

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

UNSTARRED QUESTION NO.2398
TO BE ANSWERED ON THE 1ST AUGUST, 2018

INDIGENOUS DEFENCE PRODUCTS

2398. SHRI SUSHIL KUMAR SINGH:

Will the Minister of DEFENCE be pleased to state:

- (a) the details of the ongoing and pending projects to promote the indigenisation of defence equipments under 'Make in India';
- (b) the details of the funds allocated and utilized for the purpose during the last three years and the current year, State and Union Territory-wise; and
- (c) whether as per the defence report 25 projects identified for defence production under 'Make in India' are on the verge of closing down due to non-availability of funds and if so, the details thereof?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

रक्षा राज्य मंत्री

(डा. सुभाष भामरे)

(a) to (c): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO. 2398 FOR ANSWER ON 1.8.2018

(a) 'Make in India' in defence sector, is primarily driven by capital acquisition of defence equipment and other policy measures. In the last four financial years i.e. from 2014-15 to 2017-18, Government has accorded Acceptance of Necessity (AoN) to 151 proposals, worth Rs. 2,66,700 Crore approximately under 'Buy (Indian-IDDMM)', 'Buy (Indian)', 'Buy and Make (Indian)' or 'Make' categories of capital procurement as per Defence Procurement Procedure (DPP), which means Request for Proposal (RFP) shall be issued only to Indian Vendors. In the last four financial years i.e. from 2014-15 to 2017-18, 128 contracts worth about Rs. 1,19,000 Crore have been signed with Indian vendors for capital procurement of defence equipment.

(b) Details of Budget Allocation and Expenditure incurred under Capital Acquisition Head under Defence Services Estimates (DSE) for the last three years is tabulated below: -

(Rs. in Crore)

Year	Budget Estimate	Expenditure
2015-16	77,406.69	62,235.54
2016-17	69,898.51	69,280.16
2017-18	69,473.41	72,732.28

(c) With the objective to facilitate participation of Indian industry in design, development and manufacture of defence products, Government has notified a separate procedure for 'Make-II' sub-category of 'Make' procedure in February 2018, wherein a number of industry friendly provisions such as relaxation of eligibility criterion, minimal documentation, provision for considering proposals suggested Suo-moto, by industry / individual etc., have been introduced. So far, 26 Proposals have been accorded 'Approval in Principle' (AIP) under 'Make-II' sub category, out of which 06 Proposals have been accorded Acceptance of Necessity (AoN).

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