

**'Make in India' in Defence Sector**

Ministry of Defence

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The policy on Strategic Partnerships in Defence Sector was promulgated on 31.05.2017 as Chapter VII of Defence Procurement Procedure (DPP) 2016 titled as "Revitalising Defence Industrial Ecosystem through Strategic Partnerships".

The Policy on Strategic Partnerships is intended to institutionalise a transparent, objective and functional mechanism to encourage broader participation of the private sector, in addition to DPSUs / OFB, in the manufacture of defence platforms and equipment such as aircraft, submarines, helicopters and armoured vehicles. It will serve to enhance competition, increase efficiencies, facilitate faster and more significant absorption of technology, create a tiered industrial ecosystem, ensure development of a wider skill base and trigger innovation. The 04 segments identified for acquisition under Strategic Partner (SP) route are, (i) Fighter Aircraft; (ii) Helicopters; (iii) Submarines; and (iv) Armoured Fighting Vehicles (AFVs) / Main Battle Tanks (MBTs).

From a strategic perspective, this will help to reduce current dependence on imports aligning the Defence sector with 'Make in India' initiative of the Government of India and gradually ensure greater self-reliance and dependability of supplies essential to meet national security objectives.

The Strategic Partner (SP) is expected to play the role of a System Integrator by building an extensive eco-system comprising development partners, specialised vendors and suppliers, in particular, those from the micro, small and medium enterprises (MSME) sector. SP shall develop tiered industries in each segment by entering into teaming agreements and development partnerships with other industries, including micro, small and medium enterprises (MSMEs), DPSUs, Ordnance Factories, other Public Sector Undertakings, Defence Research & Development Organisation and foreign companies that are part of the global supply chain in the relevant sector, so that an eco-system of domestic manufacturers in the Indian defence sector is developed, including for spares and capacities for repair and maintenance of the platforms.

This information was given by Raksha Rajya Mantri Dr. Subhash Bhamre in a written reply to Shri Dhiraj Prasad Sahu in Rajya Sabha today.

**NAo/Nampi/Rajib/HS**

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