(c) whether concerns were also raised that higher FDI limit is a threat to the nation's security; and

(d) if so, the steps taken in this regard?

THE MINISTER OF DEFENCE (SHRI ARUN JAITLEY): (a) to (d) As per the current FDI Policy, upto 26% FDI is permissible in the Defence Sector subject to licensing through Government route. However, wherever FDI beyond 26% is likely to result in access to modern and state-of-the art technology in the country, decisions can be taken to allow higher FDI on a case-to-case basis with the approval of Cabinet Committee on Security.

The current FDI in Defence sector is also subject to the condition that the management of applicant company / partnership should be in Indian hands with majority representation on the Board as well as Chief Executives of the company / partnership firm being resident Indians. As per another condition of the current FDI Policy, adequate safety and security procedures would need to be put in place by the licensee once the licence is granted and the production commences. The Government has also finalized and put in public domain a Security Manual for private sector defence manufacturing units. The Manual prescribes guidelines for physical, documents, IT and other security measures to be put in place by such units.

**ARMS import for meeting defence preparedness**

†156. SHRI RAMDAS ATHAWALE: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Pakistan and China import more weapons than India;

(b) if so, whether Government has reviewed or proposes to review its implications so that India can also take appropriate action for its defence preparedness; and

(c) if so, the details thereof ?

THE MINISTER OF DEFENCE (SHRI ARUN JAITLEY): (a) to (c) Government keeps a close watch on the evolving security scenario in the region and monitors activities in the neighbourhood which may be inimical or adverse to national security. Government is taking necessary measures to enhance the capabilities of Armed Forces to safeguard India's security interests.

**Amendment to Coast Guard Act, 1978**

157. DR. R. LAKSHMANAN: Will the Minister of DEFENCE be pleased to state:

(a) whether any proposal is pending with Government to amend the Coast Guard Act, 1978 in the backdrop of increasing terror threat through sea route;

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†Original notice of the question was received in Hindi.