

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION  
**LOK SABHA**

**UNSTARRED QUESTION NO.348**  
TO BE ANSWERED ON THE 3<sup>RD</sup> FEBRUARY, 2017

**PROJECTS UNDER MAKE IN INDIA PROGRAMME**

348. SHRI P.V. MIDHUN REDDY:

Will the Minister of DEFENCE रक्षा मंत्री  
be pleased to state:

- (a) whether several projects under Make in India programme in the defence sector are pending for long;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the Government is unable to finalise the strategic partnership in this regard;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the corrective measures taken by the Government in this regard?

**A N S W E R**

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

रक्षा राज्य मंत्री

(DR. SUBHASH BHAMRE)

(डा. सुभाष भामरे)

**(a) to (e): A statement is attached.**

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 348 FOR ANSWER ON 3.2.2017**

**(a) & (b):** Capital acquisition of defence equipment is carried out as per the Defence Procurement Procedure (DPP), which stipulates a time schedule for completion of the procurement cycle. However, the time taken to undertake capital procurement of defence equipment depends on the nature and complexity of the equipment being procured. The procurement of defence equipment involves rigorous trials, after which detailed bid evaluations and comprehensive commercial negotiations have to be undertaken. Nonetheless, under the DPP-2016, Government has laid down provisions for ensuring swift decision making and effective implementation of the procurement process.

Defence Procurement Procedure focuses on achieving the “Make in India” vision by according priority to ‘Buy (Indian – IDDM (Indian Designed, Developed and Manufactured)), ‘Buy (Indian)’ and ‘Buy & Make (Indian)’ categories over Buy (Global) category of capital procurement. During the last two financial years 2014-15 and 2015-16), 73 contracts involving a value of Rs.72,303.34 crore were signed with Indian vendors. During the same period, 85 cases involving Rs.1,60,362 crore have been accorded Acceptance of Necessity (AON) by Defence Acquisition Council under the ‘Buy (Indian)’ ‘Buy & Make (Indian)’ and ‘Buy & Make’ categories.

**(c) to (e):** The Dhirendra Singh Committee has recommended a ‘Strategic Partnership Model’ for creating capacity in the private sector on a long-term basis over and above the capacity and infrastructure that exists in Public Sector Units. However, the policy and criteria for selection of Strategic Partners, is to be finalised after wider consultations with all stakeholders.

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