

**CHAPTER VII**  
**REVITALISING DEFENCE INDUSTRIAL ECOSYSTEM**  
**THROUGH STRATEGIC PARTNERSHIPS**

**Preamble**

1. The production of major defence platforms and equipment such as aircraft, submarines, helicopters and armoured vehicles in India are currently carried out by Defence Public Sector Undertakings (DPSU) and the Ordnance Factory Board (OFB). Though defence manufacturing has been open to private sector participation for well over a decade, private companies have pointed to the lack of a level playing field compared to DPSUs and Ordnance Factories (OFs), which continue to enjoy a commanding role based on various forms of governmental support over the past decades, including long-term purchase arrangements. There is thus a need to institutionalise a transparent, objective and functional mechanism to encourage broader participation of the private sector, in addition to capacities of DPSUs/OFB, in manufacturing of major defence platforms. Expert Committees set up by Ministry of Defence (MOD) provided a detailed road map for development of defence industrial base through the 'Strategic Partnership' route.

2. As with the liberalization of the Indian economy in the 1990s, active involvement of the private sector in the manufacturing of major defence equipment will have a transformational impact. It will serve to enhance competition, increase efficiencies, facilitate faster and more significant absorption of technology, create a tiered industrial ecosystem, ensure development of a wider skill base, trigger innovation, promote participation in global value chains as well as exports. From a strategic perspective, this will help reduce current dependence on imports and gradually ensure greater self-reliance and dependability of supplies essential to meet national security objectives.

3. Defence procurement is entirely government led and functions in a monopsony. The current defence procurement procedures focus on short/medium term contracts. The emphasis on purchase of equipment alone does not promote the creation of a defence industrial eco system. Achieving self-reliance and self-sufficiency calls for assimilation of technology, extensive indigenisation, developing an ecosystem of Tier I, II & III partners and undertaking long term upgrades of the platforms through R&D. This will require the private sector partner selected through

a laid down procedure by the government to make necessary long term investments in manufacturing infrastructure, an eco-system of suppliers, skilled human resources, R&D for modernization and upgrades as well as and other capabilities, besides production of equipment. Such a partnership between the Ministry of Defence and the Indian private entity will be known as **Strategic Partnership**. The overall aim will be to progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon systems for the future needs of the Armed Forces. This will be an important step towards meeting broader national objectives, encouraging self-reliance and aligning the defence sector with the 'Make in India' initiative of the Government.

4. This Chapter is divided into the following sections:

(a) **Section I.** Introduction to the Strategic Partnership model, Segments for Strategic Partnership and Organisation Structure in the Ministry of Defence.

(b) **Section II.** Procedure for selection of Strategic Partners (SPs).

## **SECTION I**

### **The Strategic Partnership Model**

5. The Strategic Partnership model is being implemented to enable participation of private Indian firms in Make in India in defence. The SP is expected to play the role of a System Integrator by building an extensive eco-system comprising development partners, specialised vendors and suppliers, in particular, those from the MSME sector.

6. The selection criteria for Strategic Partners (SP) will be based on the inherent capacity and ability of the vendor to emerge as a systems integrator and to set up a vendor network for sourcing. The criteria for selection should be fair, reasonable, non-arbitrary, transparent and rational, and based upon the broad parameters of financial strength, technical capability and capacity/infrastructure. It is acknowledged that in the Indian private sector currently there is limited experience in defence manufacturing and even lesser in respect of final integration of complex

defence systems and sub-systems. Therefore, besides any experience in defence manufacturing, potential SPs will be identified primarily based on their experience and competence in integration of multi-disciplinary functional system of systems, engineering and manufacturing. Further, to ensure that the chosen platform for manufacturing meets all the operational requirements of the Armed Forces and to access advanced and appropriate technologies, the SP will need to enter into relevant tie-ups with foreign Original Equipment Manufacturers (OEM). Accordingly, MOD will shortlist, through an open process based on Staff Qualitative Requirements (SQRs), Technology Transfer needs and indigenisation roadmap, a list of potential OEMs. Government to government support for licensing and transfer of technology as well as provisions for IPR issues shall be worked out. At the same time, to introduce needed competition among potential private sector participants in the process and to ensure that the best interests of government are fully safeguarded, final selection of SPs will be guided by the price quoted by the potential SPs.

