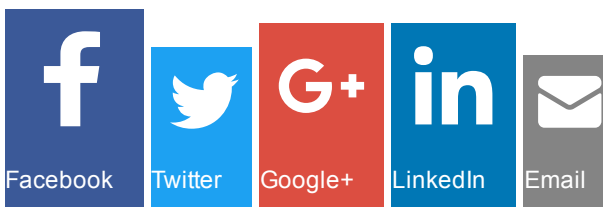


Make in India push: Cabinet approves doing away with separate guidelines for establishing JV companies by Defence PSUs

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In line with promoting 'Make in India' and self-reliance in the defence sector, PM Narendra Modi-led Cabinet today approved abolition of separate guidelines for establishing Joint Venture companies by Defence PSUs. (PTI)

In line with promoting '[Make in India](#)' and self-reliance in the defence sector, PM [Narendra Modi](#)-led Cabinet today approved abolition of separate guidelines for establishing Joint Venture companies by Defence PSUs. "These guidelines which were notified in February, 2012 will not be required for separate JV by the DPSUs," the government release said. Now, the guidelines which are issued by the Department of Public Enterprises and Ministry of Finance, and which are applicable to all Central Public Sector Enterprises will apply on Defence PSUs for setting up JV companies.

There are currently nine defence PSUs; Hindustan Aeronautics Limited, Garden Reach Shipbuilders & Engineers, Bharat Dynamics Limited, Mazagon Dock Limited, Goa Shipyard

Limited, Hindustan Shipyard Limited, Bharat Electronics Limited, Bharat Earth Movers Limited and Mishra Dhatu Nigam Limited – and all of them will benefit with this decision. The government is of the opinion that abolition of separate guidelines will ensure a level playing field between defence PSUs and private sector. “This will allow Defence PSUs to forge partnerships in an innovative manner, enhancing self-reliance in defence, and provide for their enhanced accountability and autonomy,” the government said.

The decision as arrived at after the Department of Defence Production felt that with increasing participation of private industry in the sector and the transformation of defence acquisition ecosystem, separate guidelines are not required. With increasing focus on indigenous manufacturing and ‘Make in India’, multiple set of guidelines may lead to ambiguity and incongruity, felt the government. The government is hopeful that this step will give impetus to defence manufacturing and especially enhance the prospects for defence PSUs.

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