

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:1894
ANSWERED ON:26.03.2012
GUIDELINES FOR JOINT VENTURE
Patel Shri Devji

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government has formulated guidelines to facilitate joint ventures of the Defence Public Sector Undertakings (DPSUs) with private and foreign companies;
- (b) if so, the details thereof including the specific areas/items for which such joint ventures will be allowed;
- (c) whether the DPSUs will retain major decision making powers and other such key controls in such joint venture projects; and
- (d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU)

- (a) Yes, Madam. Guidelines in this regard have been issued on 17th February, 2012.
- (b) A copy of JV Guidelines is at Annexure-I.
- (c) & (d): DPSUs shall have affirmative rights as per para 3.2 of the guidelines enclosed which protect their interest and will help in retaining the right of prior approval of the key decisions in the JV company(s).