



5th Positive Indigenisation List and Internal Security Plan

For Prelims: [Positive Indigenisation List](#), [Aatmanirbharta](#), [Defence Public Sector Undertakings](#), [Srijan portal](#), [Ease of Doing Business](#), [Tejas](#), [INS Vikrant](#), [Make in India](#), [Article 355](#), [Central Bureau of Investigation](#).

For Mains: India's defence self-reliance, Internal security framework, Major Security Challenges Confronting India.

Source: [PIB](#)

Why in News?

The [Ministry of Defence \(MoD\)](#) has recently notified a **fifth Positive Indigenisation List (PIL)** comprising defence items, aimed at boosting self-reliance and minimizing imports and encouraging the domestic defence sector.

- Concurrently, recent developments underscore the need for **India to craft a comprehensive internal security plan**. As India's international stature grows and its economy strengthens, ensuring internal cohesion and addressing security challenges becomes paramount.

What are the Key Highlights of the Fifth Positive Indigenisation List?

- **Purpose and Scope:** The fifth PIL comprises 346 items aimed at advancing [Aatmanirbharta \(self-reliance\) in defence](#) and reducing import dependence by [Defence Public Sector Undertakings \(DPSUs\)](#).
 - It ensures that these items are procured exclusively from the Indian industry, including [Micro, Small, and Medium Enterprises \(MSMEs\)](#) and startups.
 - Items include strategically important Line Replacement Units (LRUs), systems, sub-systems, assemblies, sub-assemblies, spares, components, and raw materials.
- **Implementation:** The list is available on the MoD's [Srijan portal](#), which provides a platform for DPSUs and service headquarters (SHQs) to offer defence items for indigenisation to private industries.
 - DPSUs like [Hindustan Aeronautics Limited \(HAL\)](#), [Bharat Electronics Ltd \(BEL\)](#), [Bharat Dynamics Ltd \(BDL\)](#), and others have initiated processes for issuing Expressions of Interest (EoIs) and Requests For Tender or Proposals (RFPs).
- **Impact:** The indigenisation of these items is expected to have an import substitution value worth Rs 1,048 crore.
 - The initiative provides **assurance to the domestic defence industry, encouraging** them to develop defence products without the risk of competition from imports.
- **Future Goals:** The MoD aims to continue expanding the list annually up to 2025, further increasing the number of items to be indigenised.
 - This incremental approach supports the long-term goal of achieving greater self-reliance in defence production.

Positive Indigenisation List

- **About:** The PIL is a list of items that can only be purchased by the Indian armed forces from domestic manufacturers, including private sector or DPSUs.
 - The concept was introduced in the [Defence Acquisition Procedure \(DAP\) 2020](#), focusing on import substitution for major systems, platforms, weapon systems, sensors, and munitions.
 - The list includes a diverse range of items crucial for bolstering India's defense capabilities and promoting self-reliance in the defence sector.
- **Progress:**
 - The first PIL was promulgated in August 2020, followed by successive lists, bringing the total to 4,666 items.
 - So far, 2,972 items, worth Rs 3,400 crore in import substitution value, have been indigenised.
 - These five lists for DPSUs are in addition to the five positive indigenisation lists of 509 items notified by the [Department of Military Affairs \(DMA\)](#). These lists include **highly-complex systems, sensors, weapons and ammunition**.
- Over 36,000 defence items have been offered to the industry for indigenisation, with more than **12,300 items indigenised in the last three years. As a result, the DPSUs have placed orders on domestic vendors to the tune of Rs 7,572 crore.**

What is the Status of Indigenisation Defence Sector?

