

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO. 3883
TO BE ANSWERED ON 25TH MARCH, 2022

INDIGENIZATION OF DEFENCE SYSTEMS

3883. SHRI RATTAN LAL KATARIA:

Will the Minister of Defence be pleased to state:

- (a) whether the Government has emphasized on the indigenization of defence systems in the production of defence equipment;
- (b) if so, the details thereof;
- (c) whether the provision of 68 percent in the capital acquisition budget for the domestic defence industry is likely to include more and more indigenous defence systems; and
- (d) if so, the details thereof?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) & (b): The Government has taken several policy initiatives in the past few years and brought in reforms to encourage indigenous design, development and manufacture of defence equipment in the country, thereby expanding the production of indigenous defence equipment. These initiatives, inter-alia, include according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020; Announcement of 18 major defence platforms for industry led design & development; Notification of two 'Positive Indigenisation Lists' of total 209 items of Services and one 'Positive Indigenisation List' of total 2851 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; Liberalisation of Foreign Direct Investment(FDI) policy allowing 74% FDI under automatic route; Simplification of Make Procedure; 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; and Establishment of two Defence Industrial Corridors, one each in Uttar Pradesh and Tamil Nadu.

Many significant products including 155mm Artillery Gun system 'Dhanush', Light Combat Aircraft 'Tejas', Surface to Air Missile system 'Akash', Main Battle Tank 'Arjun', T-90 Tank, T-72 tank, BMP-II/IIK, 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 which are being used by the Indian Armed Forces.

(c) & (d): Yes Sir. Earmarking of 68% of the Capital Procurement budget for the Domestic industry for the financial year 2022-23 builds confidence among the industry and gives further impetus to the Government's initiative of 'Aatmanirbharta in Defence' to promote development and manufacture of indigenous defence systems.
