

Licence to private companies for manufacturing defence equipment

3597. SHRI P. RAJEEVE : Will the Minister of DEFENCE be pleased to state:

- (a) the number of private companies that have been given licences to manufacture defence equipment from January, 2011 till the present; and
- (b) the reasons for Government factories' inability to meet the manufacturing demands?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU) : (a) 25 private companies have been given licences to manufacture defence equipment from January, 2011 till date, as intimated by Department of Industrial Policy & Promotion, which is the licensing authority.

- (b) Modernisation of the armed forces leading to increased requirement of the defence equipment and technology gaps are main reasons, due to which Government factories are not able to meet the manufacturing demands.

Restructuring of HAL

3598. SHRI RAMA CHANDRA KHUNTIA : Will the Minister of DEFENCE be pleased to state:

- (a) whether Government has decided to restructure the Hindustan Aeronautics Ltd. (HAL) and an expert group under the Chairmanship of B.K. Chaturvedi has been nominated to recommend the possible suggestion and recommendation for the restructuring of HAL; and
- (b) whether participation of private industries in defence production will affect the future of Hindustan Aeronautics Ltd.?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU) : (a) Yes, Sir.

- (b) Private sector participation will lead to greater competitiveness and much needed additional capacity creation in the defence sector.

Purchase of tanks for Army

3599. SHRI JAI PRAKASH NARAYAN SINGH : Will the Minister of DEFENCE be pleased to state:

- (a) the names of firms/countries from whom tanks have been purchased by the Army since last three years;
- (b) whether these tanks are working satisfactorily and giving satisfactory services in accordance with the specifications;