- **Rise In Exports:** In FY 2023-24, defence exports reached a record Rs 21,083 crore (approx. USD 2.63 Billion), showing a **32.5% increase** from the previous fiscal year.
 - Over the last 10 years, there has been a 31-fold increase in defence exports compared to FY 2013-14.
 - The private sector and DPSUs have contributed about 60% and 40% respectively to this growth.
 - This growth is attributed to policy reforms, ['Ease of Doing Business' initiatives](#), and digital solutions provided by the Government to promote defence exports.
- **Achievements:** The Indian defence sector has seen the production of several advanced systems, including the **155 mm Artillery Gun 'Dhanush'**, **Light Combat Aircraft 'Tejas'**, **INS Vikrant: Aircraft Carrier**, and various other platforms and equipment, notably the **Advanced Towed Artillery Gun (ATAG) howitzer**.
- **Reduction in Import Dependency:** The expenditure on foreign defence procurement has decreased **from 46% to 36% over the past four years**, demonstrating the impact of indigenisation efforts in reducing reliance on imports.
- **Growth in Domestic Procurement Share:** The share of domestic procurement in total defence procurement has risen from **54% in 2018-19 to 68% in the current year, with 25%** of the defence budget allocated for procurement from private industry.
- **Value of Production:** The value of production by public and private sector defence companies has increased from Rs 79,071 crore to Rs 84,643 crore in the past two years, reflecting significant growth in the sector's capacity and output.

Initiatives Related to Indigenisation in the Defence Sector

- **Defence Procurement Policy (DPP), 2016:** [DPP 2016](#) has introduced the "Buy-IDDMM" (Indigenous Designed and Manufactured) Developed category of acquisition and accorded it the top most priority.
 - This policy shift is designed to enhance local production capabilities and reduce import dependency.
- **Defence Acquisition Procedure (DAP) 2020:** It aims to promote **Atmanirbhar Bharat Abhiyaan** in the defence manufacturing sector. It includes features such as **PIL, priority to indigenous procurement, reservation for MSMEs and small shipyards, increased indigenous content, and introduction of new categories to promote 'Make in India'**

[initiative.](#)

- Additionally, it focuses on indigenisation of imported spares to enhance self-reliance through import substitution.
- **Industrial Licensing:** The licensing process has been streamlined with extended validity, facilitating easier investment in the defence sector.
- **Foreign Direct Investment (FDI):** The [FDI policy](#) now allows up to 74% under the automatic route, promoting foreign investment in defence manufacturing.
- **Make Procedure:** The "**Make**" procedure in the Defence Procurement Procedure (DPP) promotes indigenous design, development, and manufacturing of defense equipment.
 - It is a key part of the **Make in India initiative**, involving both public and private sectors to build indigenous capabilities.
- **Defence Industrial Corridors:** Two corridors, in **Uttar Pradesh and Tamil Nadu, have been established** to attract investments and build a comprehensive defence manufacturing ecosystem. Investments totaling approximately Rs 6,089 crore have been made in these corridors.
- **Innovative and Supportive Schemes:**
 - **Mission DefSpace:** Launched to advance space technology for defence applications.
 - **Innovations for Defence Excellence (iDEX):** This scheme, launched in April 2018, supports innovation in defence by engaging start-ups, MSMEs, and research institutions. The '[iDEX Prime](#)' framework, introduced in 2022, offers up to Rs 10 crore in grants for high-end solutions.
 - **SRIJAN Portal:** Launched to facilitate indigenisation, the SRIJAN portal has listed **19,509** previously imported items for local production. To date, **4,006** items have attracted interest from the Indian industry.
- **Research and Development (R&D):** 25% of the R&D budget is allocated for industry-led R&D, fostering technological advancement and innovation in the defence sector.

What is the Need and Way Forward for an Internal Security Plan for India?

- **National Security Doctrine (NSD):** The country should have a NSD to address internal and external challenges. The [National Security Advisory Board](#) has worked on drafts, but they were never approved.
 - It is important to have a consistent approach to internal security, especially during changes in government.
 - It will guide policy decisions and strategic actions, reducing ad-hoc responses and improving coherence in handling security issues.
- **Internal Security Ministry:** The Ministry of Home Affairs is too heavy and unwieldy, leading to delayed and inadequate attention to internal security matters. It is time to appoint a young, junior minister to independently handle internal security.
 - According to [Article 355 in Constitution of India](#), the Union is responsible for **protecting every State from external aggression and internal disturbance**, and for ensuring that each State's government operates in accordance with the Constitution.
- **Recent Issues in Jammu and Kashmir:** The Home Minister claims terror incidents are down by 66% since the abrogation of [Article 370](#), but [recent attacks in Jammu](#) show the situation is far from normal.
 - The government needs to reorganise the security grid, restore statehood to J&K, and hold elections for the Assembly to address the objectives of the Pakistani deep state.
- **Stabilizing the Northeast Region:** The Prime Minister has described the **Northeast as "a**

piece of our heart", but the region continues to face challenges.

