

Executive summary

Indian defence
production target
in 2025

~US\$ 25.00 billion

% share of
Defence Public
Sector
Undertaking and
Ordnance Factory
Board in FY24

73.02%

% share of private
sector to the total
production value
in FY23

19.39%

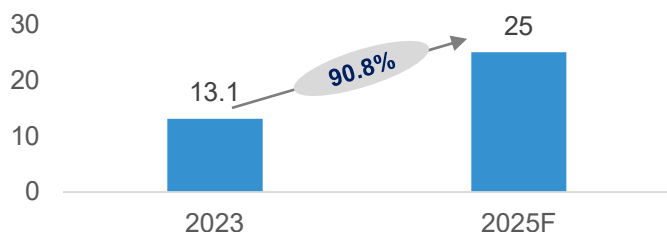
Indian defence
export target in
2025

~US\$ 5.00 billion

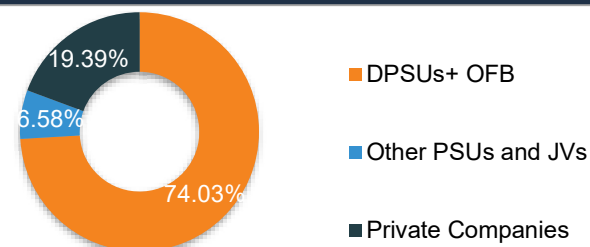
Foreign direct
investment equity
inflow in the
defence industry
(from April 2000 -
March 2024)

US\$ 19.87 million

Defence Production in India (US\$ billion)



Defence Production in India by Sector (US\$ billion)
in FY23



- The Indian Defence ecosystem is a confluence between the Government and the defence manufacturing industry.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 billion in aerospace and defence manufacturing by 2025, which includes US\$ 5 billion in exports.
- The government has set a target of achieving defence manufacturing worth Rs. 1,75,000 crore (US\$ 21.14 billion), including defence exports of Rs. 35,000 crore (US\$ 4.22 billion) by 2024-25.
- The Interim Budget for 2024-25 envisaged an outlay of Rs. 6,21,540.85 crore (US\$ 74.8 billion), which is 13.04 % of the total budget and represents an enhancement of 4.72% over the Budget of 2023-24. This includes an amount of Rs. 1,41,205 crore (US\$ 17.0 billion) for Defence Pensions.
- Over the next 5-7 years, the Government of India plans to spend US\$ 130 billion for fleet modernization across all armed services.

Notes: F - Forecast;

Source: Department for Promotion of Industry and Internal Trade, Press Information Bureau, Make in India, Interim Budget 2024-25