

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO.1702
TO BE ANSWERED ON 21st SEPTEMBER, 2020

PROMOTION OF SCHEMES BY DEFENCE

1702. SHRI RAJAN VICHARE:

Will the Minister of DEFENCE j{k k ea=h
be pleased to state:

- (a) whether the Ministry of Defence is working on any scheme to promote solar energy, domestic security, production of space technology and 'Make In India';
- (b) if so, the details thereof;
- (c) the manner in which the Ministry is working to reduce the effects of COVID-19 and security/safety of people for the pandemic?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI SHRIPAD NAIK)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO. 1702 FOR ANSWER ON 21.09.2020 REGARDING 'PROMOTION OF SCHEMES BY DEFENCE'.

(a) & b):

1. The Government has taken the following policy initiatives to promote 'Make in India' in defence sector: -

- i. A new category of capital procurement 'Buy (Indian-IDDMM (Indigenously Designed, Developed and Manufactured))' has been introduced in Defence Procurement Procedure (DPP)-2016 in April, 2016, to promote indigenous design and development of defence equipment. It has been accorded top most priority for procurement of capital equipment.
- ii. The 'Make' Procedure of capital procurement has been simplified in April 2016. There is a provision for funding of 90% of development cost by the Government to Indian industry under Make-I category. In addition, there are specific reservations for MSMEs under the 'Make' procedure.
- iii. Separate procedure for 'Make-II' category (Industry funded) has been notified under DPP to encourage indigenous development and manufacture of defence equipment. Number of industry friendly provisions such as relaxation of eligibility criterion, minimal documentation, provision for considering proposals suggested by industry/individual etc. have been introduced in this procedure.
- iv. Under 'Atmanirbhar Bharat' campaign of Government of India, Ministry of Defence (MoD) has prepared a list of 101 items for which there would be an embargo on the import beyond the timeline indicated against them. This would offer a great opportunity to the Indian defence industry to manufacture these items using their own design and development capabilities to meet the requirements of the Armed Forces in the coming years. This list includes some high technology weapon systems like artillery guns, assault rifles, corvettes, sonar systems, transport aircrafts, light combat helicopters (LCHs), radars and many other items to fulfil the needs of our Defence Services.
- v. An innovation ecosystem for Defence titled Innovations for Defence Excellence (iDEX) has been launched in April 2018. iDEX is aimed at 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 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.
- vi. Department for Policy of Industry and Internal Trade, Ministry of Commerce & Industry vide Press Note No. 5 (2016 Series), has allowed FDI under automatic route upto 49% and above 49% through government route wherever it is likely to result in access to modern technology or for other reasons to be recorded.

- vii. Government has notified the "Strategic Partnership (SP) Model in May, 2017, which envisages establishment of long-term strategic partnerships with Indian entities through a transparent and competitive process, wherein they would tie up with global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.
- viii. Government has notified a "Policy for indigenisation of components and spares used in Defence Platforms" in March 2019 with the objective to create an industry ecosystem which is able to indigenize the imported components (including alloys & special materials) and sub-assemblies for defence equipment and platform manufactured in India.
- ix. An indigenization portal namely SRIJAN has been launched on 14.08.2020 for DPSUs/OFB/Services with an industry interface to provide development support to MSMEs/Startups/Industry for import substitution.
- x. An Inter-Governmental Agreement (IGA) on "Mutual Cooperation in Joint Manufacturing of Spares, Components, Aggregates and other material related to Russian/Soviet Origin Arms and Defence Equipment" was signed in Sep 2019. The objective of the IGA is to enhance the After Sales Support and operational availability of Russian origin equipment currently in service in Indian Armed Forces by organizing production of spares and components in the territory of India by Indian Industry by way of creation of Joint Ventures/Partnership with Russian Original Equipment Manufacturers (OEMs) under the framework of the "Make in India" initiative.
- xi. In Feb 2018, Government decided to establish two defence industrial corridors to serve as an engine of economic development and growth of defence industrial base in the country. They span across Chennai, Hosur, Coimbatore, Salem and Tiruchirappalli in Tamil Nadu and across Aligarh, Agra, Jhansi, Kanpur, Chitrakoot and Lucknow in Uttar Pradesh (UP).
- xii. Offset guidelines have been made flexible by allowing change of Indian Offset Partners (IOPs) and offset components, even in signed contracts. Foreign Original Equipment Manufacturers (OEMs) are now allowed to provide the details of IOPs and products after signing of contracts. In order to bring more transparency and efficiency into the Offset discharge process, "Offset portal" has been created in May 2019.
- xiii. Defence Investor Cell has been created in Feb-2018 by the Ministry of Defence to provide all necessary information including addressing queries related to investment opportunities, procedures and regulatory requirements for investment in the sector.

