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India opens small arms manufacturing unit in MP in a joint venture with Israel

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MALANPUR (MADHYA PRADESH): Strengthening defence ties, India today opened its first private small arms manufacturing plant at Malanpur, Madhya Pradesh in a joint venture with Israel.

The plant has been setup as a joint venture -- Punj Lloyd Raksha Systems -- between Indian defence conglomerate Punj Lloyd and Israel Weapons Industries (IWI). The joint venture plans to develop it as a hub for providing weapons to Israel and Indian but to the world markets.

The plant will manufacture weapons like X95 assault rifle, Galil sniper, Tavor assault rifle, Negev light machine gun and the Ace assault rifle, which is similar to the Tavor but less advanced.

Punj Lloyd officials said the company has proposed the Tavor as a replacement for the INSAS rifle currently used by Indian armed forces. The Army is looking for a mainstay weapon that can replace the INSAS.

Mark Shachar, VP Business Development, SK Group said: "This plant will be a hub for us to manufacture weapons for the Indian armed forces and in the future we will export them to the world. We will also make the plant a centre of maintenance for all these guns for India and abroad," he said. The IWI is a member of the SK Group.



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Although Ashok Wadhawan, President-Manufacturing Business, Punj Lloyd explained that the "finish product" will not be for export. He added that the plant, from tomorrow, will begin manufacturing components of these guns and which will be exported to Israel. In Israel the components will be integrated to become guns and be provided to countries willing to buy the weapons.

"We will start integrating and assembling the weapons by the end of the year after receiving licence, which we expect soon," said Wadhawan. Punj Lloyd has invested Rs 350 crore in defence since 2009, including this facility.

Dr. Raghuwanshi, Associate Vice President-Defence Manufacturing & Systems Integration Division, Punj Lloyd, said two major components- the "receiver" and "bolt"- of the guns will be made here. "After we start assembling the weapons here, the work done by the IWI on the tenders floated by the army will be given to us," he said.

Shachar said that the IWI is working on a few bids to provide the Indian Army with the Tavor assault rifle and Negev light machine gun. All the guns to be produced in the factory are already in service with the army's Special Forces, Navy's MARCOS and IAF's Garud Commandos, besides the Border Security Force.

The weapons will be assembled based on 100 per cent transfer of technology, said Lt Col RK Sharma (retd), Additional General Manager- Defence, Punj Lloyd. The capacity of producing weapons will depend on the order.

Punj Lloyd Chairman, Atul Punj, said, "This is the first opportunity for the country to get its own 'Made in India' small arms. The need of the hour is to replace the country's defence weapons with sophisticated products."

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