

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO. 4111
TO BE ANSWERED ON 24th March, 2023

DEFENCE MANUFACTURING UNDER ATMANIRBHAR BHARAT

4111. SHRI RATTAN LAL KATARIA:

Will the Minister of DEFENCE be pleased to state:

(a) whether 70 per cent military equipment are being manufactured in the country under Atmanirbhar Bharat Yojana as on date; and

(b) if so, the percentage of decline in import of military equipment as a result of the said Scheme?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) & (b): Several policy initiatives and reforms have been taken by Government in the past few years to encourage indigenous design, development and manufacture of defence equipment, there by promoting self-reliance in defence manufacturing in the country. These initiatives, inter-alia, include according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020; Notification of four 'Positive Indigenization Lists' of total 411 items of Services and three 'Positive Indigenization Lists' of total 3738 items of Defence Public Sector Undertakings(DPSUs), for which there would be an embargo on the import beyond the timelines indicated against them; Simplification of Industrial licensing process with longer validity period; Liberalization of Foreign Direct Investment(FDI) policy allowing 74% FDI under automatic route; Simplification of Make Procedure; Launch of Mission DefSpace; Launch of Innovations for Defence Excellence (iDEX) scheme involving startups & Micro, Small and Medium Enterprises (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; Opening up of Defence Research & Development (R&D) for industry, startups and academia with 25 percent of defence R&D budget and Progressive increase in allocation of Defence Budget of military modernization for procurement from domestic sources, etc.

As a result of these policy initiatives, many significant projects including 155mm Artillery Gun system 'Dhanush', Advanced Towed Artillery Guns (ATAGs), Light Combat Aircraft 'Tejas', Surface to Air Missile system 'Akash', Main Battle Tank 'Arjun', T-90 Tank, T-72 Tank, Armoured Personnel Carrier 'BMP-II/IJK', Su-30 MK1, Cheetah Helicopter, Advanced Light Helicopter, Dornier Do-228, High Mobility Trucks, INS Kalvari, INS Khanderi, INS Chennai, Anti-Submarine Warfare Corvette (ASWC), Arjun Armoured Repair and Recovery Vehicle, Bridge Laying Tank, Bi-Modular Charge System (BMCS) for 155mm Ammunition, Medium Bullet Proof Vehicle (MBPV), Weapon Locating Radar (WLR), Integrated Air Command and Control System (IACCS), Software Defined Radios (SDR), Lakshya Parachute for Pilotless Target Aircraft, Opto Electronic Sights for Battle Tanks, Water Jet Fast Attack Craft, Inshore Patrol Vessel, Offshore Patrol Vessel, Fast Interceptor Boat, Landing Craft Utility, 25 T Tugs, etc. have been produced in the country during the last few years.

Due to above policy initiatives, the expenditure on defence procurement from foreign sources has reduced from 46% of overall expenditure in 2018-19 to 36.7% as per available data till December, 2022, thereby reducing dependency on import of military equipment.
