

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA

STARRED QUESTION NO.110
TO BE ANSWERED ON THE 25TH JULY, 2018

STRATEGIC PARTNERSHIP MODEL

*110. KUMARI SHOBHA KARANDLAJE:

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

- (a) whether Dhirendra Singh Committee had recommended in 2015 that the Government should adopt a strategic partnership model, whereby a private firm may be chosen for the development of a specific identified platform and if so, the details thereof;
- (b) whether the Government proposes to forge joint venture of Defence PSUs with foreign companies under its ambitious strategic partnership model and if so, the details thereof;
- (c) whether the Government has created a level-playing field for all the stakeholders to build key military platforms like submarines and fighter jets in the country and if so, the details thereof;
- (d) whether the Government has envisaged clear role for major Defence PSUs like HAL, Mazagon Dock Shipbuilders Limited and BRML which are leading producers of key military platforms and if so, the details thereof; and
- (e) the concrete steps taken / being taken for indigenisation of defence manufacturing?

A N S W E R

MINISTER OF DEFENCE

ज़कक ea=h

(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. 110 FOR ANSWER ON 25.07.2018

(a) to (e): A Committee of Experts headed by Shri Dhirendra Singh constituted by the Ministry had made recommendations to the Government on 'Strategic Partnership Model' for creating capacity in the private sector on a long-term basis. Based on these recommendations, the VK Aatre Task Force was constituted to lay down criteria for selection of Strategic Partners for various platforms from the Private sector. Government finalised the policy on Strategic Partnerships in Defence Sector and promulgated the same on 31.05.2017 as Chapter VII of Defence Procurement Procedure (DPP) 2016 as "Revitalising defence Industrial ecosystem through Strategic Partnerships". The Policy is intended to encourage broader participation of the private sector, in addition to DPSUs / OFB, in manufacture of defence platforms and equipment. In order to enhance indigenous defence manufacturing capabilities, Ministry of Defence may consider the role of DPSUs / OFB at the appropriate stage(s) keeping in view the order book position, capacity & price competitiveness. The following 04 segments have been identified for acquisition under the SP route: (i) Fighter Aircraft; (ii) Helicopters; (iii) Submarines; and (iv) Armoured Fighting Vehicles (AFVs) / Main Battle Tanks (MBTs). The Policy will serve to enhance competition, increase efficiencies, facilitate faster and more significant absorption of technology, create a tiered industrial ecosystem, ensure development of a wider skill base and trigger innovation, leading to reduction in dependence on imports and greater self-reliance in meeting national security objectives.
