

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA
UNSTARRED QUESTION NO. 4951
TO BE ANSWERED ON 1ST APRIL, 2022

ATMANIRBHAR BHARAT INITIATIVE IN DEFENCE PRODUCTION

4951. SHRI BHARTRUHARI MAHTAB:.

Will the Minister of Defence be pleased to state:

- (a) whether in a push towards Aatmanirbhar Bharat initiative in the military sector, the Government is going to shelve a number of defence import projects;
- (b) if so, the details thereof;
- (c) whether the Government has chalked out a new defence production and export promotion policy for strengthening defence production within the country and help in their export to friendly foreign countries and if so, the details thereof;
- (d) whether the said initiative is likely to impact a large number of projects of the Indian Navy, Air Force and the Army including the ones which are at a fairly advanced stage like the Kamov helicopter acquisition project of the Indian Navy; and
- (e) if so, the details thereof along with the necessary steps taken by the Government in this regard in the interest of the country?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a) to (e): In pursuance of the policy of Government of India for “Make in India” and the mandate given in “Aatmanirbhar Bharat Abhiyan” for indigenization and promotion of Indian industry, the proposals which were accorded Acceptance of Necessity (AoN) under Buy (Global) category of Capital Acquisition in the past have been reviewed as per DAP-2020 and the Defence Acquisition Council (DAC) has approved cancellation/closure of AoN for 09 such proposals worth Rs. 46,695 Crore. The details of service-wise platforms cannot be shared in the interest of national security.

The Government has taken several policy initiatives in the past few years under 'Make in India' program and brought in reforms to encourage indigenous design, development and manufacture of defence equipment in the country, including design and development of the projects like Kamov 31. These initiatives, inter-alia, include according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020; Announcement of 18 major defence platforms for industry led design & development;

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Notification of two 'Positive Indigenisation Lists' of total 209 items of Services and one 'Positive Indigenisation List' of total 2851 items of Defence Public Sector Undertakings(DPSUs), for which there would be an embargo on the import beyond the timelines indicated against them; Simplification of Industrial licensing process with longer validity period; Liberalisation of Foreign Direct Investment(FDI) policy allowing 74% FDI under automatic route; Simplification of Make Procedure; Launch of Innovations for Defence Excellence (iDEX) scheme involving startups & Micro, Small and Medium Enterprises (MSMEs); Implementation of Public Procurement (Preference to Make in India) Order 2017; Launch of an indigenization portal namely SRIJAN to facilitate indigenisation 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.

A Draft 'Defence Production & Export Promotion Policy (DPEPP) 2020' was placed in public domain by the Department of Defence Production, Ministry of Defence and is Ministry of Defence's overarching guiding document to provide a focused, structured and significant thrust to defence production capabilities of the country for self-reliance and exports in Defence sector, including Aerospace and Naval Shipbuilding sectors.
