

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

STARRED QUESTION NO:254

ANSWERED ON:13.03.2015

FDI IN DEFENCE SECTOR

Goud Dr. Boora Narsaiah; Hansdak Shri Vijay Kumar

Will the Minister of DEFENCE be pleased to state:

- (a) the total investment made in the country after allowing 49 per cent Foreign Direct Investment (FDI) in the defence sector;
- (b) whether the Government has received proposals for FDI in the defence sector during the last six months; and
- (c) if so, the details thereof along with the action taken by the Government thereon?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 254 FOR ANSWER ON 13.3.2015

(a) After allowing 49 per cent Foreign Direct Investment (FDI) in the defence sector, 28 industrial licenses for manufacturing of various licensable defence items have been issued to Indian companies with a proposed investment of approximately Rs.1201 Crore. As a large number of defence items, particularly, parts, components, sub-systems, production equipments, testing equipments, etc., have been delicensed recently, the details of the investment made for such items are not available.

(b) & (c): The FDI proposals received since September, 2014 and the action taken by the Government thereon is as given below:

S. No. NAME OF THE PROPOSAL BRIEF PROPOSAL ACTION TAKEN BY THE GOVERNMENT

1. M/s. Punj Lloyd Ltd. To undertake defence The Government has approved the sector's activities proposal. with existing FDI.
2. M/s. Fokker Elmo For transfer of 49% The applicant has been advised SAMOS Interconnection ownership from to access automatic route. System Ltd. residentsto non-residents.
3. M/s. Aequs (P) Ltd. To increase FDI from The applicant has been advised 17.29% to 40%. to access automatic route.
4. M/s. Dynamatic Approval for The Government has approved Technologies additional activity the proposal. Ltd. in defence sector.
5. M/s. Star Wire Approval for 5% FDI The proposal is yet to be placed (India) Ltd., before the FIPB. New Delhi