

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
RAJYA SABHA
UNSTARRED QUESTION NO.2262
TO BE ANSWERED ON 9th August, 2021

SHAREHOLDING OF DEFENCE RELATED PSUs

2262 SHRI M. SHANMUGAM:

Will the Minister of Defence be pleased to state:

- (a) the details of Public Sector Undertakings (PSUs) making defence-related equipment in the country;
- (b) the details of PSUs making defence-related goods in which Government has already privatised or decreased its shareholding in the last three years;
- (c) the reasons for decreasing the shareholding, especially when such PSUs are meeting strategic needs; and
- (d) the details of manner in which Government ensures production of defence-related equipment and goods, in case of emergency?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF DEFENCE
SHRI AJAY BHATT

(a) There are 9 Public Sector Undertakings (PSUs) making defence-related equipment under Department of Defence Production, Ministry of Defence as per following details:

- (1) Hindustan Aeronautics Limited (HAL)
- (2) Bharat Electronics Limited (BEL)
- (3) BEML Limited (BEML)
- (4) Bharat Dynamics Limited (BDL)
- (5) Mishra Dhatu Nigam Limited (MIDHANI)

...2/-

: 2 :

- (6) Mazagon Dock Shipbuilders Limited (MDL)
- (7) Garden Reach Shipbuilders & Engineers Limited (GRSE)
- (8) Goa Shipyard Limited (GSL)
- (9) Hindustan Shipyard Limited (HSL)

(b) The details of Defence PSUs making defence-related goods in which Government has already decreased its shareholding in the last three years, are as per Annexure.

(c) Disinvestment in Defence PSUs is done to bring in financial autonomy, facilitate people's ownership and improve their efficiency through accountability towards its stakeholders. It also provides an opportunity to the citizens to participate in the wealth and prosperity of these organisations.

(d) To meet the challenges in Defence sector, including the emergencies, the Government has taken multi pronged actions for Indigenisation and manufacturing of Defence items within the country. Two (02) Positive lists (erstwhile Negative list) of Indigenisation comprising of 209 items have been notified for placing these items under import embargo with specified timelines. Further, Defence PSUs under Department of Defence Production have modernized their infrastructure, created new capacities and have developed a robust supply chain in the form of extensive vendor base to ensure production of defence equipment. Additionally, to enhance functional autonomy, efficiency, unleash new growth potential and innovation in Ordnance Factories, Government has approved corporatisation of Ordnance Factory Board into 7 Defence PSUs. Besides this, there are 9 DPSUs including shipyards & 542 Defence licensees in the private sector which contribute to the Defence production within the country to meet emergency requirements.

**ANNEXURE REFERRED TO IN REPLY TO PART (b) OF RAJYA SABHA
UNSTARRED QUESTION NO. 2262 FOR ANSWER ON 09.08.2021
REGARDING 'SHAREHOLDING OF DEFENCE RELATED PSUs'.**

S. No.	Name of Defence PSUs under Department of Defence Production, Ministry of Defence, in which Government has decreased its shareholding in the last three years	Percentage of Government of India Shareholding as on 31.03.2018	Percentage of Government of India Shareholding as on date
1.	Hindustan Aeronautics Limited (HAL)	89.97	75.15
2.	Bharat Electronics Limited (BEL)	66.79	51.14
3.	Bharat Dynamics Limited (BDL)	87.75	74.93
4.	Mishra Dhatu Nigam Limited (MIDHANI)	100	74
5.	Garden Reach Shipbuilders & Engineers Limited (GRSE)	100	74.50
6.	Mazagon Dock Shipbuilders Limited (MDL)	100	84.83
7.	BEML Ltd	54.03	Strategic disinvestment underway
