

# PM Modi calls for self-reliance in Defence: Rajnath Singh announces more plans for private sector and start-ups

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In his inaugural address at the post budget webinar 'Aatmanirbharta in Defence – Call to Action' organized by the Ministry of Defence, PM Modi said the emphasis on Aatmanirbharta in defence sector is clearly visible in this year's budget.

Stressing the importance of customization and uniqueness of the defence systems for having a surprise element over the adversaries, Prime Minister [Narendra Modi](#) on Friday said that the budget for FY 2022-23 has a blueprint for developing a vibrant ecosystem. In his inaugural address at the post budget webinar 'Aatmanirbharta in Defence – Call to Action' organized by the Ministry of Defence, PM Modi said the emphasis on Aatmanirbharta in defence sector is clearly visible in this year's budget.

In his address, the PM recalled that India's defence manufacturing was quite strong even during the period of slavery and in the immediate aftermath of independence. In World War II, Indian made weapons played an important role. "Though, in the later years, this prowess of ours went into decline, still it shows that there has been no dearth of capabilities, neither then nor now", he said.

Lamenting the long-drawn process of weapon procurement which often results in a scenario where weapons can get outdated by the time they are commissioned, he emphasized "Solution for this is in 'Aatmanirbhar Bharat' and '[Make in India](#)'".

According to him, "Uniqueness and surprise elements can only happen when the equipment is developed in your own country". Adding, "About 70 percent of the defence budget has been kept for domestic industry only."

Lauding the Ordnance Factories over their progress, PM Modi in his address said that the defence exports have gone up six times in the last 5-6 years and added that Made in India equipment is being exported to 75 countries.

## What did Defence Minister [Rajnath Singh](#) say?

To promote industry led R&D efforts, defence Minister Rajnath Singh in his valedictory address, made announcements which would help the startups and the industry.

The minister said that at least five projects under Make-1 during financial year 2022-23 were sanctioned; Quality Assurance process will be reformed to make it non-intrusive, free from Inspector Raj and is prevention based.

As reported earlier, all projects under the 'Make-I' category involve government funding of 90 per cent. And as per the terms agreed between the Ministry of Defence and the vendor, the funding is released in a phased manner and is based on the progress of the scheme.

And to help the ever growing numbers of startups in the defence sector, the minister announced that iDEX-Prime will support projects which require support beyond Rs 1.5 crore up to Rs 10 crore.

To ensure the allocated budget is utilized fully by all the services, a panel will be set up which will have representatives from all the three services to monitor.

In his post-budget webinar speech the minister highlighted the government's commitment to reducing imports and modernising armed forces with indigenous technology, he said that further impetus has been given in the budget this year.

## Budgetary Allocation

An action plan has been drawn up for time bound implementation of the budget announcements for self reliance in the defence.

There has been a progressive increase in the capital procurement budget for the domestic industry, with 68 per cent of the capital procurement budget earmarked for 2022-23.

So far, the MoD has released Positive Indigenisation Lists which has more than 200 defence Platforms and Equipments and contracts worth Rs 54 thousand crore have been inked for domestic procurement. And the process of procurement for platforms worth Rs 4.5 lakh crore is at various stages of discussions. And the third list is expected to be out soon.

Mr Singh also urged the private industry, academia and startups to join hands with DRDO/DPSUs and other organisations under the MoD to help in achieving more in the defence manufacturing and R&D.

He also underscored the importance of adequate infrastructure and facilities for testing, trial & certification of indigenous products for the potential growth of the defence industry. For creating a 'Made in India' brand as per international standards, this is very important. For meeting these requirements, according to the minister it has been decided to set up an autonomous Governing body to regulate, hand-hold, permit, monitor and supervise Testing, Trial, and Certification facilities and services which are offered by Ministry of Defence and other organizations.

For undertaking R&D, there were detailed deliberations on the Special Purpose Vehicle (SPV) model.

## Who were present at the webinar?

Minister of state for Defence Ajay Bhatt; Defence Secretary Dr Ajay Kumar, Chief of the Air Staff Air Chief Marshal VR Chaudhari, Vice Chief of the Naval Staff Vice Admiral SN Ghormade, Vice Chief of the Army Staff Lt Gen Manoj Pande. Also present were Financial Advisor (Defence Services) Sanjiv Mittal and other senior civil and military officials of Ministry of Defence.