

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA
UNSTARRED QUESTION NO. 2189
TO BE ANSWERED ON 29th July, 2022

SELF-SUFFICIENCY IN DEFENCE MANUFACTURING

2189. SHRI MALOOK NAGAR:
SHRI ADHIR RANJAN CHOWDHURY:
SHRI KURUVA GORANTLA MADHAV:

Will the Minister of DEFENCE be pleased to state:

- (a) whether most of India's advanced weapons are imported if so, the details thereof;
- (b) whether the Government proposes to make India self-reliant in respect of the state-of-the-art weapons if so, the details of the policy formulated in this regard;
- (c) the details of the major policies formulated to ensure self-reliance in defence manufacturing along with the manner in which such policies affect import of defence items;
- (d) the steps taken by the Government to involve Micro, Small and Medium Enterprises (MSMEs) in manufacturing of defence equipment along with the defence manufacturing MSMEs established during the last three years and the current year; and
- (e) the other steps taken by the Government to upgrade and modernize defence technologies to meet the future requirements of the country?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a): Capital procurement of defence equipment are undertaken from various domestic as well as foreign vendors, based on threat perception, operational challenges and technological changes so as to keep the Armed Forces in a state of readiness.

Defence Procurement Procedure (DPP) and Defence Acquisition Procedure (DAP 2020) with a focus on "Atmanirbhar Bharat" and "Make in India" introduced major policy initiatives for boosting indigenous defence capability and reduction of reliance on imports. Further, DAP-2020 provides the highest preference to Buy Indian (IDDM) category of acquisition and Buy Global is only permitted in exceptional situations with specific approval of Defence Acquisition Council (DAC) / RakshaMantri.

In light of the initiatives taken to boost indigenous manufacturing in defence, in the last three financial years (2019-20 to 2021-22) and current financial year 2022-23 (upto June, 2022), total 161 contracts have been signed for capital procurement of defence equipment, out

of which, 107 contracts accounting for 70% of total contracts value have been signed with Indigenous vendors.

(b) to (e): Government is taking measures for modernization of the Armed Forces, through procurement of new equipment and upgrading of existing equipment so as to ensure that the Armed Forces are equipped to meet the entire spectrum of security challenges.

To achieve self-reliance in defence modernization and to provide impetus to design, development and manufacture of defence equipment/platforms in India, the following initiatives/policies have been taken/made by the Government: -

- Announcement of 18 major defence platforms for industry led Design & Development in March, 2022.
- Notification of three ‘Positive Indigenisation lists’ of total 310 items of services and two Positive Indigenisation lists of total 2958 items of DPSUs for which there would be an embargo on the import beyond the timelines indicated against them.
- Launch of innovations for Defence Excellence (iDEX) scheme involving startups & Micro, Small and Medium Enterprises (MSMEs).
- Launch of an indigenisation portal namely SRIJAN to facilitate indigenisation by Indian industry including MSMEs.
- Opening up of Defence Research & Development (R&D) for industry, startups and academia with 25% of defence R&D budget earmarked to promote development of defence technology in the country.
- In line with Government of India’s initiative of Atmanirbhar Bharat, Ministry of Defence has earmarked funds amounting to Rs. 84,598 Cr (68% of the total Capital Acquisition Budget) for the domestic capital procurement in 2022-23.
- Indigenous Content (IC)- The IC has been enhanced in all procurement categories along with simplification of IC verification methodology.
- Simplification of Make procedure – Make procedure has been simplified and made more objective with an aim to exploit its potential to the full.
