

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:2102
ANSWERED ON:27.08.2007
DEFENCE ORDNANCE FACTORIES
Athawale Shri Ramdas

Will the Minister of DEFENCE be pleased to state:

- (a) the total number of ordnance factories in the country with their specialization in production;
- (b) the Departments/Ministries which are customers of their products;
- (c) whether the Government proposes to give license to the private factories in this sector;
- (d) if so, the details thereof;
- (e) whether the Government has permitted the private factories to seek 26 per cent foreign equity in this sector; and
- (f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF DEFENCE PRODUCTION (RAO INDERJIT SINGH)

(a) There are 39 Ordnance Factories in the country and one factory is being set up at Nalanda, Bihar. Their specialized area of production are Troop Comfort Items, Small Arms, Ammunitions, Chemicals and Explosives, Weapons, Main Battle Tanks, Armoured Personnel Carrier, Towed Guns, Mine Protected and Bullet Proof Vehicles, Naval Guns, Anti-aircraft Guns, Transport Vehicles, Optics, Equipments etc.

(b) Ministry of Defence, Ministry of Home Affairs, Ministry of Surface Transport, Ministry of Railways, all the State Police Departments and Forest Department are customers of the product of Ordnance Factories.

(c) & (d): Government has opened Defence sector for 100% Indian private sector participation in May 2001 subject to licensing. Since then, 38 letters of intent/industrial licenses have been issued to various companies in the private sector for manufacture of wide range of defence items.

(e) & (f): The Defence Industry Sector has been opened up for Foreign Direct Investment up to 26%, subject to licensing, since May 2001.

Details of the Joint ventures established or Foreign Investment Promotion Board (FIPB) clearance given are enclosed as Annexure.

ANNEXURE REFERRED TO IN REPLY GIVEN IN PARTS (e) & (f) OF LOK SABHA UNSTARRED QUESTION NO. 2102 FOR ANSWER ON 27.8.2007

Details of Foreign Collaboration

Sl.No.	Joint Venture Indian Partner	Joint Venture Foreign Partner	Main Items	Year	Remarks
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1.	M/s Ramoss India, New Delhi	M/s Hellweg Intern- ational Pty Ltd, Australia.	Bullet Proofing items of intent)	2002	LOI (letter issued
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2.	M/s Alpha Design Technologies Pvt Ltd. Electronics Components	ITL Israel Mechanical & License issued	Optical, &	2005	Industrial issued
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3. M/s Alpha Design M/s Phazotron Repair of 2005 Industrial
Technologies Pvt Ltd. NIIR Corpn, Moscow, Radar Apparatus License issued
Russia

4. M/s B F Utilities M/s Singapore Techno- Light Weight 2007 Recommended
Ltd Pune logies Kinetic Howitzer and by FIPB
Singapore small and
medium caliber
weapons

5. HBL Power Systems Ltd, M/s IAI ELTA Systems Defence Electr- 2007 JVC formed,
Hyderabad Ltd, Israel onics, Radar & Industrial License
Communication is yet to be
Systems issued.