

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO. 3911
TO BE ANSWERED ON 24th March, 2023

MANUFACTURING OF DEFENCE EQUIPMENT

3911. SHRI MALOOK NAGAR:

Will the Minister of DEFENCE be pleased to state:

(a) the number of foreign companies who have shown interest in manufacturing defence equipments under Foreign Direct Investment in the country; and

(b) the other measures taken/being taken by the Government for manufacturing of defence equipments indigenously?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) to (b): The Government has given approval to 45 companies/JVs operating in Defence sector with Foreign OEMs. Further, the Government has taken several policy initiatives in past few years and brought reforms to encourage indigenous design, development and manufacture of defence equipment in the country, thereby reducing dependency on imports in coming years. These initiatives, inter-alia, include according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020; Notification of Three Positive Indigenisation Lists (PILs) by Department of Defence Production (DDP), MoD with a timeline beyond which they will only be procured from the domestic industry. These three lists consist of total 3738 items, out of which 2786 items have been indigenised till February, 2023. Simplification of Industrial licensing process with longer validity period; Liberalisation of FDI policy allowing 74% FDI under automatic route; Simplification of Make Procedure; Launch of Innovations for Defence Excellence (iDEX) scheme involving startups & MSMEs; Implementation of Public Procurement (Preference to Make in India), Order 2017; Launch of an indigenization portal namely SRIJAN to facilitate indigenisation by Indian Industry including MSMEs; Reforms in Offset policy with thrust on attracting investment and Transfer of Technology for Defence manufacturing by assigning higher multipliers; Establishment of two Defence Industrial Corridors one each in Uttar Pradesh and Tamil Nadu.
