



India 2nd largest Arms Importer: SIPRI

[Source: TH](#)

Why in News?

India's share of global arms imports fell to 8.3% in 2020-24, making it the **2nd-largest arms importer, after Ukraine**, as per the [Stockholm International Peace Research Institute \(SIPRI\)](#) report.

What are the Key Findings of the Report on Arms Trade?

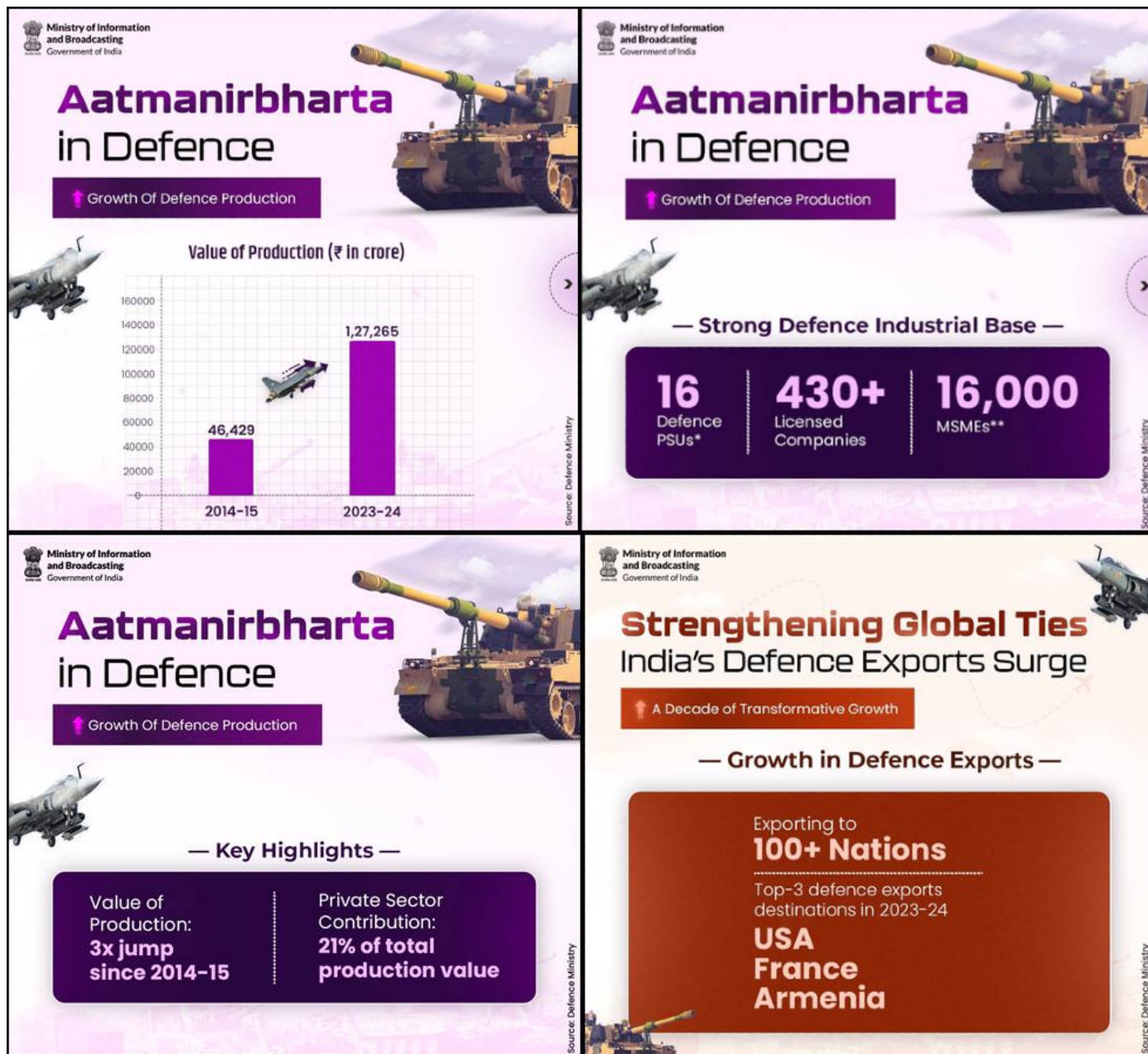
- **India:** India's arms imports declined by 9.3% compared to 2015-19. Russia remained India's top supplier, but its share dropped from 72% (2010-14) to 36% (2020-24).
 - France emerged as **India's second-largest supplier** (28% of its total exports went to India).
- **India's Neighbors:** Pakistan's Arms Imports Grew by 61%. China supplied 81% of Pakistan's total arms imports.
 - For the first time since **1990-94**, China dropped out of the **top 10 arms importers** as its **arms imports declined by 64%**, reflecting a stronger **domestic defense industry**.
- **Asia and Oceania:** India, Pakistan, Japan, and Australia ranked among the 10 largest arms importers globally in 2020-24.
- **US:** Retains position as the largest arms exporter, supplying weapons to Ukraine, [North Atlantic Treaty Organization \(NATO\)](#) allies, and Asia-Pacific nations.
- **Europe:** European arms imports surged by 155%, as countries increased defense spending in response to Russia's invasion of Ukraine.
 - **France overtakes Russia as the 2nd-largest arms exporter**, with India (28%) as the top buyer, followed by Qatar.
 - India procured **Rafale jets and Scorpene submarines** from France.
 - **Ukraine** saw a 100-fold increase in arms imports due to the [war with Russia](#). It received 8.8% of global arms imports, with the US, Germany, and Poland as top suppliers.
- **Russia:** Russia's global arms exports dropped by **64%**, falling to 7.8% of global exports (third place) due to **Western sanctions and production constraints**.
 - However, **India (38%)**, China (17%), and Kazakhstan (11%) remained its top buyers.
- **Middle East:** Arms imports fell by 20%, but the region remains a major importer, with Qatar becoming the 3rd-largest arms importer globally.
- **Global Arms Transfers:** Global arms transfers remained stable compared to 2015-19 and 2010-14, but were 18% higher than 2005-09, with rising imports in Europe and the Americas offset by decreases in other regions like China.

