

Government for promoting private industry investment in defence sector, says Raksha Mantri Shri Rajnath Singh

Defence Industry production at Rs 80,000 crore in 2018-19

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Raksha Mantri Shri Rajnath Singh has voiced government's desire to encourage private industry investment in defence sector while also strengthening defence PSUs and Ordnance Factory Board (OFB). Addressing CEOs of top Defence and Aerospace companies at a roundtable with the theme 'Make in India in Defence Industry' here today, Shri Rajnath Singh said defence companies have huge opportunities in contributing to domestic market in addition to exports.

Raksha Mantri said the strategic partnership model has been notified to establish defence manufacturing infrastructure and supply chain through which Indian companies could choose a partner through a competitive and transparent process. He added that FDI policy in defence sector has been liberalised.

Regarding the offset processing, Shri Rajnath Singh said the Ministry has set up an end-to-end offset processing portal through which proposals of value USD 1.5 billion were processed. Entry barriers for MSMEs were also reduced and this resulted in doubling of defence licenses issued from 215 in 2014 to 440 in 2019.

Raksha Mantri said the Defence Investor Cell established a year ago in the Ministry has processed nearly 550 queries and grievances.

While highlighting various measures initiated by the government to encourage defence exports, Shri Rajnath Singh urged the industry to work towards increasing exports to friendly countries. He said export procedure has been simplified and defence procurement procedure was revised in 2016 to encourage indigenous design, development and manufacture.

Raksha Mantri said self reliance in defence sector would not be possible without development of indigenous technology and called for steps to develop related technologies within the country. He said there is greater possibility now because the contribution of digital technologies in defence sector is on the upswing and India has strong capabilities to develop such technologies where startups have a significant role to play.

Shri Rajnath Singh said the Indian defence industry's production was Rs 80,000 crore in 2018-19 of which Rs 16,000 crore was the contribution from the private sector.

Raksha Mantri said our nation is confidently scaling new heights based on strong political leadership strengthened by strategic economy. He called for a multi-pronged approach to achieve the aim of 'Make in India'.

Earlier, in his welcome address, Secretary (Defence Production) Dr. Ajay Kumar said the roundtable has been organised to obtain views and suggestions from the industry to further improve the systems and procedures in the defence sector.

Raksha Rajya Mantri Shri Shripad Yesso Naik, senior officials of the Ministry, Defence PSUs, OFB and CEOs & representatives of top Defence manufacturing companies were present on the occasion.

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