

'Make in India' gets mega defence push

Defence Acquisition Council clears purchases worth over ₹460 billion

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The defence ministry's apex procurement body, the Defence Acquisition Council (DAC), has accorded approval for acquisitions worth about ₹460 billion, which include missiles and two types of helicopters for the navy, and artillery guns for the army.

The biggest procurement green-lighted on Saturday was the ₹217-billion purchase of 111 naval utility helicopters (NUH), which will be built by a competitively chosen Indian private sector company.

"This is the first project under the MoD's prestigious Strategic Partnership (SP) model, which aims at providing a significant fillip to the government's 'Make in India' programme. The SP model envisages indigenous manufacturing of major defence platforms by an Indian SP, who will collaborate with foreign OEMs (original equipment manufacturers), acquire niche technologies and set up production facilities in the country," the ministry said in a statement.

The search for a suitable foreign OEM began more than a year ago. On December 1, the navy chief, Admiral Sunil Lanba, said: "We have floated an RFI (request for information) and we have gotten responses from five OEMs. They are being examined."

On July 30, the defence ministry had promulgated the "implementation guidelines" for choosing an SP in the helicopter category, clearing the way



BOOST TO ARMY AND NAVY

₹217 billion

Cost of 111 utility helicopters for the navy, to be built by a competitively chosen Indian private sector company

₹243 billion

Worth of other proposed acquisitions, including 150 indigenously designed and developed 155 mm advanced towed artillery gun systems for the army

24

Number of naval multi-role helicopters whose procurement was cleared by DAC

This is the first project under MoD's prestigious Strategic Partnership model, aimed at providing a fillip to the 'Make in India' programme

for this procurement.

The basic SP policy framework is part of the Defence Procurement Procedure of 2016 (DPP-2016). However, equipment-specific selection criteria need to be separately drawn up for each of the four weapon categories the SP policy covers – fighter aircraft, helicopters, submarines and armoured vehicles. The guidelines for fighters, submarines and armoured vehicle categories are still awaited.

Multi-role helicopters

In another procurement that the navy chief had identified as "the most important helicopter for us", the DAC cleared the purchase of 24 naval multi-role helicopters (NMRH), which operate from the decks of capital warships, providing early warning and locating and destroying enemy submarines.

The navy's NMRH fleet currently consists of less than a dozen vintage Sea King helicopters, which are increasingly difficult to maintain. Turn to Page 4

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While the acquisition of replacement NMRH has dragged on for over a decade, the helicopter hangars of the navy's frontline warships have remained effectively empty. "To enhance the capability of the navy at sea, approval has also been granted for procurement of anti-submarine capable, 24 in number multi-role helicopters, which are an integral part of the frontline warships like aircraft carriers, destroyers, frigates and corvettes. Availability of MRH with the navy would plug the existing capability gap," said the defence ministry.

The ministry has, however, not announced which procurement category these helicopters are being bought under. There are reports that the contract is being awarded on a single-vendor basis to US aerospace giant, Lockheed Martin. This comes just days ahead of the 2+2 US-India meeting in Delhi on

September 6. Defence blog Livefist wrote: "The Indian MoD today cleared the decks for the navy to contract for 24 Lockheed Martin-Sikorsky MH-60 Romeo maritime helicopters in a government-to-government deal with the Pentagon. The deal is expected to be worth \$1.8 billion (₹125 billion)." The MH-60 Romeo is built by Sikorsky, which Lockheed Martin — already the world's biggest arms company — acquired in November 2015. The defence ministry is also silent on whether the 24 NMRH will be bought in flyaway condition, like the 36 Rafale fighters contracted in 2016, or whether there is a "Make in India" component to the deal. With the navy's requirement for NMRH pegged at 123 helicopters for the entire fleet, it is feasible to buy the initial 24 in flyaway condition, with the remaining 99 helicopters built in India. Contacted for a clarification, the defence ministry did not respond.

Artillery guns

In a badly-needed filip to army firepower, the DAC approved the manufacture of 150 indigenously designed and developed advanced towed artillery gun systems (ATAGS) at an approximate cost of ₹33.65 billion. These guns, which the ministry terms "the mainstay of artillery in the near future", are being procured under the "Make – Indigenously Designed, Developed and Manufactured (IDDM)" category.

The Defence R&D Organization (DRDO) has overseen their development and two private firms will build the guns in parallel – the Kalyani Group and Tata Power (Strategic Engineering Division). The plan is to eventually induct about 1,500 ATAGS. The current order is a preliminary batch, which will be used to continue gun development. Finally, the DAC cleared the procurement of 14 vertically launched short-range missile systems, which will boost the capability of warships to shoot down and destroy incoming anti-ship missiles.