



**BACKGROUNDS**  
Press Information Bureau  
Government of India



## Atmanirbharta in Defence Sector

August 15, 2025

Prime Minister Narendra Modi at his Independence Day address on 15th August, 2025:

- We have witnessed the strength of Make In India in Operation Sindoor. The enemy could not even comprehend the capability of the weapons that destroyed them within seconds.
- Empowered by Make In India, our defence forces were able to carry out their courageous feats without any obstacle, and the mission of Atmanirbharta followed in the defence sector over the past 10 years is delivering remarkable results today.
- By 2035, over the next decade, the nation remains committed to expanding, strengthening, and modernising its national security shield.
- Drawing inspiration from the wisdom and valour of Lord Shri Krishna, the country will soon embark on the Sudarshan Chakra Mission.
- 'Red corridors' of Naxalism have now become green corridors of development.
- We must strive to produce Made-in-India jet engines for our fighter aircrafts.

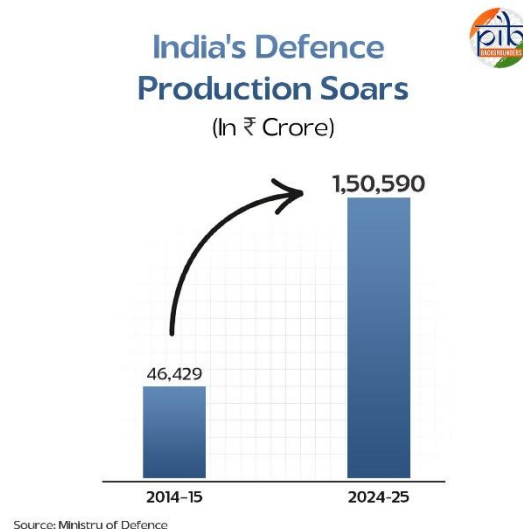
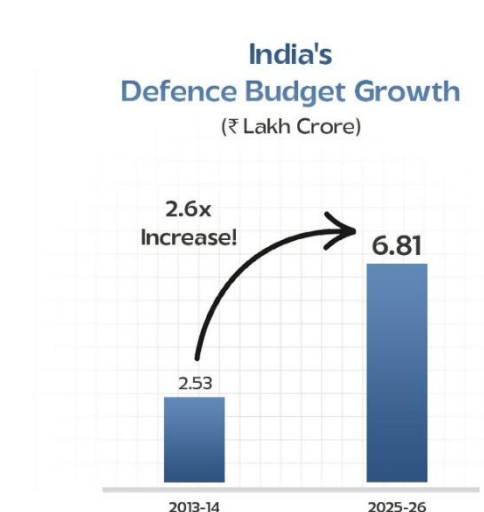
### Introduction

Over the past eleven years, India's defence sector has transformed from being one of the world's largest arms importers to an emerging hub for indigenous production. Atmanirbharta in defence has been the guiding principle, driving policies that prioritise local design, development, and manufacturing. Government reforms, strategic investments, and industry partnerships have fuelled innovation and strengthened domestic capabilities.

### Key Milestones Achieved in Atmanirbharta

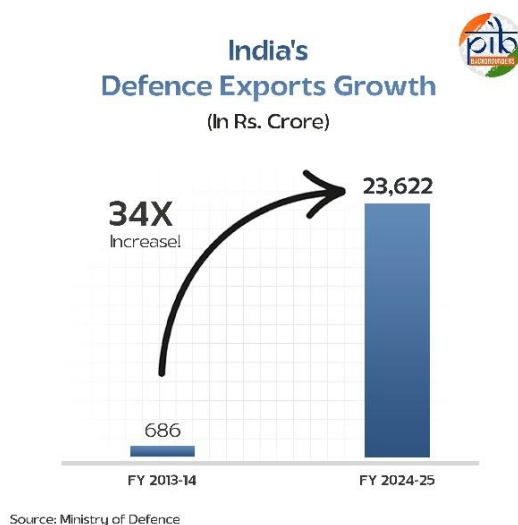
#### Strengthening The Roots of Defence Sector

- The defence budget has seen a steady rise, growing from ₹2.53 lakh crore in 2013–14 to ₹6.81 lakh crore in 2025–26.
- In 2024–25, India achieved its highest-ever defence production of ₹1.50 lakh crore, over three times the ₹46,429 crore recorded in 2014–15.
- India's defence exports have surged from ₹686 crore in 2013–14 to ₹23,622 crore in 2024–



25, a 34-fold rise that underscores the government's push for a self-reliant and globally competitive defence industry.

