

Raksha Mantri Shri Rajnath Singh reiterates Govt's commitment to achieve USD 26 billion defence industry by 2025

Lists out policy initiatives to achieve the goal under 'Make in India'

Posted On: 18 NOV 2019 2:15PM by PIB Delhi

Raksha Mantri Shri Rajnath Singh today exhorted defence manufacturing companies to become part of 'Make in India', reaffirming the Government's commitment to achieve USD 26 billion defence industry by 2025. Raksha Mantri was speaking at a business seminar 'India Rising', organised by the Indian Chamber of Commerce at 'Defence & Security Exhibition 2019' in Bangkok, Thailand. He said, the defence sector has been given prominence under the 'Make in India' initiative to reduce dependence on imports and make India a major defence manufacturing hub & net exporter of defence equipment and platforms.

Shri Rajnath Singh said, the Government has set a target of taking India's defence exports to USD five billion by 2025 under the 'Draft Defence Production Policy 2018'. "On one hand this target is ambitious, but at the same time it is encouraging that India's defence exports have grown almost six-fold in the last two years," he added. Shri Rajnath Singh said, USD 10 billion investment in aerospace and defence goods & services is expected by 2025 which could provide employment to 2-3 million people.

Raksha Mantri listed out various initiatives taken by Ministry of Defence (MoD) that led to rapid increase in exports. These include simplification of procedures for exports, simplification of industry licensing process, increase in Foreign Direct Investment (FDI) cap, streamlining of defence offset policy and making government trial and testing facilities available to the private sector. He added that the 'Defence Procurement Procedure' was revised in 2016 to encourage the domestic defence industry. A new category 'Buy Indian - IDDM (Indigenously Designed, Developed and Manufactured)' was introduced to promote indigenous design and development of defence equipment.

"The government's desire to establish two defence corridors in Tamil Nadu & Uttar Pradesh is clear. A Defence Innovation Hub is already functioning in Coimbatore. A Defence Planning Committee has also been formed. In this regard, the Government of Uttar Pradesh has planned to build a defence manufacturing corridor along with the proposed Bundelkhand Expressway which will help in making India self-reliant in the field of defence production," Shri Rajnath Singh added.

Raksha Mantri also highlighted the Government has undertaken far-reaching reforms in the last five and a half years to increase synergy between public and private sector. It has contributed positively in defence production and procurement. He said, work is on to introduce a common testing and certification scheme under a Public Private Partnership model to create an enabling environment.

Shri Rajnath Singh voiced the Government's resolve to promote self-reliance in defence through five I's (Identification, Incubation, Innovation, Integration and Indigenisation). He said, MoD has set a target to fund 250 startups, 16 personal initiatives and five Defence Innovation Hubs through Defence Innovation Organisation (DIO) in the next five years. He hoped that at least 50 technological designs would be made to

meet the requirements of the Armed Forces. A Defence Innovation Fund is also being prepared to support government participation through equity investment in defence startups.

“A new Transfer of Technology (ToT) policy is being created to simplify the way of transferring technology developed by DRDO to the industry. So far, more than 900 ToT licensing agreements have been signed with industries which is a major step towards making the defence manufacturing sector self-sufficient,” Shri Rajnath Singh added.

Raksha Mantri invited domestic and overseas investors to actively participate in the forthcoming DefExpo to be held in Uttar Pradesh capital Lucknow from February 5-8, 2020.

ABB/SS/DK/Savvy/MTJ

(Release ID: 1591938)