



AIRCRAFT COMPLEX - DEFENCE

NEWS: The inauguration of the TATA Aircraft Complex in Vadodara, Gujarat, marks a significant milestone in India's goal of self-reliance (Atmanirbharta) in the defence sector.

- This facility will manufacture C-295 military transport aircraft, becoming the first private sector Final Assembly Line (FAL) for military aircraft in India.

WHAT'S IN THE NEWS?

The project underscores the government's efforts to boost indigenous defence production and reduce reliance on foreign imports.

Achievements in Defence Production

- **Record Growth:** Defence production reached a historic high of Rs 1.27 lakh crore in FY 2023-24, reflecting a 174% increase from Rs 46,429 crore in 2014-15.
- **Shift from Imports:** Previously reliant on imports for 65-70% of its defence needs, India now manufactures about 65% of its defence equipment domestically.
- **Private Sector Contribution:** The private sector accounts for 21% of India's defence production, supported by 16 Defence Public Sector Units (DPSUs), over 430 licensed companies, and approximately 16,000 Micro, Small, and Medium Enterprises (MSMEs).



Development of Key Defence Platforms

- **Indigenous Platforms:** India's defence capabilities have expanded under the "Make in India" initiative with platforms such as the Dhanush Artillery Gun System, Advanced Towed



Artillery Gun System (ATAGS), Main Battle Tank (MBT) Arjun, and Light Combat Aircraft (LCA) Tejas.

Surge in Defence Exports

- **Growth in Exports:** Defence exports surged from Rs 686 crore in FY 2013-14 to Rs 1,083 crore in FY 2023-24, a 30-fold increase over a decade.
- **International Presence:** India's defence exports saw a 32.5% rise over the previous fiscal year, reflecting its expanding global footprint. Products such as bulletproof jackets, Dornier aircraft, lightweight torpedoes, and 'Made in Bihar' boots for the Russian Army highlight India's manufacturing capabilities.
- **Future Goals:** India aims to increase defence exports to Rs 50,000 crore by 2029, targeting key markets such as the USA, France, and Armenia.

Government Initiatives for Defence Self-Reliance

- **Liberalized FDI Policy:** Foreign direct investment limits increased to 74% via the Automatic Route and up to 100% for access to advanced technology.
- **Budget Allocation:** Rs 6,21,940.85 crore allocated to the Ministry of Defence in FY 2024-25 to boost domestic manufacturing.
- **Priority for Domestic Procurement:** Emphasis on purchasing capital items from domestic sources under the Defence Acquisition Procedure (DAP)-2020.
- **Positive Indigenization Lists:** A total of 509 items identified for indigenization, with import restrictions beyond specific deadlines.
- **Streamlined Licensing:** Simplified industrial licensing with extended validity periods.
- **iDEX Scheme:** Engages startups and MSMEs in defence innovation.
- **Defence Industrial Corridors:** Corridors established in Uttar Pradesh and Tamil Nadu to promote defence manufacturing.
- **Public Procurement Preference:** Implementation of the Public Procurement (Preference to Make in India) Order 2017 to support local manufacturers.