- Driven by government policy reforms, ease of doing business initiatives, and a push for self-reliance, India now exports to over 100 nations.
- The top three destinations for India's defence exports in 2023-24 were the USA, France, and Armenia.



### Self-Reliance through Defence Acquisition & Indigenisation Reforms

- **DAP 2020 with Focus on Indian-IDD** – The Defence Procurement Procedure 2016 was revised as Defence Acquisition Procedure 2020, aligning with the Aatmanirbhar Bharat Abhiyan. It gives the highest priority to the 'Buy (Indian-Indigenously Designed,

Developed and Manufactured)' category to ensure that major defence purchases are made from Indian sources with local design and development.

- **Simplified 'Make' Procedure** – Encourages Indian industry to design, develop, and manufacture defence products, reducing import dependence. Under *Make-I*, the government funds up to 70% of development cost and reserves certain projects for MSMEs. The *Make-II* category (industry-funded) offers relaxed eligibility, minimal paperwork, and accepts proposals from industry or individuals. So far, 62 projects for the Army, Navy, and Air Force have received 'Approval in Principle'.
- **Liberalised FDI in Defence** – Foreign Direct Investment limit raised to 74% via automatic route for new defence industrial licences, and up to 100% by government approval in cases involving access to advanced technology. This is aimed at attracting foreign capital and technology to boost domestic manufacturing.
- **Boosting Innovation – iDEX & TDF**
  - Innovations for Defence Excellence (iDEX), launched in 2018, supports startups, MSMEs, academia, and innovators with grants and funding to develop technologies for defence and aerospace.
  - Technology Development Fund (TDF) offers grants to public and private industry, especially MSMEs, to build advanced defence technology capabilities.
- **Indigenisation Portals –**
  - *SRIJAN Portal* (launched 2020) lists defence items previously imported, inviting industry to develop them locally. So far, 46798 items have been listed.

Positive Indigenisation Lists
DPSUs' (Defence Public Sector Undertakings) First List: 2851
DPSUS' Second List: 107
DPSUS' Third List: 780
DPSUS' Fourth List: 928
DPSUs' Fifth List: 346
<b>GRAND TOTAL: 5012</b>

- **Offset Portal (launched 2019)** ensures transparency in offset contracts, with policy reforms that encourage investment in Indian manufacturing and technology transfer by awarding higher multipliers for such contributions.
- **Strategic Partnership (SP) Model** – Introduced in 2017 to create long-term partnerships between Indian companies and global Original Equipment Manufacturers (OEMs). These partnerships focus on technology transfer and setting up manufacturing infrastructure in India.

- **International Defence Cooperation** – In 2019, India signed an Inter-Governmental Agreement with Russia to jointly manufacture spares and components for Russian-origin defence equipment in India, improving operational availability and reducing dependence on imports.
- **Ease of Doing Business in Defence** – Defence products requiring industrial licences have been rationalised, and most parts/components no longer need a licence. Industrial licence validity has been extended from 3 years to 15 years, with a possible 3-year extension, making investment planning easier.
- To enable adoption of Artificial Intelligence in defence, **Defence AI Council (DAIC)** and **Defence AI Project Agency (DAIPA)** has been created. Further, an AI roadmap has also been finalised for each Defence Public Sector Undertaking (DPSU).
- Discharge of offset obligations by **foreign OEMs (Original Equipment Manufacturers) through ToT (Transfer of Technology)** to Indian enterprises including government institutions has been incorporated.
- Government has notified the **'Strategic Partnership (SP)' Model** which envisages establishment of long-term strategic partnerships with Indian entities through a transparent and competitive process, wherein they would tie up with global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.
- **Defence Research & Development (R&D)** has been opened up for industry, start-ups and academia with 25 percent of defence R&D budget earmarked, to promote development of defence technology in the country.
- **Defence Research and Development Organisation (DRDO)** identified **nine thrust areas** for focused research, namely Platforms, Weapon System, Strategic Systems, Sensors & Communication Systems, Space, Cyber Security, Artificial Intelligence & Robotics, Material & Devices and Soldier Support.
- **Technology Development Fund (TDF)** Scheme also funds industries, especially – Start-ups and MSMEs upto an amount of Rs. 10 Crore, for innovation, research and development of defence Technologies in the field of defence and Aerospace.

