

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:6708
ANSWERED ON:08.05.2003
DEFENCE PRODUCTION BY PRIVATE SECTOR
IQBAL AHMED SARADGI

Will the Minister of DEFENCE be pleased to state:

- (a) whether a panel has been appointed to study extent of private participation in Defence sector;
- (b) if so, the details of members of this panel;
- (c) whether there was a good response from the private sector in the defence deals;
- (d) if so, the defence projects that have been provided to the private sector; and
- (e) the extent to which it has been helpful?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 6708
8.5.2003

No panel has been appointed to study the extent of private sector participation in Defence sector. Licensed production of various Defence items in the private sector has been allowed by Government only recently and so far 8 Letters of Intent have been issued by the Department of Industrial Policy and Promotion in consultation with the Ministry of Defence for the manufacture of various items covering inter-alia bullet proof vests/jackets, armoured and other combat vehicles, bridge laying systems, warship, submarines, weapon platforms, radars & sonar systems, weapon launchers, arms & ammunition, anti tank weapons, torpedoes, avionics and military aircraft, over the last 8 months. So far, none of the Letter of Intent holders has commenced production.