

Indian Defense - Import/Export

Why in news?

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1. Between 2008 and 2015, **India purchased defence equipments worth USD 34 billion**, which is a distant second after Saudi Arabia's USD 93.5 billion, said the report 'Conventional Arms Transfers to Developing Nations 2008-2015' released by Congressional Research Service (CRS).

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2. Indian govt has **planned to export weapon systems worth over \$2 billion** by the end of 2019. If it happens, it will be one of the biggest push to local defence industry as a part of 'Make in India' campaign.

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India second largest arms purchaser in the world:

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- In its report, CRS highlights recent Indian efforts to diversify its procurement of arms, of which the US has been a major beneficiary.

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- It is notable that India, while the principal Russian arms customer, **during recent years has sought to diversify its weapons supplier base.**

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- In 2008, India purchased six C130J cargo aircraft from the United States. And the US also agreed to sell India 10 C-17 Globemaster III aircraft for USD 4.1 billion. India also bought from Israel, France, UK and Italy.

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- This pattern of Indian arms purchases indicates that Russia will likely face strong new competition from other major weapons suppliers for the India arms market.

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- Indeed, India in 2011 had eliminated Russia from the international competition to supply a new-generation combat fighter aircraft, a competition won by France.

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- With India reducing its reliance on Russia on arms purchase, **Moscow is looking for other options**, the CRS added.

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India targets defence export of \$2billion by 2019:

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- Defense Minister said that India was keen to sell weapons systems to friendly countries and Vietnam, UAE and Mauritius figured in this list.

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- **An independent export promotion body** will help the Indian industry to achieve the target of two billion dollars by 2019. The government will initially hold the export panel's hand and later it will be self-sustaining body.

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- He also added that the present regime was determined to give a fillip to promote 'Make in India' products through exports and **managed to touch the Rs 2,060 crore mark for the current fiscal year** from Rs 1,100 crore two years back.

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- Replying to another question if India was considering supplying arms to Afghanistan, Parrikar said it is a sensitive issue but added "Afghanistan is a friend."

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- Meanwhile, on setting up another production line for single engine fighter jets, Parrikar said a decision will be taken once the **Strategic Partnership clause for producing weapons** is finalized.

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- This partnership entails selecting a foreign equipment manufacturer who will forge a joint venture with an Indian company to build strategic systems like fighter jets and warships.

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Source: Hindustan Times & New Indian Express

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