- xiv. Defence Products list requiring Industrial Licences has been rationalised and manufacture of most of parts or components does not require Industrial License. The initial validity of the Industrial Licence granted under the IDR Act has been increased from 03 years to 15 years with a provision to further extend it by 03 years on a case-to-case basis.
 - xv. Under the latest Public Procurement Order 2017, Department of Defence Production has notified list of 24 items for which there is local capacity and competition and procurement of these items shall be done from local suppliers only irrespective of the purchase value.
 - xvi. Several Test facilities available with Government entities have been made available to private sector.
 - xvii. Defence Research and Development Organisation (DRDO) has promulgated new patent policy to facilitate Indian industries to get free access to use DRDO patents. This provide an access to Indian industries to the innovations carried out by DRDO to further boost up their R&D and develop new technologies.
 - xviii. Technology Development Fund (TDF) scheme of DRDO provides financial support to the Indian industries for the design development of innovative defence products.
 - xix. DRDO has identified a list of 108 systems and subsystems which will be designed, developed and manufactured by industry only and will not be taken up by DRDO itself for development.
2. In addition, the initiatives taken by Ministry of Defence to promote Solar energy, domestic security and production of space technology are as under:-
- i. DRDO has been supporting MHA/CAPFs/State Police Forces in their modernization plans through offering DRDO developed technologies/ products. DRDO is also associated in R&D activities for development of space technology with ISRO.
 - ii. DRDO has evolved ToT policy & procedure for transfer of Technology to industries. These technologies have applications for domestic security and for space applications also.
 - iii. Under Jawaharlal Nehru National Solar Mission (JNNSM) of the Government, a total of 73.5 MW SPV (Solar Photovoltaic) /RE (Renewable Energy) power projects have been operationalized by the Service Head Quarters (SHQs).
 - iv. Solar Power plants of approx. capacity of 139 MW have been installed in various units of Ordnance Factory Board(OFB) and Defence Public Sector Undertakings (DPSUs).
- c). The details of steps taken by the Government to tackle the impact of COVID-19 pandemic in defence sector are annexed **at Annexure.**

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO. 1702 FOR ANSWER ON 21.09.2020 REGARDING 'PROMOTION OF SCHEMES BY DEFENCE'.

The following steps have been taken by the Government to tackle the impact of COVID-19 pandemic in defence sector:

(a) Hospital Infrastructure development to tackle COVID

(i) Beginning in the month of March, 2020 procurement of essential equipment to tackle COVID-19 cases in AFMS hospitals was undertaken. Supply order for ventilators, oxygen concentrators, hand thermal guns, multipara monitors, PPE, Face masks, sanitizers, disinfectants etc, were placed for all AFMS hospitals.

(ii) Emergency procurement powers of the DGAFMS was sanctioned by the Raksha Mantri for procurement of additional equipment like RT-PCR machines and test kits. As on day, there are 27 functional laboratories in the AFMS carrying out molecular testing for COVID using RT-PCR, TrueNat, CBNAAT and Gen Expert techniques. Rapid Antigen Tests are available in the periphery for early diagnosis, isolation and contact tracing of cases.

(iii) In line with latest treatment trends at a national and global level, drugs like Favipiravir and Remdesivir have been made available in AFMS Hospitals. Plasma Therapy is also available in two hospitals of AFMS.

(b) Quarantine facilities. Station quarantine facilities have been set up in all military stations where troops are quarantined after returning from leave for 14 days. Any person developing symptoms during quarantine is immediately tested and isolated, if found positive.

(c) Teams for Contact Tracing. Teams comprising of medical and paramedical staff have been trained in tracing high risk contacts of confirmed cases for instituting quarantine measures. Asymptomatic high risk contacts are tested between day 7-10 of exposure.

(d) COVID CARE CENTRES (CCC). These have been set up to augment hospitals where large number of COVID patients are being admitted. Asymptomatic and mild cases are admitted in these CCCs to decongest the hospitals.

(e) Interaction with Armed Forces Medical Services of Friendly Countries. Knowledge exchange and best practices for COVID control being followed by USA, Vietnam, Cambodia, Laos, Myanmar and Sri Lanka have been adopted by the AFMS to optimise patient care.

(f) Liaison with MoHFW and ICMR. The DGAFMS has maintained continuous liaison to ensure that guidelines and policies issued by the apex bodies are implemented to optimise patient care. Multiple guidelines pertaining to control and management of COVID have been issued by the DGAFMS to ensure conformity of care across the three services.

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(g) DRDO has undertaken R&D and product development on war footing to fight COVID-19 pandemic. DRDO has developed 58 technologies which has direct utilization to combat COVID 19. These technologies are hosted on DRDO website (<https://drdo.gov.in/message-board/drdo-fight-against-covid-19>) and transferred to Indian industry with NIL ToT fees. DRDO has established three dedicated COVID hospitals at Delhi, Patna and Mujaffarpur for strengthening the medical infrastructure therein named as:

- Sardar Vallabhabhai Patel COVID Hospital Delhi Cantt., Delhi
- PM care COVID Hospital, ESIC, Bihta, Patna, Bihar
- PM Care COVID Hospital, Patahi Marwan Airfield, Muzaffarpur, Bihar

(h) DRDO has also developed Virology Research Labs for testing of COVID in various locations like Gwalior, Tezpur, Leh and Delhi and also deployed its qualified manpower and infrastructure to the State Government for strengthening their COVID testing capabilities.

(i) DRDO has also extended support to Parliament by providing exclusive kits containing Covid protection products.

(j) DRDO has executed Indo-Israel Government to Government project for joint development and evaluation of rapid COVID testing modalities in various hospitals of Delhi.

(k) Ordnance Factory Board has undertaken production of the following items to reduce the effect of COVID-19 and safety/security of people:

- i. Repairing of 73 Ventilators to Government of Telangana;
- ii. 25.34 Lakhs Medical Mask;
- iii. 1.27 Lakhs litre Sanitizers, and
- iv. 97228 Personal Protective Equipment (PPE) to various state Governments

(l) In addition, BEL has manufactured and supplied 24111 ventilators to various State Government.
