



Ministry of Defence

# FDI in Defence

Posted On: 20 DEC 2017 4:08PM by PIB Delhi

As per current Foreign Direct Investment (FDI) policy in defence sector notified by Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce & Industry vide Press Note No.5 (2016 Series), FDI upto 49% is allowed under automatic route and beyond 49% through Government route wherever it is likely to result in access to modern technology or for other reasons to be recorded. Further, FDI in defence is subject to industrial licence under Industries (Development & Regulation) Act, 1951 and manufacturing of Small Arms and Ammunition under the Arms Act, 1959.

In so far as joint venture in the defence sector with more than 74 per cent FDI is concerned, no such proposal has been approved by the Government.

This information was given by Raksha Rajya Mantri Dr. Subhash Bhamre in a written reply to Shri AP Jithender Reddy in Lok Sabha today.

**MJPS/NM/DK/RP**

(Release ID: 1513336) Visitor Counter : 447