### **Segments for Strategic Partnership**

7. In the initial phase, strategic partners will be selected in the following segments:

- (a) Fighter Aircraft.
- (b) Helicopters.
- (c) Submarines.
- (d) Armoured fighting vehicles (AFV)/Main Battle Tanks (MBT)

8. To ensure that larger number of companies participate in the process of defence manufacturing in the private sector, and the SP maintains focus on a core area of expertise, only one SP will generally be selected per segment. Addition of more segments or further subdivision of the identified segments may be considered by the MOD as deemed necessary.

9. Strategic Partnerships seek to enhance indigenous defence manufacturing capabilities through the private sector over and above the existing production base. Keeping this broad objective in view, MOD may consider the role of DPSUs/OFB at

the appropriate stage(s) keeping in view the order book position, capacity and price competitiveness.

10. Cooperative arrangements including transfer of technology and teaming arrangements between DRDO/OFs/DPSUs with the SP could be envisaged to enable defence related capacities to be developed in the country or for other reasons as decided by MOD.

### **Applicant Companies**

11. As the Strategic Partnership model is designed to build indigenous manufacturing capacity in major defence platforms, the Applicant Company and subsequently the Strategic Partner when appointed should be an Indian company (as defined under the Companies Act, 2013), owned and controlled by resident Indian citizens. The management of the Applicant Company should be in Indian hands with majority representation on the board of directors. The chief executive(s) of the Applicant Company shall be resident Indians who are part of the Indian group owning and controlling the Applicant Company or the Strategic Partner. 'Control' shall include the right to appoint a majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements.

12. Further, a company shall be considered as 'Owned' by resident Indian citizens if more than fifty percent (50%) of the capital in it is directly or beneficially owned by resident Indian citizens and/or Indian companies, which are ultimately owned and controlled by resident Indian citizens. This implies that the maximum permitted FDI shall be forty nine percent (49%). No pyramiding of FDI in Indian holding companies or in Indian entities subscribing to shares or securities of the Applicant Company or the Strategic Partner shall be permitted. Indirect foreign investment shall be accounted for in counting the forty-nine percent (49%) FDI. The consolidated characteristics of ownership and provisions governing Applicant Companies are given at **Appendix A**.

13. Any subsequent change in shareholding pattern/ownership of the SP shall require prior approval of MOD.

## **Role of Original Equipment Manufacturer (OEM)**

14. To manufacture major defence platforms, the SP will require tie-ups with foreign Original Equipment Manufacturers (OEM), to cover manufacturing, transfer of technology (ToT), assistance in training skilled human resources and other support. Such partnerships or tie-ups between SP and OEM may take the form of joint ventures (JV), equity partnerships, technology-sharing, royalty or any other mutually acceptable arrangement between the companies concerned, subject to the ownership conditions indicated in Para 11, 12 and 13 above. The limit for equity participation will not preclude other arrangements for sharing management rights in the JV mutually agreed between the SP and OEM. Changes in the ownership structure of JV/SPV shall require approval of MOD.

15. The OEM will be jointly responsible along with the SP for certification and quality assurance of the platforms supplied to MOD. Rights and obligations in this regard will be subject to detailed contracts to be developed subsequently.

16. To facilitate selection of OEMs, MOD will implement a process of shortlisting of OEMs for each segment simultaneously with the process of identifying SPs. This shortlisting of eligible OEMs will be through an Expression of Interest (EOI).

17. Technical Evaluation will also be carried out strictly adhering to specified timelines. Even if only one OEM submits a proposal in any given segment, the process of technical evaluation will be completed.

18. As part of the EOI, OEMs will provide a formal acceptance of their government(s) that necessary licenses to transfer technology will be granted in case the OEM is selected as a partner for the SP to manufacture the platforms/equipment in India, wherever required, prior to issue of RFP. Such a commitment may also be supported by Inter-Governmental agreements to be signed between India and the country(ies) concerned, at the stage of award of contract.

19. Contract between the SP and OEM will cover provisions for protection of classified information and technology transferred by the OEM. Shortlisted OEMs will provide an undertaking confirming their willingness to cooperate with the SP to manufacture the platform in India, including handholding and support, transfer of technology and indigenisation. OEM will also confirm life-cycle support for the platform along with the SP.

## **Organisational Structure at MOD**

20. An appropriate institutional and administrative mechanism for effective implementation of the Strategic Partnerships will be set up within the MOD, with adequate expertise in relevant fields like procurement, contract law and TOT arrangements.

