

India Achieves ₹1.5 Lakh Crore Defense Manufacturing Milestone

August 17, 2025

— Categories: Defence & Security



India's defense manufacturing sector reaches ₹1.5 lakh crore in fiscal year 2024–25, marking record growth in production and exports, driven by government initiatives and increased private sector participation.

Defense Minister Rajnath Singh announced that India's defense production has reached an unprecedented ₹1,50,590 crore in FY 2024–

25, representing an 18% increase from the previous year and a 90% rise since 2019–20. The surge reflects sustained efforts under the “Aatmanirbhar Bharat” initiative, aimed at promoting self-reliance and indigenization in the defense sector.

Public sector undertakings continue to play a leading role in defense production, producing a wide range of equipment from tanks and artillery systems to naval vessels and aircraft components. However, private companies are steadily increasing their contributions. Major players such as Tata, Mahindra, and Bharat Forge are producing advanced technologies, including drones, radar systems, and missile components. These firms are also exploring export opportunities, expanding India’s footprint in the global defense market.

Defense exports have also recorded a significant increase, reaching ₹23,622 crore in 2024–25, up 12% from the previous year. The government has set ambitious targets to increase defense exports to ₹50,000 crore by 2029, demonstrating a focus on not only domestic production but also international competitiveness. Analysts note that higher exports can strengthen India’s strategic partnerships and enhance the nation’s influence in the global defense industry.

Several government initiatives have underpinned this growth. Programs such as “Make in India” and the broader self-reliance agenda have incentivized domestic manufacturing, encouraged research and development, and fostered innovation in defense technologies. Policy measures have facilitated collaboration between public and private sectors, while streamlining procurement processes to enhance efficiency and reduce reliance on imports.

The increased manufacturing capacity also supports India's broader strategic objectives, including modernizing armed forces and reducing dependence on foreign suppliers. This capability allows India to maintain operational readiness while investing in next-generation technologies, such as unmanned systems and advanced electronic warfare equipment.

Officials highlight that the growth in defense manufacturing is expected to have multiple economic benefits. Beyond supporting national security, increased production and exports generate employment across manufacturing, logistics, and service sectors. The sector's expansion positions India as a potential hub for defense manufacturing, attracting foreign investment and technology partnerships.

The milestone demonstrates the success of coordinated policy measures and private sector engagement. It underscores the government's commitment to ensuring that India remains self-sufficient in defense capabilities while emerging as a competitive exporter on the international stage.

In conclusion, India's defense manufacturing sector has achieved record production and export figures in 2024–25, signaling both operational readiness and economic growth. Continued investment, policy support, and innovation are expected to sustain momentum, making India a formidable player in the global defense industry. The ₹1.5 lakh crore milestone marks a pivotal step toward the nation's long-term strategic and industrial objectives.