- The [2015 Framework Agreement with the rebel Nagas](#) has not been fully realized due to the National Socialist Council of Nagaland - Isak-Muivah's (NSCN-IM) demand for a separate flag and constitution.
- The government needs to **ensure strict implementation of the ceasefire agreement and prevent rebel activities** like [extortion](#) and forcible recruitment.
- Manipur is still struggling with **ethnic conflicts and occasional violence**, despite the formation of a multi-ethnic peace committee by the Home Ministry.
 - It's time for the Prime Minister to personally address these issues.
- Additionally, addressing problems like [illegal migration, drug trafficking, and arms smuggling](#) would require a comprehensive approach.
- **Naxal Problem:** The Minister of State for Home Affairs reported in the Rajya Sabha that the **"national policy and action plan"** has led to a significant decrease in [left-wing extremism \(LWE\) violence and its geographical influence](#).
 - Violence and deaths have decreased by 73% since 2010, and the number of police stations reporting LWE-related violence has also decreased.
 - With Naxals on the backfoot, it is time for the government to offer them a **unilateral cease-fire, persuade them to negotiate**, address their grievances, and try to integrate them into mainstream society.
- **Intelligence and Investigation Agencies:** The Intelligence Bureau and the [Central Bureau of Investigation \(CBI\)](#) need restructuring. The IB was set up through an administrative order in 1887. It is high time that it is given a statutory basis to **prevent misuse of intelligence for political gain**.
 - The CBI was set up through a resolution in 1963, and it derives the power to investigate from the Delhi Special Police Establishment Act, 1946.
 - It is an anomalous arrangement and, as recommended in the 24th report of the parliamentary committee, "the need of the hour is to strengthen the CBI in terms of legal mandate, infrastructure and resources".
- **Reforming State Police Forces:** Legacy issues from colonial policing models and insufficient focus on community needs.
 - [Transform state police](#) from **"Ruler's Police" to "People's Police"** to enhance public trust and effectiveness.
 - Adopting best practices from global reforms can modernize and improve policing standards.
- **Central Armed Police Forces: The [CAPFs](#), with over a million personnel, face internal issues such as unplanned expansion, haphazard deployment, inadequate training, declining discipline standards, vague criteria for top officer selection, and friction between cadre and All India Service officers.**
 - The government should appoint a high-powered commission to address these problems for long-term solutions.
- **Technology:** The police in the country can benefit greatly from incorporating **technological advancements**. Setting up a high-powered technology mission to recommend the latest technologies for addressing current and future challenges is crucial.

- By enhancing internal cohesion and addressing security issues, the country can project its strength internationally.

Conclusion

The fifth Positive Indigenisation List marks a significant step towards strengthening India's self-reliance in the defence sector. While the indigenisation efforts are poised to enhance defence capabilities and domestic production, addressing internal security challenges, including regional instability and systemic reform, remains crucial for maintaining national cohesion and stability. As India progresses, integrating these elements will be key to reinforcing its global position and internal resilience.

Read More: [Office of NSA & India's National Security Framework](#)

Drishti Mains Question:

Q. Evaluate the progress and achievements of the Positive Indigenisation Lists (PIL) since their inception. How have these lists influenced India's defence procurement strategy?

Q. Assess the current status of India's internal security framework. What are the major challenges that need to be addressed for effective internal security management?

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims

Q. What is/are the recent policy initiative(s) of Government of India to promote the growth of manufacturing sector? (2012)

1. Setting up of National Investment and Manufacturing Zones
2. Providing the benefit of 'single window clearance'
3. Establishing the Technology Acquisition and Development Fund

Select the correct answer using the codes given below:

- (a) 1 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Ans: (d)

Mains

Q. What are India's internal security challenges? Give out the role of Central Intelligence and Investigative Agencies tasked to counter such threats. (2023)

Q. Analyze the multidimensional challenges external state and non-state actors pose to India's internal security. Also, discuss measures required to be taken to combat the threats. (2021)

Q. What are the sound determinants of left-wing extremism in the Eastern part of India? What strategy should the Government of India, civil administration, and security forces adopt to counter the threat in the affected areas? (2020)

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