

(*) It is time for India to invest in defence startups in order to bring self reliance in defence sector? Comment.

India recently signed ₹ 48,000 crore contract to procure 83 Tejas aircraft from HAL making it largest "Make in India" deal ever. This calls for participation of private sector especially tech savvy startups in building indigenous defence capability.

India has world's 3rd largest startup ecosystem with 50,000 startups. 21 startups are part of Global Unicorn list 2020. Unfortunately, none of them belong to defence sector.

⇒ Need to invest in defence startups :-

- Indigenous production is needed not only for export driven manufacturing but also for self reliance to face formidable adversary like China.

- 2018-19, Domestic procurement fell by 10.8% & private sector has only 5% annual share of direct orders from defence ministry
- According to SIPRI, India is 2nd largest Arms importer with 9% global share and 3rd largest military spender with \$ 71 billion in 2019. So Startups have large pie to go after.
- Indian startups have best in class automation, robotics, drones and big data must now target defence sector with "All are winners" approach to succeed in national security

⇒ way forward :-

- Government must attract them with big benefits like marketing, tax exemption, subsidies & simplified procurement
- Should also encourage startups to reach military of friendly nations with their technology solutions.

Government has made a open call to private players. It is time for our young technology regiment to come out of hibernation and give birth to India's 1st defence unicorn