

Anil Ambani plans defence smart city

Group Looks To Buy Land For Mfg Facility, Will Bid For Army & Navy Chopper Deals

Piyush Pandey & Shubham Mukherjee | TNN

Mumbai: In a bid to move its defence play to the next level, the Anil-Ambani owned Reliance Group is planning to set up India's first smart city for the sector in an area of around 5000 acres to house a fully integrated defence and aerospace infrastructure facility. It's part of the group's plans to capture a slice of the \$100-billion worth of opportunities that the sector would soon throw up.

The Reliance Group is negotiating with the Maharashtra, UP, Madhya Pradesh and Rajasthan governments for land for the project to be called Dhirubhai Ambani Defence Park (DADP). The defence smart city, as the company calls it, will support import of components, systems and subsystems as also export of finished products, along with a fully developed airfield and road connectivity to the nearest port. Besides, it will provide a range of auxiliary units across avionics and forging, company officials told TOI.

The group will debut in defence through Reliance Defence & Aerospace (RDA) by bidding for the upcoming tenders for 387 Army Reconnaissance & Surveillance Helicopters and 100 Naval Utility Helicopters, estimated to be valued at Rs 25,000 crore. It is in talks with a few potential partners for a tie-up.

The defence smart city may draw some influences from Aerospace Valley in France, a cluster of aerospace companies and research centres concentrated around Toulouse. About 500 companies including Airbus, EADS, Air France Industries and Dassault Aviation operate in

the cluster, creating jobs for around 1.2 lakh people.

"We are keen to set up a facility to manufacture and assemble an entire range of defence and civil aero platforms, support ancillary units and Maintenance Repair and Operation (MRO) facilities. It would have a centre of excellence, which would be among the best R&D centres in the defence and aerospace technologies space globally and will address future technological needs of the Indian Armed Forces," Rajesh Dhingra, president, Reliance Defence, told TOI.

The Narendra Modi government has redesigned its military procurement programme under the Make in India initiative and has also allowed a 49% FDI in defence to promote local manufacturing as well as to aid the much needed technology transfer. The Buy and Make (India) scheme, under which these tenders will be issued, requires an Indian company to bid after tying up with a technology provider. It seeks to establish the required defence industrial base in the country to gradually move away from being the world's largest importer of defence hardware.

"Reliance Defence is committed to establish itself as a

significant player in defence and aerospace. Reliance Defence will become a military helicopter manufacturer within five years. So far, the only aircraft manufacturer in India is the state-owned Hindustan Aeronautics Limited (HAL)," said Dhingra.

Sikorsky, Eurocopter and Kamov are some of the top helicopter manufacturers but Reliance officials refused to comment on its potential technology partners, citing non-disclosure agreements it has signed with them. "We

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> Reliance Group's defence smart city may draw some influences from Aerospace Valley in France, where about 500 companies, including Airbus and EADS, operate in the cluster, creating 1.2 lakh jobs

> The group said it has started a dialogue with top helicopter makers for a tie-up

> It is in talks with Maharashtra, Uttar Pradesh, Madhya Pradesh and Rajasthan governments for acquiring 5,000 acres of land for the project



have been approached by several Original Equipment Manufacturers (OEMs) and have started a dialogue. All options are still open," Dhingra said.

Reliance Defence is currently evaluating locations with availability of land bank, support infrastructure, assured quality power supply, qualified engineers and an investor friendly tax regime which can sustain a multibillion dollar investment over a period of time.

While Maharashtra, where the group is developing four airport projects, is one strong possibility to set up the defence smart city, Madhya Pradesh is also a strong contender since the group has signed an expression of interest to invest billions there.