### Counter-Terrorism and Strengthening Internal Security

India's firm and clear-eyed approach to internal security and counter-terrorism over the last eleven years.

- **Surgical Strikes (28–29 Sept 2016)** – Cross-Line of Control operation targeting terrorist launch pads in Pakistan-occupied Kashmir after the Uri attack on Indian soldiers.
- **Balakot Air Strikes (26 Feb 2019)** – Pre-emptive airstrike on Jaish-e-Mohammed training camp in Balakot, Pakistan, following the Pulwama terror attack.
- **Operation SINDOOR (April 2025)** – In April 2025, after a terror attack on civilians in Pahalgam, India launched **Operation SINDOOR**, targeting **nine JeM and LeT camps** in Pakistan and PoJK with precision drone and munition strikes, destroying key command centres and killing over 100 terrorists, including those linked to the IC-814 hijack and Pulwama blast. Pakistan's retaliatory drone and missile attacks on 7–8 May were swiftly intercepted by India's net-centric warfare and counter-UAS systems.

**The Prime Minister has laid out a clear five-point framework to counter cross-border terrorism.**

- First, if there is a terrorist attack on India, a fitting reply will be given.

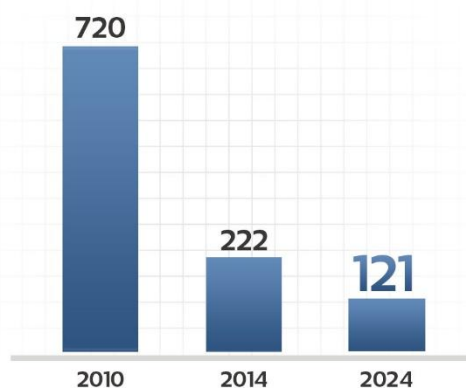
- Secondly, India will not tolerate any nuclear blackmail. India will strike precisely and decisively at the terrorist hideouts developing under the cover of nuclear blackmail.
- Thirdly, India will not differentiate between the government sponsoring terrorism and the masterminds of terrorism. We will continue to take decisive steps to protect India and our citizens from any threat.
- India's stand is very clear... Terror and talks cannot go together... Terror and trade cannot go together.... Water and blood cannot flow together.
- If there are talks with Pakistan, it will be only on terrorism; and if there are talks with Pakistan, it will be only on Pakistan-occupied Kashmir (PoK).

- **Removal of Article 370:** On 5 August 2019, Parliament approved the removal of Article 370 and 35-A, marking a historic correction of a decades-old imbalance. The impact is clear: terrorist-initiated incidents have dropped from 228 in 2018 to just 28 in 2024, demonstrating a strong correlation between integration and peace. Additionally, stone-pelting incidents have recorded a 100% drop, marking a new era of peace.
- The successful conduct of the J&K Assembly Elections in 2024, held in three phases with a 63% voter turnout, further underscores the region's embrace of democratic participation and stability, demonstrating a strong correlation between integration and peace.

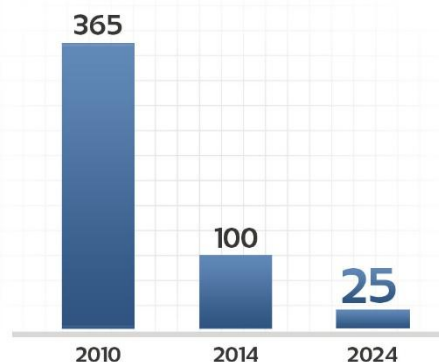
The government of India has adopted a zero-tolerance approach towards left-wing extremism.

- In the last 10 years, over 8,000 Naxalites have abandoned the path of violence, and consequently, the number of Naxal-affected districts has reduced to fewer than 20.
- Incidents of violence by LWE which reached its highest level of 1936 in 2010 have reduced to 374 in 2024.
- The total number of deaths (civilians + security forces) has also reduced by 85% during this period from 1005 deaths in 2010 to 150 in 2024.

### Civilians Killed by LWE



### Incidents of Attack on Economic Infrastructure



Source: Ministry of Home Affairs

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## References

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