



**KAMARAJ IAS ACADEMY**  
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# Defense production in India receives a fillip

Published On: 09-06-2025

## Context

- As India's defence production and exports have hit record highs in the past financial year, **contributions from private defence companies and MSMEs have increased.** • The stocks of various defence companies rose significantly in the week of Operation Sindoor and even beat the performance of the largest 50 companies on the National Stock Exchange.
- While **India continues to import a large share of its defence equipment and weapons, government data shows that domestic manufacturing has picked up.**
- **India's defence exports have picked up** and exceeded ₹20,000 crore in the past two financial years.
- India's defence exports include small arms, protective gear, and artillery. The **export target set for the current fiscal is ₹30,000 crore.**
- While **public sector companies account for a majority of the total defence production**, private companies are steadily carving out a larger share for themselves.
- They accounted for about 20% of the total defence production in FY17; this continued till FY24. In FY25, their share has increased to **almost 24%.**