

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:3408
ANSWERED ON:12.12.2014
UNMANNED AERIAL VEHICLE
Owaisi Shri Asaduddin

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government proposes to issue licences for manufacture of Unmanned Aerial Vehicle (UAV) to private players for defence purposes;
- (b) if so, the details thereof along with the name of companies who have been granted or are in the process of acquiring such licences;
- (c) the total UAVs likely to be earmarked to these companies and time limit fixed for this purpose; and
- (d) the other terms and conditions set by Government for these companies to manufacture UAVs?

Answer

MINISTER OF STATE (RAO INDERJIT SINGH) IN THE MINISTRY OF DEFENCE

(a) to (d): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO. 3408 FOR ANSWER ON 12.12.2014

As per the Defence Products List for the purpose of issuing industrial licences issued vide Press Note 3 (2014 Series) dated 26th June, 2014 by Department of Industrial Policy & Promotion (DIPP), licences to private players are issued for manufacture of Unmanned Aerial Vehicles (UAVs). The licences have been granted to the companies for the capacities applied by them. However, under the present policy, vide Press Note 9 (2014 Series) dated 20th October, 2014, it has been decided to deregulate the annual capacity for defence items for industrial licence.

2. The list of the Companies to whom Industrial Licenses have been issued so far, for manufacture of UAVs is enclosed at Annexure-I.

3. Some of the major conditions governing manufacturing of UAVs in the private sector for Defence purpose are as follows:

(a) The management of the company / partnership firm owning the Industrial Licence should be in Indian hands with majority representation on the Board as well as the Chief Executive of the Company / partnership firm being Resident Indians.

(b) Adequate safety and security procedures would need to be put in place by the licensee. The Indian Licensed Defence Companies (ILDC) shall comply with the security guidelines applicable to them as per security instructions / architectures prescribed in "Security Manual for Licence Defence Industries" available at www.ddpmod.gov.in based on their categorization.

(c) The licensable defence items as mentioned in the license, produced by the private manufacturers will be primarily sold to the Ministry of Defence. These items may also be sold to other Government entities under the control of the Ministry of Home Affairs, State Governments, Public Sector Undertakings (PSUs) and other valid Defence License Companies without prior approval of Department of Defence Production (DDP). However, for sale of the items to any other entity, the licensee shall take prior permission from DDP, Ministry of Defence.