

Sansad TV Perspective: Make in India: Make for World

In the series Sansad TV Perspective, we bring you an analysis of the discussion featured on the insightful programme ‘Perspective’ on Sansad TV, on various important topics affecting India and also the world. This analysis will help you immensely for the [IAS exam](#), especially the mains exam, where a well-rounded understanding of topics is a prerequisite for writing answers that fetch good marks.

In this article, we feature the discussion on the topic: ‘Make In India: Make For World’.

Video link: https://youtu.be/_AGo_G1nqGs

Anchor: Vishal Dahiya

Participants:

1. Sunil Mishra, Director General, Society of Indian Defence Manufacturers
2. Air Vice Marshal (Retd.) P.K. Srivastava, Defence Expert
3. Ajay Banerjee, Senior Defence Journalist

Highlights of the Discussion:

- Introduction–C-295 transport aircraft manufacturing facility
- C-295 MW Aircraft
- Terms of the deal
- Significance of the deal
- Key Focus areas of Defence Indigenisation
- Government initiatives towards achieving defence indigenisation

Context: Recently, Prime Minister Narendra Modi laid the foundation stone of the C-295 transport aircraft manufacturing facility in Vadodara, Gujarat.

Introduction:

- Shri Narendra Modi laid the foundation stone of the C-295 Aircraft Manufacturing Facility in Vadodara, Gujarat and said that India is moving forward with the mantra of “Make in India, Make for the Globe”.
- It is seen as India’s giant leap towards becoming self-reliant in the aviation sector.
- The facility will manufacture C-295 aircraft for the [Indian Air Force](#) (IAF) through collaboration between Tata Advanced Systems Limited and Airbus Defence and Space S.A., Spain.

C-295 MW Aircraft:

- The C-295 MW is a transport aircraft of 5-10 tonne capacity which can be used for tactical transport of about 71 passengers or 50 paratroopers, and for logistic operations to locations that are not accessible by heavier aircraft.
- The aircraft is a new-generation tactical airlifter in the light and medium segments.
- The C-295 aircraft can operate from short or unprepared airstrips and has Short take-off and landing (STOL) capabilities.
- The C-295 aircraft has conducted multi-role operations worldwide under all weather conditions which includes day and night combat missions and in all extreme weather conditions such as desert and maritime environments.

Terms of the Deal:

- Under the deal, 16 C-295 aircraft are scheduled to be delivered between September 2023 and August 2025 in flyaway condition, while the remaining 40 aircraft will be manufactured at the Vadodara facility. The first Made in India aircraft is expected in September 2026.
- 96% of the work that Airbus does in Spain will now be done at the new facility, Vadodara.
- Systems such as avionics, engines, landing gear, and EW suite will be provided by Airbus Defence & Space and integrated into the aircraft by the TATA Consortium.
 - The aircraft will be flight tested and delivered through a delivery centre at the TATA Consortium facility.
- Following the delivery of 56 aircraft to IAF, Airbus Defence and Space will be allowed to sell the Indian manufacturing aircraft to civil operators and export to other countries cleared by the GoI.

C295
56 aircraft for India

A truly
"Make in India
programme"
A partnership between:

AIRBUS **TATA**

Versatile and efficient:
A real multi-role aircraft.
Operation in short and unpaved runways

Indian technology:
Indigenous Self-Protection system from Indian BEL/BDL

Joint collaboration:
First 16 aircraft assembled in **Seville, Spain**
Remaining 40 aircraft assembled in **India**

Industrial Footprint:
Final assembly line and supply chain in India with capacity for 12 aircraft per year operated by TATA with the same standards as Airbus Final Assembly Line in Spain

Boosting India's aerospace sector with:
15,000 high skilled jobs
10,000 indirect jobs in the next 10 years

Transport capacity
Up to +

71 Troops • 50 Paratroops • 5 Standard pallets • 24 Healthcare units

AIRBUS

Significance of the deal:

