



India's Defence Exports

For Prelims: Defence Technology

For Mains: Technology, Defence Exports, Indigenization of Technology

Why in News?

India's defence exports for 2021-22 were estimated at Rs 13,000 crore, the highest ever.

- The U.S. was a major buyer, as also nations in Southeast Asia, West Asia and Africa.

What are the Key Highlights?

- The **private sector accounted for 70%** of the exports, while public sector firms accounted for the rest.
 - Earlier, the private sector used to account for 90% but now the share of defence public sector units had gone up.
- While India's defence imports from the U.S. have gone up significantly in recent years, **Indian companies have been increasingly becoming part of the supply chains of U.S. defence companies.**

What steps have been taken recently to boost defence exports?

- In January 2022, India signed a **[USD 374.96-million deal with the Philippines](#)**, its **single biggest defence export order**, for the supply of three batteries of shore-based anti-ship variant of the **[BrahMos supersonic cruise missile](#)**.
- India has **imposed a [phased import ban on 310 different weapons](#)** and systems during the last two years, which helped boost export.
 - These weapons and platforms will be indigenised in phases over the next five to six years.
- The **increased partnership with the private sector** has led to a substantial rise in defence exports.

What is the Status of India's Defence Exports?

- Defence exports are **a pillar of the government's drive to attain self-sufficiency** in defence production.
- Over 30 Indian defence companies have exported arms and equipment to countries like Italy, Maldives, Sri Lanka, Russia, France, Nepal, Mauritius, Sri Lanka, Israel, Egypt, UAE, Bhutan, Ethiopia, Saudi Arabia, Philippines, Poland, Spain and Chile.
- The exports include personal **protective items, defence electronics systems, engineering mechanical equipment, offshore patrol vessels, advanced light helicopters, avionics suits, radio systems and radar systems.**
- However, India's defence exports are still not upto the expected lines.
 - The **[Stockholm International Peace Research Institute \(SIPRI\)](#)** ranked India at

number 23 in the list of major arms exporters for 2015-2019.

- India still accounts for only 0.17% of global arms exports.
- Reason for dismal performance in India's Defense exports is that, India's Ministry of Defense so far has no dedicated agency to drive exports.
- India has set a target of clocking defence exports worth USD 5 billion by 2024.

What are the Initiatives Related to Defence?

- **Defence Production and Export Promotion Policy 2020 (DPEPP 2020):**
 - The [DPEPP 2020](#) is envisaged as an overarching guiding document to provide a focused, structured and significant thrust to defence production capabilities of the country for self-reliance and exports.
- **Multi-Pronged Steps Towards Self Reliant Defense Sector:**
 - There have been progressive changes with one focus to empower the private industry.
 - The [DPP 2016](#) came out with a new category called [Indian IDDM](#) (Indigenously Designed, Developed and Manufactured) .
 - If any Indian company opted for Indian IDDM, it was given preference over all other categories.
- **Strategic Partnership:**
 - A strategic partnership model allows indian companies to collaborate with [foreign OEMs](#) and get transfer of technology, get the capability to build, manufacture india and sustain those projects in india.
 - The first of the RFP for the [conventional submarines](#) in functioning.
- **Positive Indigenization:**
 - For the first time the government is putting a ban on itself to import any item, the Government wants to empower the [indigenous industry](#).
 - **There are two positive indigenization** lists of 101 items and 108 items that range from platforms to weapon systems to sensors to the entire plethora of items.

[Source: TH](#)

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