Projects Under Make In India Programme

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Capital acquisition of defence equipment is carried out as per the Defence Procurement Procedure (DPP), which stipulates a time schedule for completion of the procurement cycle. However, the time taken to undertake capital procurement of defence equipment depends on the nature and complexity of the equipment being procured. The procurement of defence equipment involves rigorous trials, after which detailed bid evaluations and comprehensive commercial negotiations have to be undertaken. Nonetheless, under the DPP-2016, Government has laid down provisions for ensuring swift decision making and effective implementation of the procurement process.

Defence Procurement Procedure focuses on achieving the "Make in India" vision by according priority to 'Buy (Indian – IDDM (Indian Designed, Developed and Manufactured)), 'Buy (Indian)' and 'Buy & Make (Indian)' categories over Buy (Global) category of capital procurement. During the last two financial years 2014-15 and 2015-16), 73 contracts involving a value of Rs.72,303.34 crore were signed with Indian vendors. During the same period, 85 cases involving Rs.1,60,362 crore have been accorded Acceptance of Necessity (AON) by Defence Acquisition Council under the 'Buy (Indian)' 'Buy & Make (Indian)' and 'Buy & Make' categories.

The Dhirendra Singh Committee has recommended a 'Strategic Partnership Model' for creating capacity in the private sector on a long-term basis over and above the capacity and infrastructure that exists in Public Sector Units. However, the policy and criteria for selection of Strategic Partners, is to be finalised after wider consultations with all stakeholders.

This information was given by Minister of State for Defence Dr. Subhash Bhamre in a written reply to Shri P.V. Midhun Reddy in Lok Sabha today.

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