What are India's Initiatives to Reduce Arms Imports?

- **Budget:** Rs 6.21 lakh crore allocated for defence in [Budget 2024-25](#), with 75% of capital procurement reserved for **domestic manufacturers**.
 - **Self-Reliant Initiatives through Joint Action (SRIJAN)** portal launched to facilitate procurement from Indian vendors.
- **Production:** India's defence production reached a record value of Rs 1.27 lakh crore in 2023-24, a 174% rise from 2014-15.

- The top three destinations for India's defence exports in 2023-24 were the **US, France, and Armenia**.
- **Positive Indigenization Lists:** [Five 'Positive Indigenization Lists'](#) comprising defence items have been released. These lists place an **embargo on the import of these items**, ensuring they are produced within India.
- **Defence Acquisition Procedure (DAP) 2020:** Prioritizes domestic procurement over foreign purchases.
 - Introduced categories like "**Buy (Indian-IDDm)**" (**Indigenously Designed, Developed, and Manufactured**).
 - Promotes [Make-I](#) and [Make-II](#) projects to encourage private-sector participation in defence manufacturing.
- **Defence Industrial Corridors (DICs):** Two corridors established in **Uttar Pradesh and Tamil Nadu** to boost defence manufacturing.
- **Private Sector & FDI Participation:** **74% Foreign Direct Investment (FDI)** via the **Automatic Route** and **100% via the Government Route** in defence manufacturing.
 - 21% of India's total defence production now comes from the private sector.
- **Defence Public Sector Units (DPSUs):** India has 16 DPSUs, including **Hindustan Aeronautics Limited (HAL)**, Bharat Electronics Ltd (BEL), and Mazagon Dock Shipbuilders.
 - Major indigenization projects led by DPSUs include **INS Vikrant** (India's first indigenous aircraft carrier), **LCA Tejas** (advanced fighter jet developed by HAL).
- **R&D & Innovation:** [IDEX \(Innovations for Defence Excellence\)](#) initiative promotes startups and MSMEs in developing cutting-edge military technology.
- **Future Goals:** India is aiming for Rs 1.75 lakh crore worth of defence production in 2025, with a target of Rs 3 lakh crore by 2029.





Drishti Mains Question:

India's defence production has seen significant growth in recent years. Critically examine the government's initiatives to boost domestic defence manufacturing.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Mains

Q. Foreign Direct Investment (FDI) in the defence sector is now set to be liberalized: What influence this is expected to have on Indian defence and economy in the short and long run? **(2014)**

