

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:252
ANSWERED ON:24.11.2005
FDI IN DEFENCE SECTOR
Reddy Shri Magunta Sreenivasulu

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government has allowed foreign direct investment (FDI) in the defence sector; and
- (b) if so, the areas identified for FDI in this sector?

Answer

(SHRI BIJOY KRISHNA HANDIQUE)
MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY
AFFAIRS

(a) Yes, Sir.

(b) The Defence Industry Sector is open up to 100% for Indian Private Sector participation with FDI permissible up to 26%, both subject to licensing.