

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:651

ANSWERED ON:26.02.2016

Indigenous Defence Production

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

- (a) whether India still imports 65 per cent of its defence hardware and software and is the biggest importer of arms in the world due to poor performance of DRDO and other defence production establishments;
- (b) if so, the reasons for poor performance of DRDO and other public sector defence production establishments;
- (c) whether the Government has amended defence procurement procedure for giving priority to new indigenous design development and manufacturing under 'Make in India'; and
- (d) if so, the details thereof and the extent to which it is likely to strengthen indigenous defence production?

**Answer**

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) & (b): The expenditure on capital acquisition in respect of orders placed on Indian vendors and foreign vendors during the period from 2011-12 to 2014-15 was Rs.138630.82 crore (56.02%) and Rs.108852.55 crore (43.98%) respectively. The expenditure in respect of orders placed on foreign vendors has reduced from Rs.35082.10 crore in 2013-14 to Rs.24992.36 crore in 2014-15.

(c) & (d): The new Defence Procurement Procedure which will come into effect shortly is aimed, inter-alia, at promoting indigenisation and self-reliance in defence. Government is according high priority to indigenous design, development and manufacturing of defence products in the public and private sector.

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