

INDIA TO BRING DOWN DEFENCE EQUIPMENT IMPORT BILL BY \$2 BILLION BY 2022: SINGH

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NEW DELHI: Indian companies were awarded defence contracts worth \$37 billion during 2016-19, defence minister Rajnath Singh said on Friday, adding that [New Delhi](#) will endeavour to bring down its [defence](#) equipment import bill by at least \$2 billion by 2022.

Speaking at an event that is part of the three-day Aero India show, Singh said India plans to scale up its domestic military hardware manufacturing base from the current \$11 billion to \$25 billion by 2025.

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"Of this, we further intend to create an export component of \$5 billion," he said on the last day of the Aero India show. More than 500 companies, including 80 foreign firms participated in the event this year held against the backdrop of the covid-19 pandemic.

"With an aim of encouraging the manufacture of defence related items in India, our endeavour will remain to bring down defence imports by at least \$2 billion by 2022. Between 2016 and 2019, 138 proposals worth over \$37 billion for domestic manufacturing have been approved," the minister said.

India has announced an ambitious Atmanirbhar Bharat, or Self Reliant India, goal that aims to strengthen its domestic manufacturing base that would in turn help it plug into global supply chains. To attract foreign investment into defence manufacturing, the Modi government last year announced a slew of measures including raising the cap on foreign investment from 49% to 74%. It has also brought out a list of 101 items that India will not import.

According to the Stockholm International Peace Research Institute (SIPRI), India was the second largest arms importer – second only to Saudi Arabia – between 2015-19. Saudi Arabia, India and China were also among the top five importers during the period 2010–14. At the DefenceExpo last year, Prime Minister Narendra Modi had set Indian industry the task of ensuring \$5 billion in defence exports by 2025.

In his speech in the Aero India show, Singh said there were 128 MoUs (memoranda of understanding or preliminary pacts) signed besides 19 transfers of technology agreements. There were 18 new product launches that happened during the event, he said.

"Further, 45 MSMEs (micro, small and medium enterprises) participating in Aero India have already bagged orders worth 203 crore," Singh said adding that this was a "major achievement."

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