

FAQs

Defence Testing Infrastructure Scheme

Q. Why is this in news?

Recently, the **Defence Ministry** has announced that it will soon issue **Requests For Proposal (RFPs)** to set up **eight defence testing facilities in the country** in partnership with the **private sector**.

- These RFPs would be issued under the **Defence Testing Infrastructure Scheme (DTIS)**.
- The RFP is a **business document** that announces a **project, describes it, and invites bids for completing it**.

Q. What is its Background?

- Under **Make in India**, India has accorded **high priority to development of the manufacturing base of Defence and Aerospace sectors in the country** so as to reduce dependence on imports.
- Towards this, the establishment of **Defence Industrial Corridors (DICs) in Uttar Pradesh and Tamil Nadu** was announced.
- Several other initiatives like **Revised Make-II procedures, Innovations for Defence Excellence (iDEX) and Defence Investors Cell** have been created with an aim to provide an ecosystem to foster innovation and technology development and encourage Indian industry to invest in Aerospace and Defence sectors.
 - **Defence Investors Cell** was created to **provide all necessary information** including addressing queries related to investment opportunities, procedures and regulatory requirements for investment in the sector.

Q. What about DTIS?

- The scheme was launched on **8th May, 2020** and would run for the **duration of five years**.
- It envisages **setting up of 6-8 Greenfield Defence Testing Infrastructure facilities** that are required for **defence and aerospace related production**.
- It also envisages to **set up test facilities** in partnership with private industry.

FAQs

Q. What are its objectives?

- **Promote indigenous defence production**, with special focus on participation of the **Ministry of Micro, Small and Medium Enterprises (MSMEs)** and Start Ups by bridging gaps in defence testing infrastructure in the country.
- **Provide easy access** and to **meet the testing needs** of the domestic defence industry.
- **Facilitate indigenous defence production**, consequently reduce imports of military equipment and help make the country self-reliant.

Q. What about Finance and Cooperation?

- The Scheme has an **outlay of Rs 400 crore** for creating **state of the art testing infrastructure** over the duration of five years.
- The projects under the Scheme will be provided with up to **75% government funding in the form of 'Grant-in-Aid'**.
- The **remaining 25% of the project cost** will have to be borne by the **Special Purpose Vehicle (SPV)** whose constituents will be **Indian private entities and State Governments**.
- **Only private entities registered in India and State Government agencies** will qualify for forming the implementation agency for the Scheme.
- The **SPVs under the Scheme** will be registered under **Companies Act 2013**.