

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

STARRED QUESTION NO:45

ANSWERED ON:09.12.2013

T AIRCRAFT FOR IAF

Adhalrao Patil Shri Shivaji;Gaikwad Shri Eknath Mahadeo

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government has decided to promote private sector entry into the domestic aerospace arena through a project to supply transport aircraft to the Indian Air Force (IAF);
- (b) if so, the details thereof and the reasons therefor;
- (c) whether some Government agencies have objected to this move;
- (d) if so, the details thereof and the steps taken by the Government to sort out the issue; and
- (e) the other steps taken by the Government to replace the ageing fleet of transport aircraft of IAF?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(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. 45 FOR ANSWER ON 9.12.2013

(a) & (b): To give momentum to indigenous production and a boost to private defence industries, a proposal to procure 56 transport aircraft as replacement for AVRO aircraft through 'Buy & Make' route has been accorded Acceptance of Necessity (AON) by the Defence Acquisition Council (DAC) on 23rd July, 2012. Out of these 40 aircraft will be manufactured in India by an Indian Production Agency (IPA) from the Private Sector. The IPA will be chosen by the Original Equipment Manufacturer (OEM). The IPA can be a Joint Venture (JV) / Special Purpose Vehicle (SPV) / Consortium.

(c) & (d): Some letters have been received wherein primary concern raised relates to denying opportunity to Public Sector Undertakings (PSUs) to participate in the Procurement process of AVRO Replacement case. The concerns have been noted by DAC and the last date of submission of Bids has been extended by three months to enable further consideration of the matter.

(e) Other steps taken by the Government to augment / upgrade the transport aircraft of IAF include procurement of C-130J and C-17 transport aircraft, upgradation of An-32 fleet and Inter-Governmental Agreement (IGA) with Russia for co-development of Multi-role Transport Aircraft (MTA).