

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:1340
ANSWERED ON:08.03.2007
NEW DEFENCE OFFSET POLICY
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Will the Minister of DEFENCE be pleased to state:

- (a) whether the foreign investors are not satisfied with the new Defence Offset policy;
- (b) if so, the reasons therefor; and
- (c) the corrective steps taken by the Government to remove such hurdles and to boost investments?

Answer

MINISTER OF STATE FOR DEFENCE PRODUCTION (RAO INDERJIT SINGH)

(a) to (c): The Defence 'Offset' Policy incorporated in the Defence Procurement Procedure 2006 was formulated with the objective of enabling India, one of the largest importers of defence equipment in the world, to leverage its buying power and use offset arrangements to expand the country's domestic defence industrial base through foreign investments and technology transfers.