

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:4858

ANSWERED ON:26.04.2010

FDI IN DEFENCE SECTOR

Adsul Shri Anandrao Vithoba;Bapurao Shri Khatgaonkar Patil Bhaskarrao;Das Gupta Shri Gurudas;Dharmshi Shri Babar Gajanan;Dubey Shri Nishikant ;Gaikwad Shri Eknath Mahadeo;Lingam Shri P.;Naik Dr. Sanjeev Ganesh;Reddy Shri Mekapati Rajamohan;Yaskhi Shri Madhu Goud

**Will the Minister of DEFENCE be pleased to state:**

- (a) the details of the foreign investment in the indigenous defence production during the last three years;
- (b) whether the Government proposes to step up Foreign Direct Investment (FDI) in the defence sector;
- (c) if so, the details thereof including the proposals of investment received from the foreign firms;
- (d) the guidelines framed by the Government to regulate and monitor the working of the foreign manufacturers;
- (e) whether the existing defence production units are also proposed to be privatized under the new reforms; and
- (f) if so, the details thereof including the level of privatization achieved so far?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU)

- (a) Details of foreign investment, as approved by FIPB, in the domestic

Defence Production during the last three years is enclosed at Annex-A.

- (b) No, Madam.

- (c) Not Applicable in view of Answer to (b) above.

- (d) No such specific guidelines for foreign companies have been framed; however the Joint Venture companies will be bound by the licensing guidelines of the defence sector.

- (e) No, Madam.

- (f) Not applicable in view of Answer to (e) above.