

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
RAJYA SABHA
UNSTARRED QUESTION NO.2897
TO BE ANSWERED ON 22nd March, 2021

**PROPOSALS FOR INDIGENOUS DESIGNING AND MANUFACTURING
OF DEFENCE SYSTEM**

2897 SHRI SAMBHAJI CHHATRAPATI:

Will the Minister of DEFENCE be pleased to state:

- (a) whether Government has approved five proposals for indigenous design and manufacturing of defence system;
- (b) if so, the details thereof;
- (c) the defence systems identified for indigenous design and manufacturing; and
- (d) whether Government has started the process of firming up specifications and identification of capable indigenous agencies, if so, the details thereof?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF DEFENCE
SHRI SHRIPAD NAIK

- (a) to (d): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF RAJYA SABHA UNSTARRED QUESTION NO. 2897 FOR ANSWER ON 22.03.2021 REGARDING 'PROPOSALS FOR INDIGENOUS DESIGNING AND MANUFACTURING OF DEFENCE SYSTEM'.

(a) & (b): Defence Acquisition Procedure (DAP)-2020 envisages the basic tenets of 'Aatmanirbhar Bharat Abhiyan' and encourages indigenous designing and manufacturing of defence items. The proposals for indigenous design and manufacturing are considered under 'Make' Procedure of DAP-2020. The 'Make' Procedure aims to achieve the objective of self-reliance by involving greater participation of Indian industries including private sector through following mechanisms:

- i. Make-I (Government Funded). This involves design and development of equipment, systems, major platforms or upgrades thereof by the industry. Ministry provides financial support upto 70% of prototype development cost or maximum Rs. 250 crores per Development Agency (DA).
- ii. Make-II (Industry Funded). This includes design & development and innovative solutions by Indian vendor, for which no Government funding is provided, but it has assurance of procurement on successful prototype development.

As on date, there are 4 ongoing projects under Make-I category. Further, 56 proposals have been accorded 'Approval in Principal' under Make-II category out of which 23 proposals have been accorded Acceptance of Necessity (AoN). In addition, Defence Research and Development Organisation (DRDO) has also undertaken 233 projects during the past three years since 2018. The projects include new defence equipment such as Cruise missile, Hypersonic missile, Anti-Ship missile, Extended Range Anti-Submarine Rocket, Mounted Gun System, Ammunitions, Electronic Warfare system, Radars, Torpedos, High Endurance Autonomous Underwater Vehicles, etc. AoN has been accorded for 45 DRDO developed systems during last 03 years since 2018 for induction into Services.

Further, in order to promote indigenous design and development of defence equipment 'Buy {Indian-IDD (Indigenously Designed, Developed and Manufactured)}' category under DAP is accorded top most priority for procurement of capital equipment.

(c) & (d): Ministry of Defence has notified a 'Negative list' of 101 identified items for which there would be an embargo on the import beyond the timeline indicated against them. This is a big step towards self-reliance in defence. This offers a great opportunity to the Indian defence industry to manufacture these items indigenously and develop capabilities to meet the

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requirements of the Armed Forces. This list includes some high technology weapon systems like artillery guns, assault rifles, corvettes, sonar systems, transport aircrafts, light combat helicopters (LCHs), radars etc. to fulfil the needs of our Defence Services.

Further, an indigenization portal namely SRIJAN has also been launched in August, 2020 for Defence Public Sector Undertakings (DPSUs)/Ordnance Factory Board (OFB)/Services with an industry interface to provide development support to MSMEs/Startups/Industry for import substitution. As on date, 9370 Defence items, which were earlier imported, have been displayed on the portal. The Indian industry has shown interest for 1864 displayed items so far. The items displayed on the SRIJAN Portal have well structured description including specification, images, business volume etc.