- This is for the first time an Indian private company will be wholly manufacturing an aircraft in India.
- Under the Make-in-India deal, a large number of detail parts, sub-assemblies and major component assemblies of C-295MW transport aircraft are scheduled to be manufactured in India.
- The project will act as a catalyst in employment generation, as over 600 highly skilled persons will be associated with the project, over 3,000 indirect jobs will be created and an additional 3,000 medium-skill employment opportunities along with more than 42.5 lakh man-hours of work will emerge within the aerospace and defence sector of India.
- During the manufacturing in India, it is expected that all the suppliers of TATA Consortium who will be involved in special processes will gain and maintain globally recognized National Aerospace and Defence Contractors Accreditation Program (NADCAP) accreditation.
- The project will give a boost to the aerospace ecosystem in India wherein several Micro, Small and Medium Enterprises (MSMEs) spread over the country will be involved in the manufacturing of parts of the aircraft.
- The project will augment domestic aviation manufacturing and give a boost to the defence aerospace ecosystem resulting in reduced import dependence and an expected increase in exports.
- The C-295 Aircraft would be replacing the Indian Air Force's (IAF) ageing fleet of Avro aircraft that were procured in the 1960s and the IAF will become the 35th C295 operator worldwide.

- The aircraft will give a major boost to the tactical airlift capability of the IAF, especially in the northern and northeastern sectors and the Andaman and Nicobar Islands.

Key Focus areas of Defence Indigenisation:

- The indigenisation of the defence industry is a necessary and worthwhile national security objective, particularly for a large country like India with an expanding economy, a wide variety of security challenges, and growing international obligations.
- A successful defence industry provides strategic leverage with other countries, including as a potential supplier to neighbours who may otherwise turn to competitors.
- Defence exports reduce the costs of defence acquisitions and can help subsidise India's defence budget.
- Developing indigenous aero engines is a strategic necessity - maintaining and expanding an aero engine manufacturing capability within the country is critical to India's national security.
 - The rising demand and diversity of applications for aero engines due to the increasing usage of UAVs and low-cost cruise missiles make the indigenisation of aero engine manufacturing even more significant.
- India is focusing on becoming the global hub for semiconductor design, manufacturing and technology development as they are used in critical infrastructures such as communication, power transmission, etc., that have implications for national security.
- India relies on China, Russia, the US, Brazil, Australia, and the Congo (DRC) for military-grade materials. Military industries rely primarily on imports, while certain indigenous materials have replaced them.
 - Most Indian defence businesses, DPSUs, and DRDO labs import raw materials. HAL, the largest DPSU, imported raw materials worth Rs 3,629.4 crore (\$ 500 million) in 2018-19.
 - Dependence on imports limits the ability of Indian companies to export defensive equipment/platforms, limiting the country's defence industrial ecosystem.
 - Policy-level initiatives by the Government of India and government entities and stakeholders are underway to achieve indigenisation in military-grade materials.

Government initiatives towards achieving defence indigenisation:

- The Government has taken several policy initiatives in the past few years under the '[Make in India](#)' program and brought in reforms to encourage indigenous design, development and manufacture of defence equipment in the country, thereby reducing the import of defence equipment.
- These initiatives include:
 - According priority to the procurement of capital items from domestic sources under [Defence Acquisition Procedure \(DAP\)-2020](#)

- Announcement of 18 major defence platforms for industry-led design & development; Notification of 'Positive Indigenisation Lists'
 - Simplification of Industrial licensing process with a longer validity period
 - Liberalisation of Foreign Direct Investment ([FDI](#)) policy allowing 74% FDI under automatic route
 - Launch of Innovations for Defence Excellence (iDEX) scheme involving start-ups & Micro, Small and Medium Enterprises (MSMEs)
 - Launch of an indigenization portal namely SRIJAN to facilitate indigenisation by Indian Industry including MSMEs
 - Reforms in Offset policy with thrust on attracting investment and Transfer of Technology for Defence manufacturing by assigning higher multipliers
 - Establishment of two [Defence Industrial Corridors](#), one each in Uttar Pradesh and Tamil Nadu
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