

Modified defence procurement policy in three months, defence minister Manohar Parrikar says

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Defence minister Manohar Parrikar on Sunday promised a modified procurement policy in three months. (File photo)

AHMEDABAD: Defence minister Manohar Parrikar said on Sunday that his ministry would come up with defence procurement policy (DPP), preferring purchase of equipment made in India, within three months.

Speaking at a seminar 'Gujarat: Preferred Hub for Defence Production' during the Vibrant Gujarat summit, the minister said India cannot afford spending \$20 billion on defence procurement, and for this, promoting local manufacturing is must and the country will promote private players in this field. "The government hopes to come up with a document in two or three months on a suitable model for defence manufacturing and procurement... We have listed certain items that are not going to be imported from 2016. These will increase later on. But we are coming up with the document in February-March on modified DPP."

Responding to Gujarat's keenness on having defence equipment manufacturing facilities, the defence minister said that Gujarat has got an "industrial base and a private line also", thus for those intending to invest in defence equipment in Gujarat, it would have double advantage. He said that this is the way to realize Prime Minister Narendra Modi's 'Make in India' dream.

Two companies pledged investment for manufacturing defence equipment in Gujarat, and intend to base this industry in North Gujarat districts of Banaskantha, Sabarkantha and the border district of Kutch apart from the coastal region. Bharat Forge said it would upgrade facilities for armoured fighting vehicles, defence electronics manufacturing and radar manufacturing facilities.

Defence experts also lauded the gesture of inviting private players to manufacture defence equipments in India. Chairman of Saab India Lars Olaf Lindgren said, "Not only India will benefit with this, foreign companies with expertise in different fields will also gain by partnering with India and Indian companies to manufacture in this country."

Sanjay Garg, the defence ministry's joint secretary, said that in the next 7-8 years, the capital budget for modernization of armed forces is going to be \$130 billion. This is the perfect condition for any company to come to India.

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