



# Manufacturing of Ammunition for Indian Army by Indian Industry

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As another step in the direction of 'Make in India' in Defence sector and to facilitate development of indigenous capacity, reduce import dependence and with the long-term objective of building capacity within the industry as a robust alternative source of ammunition, the Government has approved manufacturing of eight selected ammunition for Indian Army by Indian Industry.

These eight in-service ammunition are proposed to be manufactured by Indian industry. As the indigenous manufacturer will be required to set up a new establishment for manufacture of ammunition, Raksha Mantri Smt. Nirmala Sitharaman has approved a long term contract of 10 years with the selected ammunition manufacturer, to facilitate a viable commercial model, will be entered into.

Individual Indian companies, as per Indian Companies Act 2013, with foreign equity not exceeding 49%, owned and controlled by resident Indian citizens; Consortium consisting of only Indian companies and wholly owned subsidiary Company, are eligible to participate.

The selection of manufacturer will be through an Open Tender Enquiry under two bid system. Companies are allowed to bid for any number of ammunition types. However, a company will be awarded not more than three contracts.

The prospective manufacturer will be free to select their technology partners, negotiate and obtain transfer of technology (ToT). The technology partners could be indigenous or foreign manufacturer, as per the discretion of participating entities.

**MJPS/NM/RP**

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