

## ATTAINING ATMANIRBHARTA IN DEFENCE MANUFACTURING BY MALGEN AK CHANNAN DVSM SM

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ORGANISED BY CENJOWS 22ND MAY 2024







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Starting with highlighting a major distinction between the Make in India and the Atmanirbharta programmes, Maj Gen (Dr) A K Channan brought forward his ideas while engaging the audience with logical inputs. He underscored the importance of small steps with his emphasis on how progress made in Make in India that the country could think of Atmanirbharta in less than half a decade.

Dr Channan underscored various goals of Make in India including, but not exhaustive — creating a hundred million jobs in manufacturing, enhancing global competitiveness, and targeting skillsets, with a strong assertion that "the people of India have been industrial slaves prior to this rejuvenation." He put forth that India has been one of the largest exporters of manpower, yet there are plenty of gaps to fill in the manufacturing domain of the country. A key takeaway from his presentation was his classification of four separate clusters — (i) strategic importance (defence, aerospace, shipbuilding, etc); (ii) basic inputs (steel, fertiliser, cement etc); (iii) value edition and depth (textile, food processing etc) and (iv) employment generation or entrepreneurial appetite.

A ubiquitous mistake, pointed out by the speaker was confusing the objectives of these clusters and clubbing them up together. The objective of the clusters and the subjects selected under strategic importance was not to generate employment, and that, if it does, it is a coincidental meeting of interests. A programme must not be suspended because it is unable to fulfil the needs of another cluster. This distinction was complemented by his emphasis on the need to improve the business environment and capital-enabling architecture in the country, amongst other things. Creating well-connected corridors that would cut down the cost of transportation across the country and remote inventory management are the needs of the hour. Startup India, Skill India, Make in India, Invest India, and Digital India are brothers-in-arms, and they should be treated like that, in order to boost the realisation of Atmanirbhar Bharat.

Further, he acknowledged that HAL and BHEL were already in the Top-100 companies in the world, and that Make in India was already a buzzword, but, he added again, that until the onset of the Atmanirbhar Bharat, we were industrial slaves. The problem with most of the new companies dealing with defence is that they do not solely deal with the sector, and that they have other areas of interest as well, which implies that they have zero risk involved in this domain; and that all the companies coming fresh into the field need to be protected from the "Valley of Death" through the intervention of the government. When the market is competitive, sustenance becomes a task herculean to conquer, for the companies that have everything to lose, even if one thing goes wrong — providing the right companies with appropriate catalysts for growth still remains a challenge for the government.

There are two roads to an Atmanirbhar Bharat in the sector of defence —(i) buy and (ii) make. There has to be an increase and generation in demand, which should lead us to buy products from Indian vendors. When it comes to manufacturing in India, he divided it into three clusters with the role of the government in each one of them. He ended his presentation with an interesting view that if the project is a collaboration between the industries of different countries and is being led by an Indian company, it will be counted in the Make in India initiative.