



## 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-IDDMM)**" (**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.

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## Aatmanirbharta in Defence

↑ Growth Of Defence Production

Value of Production (₹ In crore)

Year	Value of Production (₹ In crore)
2014-15	46,429
2023-24	1,27,265

Source: Defence Ministry

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## Aatmanirbharta in Defence

↑ Growth Of Defence Production

— Strong Defence Industrial Base —

**16** Defence PSUs\*

**430+** Licensed Companies

**16,000** MSMEs\*\*

Source: Defence Ministry

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## Aatmanirbharta in Defence

↑ Growth Of Defence Production

— Key Highlights —

Value of Production: **3x jump since 2014-15**

Private Sector Contribution: **21% of total production value**

Source: Defence Ministry

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## Strengthening Global Ties

### India's Defence Exports Surge

↑ A Decade of Transformative Growth

— Growth in Defence Exports —

Exporting to **100+ Nations**

Top-3 defence exports destinations in 2023-24

**USA**  
**France**  
**Armenia**

Source: Defence Ministry

### **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)**