## **SECTION II**

### **Procedure for Selection of Strategic Partners**

21. The selection process of SP will broadly have following procedure:

- (a) Issue of Expression of Interest (EOI) to Indian private companies for selection of Strategic Partners in identified segments seeking details of Minimum Qualification Criteria.
- (b) Submission of response to EOI by applicant companies, indicating inter alia choice for segments in which they wish to participate.
- (c) Evaluation of the companies based on Minimum Qualification Criteria.
- (d) Segment-wise verification of Segment Specific criteria.
- (e) Shortlisting of companies who meet the minimum qualification criteria, for issue of segment-wise RFP.
- (f) Issue of segment-wise RFPs with DAC approval to short-listed companies based on their options of segment submitted in EOI response.
- (g) Submission of techno-commercial offer in response to RFPs by companies, in collaboration with one of the short-listed OEMs or in exceptional cases with two OEMs in segments with diverse platforms.
- (h) Opening and evaluation of technical offer of the companies.
- (i) Conduct of Field Evaluation Trials (FET) and Staff Evaluation.
- (j) Opening of commercial offers of companies that are technically compliant with the RFP, segment wise.

- (k) Selection of SP having the lowest bid, segment-wise, with DAC approval.
- (l) Commencement of contractual negotiations.
- (m) Finalisation and signing of contract.

### **Expression of Interest (EOI)**

22. MOD shall issue an EOI to seek applications from Indian private companies for selection of Strategic Partner in identified segments. EOI shall *inter alia* seek information related to Minimum Qualification Criteria comprising of financial, technical and segment-specific parameters. The EOI shall be given wide publicity both in print and electronic media. A suitable time period shall be given to the industry to respond.

23. The Application should be accompanied by an Affidavit testifying to the truth and accuracy of the information supplied. The financial information shall be accompanied by unqualified report from the statutory auditor appointed under Section 139 of the Companies Act, 2013 or corresponding sections under the previous Companies Act, about the correctness and accuracy of the financial information submitted. For any materially false statement, the Applicant Company shall be disqualified.

### **Evaluation of Response to EOI**

24. Based on the response to EOI the companies would be evaluated for minimum qualifying criteria comprising technical, financial and segment specific aspects. Indicative qualifying criteria for various segments is placed at **Appendix B**.

25. Evaluation may inter-alia include on-site verification. All companies compliant with minimum qualifying criteria shall be short-listed for issue of RFP in the relevant segment.

26. In the event of the Applicant Company not having segment specific experience, flexibility is provided to the Applicant Company to rely upon group

company(ies)'s experience in that particular segment. The segment group company(ies) however will not be appointed as the Strategic Partner, as only its experience will be considered for evaluation. The specific segment group company(ies) whose experience and expertise is considered shall execute a deed of adherence and confirmation cum undertaking providing the MOD and the Strategic Partner an irrevocable right to access, enter upon and use the facilities of the segment group company for the duration of the Strategic Partnership, subject to applicable laws. An agreement evidencing this right in a form prescribed by MOD should be submitted along with the application. The restrictions on FDI as prescribed for the Applicant Company as a Strategic Partner will also be applicable to the segment group company.

### **Shortlisting of OEMs**

27. The process of shortlisting of OEMs will be done simultaneously with the process of identifying potential SPs. Shortlisting of OEM will involve the following processes:

- (a) Issue of RFI to potential OEMs.
- (b) Formulation of SQRs. The SQRs will cover aspects of the platform as well as weapons required, wherever feasible.
- (c) Based on SQRs and information already available/collected, an EOI will be issued to OEMs in each segment.
- (d) EOI shall define the technologies to be acquired including the details of the weapons and associated sensors along with the range and depth of transfer of technology (ToT) to achieve the stipulated level of indigenisation and development of industrial eco-system in India.
- (e) OEMs shall provide response to the EOI within two months.
- (f) Based on the responses TEC will be carried out. Besides compliance to SQRs, TEC will also check compliance to issues listed at Para 27.
- (g) OEMs that meet TEC requirements will be shortlisted for each segment, with the approval of DAC.
- (h) Even if only one OEM is shortlisted, the process will be taken forward.

28. As ToT is one of the main factors in selection of OEM, the quantum and scope of Technology being offered for transfer by the OEM will be a primary



consideration in the selection procedure, besides compliance to SQRs. Towards this, the shortlisting of OEM will inter-alia take into consideration the following factors:-

- (a) Range, depth and scope of technology transfer offered in identified areas.
- (b) Extent of indigenous content proposed.
- (c) Extent of eco-system of Indian vendors/manufacturers proposed.
- (d) Measures to support SP in establishing system for integration of platforms.
- (e) Plans to train skilled manpower.
- (f) Extent of future R & D planned in India.

