

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO.1556**  
TO BE ANSWERED ON 10<sup>th</sup> February, 2021

**INDIGENOUS DEFENCE EQUIPMENT**

1556. SHRI MANOJ TIWARI:  
SHRI SANGAM LAL GUPTA:  
SHRI RAMDAS C. TADAS:  
SHRI RAHUL KASWAN:  
SHRI CHANDRA PRAKASH JOSHI:

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government is promoting the use of indigenous equipment in Defence;
- (b) if so, the manner in which the indigenous technique is being used in military equipment;
- (c) the details of the amount spent or proposed to be spent on purchase of arms in the last three years;
- (d) the present status of self-reliance technology in Defence;
- (e) the number of domestic companies to which the contracts have been awarded for carrying out works during the last three years; and
- (f) the various benefits likely to be accrued to the domestic companies with the use of the said technique?

**A N S W E R**

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI SHRIPAD NAIK)

(a) to (f): The Defence Acquisitions are undertaken as per the procedures laid down in Defence Procurement Procedure/Defence Acquisition Procedure (DPP/DAP). The DAP/DPP aim to further 'Self Reliance' of the country in the defence sector and implement 'Ease of Doing

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Business' with emphasis on Simplification, Delegation, Reduced Timelines and making the process Industry friendly. Indigenous Design, Development and Manufacturing is being provided impetus by providing highest priority to Buy Indian (IDDM) categorisation. Further, the minimum Indigenous Content (IC) has been enhanced to 50% under all "Indian" based defence acquisition categories. IC has also been prescribed in Buy (Global) category to the tune of 30%. Additionally, a new category Buy (Global-Manufacture in India) has been introduced in DAP-2020 promoting indigenous manufacture of the entire/part of the equipment and spares/assemblies/sub-assemblies Buy (Global) OEMs through its subsidiary/ Joint Ventures in India, so as to ensure minimum Indigenous Content of 50% on cost basis of the Base Contract Price.

Offset are applicable in Buy(Global) cases of value Rs. 2000 Crore and above. In order to provide impetus to manufacturing by Indian Industry through offsets, multipliers for technology transfer to Indian companies and for defence industrial corridors have been introduced.

In the last 3 years, out of a total of 191 defence capital acquisition contracts, 118 contracts have been placed on Indian industry. Further, 58% of total expenditure on capital acquisition in the last 3 years has been made on indigenous procurement.

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