

# MP-IDSA *Commentary*

## India's Defence Exports on the Rise

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April 07, 2025

**S***ummary*

India's defence exports in 2015–25 were cumulatively worth Rs 109,997 crore.

The Ministry of Defence (MoD) in a statement on 1 April 2025 noted that India’s defence exports in 2024–25 stood at Rs 23,622 crore (approx. US\$ 2.76 billion). This was an increase of 12 per cent over 2023–24, when exports were Rs 21,083 crore. The MoD further noted that the defence public sector undertakings (DPSUs) accounted for Rs 8,389 crore, while the private sector defence industry accounted for the rest of the exports at Rs 15,233 crore, as against Rs 15,209 crore and Rs 5,874 crore respectively in 2023–24.<sup>1</sup>

What is interesting to note is that the DPSUs have shown a significant jump of 42.8 per cent in exports as compared to 2023–24, while the private sector recorded a negligible 0.16 per cent growth as compared to the previous year. The private sector, though, still continues to dominate the defence exports pie, contributing 64.5 per cent of the total, while the DPSUs contributed 35.5 per cent. The MoD also noted that the number of export authorisations recorded a growth of nearly 17 per cent at 1,762 as against 1,507 in the previous year.<sup>2</sup> Ten years ago, in 2015–16, the number of defence export authorisations stood at 241.<sup>3</sup>

The 2024–25 defence exports figures reflect the continual rise of India as a defence exporter. In the past 10 years, from 2015 to 2025, India has cumulatively exported defence goods and equipment worth Rs 109,997 crore. In 2015–16, India registered defence exports of Rs 2,059 crore, with the DPSUs and the Ordnance Factory Board (OFB) contributing Rs 1,283 crore.

In the past decade, therefore, India’s defence exports have surged more than 1,000 per cent, with a cumulative annual growth rate (CAGR) of 27.6 per cent, while exports by the DPSUs have surged by more than 500 per cent.<sup>4</sup> India has set a defence exports target of Rs 50,000 crore by 2028–29. The plethora of dynamic government initiatives over the past decade and utilisation of geo-political opportunities by the public and private sector defence companies will no doubt help achieve these targets.

While the exports by each of the 16 DPSUs in 2024–25 are not yet in the public domain, the Bharat Electronics Limited (BEL) on 1 April 2025 stated on X that it recorded exports of US\$ 106 million in 2024–25, as against US\$ 92.98 million in

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<sup>1</sup> [“Defence Exports Surge to a Record High of Rs 23,622 Crore in Financial Year 2024-25, A Growth of 12.04% Over 2023-24”](#), Press Information Bureau, Ministry of Defence, Government of India, 1 April 2025.

<sup>2</sup> Ibid.

<sup>3</sup> [“Ministry of Defence: Year End Review”](#), Press Information Bureau, Ministry of Defence, Government of India, 1 January 2021.

<sup>4</sup> Standing Committee on Defence (2017-2018), Sixteenth Lok Sabha, Demands For Grants (2018-19), [“Capital Outlay on Defence Services, Procurement Policy and Defence Planning \(Demand No. 21\)”](#), Forty Second Report, Ministry of Defence, Government of India, March 2018, p. 41.

2023–24, a growth of 14 per cent.<sup>5</sup> One of the new DPSUs, Yantra India Limited (YIL) stated that it exported goods and equipment worth Rs 324 crore in 2024–25, a growth of 48 per cent over the previous year.<sup>6</sup> YIL is among the nine new DPSUs created in 2021 after the corporatisation of the erstwhile OFB units and is a major raw material supplier to Munitions India Limited (MIL).

For MIL, Rs 1,697 crore was the revenue contributed by the exports market in 2023–24, which was nearly 23 per cent of its total revenues in that financial year. This was a significant improvement of 5 per cent of its revenues from exports in 2022–23.<sup>7</sup> The Advanced Weapons and Equipment India Limited (AWEIL) in its Annual Report 2023–24 noted that it had received export orders to the tune of Rs 581 crore from Middle East, European and Asian countries for small arms, artillery guns, major assemblies, and spares and ammunition hardware.<sup>8</sup>

As for significant exports by the private sector defence industry, the Chairman of Bharat Forge Baba Kalyani on 3 April 2025 stated that his company’s subsidiary, Kalyani Strategic Systems Limited (KSSL) had exported 100 artillery guns, including 18 Advanced Towed Artillery Guns (ATAGs), to several countries, including European countries.<sup>9</sup> Apart from the ATAGs, the other artillery guns the company reportedly exported included light and ultralight howitzers. Armenia was the first export customer for the ATAGs in 2023, when it bought six units. Yerevan reportedly is in talks to procure an additional 84 ATAGs.