### **Issue of RFP**

29. Based on the AON approved by DAC, segment-wise RFPs shall be issued to the short-listed Indian companies. RFP shall broadly seek following details:

- (a) Technical details of the equipment.
- (b) Commercial offer for the identified platform and 10-years Performance Based Logistics (PBL)/other maintenance arrangements specified.
- (c) Mandatory requirements related to indigenisation roadmap, Transfer of Technology, creation of R&D capabilities and skilling provisions etc.

30. The list of short-listed OEMs shall also be annexed to the RFP, so that the short-listed Indian companies can freely engage with such OEMs and finalise their techno-commercial offer in agreement with any of these OEMs. One Indian company can engage with any or all OEMs, but can finally submit only one offer in agreement with any one of the OEMs. As an exception, in segments with diverse platforms such as Helicopters, potential SPs may submit response with more than OEM to have best technology solution.

31. A minimum number of platforms, not exceeding 10-15% of the number of units being procured, may be manufactured in the OEMs premises for the purposes of training and skill development of the SP's manpower.

## **Response to RFP**

32. Response to RFP shall be in two parts, a technical offer and a commercial offer. The technical offer shall include details of the equipment, company's willingness to meet mandatory requirements related to indigenisation roadmap, transfer of technology, creation of R&D capabilities and skilling provisions etc. The commercial offer shall include the price of the platform along with maintenance related costs as required in RFP.

## **Evaluation of Response to RFP**

33. Technical offer, which contains details of the equipment, company's adherence to certain mandatory requirements related to indigenisation, technology transfer, creation of R&D capabilities and skilling etc. shall be opened first.

34. Field Evaluation Trials (FET) are to be conducted, except where the equipment has been evaluated earlier or where FET is not applicable (such as submarines), in which case the requirement of FET could be waived. Further, to expedite FET, evaluation trials could be carried out at the vendor premises as necessary.

35. Based on results of FET, Staff Evaluation will be carried out and platforms that meet minimum SQRs and ToT requirements will be shortlisted.

36. After evaluation of the technical aspects, and completion of FET, the commercial offers of the companies that are compliant with the technical aspects shall be opened and the company having lowest bid shall be designated as SP in that segment.

37. The order of selection of SPs, segment-wise, and implementation of Strategic Partnerships shall be decided by MOD.

## **Contractual Aspects**

38. MOD shall constitute a Contract Negotiation Committee to conduct negotiations with the selected SP and sign a contract for deliverables. OEM may participate in these negotiations if needed.

39. Contract for supply of the platform will be signed between MOD and the SP, and with OEM if necessary. In case a JV/SPV is formed by the OEM and SP, a tripartite contract between MOD, SP and the JV/SPV will be considered, provided this does not dilute responsibilities of the SP individually, jointly and severally for implementation of contractual delivery timelines, quality and other criteria.

### **Indigenisation Roadmap**

40. The selected SP in each segment will be required to present a roadmap for future development including PBL, upgrades, etc. as indicated below:-

(a) Indigenisation Content Requirements: The SP shall commit to a plan to indigenise, in terms of value of production, manufacturing of the platform over a set period for each platform as defined in each RFP.

(b) Eco-system of Domestic Manufacturers: SP shall develop tiered industries in each segment by entering into teaming agreements and development partnerships with other industries, including micro, small and medium enterprises (MSMEs), DPSUs, OFs, other PSUs, DRDO and foreign companies that are part of the global supply chain in the relevant sector, so that an eco-system of domestic manufacturers in the Indian defence sector is developed, including for spares and capacities for repair and maintenance of the platform. SP is required to submit an action plan to MOD in this regard, the implementation of which will be monitored by MOD.

(c) R & D Roadmap: The Strategic Partner shall formulate a research and development roadmap to achieve self-reliance within the country in respect of the Segment. The road-map is to be mutually finalised along with the MOD.

### **Test and Evaluation Facilities.**

41. MOD will make available existing test and evaluation facilities to the SP. The terms of such access as well as cost or fees for the same shall be mutually decided.

## **Periodic Assessment**

42. MOD shall have a right to periodically assess level of technology absorption carried out by the SP and development of a domestic ecosystem for manufacturing. MOD may carry out this assessment either itself or by appointing subject matter experts.

