & Head, School of Corporate Governance and Public Policy Institute of Corporate Affairs (Ministry of Corporate Affairs).
- (ix) Lt. General A.V. Subramanian (Retd.).
- (x) Shri Sanjay Garg, Joint Secretary (DIP), DDP – Member Secretary.

(b) Terms of Reference:

- (i) To recommend criteria in detail for the selection of Strategic Partners which include the generic criteria and the specific criteria for the platforms identified by the Dhirendra Singh Committee, after studying the best practices;**
- (ii) To prescribe the methodology for selection of the Strategic Partners by laying down specific parameters based on the criteria of selection;**
- (iii) To prepare a draft of a long term covenant to be entered into between the Government and the selected Strategic partners for their respective roles and responsibilities in the development and production of systems / platforms and**
- (iv) Any other recommendation incidental to the basic aspects referred to the Task Force.**

3. The Task Force is expected to submit its complete report by 15.1.2016.
