

DAC APPROVES AK-203 DEAL WITH RUSSIA

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The Defence Acquisition Council (DAC) which met under the Chairmanship of Defence Minister Rajnath Singh on Tuesday approved the long-pending deal for the manufacture of 6.71 lakh AK-203 assault rifles in India, according to a defence source.

This comes ahead of Russian President Vladimir Putin's visit to India early next month for the India-Russia annual summit. Mr. Putin is scheduled to visit India for the summit on December 6, when the two sides will also hold their inaugural 2+2 ministerial dialogue.

The two countries had signed an Inter-Governmental Agreement (IGA) in February 2019 following which a joint venture, Indo-Russian Rifles Private Ltd. (IRRPL), was set up at Korwa in Uttar Pradesh for manufacturing the rifles.

The JV is between Ordnance Factory Board (OFB) from the Indian side and Rosoboron Export and Kalashnikov on the Russian side. The Army had also appointed a Major General as the Chief Executive Officer (CEO) of the IRRPL to ensure timely execution and deliveries.

The Ministry of Defence has already floated a Request For Proposal (RFP) to the JV for the supply of 6.71 lakh rifles, but the final deal has been held up over the high cost for each rifle.

As reported by *The Hindu* earlier, with repeated delays in the deals for procurement of AK-203 assault rifles, India had signed a deal in August for 70,000 AK-103 assault tickets to be procured off the shelf. The deliveries would begin within three months once the first payment is made and would be completed in six months.

Another deal likely to make progress is for Iгла-S Very Short Range Air Defence (VSHORAD) systems. The Ka-226T utility helicopter deal is unlikely to be cleared, according to official sources.

Air Force satellite

The DAC approved a proposal for the procurement of the GSAT-7C communication satellite for the Indian Air Force (IAF) at a cost of Rs. 2,236 crore, a Defence Ministry statement said.

Induction of the GSAT-7C satellite and ground hubs for Software Defined Radios (SDRs) will enhance the ability of the armed forces to communicate beyond Line of Sight (LoS) among one another in all circumstances in a secure mode, the Ministry statement said.

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