

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1330**  
TO BE ANSWERED ON 13<sup>th</sup> March, 2023

**GROWTH IN DEFENCE EXPORTS OF THE COUNTRY**

1330 SHRI BIPLAB KUMAR DEB:

Will the Minister of Defence be pleased to state:

- (a) whether there has been more than 15 fold increase from ₹ 900 crore to ₹ 14,000 crore in defence exports of the country since 2014; and
- (b) the details of the steps taken to promote defence exports from the country?

A N S W E R

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a): Department of Defence Production issues authorisation for export of Munitions List items covered in Category 6 of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET). The year-wise value of defence export since 2014-15 is as under:

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 (till 06.03.2023)
Value of Export (Rs.in Crores)	1,941	2,059	1,521	4,682	10,746	9,116	8,435	12,815	13,399

(b): Government has taken various steps to promote defence exports from the country.

- (i) Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) Category 6 titled “Munitions List” that was hitherto “Reserved” has been populated and Military Stores list notified vide Notification No.115(RE-2013)/2009-2014 dated 13<sup>th</sup> March, 2015 stands rescinded.
- (ii) The Director General of Foreign Trade (DGFT) vide Public Notice No. 4/2015-20 dated 24<sup>th</sup> April, 2017 has delegated its authority and notified Department of Defence Production (DDP) as the Licensing Authority for export items in Category 6 of

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SCOMET. The export of items specified in Category 6 (Munitions List) except those covered under Notes 2 & 3 of Commodity Identification Note (CIN) of the SCOMET is now governed by the Standard Operating Procedure (SoP) issued by the DDP, Ministry of Defence.

- (iii) SOP for the export of munitions list items have been simplified and placed on the website of the DDP.
- (iv) A completely end-to-end online portal for receiving and processing export authorisation permission has been developed. The applications submitted on this portal are digitally signed and the authorisation are also issued digitally, at faster pace.
- (v) In repeat orders of same product to the same entity, consultation process has been done away with and permission is issued immediately. For the repeat order of same product to different entity, the consultation earlier done with all stakeholders is now limited only with MEA.
- (vi) In Intra-Company business (which is especially relevant for outsourcing of work by defence related parent company abroad to its subsidiary in India), the earlier requirement of getting End User Certificate (EUC) from the Government of importing country has been done away with and 'Buying' Company is authorized to issue the EUC.
- (vii) The requirement of Government signed EUC in cases of providing engineering services (ToT related to Munitions List) to Wassenaar Arrangement (WA) Countries has been dispensed with.
- (viii) Legitimate export of systems/platforms for civil end use to WA Member countries is considered subject to submission of EUC or import certificate or equivalent document issued by the Government of importing country.
- (ix) The legitimate export of the parts and components for civil use are now being permitted to WA Countries after prior consultation with MEA.
- (x) For export of items for exhibition purposes, the requirement of consultation with stakeholders has been done away with (except for select countries).
- (xi) Powers have been delegated to DRDO and CMDs of DPSUs for exploring export opportunities and participation in global tenders.
- (xii) New simplified End User Certificate Format for Parts & Components has been provided in SOP.
- (xiii) Validity of Export Authorization for export of Parts & Components has been increased from 02 years to date of completion of order/component whichever is later.
- (xiv) A new provision for re-exporting parts and components for undertaking repair or rework to provide replacement for a component under warranty obligation is inserted in the SOP as a sub-classification of repeat orders.
- (xv) MHA vide Notification dated 01.11.2018 has delegated its powers to Department of Defence Production to issue export license under Arms Rules 2016 in Form X-A, for Parts & Components of small arms. With this the Department of Defence Production becomes the single point of contact for exporter for export of parts and components of Small Arms & Ammunitions.

- (xvi) Three Open General Export License (OGEL), one for the select parts and components, another for intra-company transfer of technology and third for major platforms have been notified. OGEL is one-time export license, which permits the industry to export specified items to specified destinations, enumerated in the OGEL, without seeking export authorisation during the validity of the OGEL. OGEL has been integrated with end to end online Portal.
- (xvii) Scheme for Promotion of Defence Exports has been notified to provide an opportunity to the prospective exporters an option to get their product certified by the Government and provides access to the testing infrastructure of Ministry of Defence for initial validation of the product and its subsequent field trials. The certificate can be produced by the prospective exporter for marketing their products suitably in the global market.
- (xviii) A separate Cell has been formed in the DDP to co-ordinate and follow up on export related action including enquiries received from various countries, sharing the leads with private sector & public sector companies and facilitate exports.
- (xix) In order to boost defence exports, regular webinars are organized with Friendly Foreign Countries (FFCs) under the aegis of DDP, MoD through Indian Mission abroad and Industry Associations with active participation from Indian Defence Industries.
- (xx) A Scheme to provide financial support to Defence Attaches for taking up actions for promoting Indian defence exports of both public and private sector in the countries to which they are attached, has been notified.
- (xxi) A High Level Committee (HLC) has been constituted under the Chairmanship of Hon'ble RakshaMantri to facilitate faster clearances to export of major indigenous defence platforms to FFCs.

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