

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:444
ANSWERED ON:01.03.2007
PRIVATE SECTOR PARTICIPATION FOR DEVELOPING WEAPON SYSTEM
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Will the Minister of DEFENCE be pleased to state:

- (a) whether the Defence Research and Development Organisation (DRDO) has invited private sector participation for developing the weapons system in the country;
- (b) if so, the response of the private sector thereto;
- (c) the terms and conditions laid down before the private sector for developing the weapons system;
- (d) the reasons for allowing the private sector to participate in the development of the weapons system; and
- (e) the projects proposed to be off-loaded to the private sector?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

- (a) Defence Research and Development Organisation (DRDO) has been regularly involving private sector for development of sub-systems and components.
- (b) The response of the private sector is quite encouraging and many private companies have successfully developed and produced the products in limited numbers to meet the requirements of conducting tests and trials.
- (c) The terms and conditions are laid down on the basis of a mutually agreed contract depending upon the type of the sub-systems and components to be developed.
- (d) Wherever infrastructure and expertise are available in private sector, they are approached for development work. DRDO focuses on those systems which are of critical nature, strategic importance.
- (e) Each project is considered by the Acquisition Wing of the Ministry of Defence to decide whether it should be done by the DRDO or by the private sector.