

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:2747

ANSWERED ON:10.12.2012

FDI IN DEFENCE SECTOR

Hazari Shri Maheshwar ;Saroj Smt. Sushila;Upadhyay Seema;Verma Smt. Usha

Will the Minister of DEFENCE be pleased to state:

- (a) the amount of investment made in the defence industry sector through Foreign Direct Investment (FDI) in the country from the year 2001 till date;
- (b) the percentage of FDI permitted in above sector at present;
- (c) whether the Government is considering an increase in the said limit;
- (d) whether the Government is considering further liberalization of the investment policy to promote FDI in defence industry;
- (e) if so, the details thereof;
- (f) whether the said steps are likely to put the required secrecy in the defence sector in danger; and (g) if so, the details in this regard?

Answer

MINISTER OF STATE IN THE (SHRI JITENDRA SINGH) MINISTRY OF DEFENCE

- (a) As reported by the Department of Industrial Policy & Promotion (DIPP), Foreign Direct Investment (FDI) amounting to Rs.19.89 crores (US \$ 4.12 millions) has been received in defence industry sector from January 2001 to September 2012.
- (b) FDI upto 26% under the Government approval route is permitted in Defence Sector subject to specified conditions.
- (c) & (d): No such proposal is under consideration at present.
- (e) to (g): Do not arise in view of reply to parts (c) & (d) above.