

### Increase in import of major weapons

2843. SHRI RAJEEV CHANDRASEKHAR : Will the Minister of DEFENCE be pleased to state:

- (a) whether India's import of major weapons has increased considerably during the last five years, as compared to China;
- (b) if so, the year-wise details thereof; and
- (c) the steps Government is taking for improving and increasing indigenous production of weapons and military goods?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY) : (a) Sir, authoritative information regarding import of major weapons by China is not available. However, as per report published in March 2012 by the Stockholm International Peace Research Institute (SIPRI), India has become the largest importer of arms during 2007-2011 and accounted for 10% of the global arms imports as compared to China's share of 5%.

(b) The amount of expenditure incurred by India on capital acquisition for modernization of Armed Forces through imports during 2007-2011 is as under:-

| (Rs in crore) |                                     |
|---------------|-------------------------------------|
| Year          | Amount spent on foreign procurement |
| 2007-08       | 10166.08                            |
| 2008-09       | 10184.95                            |
| 2009-10       | 13411.91                            |
| 2010-11       | 15443.01                            |

(c) With a view to achieve greater self reliance in Defence production, the Defence Industry was opened up for Indian Private Sector participation in May 2011 with FDI permissible upto 26%, subject to licensing. The 'Make' Procedure was promulgated in 2006 to encourage indigenous development. Government included a categorization 'BUY & MAKE (Indian)' in the Defence Procurement Procedure in November, 2009 to encourage indigenous production. There is also provision for 30% offset obligation in all Capital Acquisitions categorized as Buy (Global) or Buy & Make with ToT where the estimated cost of the acquisition proposal is Rs.300 crore or more. Government has announced the Defence Production Policy in January, 2011.

### Transparency in defence deals by DPSUs

2844. SHRI T.M. SELVAGANAPATHI : Will the Minister of DEFENCE be pleased to state:

- (a) whether it is a fact that Government had asked the Defence Public Sector Undertakings to have utmost transparency in its dealing with the armed forces;

(b) if so, the details thereof;

(c) whether it is also a fact that Government is also considering to have periodic review meeting with the DPSUs regarding the order placed by the army; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU) : (a) and (b) Yes, Sir. Procurement by the Ministry of Defence for the Armed Forces from various sources including the DPSUs is regulated by detailed procedures laid down by this Ministry. Such procedures provide for complete transparency on the part of the suppliers including the DPSUs. These include specific clauses in the contracts regarding non-employment of any agents, penalty for use of undue influence and signing of an integrity pact, access to books of accounts, etc.

(c) and (d) Meetings are held regularly at various levels to review the performance of Defence PSUs, which, inter alia, include deliveries to the Armed Forces.

#### **Fast tracking purchase to Arm T90 MBT**

2845. SHRI T.M. SELVAGANAPATHI : Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Government is fast tracking orders to arm the T90 Main Battle Tanks with missiles and specialized ammunition;

(b) if so, the details thereof;

(c) whether it is also a fact that fast tracks order worth ₹ 6000 crore for tanks and ammunitions have already been released; and

(d) if so, the details thereof?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY) : (a) to (d) Sir, proposals for procurement of missiles and ammunition for T-90 tanks are at various stages of procurement in accordance with the Defence Procurement Procedure.

#### **Controversy free appointment of key posts in Army**

2846. SHRI PARSHOTTAM KHODABHAI RUPALA :  
SHRI BHARATSINH PRABHATSINH PARMAR :

Will the Minister of DEFENCE be pleased to state:

(a) whether Government is considering any mechanism to avoid any controversy while appointing key position of our arm forces as it is adversely affecting the morale of our armed forces; and

(b) the details of such cases which came to notice of Government during last seven years and the action taken in this regard?