## **Audit**

43. Besides examination of periodic audited reports, MOD shall have the right to conduct special audits of all certifications and costs relevant to the Segment at all or any stages (tiers) of manufacturing/ production/ assembly.

## **Termination**

44. MOD shall have the right to terminate the Acquisition Contract in the following cases:

(a) If there is material breach of the Acquisition Contract or an integrity related provision by the SP or the JV/SPV.

(b) If the SP or the JV/SPV loses 50% (fifty percent) of net worth as submitted in its application (for appointment as strategic partner) or is unable to pay its dues.

(c) If the SP or the JV/SPV is adjudged insolvent, commences a voluntary winding-up, is subject to the appointment of a receiver, administrative receiver, official liquidator, trustee or a similar person over its assets or undertaking or any part thereof.

(d) Any other contractually relevant issue.

## **Subsequent Acquisitions**

45. To achieve self-reliance within the country, subsequent acquisitions in the identified segments/platforms should ideally be carried out from Indian companies under Buy (IDDM), Buy (Indian), Buy and Make (Indian) and Make categories of acquisition under DPP. This can be accomplished only when Indian companies make considerable, long term investments in capacity creation and capability

development including infrastructure, tiered ecosystem of vendors, skilled human resources, futuristic R&D etc.

46. To incentivize and motivate Indian companies to achieve these objectives, the process for evaluation of bids for subsequent acquisitions in the identified segments/platforms may provide adequate weightage for the following factors pertaining to their experience and track record in the respective segment:

(a) Investments by Indian companies to construct and improve segment specific infrastructure like workshops and production lines as well as availability of skilled manpower.

(b) The nature of R&D investments made by the companies including test and evaluation facilities and infrastructure.

(c) Development and acquisition of relevant technologies and execution of advanced and state of the art manufacturing processes.

(d) The extent of the ecosystem created such as the number of vendors developed and the value of orders placed on these vendors.

47. Further, in order to encourage spiral development of technologies and systems, the above factors may be given adequate weightage in deciding upon development partners for projects, including those of DRDO, as well as those under Make procedure of DPP.

48. The above factors may also be given adequate weightage in deciding upon Indian partners for enhancing the production capacities/establishing workshare with DPSUs/OFs in future.

## **Conclusion**

49. Fostering a constructive partnership with Indian private defence industry is considered not just a sound economic option but a strategic imperative to minimise dependence on imports and infuse self-sufficiency in defence manufacturing. Larger and sustained production volumes of a system will lead to optimisation of cost, improved production efficiency and ability to absorb higher end technologies, besides creating an extensive eco-system of defence related industries in the country so that defence manufacturing emerges as a key driver in India's economic growth and development.

\*\*\*\*

**OWNERSHIP STRUCTURE**

1. **Ownership Structure and Form:** The applicant must be a public company as defined under the Companies Act, 2013 (“**Applicant Company**”). The objective of the Strategic Partnership model is to build capabilities in India to manufacture defence equipment. In certain extreme circumstances of conflict like war, the Govt would have the right to acquire control over the intellectual property used and facilities developed pursuant to the Strategic Partnership.
2. The Applicant Company and subsequently the Strategic Partner when appointed should be an Indian company **owned and controlled** by resident Indian citizens. The management of the Applicant Company should be in Indian hands with majority representation on the board of directors. The chief executive(s) of the Applicant Company shall be resident Indians who are part of the Indian group owning and controlling the Applicant Company or the Strategic Partner.
3. The calculation of foreign investment in the Applicant Company shall include:
  - (a) The paid up equity share capital held by the foreign company either by itself through its subsidiary companies or nominees in the Applicant Company;
  - (b) The paid up equity share capital held by other foreign investors in the Applicant Company; and
  - (c) The quantum represented by that proportion of the paid-up equity share capital to the total issued equity share capital held or controlled by persons mentioned in (a) or (b) above in an Indian company or a limited liability partnership which is a shareholder in the Applicant Company (“**Indian Entity**”). It is pertinent to note that, for the calculation of foreign equity in the Indian Entity equity held by Foreign Portfolio Investors (“**FPI(s)**”) (category I and II only) and Indian mutual funds will not be included.<sup>1</sup>
4. Further, a company is considered as ‘**Owned**’ by resident Indian citizens if more than fifty percent (50%) of the capital in it is directly or beneficially owned by resident Indian citizens and / or Indian companies, which are ultimately owned and controlled by resident Indian citizens. **This implies that the maximum permitted FDI shall be forty nine percent (49%).** No pyramiding of FDI in Indian holding

---

<sup>1</sup>For example, in the event Company A, having twenty five percent (25%) FDI (and no other foreign investment), holds fifty percent (50%) of the Applicant Company, presuming the Applicant Company has no other foreign investment, it shall be construed to have twelve point five percent (12.5%) of foreign investment.

companies or in Indian entities subscribing to shares or securities of the Applicant Company or the Strategic Partner shall be permitted. Indirect foreign investment shall be accounted for in counting the forty-nine percent (49%) FDI.

