

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
RAJYA SABHA
UNSTARRED QUESTION NO.1654
TO BE ANSWERED ON 13th DECEMBER, 2021

MANUFACTURING OF INDIGENOUS DEFENCE EQUIPMENTS

1654 SHRI HARNATH SINGH YADAV:
SHRI VIJAY PAL SINGH TOMAR:

Will the Minister of **Defence** be pleased to state:

- (a) the details of steps taken to manufacture indigenous defence equipments and weapons during the last three years and by when it has been targeted to manufacture indigenous weapons as per the defence requirements of the country;
- (b) whether the steps being taken to become self-reliant in respect of weapons for indigenous manufacturing are inadequate, resulting in the increase of import of weapons year by year; and
- (c) the expenditure incurred or proposed to be incurred on purchase of weapons during the last three years, and the details thereof?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) The Government has taken several policy initiatives and brought in reforms to encourage indigenous design, development and manufacture of defence equipment in the country, thereby reducing dependence on imports in the coming years. These initiatives, inter-alia, include according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020; Notification of two 'Positive Indigenisation Lists' of total 209 items for which there would be an embargo on the import beyond the timeline indicated against them; Simplification of Industrial licensing process with longer validity period; Liberalisation of FDI policy allowing 74 % FDI under automatic route; Simplification of Make Procedure; Launch of Innovations for Defence Excellence (iDEX) scheme involving startups & MSMEs; Implementation of "Public Procurement (Preference to Make to India), Order 2017; Launch of an indigenization portal namely SRIJAN to facilitate indigenization 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.

...2/-

: 2 :

(b) In the last three years i.e. 2018-19 to 2020-21, the Government has accorded Acceptance of Necessity (AoN) for 119 proposals worth Rs 214,255.65 Crores approximately, under 'Buy (Indian-Indigenously Designed, Developed & Manufactured (IDDM)', 'Buy (Indian)', 'Buy and Make (Indian)', 'Make', 'SP Model', 'Buy & Make' categories of capital acquisition.

(c) The capital expenditure on purchase of defence equipment from Indian and Foreign vendors for the Services during the last three years is as given below:-

(Rs. in crore)

	Total Procurement	Procurement from Foreign Vendors	Procurement from Indian Vendors	% of Procurement from Indian Vendors
2018-19	75913.06	36957.06	38956.00	51.32%
2019-20	91004.94	38156.83	52848.11	58.07%
2020-21	118860.52	42786.54	76073.98	64.00%
