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INDIA's SELF RELIANCE IN DEFENSE SECTOR

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Introduction

India's vision of self-reliance in the defence sector stems from the need to ensure **national security, strategic autonomy, and reduced dependence on foreign imports. Recognizing** that over 60% of India's defence needs were historically met through imports, the government launched initiatives like **Atmanirbhar Bharat in Defence (2020) and the Defence Production and Export Promotion Policy (DPEPP 2020)** to transform India into a global hub of defence manufacturing. The focus lies on **indigenisation, technological innovation, public-private partnership, and export promotion,** aiming to achieve not only import substitution but also defence exports worth USD 5 billion by 2025.

NEED FOR THE INDIGENISATION IN DEFENSE SECTOR:

l**Strategic Autonomy & National Security**

Reducing reliance on foreign suppliers enhances India's ability to respond swiftly during crises without geopolitical constraints.

Example: Development of Mission Sudarshan Chakra, India's very own Iron-Dome-like air defense system, reflects this strategic push.

l**Supply-Chain Resilience**

Local manufacturing mitigates vulnerabilities from global disruptions, such as geopolitical conflicts or crises impacting foreign supliers.

Example: India's growing reliance on domestic content reduces exposure to supply shocks.

l**Modernisation of Critical Defence Platforms**

Indigenous development of complex platforms ensures self-reliance across sectors—air, sea, and land.

Examples:INS Vikrant, India's first indigenous aircraft carrier, with 76% local content.

l**Fiscal Stability & Import Reduction**

India remains one of the world's top defence importers, placing significant strain on fiscal resources. Increasing domestic production helps curb imports and reduce the fiscal deficit.

l**Boosting Economic Growth & Industrial Capacity**

Defence manufacturing drives economic expansion, building an industrial base, supporting MSMEs, and generating high-skilled jobs through multiplier effects across sectors.

l**Technological Innovation & R&D Ecosystem**

Indigenisation fosters a vibrant R&D environment, unlocking innovation in critical technologies and platforms through collaboration between startups, academia, and industry.

INDIA'S INITIATIVES IN DEFENSE SECTOR

1.Atmanirbhar Bharat Abhiyan (Self-Reliant India Mission)

The overarching policy framework that aims to reduce dependence on imports and promote indigenous production in all sectors, with defence as a priority.

2. Defence Procurement Policy / Defence Acquisition Procedure (DAP 2020)

Prioritizes indigenous procurement categories ("Buy Indian–IDDM") over imports.Streamlines acquisition processes for equipment from Indian vendors and encourages technology transfer and Make in India initiatives.

3. Defence Production and Export Promotion Policy (DPEPP) 2020

Sets clear targets for ramping up defence manufacture and exports (e.g., $5 billion by 2024).Promotes growth of the domestic industry and prioritizes design and development in India.

4.Positive Indigenization Lists

Lists hundreds of defence items, weapons, and platforms that the Indian armed forces will procure only from domestic sources within set timeframes, banning their import.

5. FDI Reforms

Increases Foreign Direct Investment (FDI) limit from 49% to 74% under the automatic route, encouraging global firms to manufacture in India and collaborate with local companies.

6. Defence Industrial Corridors

Establishes dedicated industrial zones in Uttar Pradesh and Tamil Nadto cluster manufacturing and R&D activities.

7. Support to MSMEs, Private Sector & Startups

Extensive public-private partnerships for design, R&D, and manufacturing.Policies to empower startups, MSMEs, and private companies with incentives, procurement opportunities, and funding for innovation.

CHALLENGES IN INDIGENISATION OF DEFENSE SECTOR:

1. Technological Gaps

India lags in critical defence technologies such as stealth, long-endurance UAVs, advanced radars, and jet engines.

Example: India's fighter jet Tejas Mk-1A uses the GE F404 engine imported from the US due to lack of indigenous jet engine capability.

2. Dependence on Foreign OEMs (Original Equipment Manufacturers)

High-end components (avionics, propulsion systems, semiconductors) are still imported.

Example: Despite INS Vikrant being indigenously built, key parts like aviation systems came from foreign suppliers.

3. R&D Deficiencies

Defence R&D spending is less than 1% of GDP, with limited collaboration between DRDO, academia, and private industry.

Example: The Kaveri engine project for fighter jets has struggled for decades without success.

4. Procurement Delays & Bureaucratic Hurdles

Complex procurement rules under Defence Acquisition Procedure (DAP 2020) create delays, deterring private industry.

Example: Many “Make in India” defence projects face 5–7 years delay before clearance.

5. Quality & Reliability Concerns

Indigenous products often face quality-control issues, reducing trust by armed forces.

Example: The Army has repeatedly raised issues with the Arjun Main Battle Tank over weight and reliability.

6. Limited Private Sector Participation

Defence sector historically dominated by PSUs and Ordnance Factories; private players face entry barriers, lack of assured orders.

Example: Of total defence production in FY 2023–24 (?1.27 lakh crore), DPSUs accounted for ~65%, limiting private share.

7. Funding Constraints for Startups & MSMEs

Startups face challenges in scaling due to long gestation periods and uncertain procurement.

Example: Though initiatives like iDEX support startups, only ~619 startups have been onboarded so far compared to the scale needed.

CONCLUSION :

Indigenisation of defence is not merely an economic choice but a strategic imperative for India’s security and autonomy. While challenges such as technology gaps, import dependence, and institutional bottlenecks persist, initiatives like Defence Production and Export Promotion Policy (2020), iDEX, and Defence Industrial Corridors show a clear policy push. By fostering R&D investment, private sector participation, and global-standard quality, India can transform from being the world’s largest importer to becoming a net exporter of defence systems, thereby realising the vision of Atmanirbhar Bharat in defence.