

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:524
ANSWERED ON:27.07.2006
PRIVATE COMPANIES IN DEFENCE SECTOR
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Will the Minister of DEFENCE be pleased to state:

- (a) the number of licences/Letters of Intent issued to private manufacturing companies to produce Defence products since 2001;
- (b) whether recently the Government has blacklisted some of the private companies which are manufacturing Defence products;
- (c) if so, the details thereof; and
- (d) the total amount of Foreign Direct Investment (FDI) came in the Defence sector since 2001?

Answer

MINISTER OF STATE FOR DEFENCE PRODUCTION (RAO INDERJIT SINGH)

(a) to (c): Since May 2001, 28 Letters of Intent/Industrial Licences have so far been issued to private manufacturing companies to produce Defence products. None of the companies which have obtained Letters of Intent/Industrial Licences for production of Defence items has been banned.

(d) As per available records, the total amount of FDI inflow in Defence sector, under the licensing regime, during the period May 2001 to April 2006 is Rs. 0.24 crore.