

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

**UNSTARRED QUESTION NO.2364**  
TO BE ANSWERED ON THE 26<sup>TH</sup> DECEMBER, 2018

**DEFENCE STARTUPS**

2364. SHRI VINAYAK BHAURAO RAUT:  
SHRI SHRIRANG APPA BARNE:  
SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI ANANDRAO ADSUL:

Will the Minister of DEFENCE  $\int\{kk\ ea=h$   
be pleased to state:

- (a) whether India is currently the largest arms importer in the world and it is increasing every year;
- (b) if so, whether the Government has launched the Defence India Startup Challenge to strengthen collaboration with defence forces and if so, the details thereof;
- (c) whether the Government has also launched a number of initiatives to support start-ups working in defence sector and increase their engagement with the Indian forces and if so, the objectives thereof;
- (d) the extent to which it will help to meet the national defence requirements; and
- (e) whether the Union Government has been developing a plethora of new technology solutions in defence by incorporating the latest technologies and if so, the facts thereof?

**A N S W E R**

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

र० ढ र०य मं०ी

(ड०. सुभाष भामरे)

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

\*\*\*\*\*

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 2364 FOR ANSWER ON 26.12.2018**

**(a) to (e):**

No authoritative and official information on India being the largest importer of defence equipment is available as no country officially reveals information on import of defence equipment. However, in the report published in February 2017 by the Stockholm International Peace Research Institute (SIPRI), India has been shown as the largest importer of defence equipment for the years 2012-16. Capital procurement of defence equipment is undertaken from various domestic as well as foreign vendors, as per extant Defence Procurement Procedure (DPP), based on threat perception, operational challenges and technological changes and to keep the Armed Forces in a state of readiness to meet the entire spectrum of security challenges.

DPP accords the highest priority to Buy Indian (Designed, Developed and Manufactured) (IDDM). The 'Make' procedure has been simplified with provisions for earmarking projects not exceeding development cost of Rs. 10 crores (government funded) and Rs. 3 crores (Industry funded) for MSMEs; and with provisions for involving private industry as production agencies and technology transfer partners. The simplified Make-II procedure has been notified for Industry funded development projects. Government has also promulgated the policy on Strategic Partnership in the Defence Sector to encourage broader participation of the private sector in manufacture of major defence platforms and equipment.

The Government has launched the Defence India Start Up Challenge (DISC) in partnership with Atal Innovation Mission, NITI Ayog, which aims at supporting Startups/MSMEs/Innovators to create prototypes and/or commercialize products/solutions in the area of National Defence and Security.

The Government has also launched the Innovations for Defence Excellence (iDEX), initiative with a vision to bring in innovations in defence manufacturing and also to involve the Startups in the defence system.

These initiatives will contribute towards creation of an ecosystem to foster innovation and technology development in Defence and Aerospace by engaging Industries including MSMEs, start-ups, individual innovators, R&D institutes and academia by providing them grants/funding and other support to carry out R&D development with good potential for future adoption for Indian defence and aerospace needs, thereby reducing the nation's dependence on imports in defence sector.

\*\*\*\*\*