

Israeli-Indian JV to make small arms in private sector

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PUNJ LLOYD Ltd has established a 51:49 joint venture with Israel Weapon Industries (IWI). IWI has already supplied guns such as TAVOR assault rifles and UZI SMG to security forces in India and also has other major programs in which its small arms are undergoing trials.

The JV will manufacture components in the first phase for export to Israel, in which nearly 80 per cent of the components of the guns will be made in India. In the second phase, full guns

will be made here for supplying to the security forces.

"This JV will be key in enabling India to leapfrog to a higher technological threshold through the adoption of advanced defence technologies. We are confident that with technology transfer from IWI, Punj Lloyd is positioned to manufacture the complete range of IWI products from pistols to light machine guns and specialist weapons like sniper rifles, in addition to providing service to the existing IWI products and support for new orders," said Atul Punj, chairman, Punj Lloyd.

Industry sources estimate

the opportunity of ongoing programs for small arms in internal and national security to be more than Rs 3,000 crore.

Currently, the manufacturing of small arms is completely with the public sector. The Union Cabinet had agreed in 2001 to allow manufacture of small arms in the private sector. Punj Lloyd was among the few private firms, along with L&T and Bharat Forge, which had been granted license by DIPP to manufacture small arms in India in 2001-02. The production, however, could not start because the Home Ministry did not provide the clearance.