5. **‘Control’** shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements.

6. The application should be supported by an Affidavit testifying to the truth and accuracy of the information supplied.

7. The financial information shall be accompanied by unqualified report from the statutory auditor appointed under Section 139 of the Companies Act, 2013 or corresponding sections under previous Companies Act, about the correctness and accuracy of the financial information submitted. For any materially false statement, the Applicant Company shall be disqualified.

8. The Strategic Partner shall be permitted to incorporate subsidiary companies in the nature of SPV or use existing subsidiaries as SPVs in respect of specific projects or contracts awarded by the MoD when procurement contracts are required. No other assignment of the contract or project shall be permitted. The status and contract with the Strategic Partner is not assignable. Final integration of system of systems shall be carried out by the Strategic Partner or its SPV in India. SPV shall be wholly owned by the Strategic Partner and the shareholding of such a Strategic Partner in the SPV should be locked in for the term of the Strategic Partnership. The only permitted exception to this condition is that in case of company(ies) or entity(ies) providing technology for a project or a contract so requires such company(ies) or entity(ies) shall together be allowed a maximum of forty nine percent (49%) in the SPV without loss of control or ownership of the SPV by the Strategic Partners. The making of the SPV and the terms of the joint venture shall be scrutinised by the MoD to ensure that the SPV and/ or the Strategic Partner are Indian owned and majority controlled by resident Indian citizens as defined in **Paras 3, 4 and 5 above**. Such SPVs should be set up in compliance with the policies and guidelines issued from time to time by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry. However, the overall responsibility of performance as owed to the MoD shall always be that of the Strategic Partner. Strategic Partner and SPV(s) would be jointly and severally liable. SPV’s joint and several liability (ies) with the Strategic Partner shall be prorated to the extent of its work share, as agreed at the time of approval of the SPV by the MoD.

\*\*\*\*

**MINIMUM QUALIFYING CRITERIA**

1. **Technical Gate.** Demonstrated capability of integration of “System of Systems”, which refers to any system with multiple technologies of major systems like aircrafts, ships, chemical plants, power plants, automobiles etc as specified in the EOI.
  
2. **Financial Gate.** Following aspects inter-alia would be considered, as specified in the EOI/RFP.
  - (a) Consolidated Turnover.
  - (b) Networth.
  - (c) Rating.
  
3. **Other Conditions.** Promoters and directors of the Applicant Company and the Segment Group Company should not be wilful defaulters to the banking system as on the date of this application.

**Segment Specific Criteria**

4. **Submarines.**

<b>Ser</b>	<b>Attributes</b>	<b>YES/NO</b>
(a)	Availability of at least one suitable Dry dock or Building bay with ship lift/ floating dock for submarine of 3000T displacement and length of 90m.	
(b)	Availability of at least two slots for water frontage/wet basin/outfitting berths/outfitting bays for submarine of 3000T displacement and length of 90m.	
(c)	Should have successfully delivered a Warship/Ship as lead or prime contractor in the past five years.	



5. **Fighter Aircraft/Helicopters.**

<b>S.No.</b>	<b>Attributes</b>	<b>YES/NO</b>
(a)	Availability of hangar and land space exclusively for production, assembly and testing of Aircraft/Helicopters	
(b)	Experience in production of Aircraft/Helicopters/ systems and components thereof	
(c)	Availability of special machining/processing facilities for composites for Aircraft/Helicopters	

6. **Armoured Fighting Vehicles (AFV)/ Main Battle Tank (MBT).**

<b><u>Ser</u></b>	<b><u>Criteria</u></b>	<b><u>Yes/No</u></b>
(a)	Mobility track, Test driving track and adequate land bank available	
(b)	Simulation and Modelling capabilities for complex systems	
(c)	Integration of complex automotive and/or armament systems	
(d)	Processing facilities for metals and composites including forging, casting, machining and forming/moulding	

<><><>