GOVERNMENT OF INDIA MINISTRY OF DEFENCE DEPARTMENT OF MILITARY AFFAIRS LOK SABHA UNSTARRED QUESTION NO.3359 TO BE ANSWERED ON 17th DECEMBER, 2021

INDIGENIZATION OF DEFENCE PRODUCTS

3359. SHRIMATI RITA BAHUGUNA JOSHI:

Will the Minister of DEFENCE be pleased to state:

(a) whether the Ministry has prepared a 'positive indigenization list' to boost indigenization in the defence sector;

(b) if so, the details thereof along with the response received from the public and private sector companies engaged in defence production in this regard;

(c) whether the Government has assessed the estimated savings in imports likely to be achieved due to indigenization initiatives and if so, the details thereof;

(d) the capacities expected to be created in the defence sector through the said measures;

(e) whether ban on certain imports have an impact on operational effectiveness of the armed forces and if so, the details thereof; and

(f) whether there is any further plans for publishing another positive list of indigenization and if so, the details thereof?

<u>ANSWER</u>

MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI AJAY BHATT)

- (a) Yes, Sir.
- (b) (i) Two Positive Indigenisation Lists comprising 101 and 108 items were promulgated on 21 Aug 2020 and 31 May 2021 respectively. The lists have been hosted on Ministry of Defence Website to give wide visibility to the Defence Industrial base in enabling them to effectively meet requirements of the Armed Forces.
 - (ii) The initiative has been welcomed by the Indian Industry.

- (c) (i) Positive Indigenisation Lists comprise defence equipments which will be designed, developed and manufactured over a period from 2020 to 2025. Therefore, it will not be possible to assess actual savings at this juncture.
 - (ii) However, as per available projections, it is estimated that over three and a half lakh Crores worth of equipment included in the Positive Indigenisation Lists will be ordered from Indian Vendors between 2020 to 2028.
- (d) (i) The Positive Indigenisation Lists comprise not just of simple equipment but also some high technology weapon systems like Artillery Guns, Wheeled Armoured Fighting Vehicles, Light Combat Aircraft, Light Combat Helicopters, next Generation Missile Vessels & Corvettes, Land based High Power Radars, Land based Short Range Surface to Air Missiles, various types of Software Defined Radios, etc.
 - (ii) Focus has also been given to indigenisation of ammunition, which is a recurring requirement.
 - (iii) Initiatives to promote indigenisation are likely to result in number of spinoff; the major one being transformation of Indian Military from Buyers' to Builders' in respect of indigenous Defence production, and as a nation, from 'Importer to Exporter' of defence systems.
 - (iv) The defence production sector is likely to emerge as one of the key contributor to nation's economy as well as creation of numerous job opportunities. For instance, setting up of the two defence corridors, one each in Uttar Pradesh and Tamil Nadu, aims to generate employment in coming years.
- (e) No, Sir.

(f) Yes, Sir. Positive Indigenisation lists are promulgated periodically by MoD by obtaining and collating inputs from all stakeholders, viz. Services, DRDO, DDP and Private Industry.
