

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO. 102
TO BE ANSWERED ON 02nd February, 2024

DEFENCE ECOSYSTEM

102. SHRI S. JAGATHRAKSHAKAN:

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government has drawn any action plan to strengthen the country's defence ecosystem;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government agrees with the view that increased efforts are needed to connect the youth with the Defence Sector especially R&D and manufacturing; and
- (d) if so, the details of the initiatives proposed to be taken by the Government in this regard and if not, the reasons therefor?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a): Yes, Sir.

(b): Government has drawn various action plans to strengthen the country's defence ecosystem. Indian industry, both public and private, is encouraged to participate in design, development and manufacture of Defence Systems under 'Make Procedure' prescribed at chapter-III of Defence Acquisition Procedure, 2020 (DAP 2020) wherein provisions to provide financial assistance for prototype development are also incorporated. A Green Channel Policy for procurement of Defence stores and spares has been launched for awarding Green Channel status to firms having predefined financial and quality credentials. Grant of Green Channel Certificate provides waiver of pre-dispatch inspection and acceptance of stores under supplier's guarantee/warranty against the contracts concluded by various Procurement Agencies under Ministry of Defence. Two Defence Industrial Corridors (DICs): Uttar Pradesh Defence Industrial Corridor (UPDIC) and Tamil Nadu Defence Industrial Corridor (TNDIC), have been set up aimed at attracting investment for defence industries, develop domestic supply chain and strengthen defence manufacturing ecosystem in the country. Defence Testing Infrastructure Scheme has been launched to boost Domestic Defence and aerospace manufacturing with primary aim to set up Greenfield Defence Testing Infrastructure as a common test facility for

government assistance to promote indigenous defence production with special focus on participation of MSMEs and Startups by bridging gaps in defence testing infrastructure in the country. Innovations for Defence Excellence (iDEX) has been launched to bring Start-ups & MSMEs to innovate, develop technologies and solve problems related to defence and aerospace aimed at creation of an ecosystem to foster innovation and technology development in Defence and Aerospace, R&D institutes and Academia and provide them grants/funding and other support to carry out R&D which has potential for future adoption for Indian defence and aerospace needs. DSPUs are having tie-ups with various Centres of excellence/ Academic Institutes viz IITs ,IISc , IIMs etc for various developmental projects.

DRDO has laid down procedure by which its developed technologies are transferred to industries by entering into Licensing Agreement for Transfer of Technology (LATOT). DRDO has evolved a new ToT policy and procedures with zero ToT fee for its industry partners (Development cum Production Partners (DcPP)/ Development Partner (DP) and zero royalty for supply to Indian Armed Forces and Government Departments. Test facilities have now been opened for industries in DRDO labs. DRDO has launched Technology Development Fund (TDF) which provides financial support to the Indian industries for the design development of innovative defence products. In June 2023, DRDO released 75 priority technology areas/ products/ systems to encourage Defence R&D in Industry that DRDO will not do.

(c) & (d): Yes, Sir. Youth are connected as start ups under iDEX scheme in innovation, technology development and problem solving related to defence and aerospace. Young Engineers are involved through tie –ups of Defence PSUs with the Centres of Excellence/ Academic Institutes for various projects that include R&D and manufacturing. DRDO has established 15 DRDO Industry Academia-Centres of Excellence (DIA-CoEs) at various IITs, IISc, Central and State Universities, of which six have been operationalized in the year 2023. DPSUs and Private sectors are hiring trained youths having specializations for various projects in the Defence sector.