Bharat Forge’s defence business had a revenue of Rs 15,610 million (Rs 1,561 crore), out of which 90 per cent (approx. Rs 1,405 crore) was exports driven.<sup>10</sup> In 2024–25, the company expects 80 per cent of its sales of defence equipment to come from exports.<sup>11</sup> Bharat Forge’s executable defence order book as of December 2024 stood at Rs 5,706 crore.<sup>12</sup> In a significant first for an Indian private sector defence company, KSSL in February 2025 signed a Letter of Intent with AM General, United States, for the supply of artillery cannons.<sup>13</sup>

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<sup>5</sup> Bharat Electronics Limited, “[This includes Export sales of around US\\$ 106 Million...](#)”, X (formerly Twitter), 1 April 2025.

<sup>6</sup> Yantra India Limited, “[YIL’s Contribution to India’s Defence Exports](#)”, X (formerly Twitter), 2 April 2025.

<sup>7</sup> “[Munitions India Limited](#)”, Care Edge Ratings, September 2024, p. 3.

<sup>8</sup> “[Annual Report 2023-24](#)”, Advanced Weapons and Equipment India Limited, p. 3.

<sup>9</sup> “[Exported 100 Guns to Europe, Other Markets Last Year: Bharat Forge](#)”, *Hindustan Times*, 3 April 2025.

<sup>10</sup> “[Integrated Annual Report 2023-24](#)”, Bharat Forge Limited, p. 10.

<sup>11</sup> “[Exported 100 Guns to Europe, Other Markets Last Year: Bharat Forge](#)”, no. 9.

<sup>12</sup> “[Earnings Update for Q3 of FY 2024-25](#)”, Bharat Forge Limited, 12 February 2025.

<sup>13</sup> “[Bharat Forge Arm Joins Hands with AM General to Supply Artillery Cannons to US](#)”, *Business Standard*, 20 February 2025.

Arms and ammunition (HS Code 93) exports to European Union (EU) countries, meanwhile, as per the data of the Ministry of Commerce from April 2024 to December 2024, stood at US\$ 135.6 million. With January–March 2025 data not accounted for, this is more than double the US\$ 67.4 million that was exported under the same HS Code in Financial Year 2023–24.<sup>14</sup> In the past decade, 2014–24, India exported US\$ 343 million worth of goods under HS Code 93 to European countries. India’s arms and ammunition exports to the EU spiked in 2015–16 in the aftermath of Russia’s invasion of Crimea and its Ukraine invasion in 2022. While India has not exported weapons to Ukraine, reports note that small quantities of Indian-made ammunition supplied to other EU countries such as Italy and the Czech Republic has made its way to Ukraine.<sup>15</sup>

The EU could become an important opportunity for India’s defence exports, given the massive policy changes underway as the EU seeks to strengthen its defence industrial base and transform into a ‘defence union’.<sup>16</sup> The ‘Joint White Paper for European Defence Readiness 2030’ released on 19 March 2025 calls for facilitating greater intra-EU collaboration and efficient scale for European defence industry in developing, producing and marketing weapons systems. It identifies artillery systems among seven defence capability domain priority areas. The EU is expected to spend at least Euros 800 billion over the next four years on defence.

The White Paper flags India as one of the partner countries with which security and defence cooperation has developed over past years and calls for the prospects of exploring a Security and Defence Partnership (SDP) with India. Indian public and private sector defence companies will no doubt explore and utilise these and other opportunities in pursuit of exceeding the defence exports targets.

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<sup>14</sup> [“EU Countries Export: Region Wise All Commodities”](#), Ministry of Commerce and Industry, Government of India.

<sup>15</sup> Krishn Kaushik, [“Exclusive: Ammunition from India enters Ukraine, Raising Russian Ire”](#), *Reuters*, 19 September 2024.

<sup>16</sup> [“Joint White Paper for European Defence Readiness 2030”](#), European Commission, 19 March 2025.

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