



Leg-up for private sector participation in defence equipment manufacturing

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Highlights

- In a major step towards boosting private sector participation in domestic defence manufacturing, the Defence Acquisition Council (DAC) approved the implementation of Strategic Partnership guidelines
- SP model aims to revitalise defence industrial ecosystem and progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon system for future needs of armed forces. The amplifying guidelines lay emphasis on incentivisation of transfer of niche technology and higher indigenous content
- The SP model has four segments — submarines, single engine fighter aircraft, helicopters and armoured carriers/main battle tanks — which would be specifically opened up for the private sector. Under this policy one Indian private company would be selected in each segment which would tie-up with shortlisted global equipment manufacturers to manufacture the platforms in India under technology transfer. The ambitious policy came into effect in May last year but progress was delayed due to the lack of specific guidelines.
- The DAC also approved platform specific guidelines for procurement of Naval Utility helicopters. Similar guidelines for the other categories will be issued soon.
- All procurements under the SP model would be executed by specially constituted Empowered Project Committees to “provide focussed attention and ensure timely execution.”

Source: [The Hindu](#)

