

ARMS AND AMMUNITION MANUFACTURING POLICY

The Arms Act, 1959 came into force on 01.10.1962. Arms Rules 1962 also came into force with effect from 01.10.1962. Prior to the enactment of the Arms Act/Rules, it came to the notice of the Government of India that small arms and ammunition were being manufactured by private parties in some places. Pending a final decision, instructions were issued by the then Ministry of States on 25.03.1952 conveying no objection to the continuance of manufacturing of arms and ammunition by private parties who were duly licenced and were already doing this work subject to the following conditions :-

- (a) Revolvers, pistols and rifled weapons or any ammunition to be used in such weapons are not manufactured;
- (b) The strictest security precautions are observed so as to prevent any diversion of the products of such factories to unauthorized hands; and
- (c) Details of licences already issued by the State Governments for manufacture of arms and ammunition are furnished to MHA.

2. Pursuant to the Industrial Policy Resolution of 30.04.1956, the Government of India vide instructions issued on 08.03.1957, decided that there was no objection to the continuance of manufacturing of arms and ammunition by the existing units in the private sector who are already licensed for such manufacture subject to the following conditions:-

- (i) Revolvers, pistols and rifled weapons and any ammunition used in such weapons are not manufactured;

- (ii) The strictest security precautions are observed so as to prevent any diversion of the products of such factories to unauthorized hands;
- (iii) The operations of such units should be strictly restricted to the items already manufactured by them;
- (iv) No expansion of the activities through widening the range of the products and/or increasing the capacity of the items already produced be allowed without prior sanction of Government of India;
- (v) The weapons manufactured should be proof tested according to the regulations prescribed; and
- (vi) No fresh licences for manufacture of arms and ammunition are to be granted.

3. As per the Notification issued on 13.7.1962 manufacture of air guns/air rifles and air pistols which satisfy the test, namely, that the projectiles discharged from such weapons do not perforate a target of 12 inches square formed by deal wood board of even grains free from knots planed on both sides and of thickness of ½ inch and one inch for air pistols and air guns/rifles, respectively, are exempt from the purview of Arms Act, subject to the conditions laid down in the said Notification.

4. Pursuant to requests from existing licensed manufacturers to permit enhancement of gun manufacturing quota, either on the ground of economic viability, production capacity, quality of guns produced or their original licensed quota was at some point of time reduced or re-fixed at a lower level, a comprehensive review was done. The requirement of maintenance of law and order, internal security, the existing capacity of the private manufacturers, the production capacity of the ordnance factories to manufacture arms for civil use and the availability of firearms through imports were taken into account. The Government of India decided in public interest that, as a matter of policy, no request for enhancement or restoration or re-fixation or revision of manufacturing quota for

manufacturing of arms will be considered by the Government of India on any ground whatsoever. Accordingly, instructions were issued on 11.12.1985.

5. Pursuant to the receipt of a number of applications from existing arms and ammunition manufacturers for fresh manufacturing licences, diversification of product range, enhancement of manufacturing quota and restoration of certain items which were deleted earlier from the licences, the Government of India reviewed the manufacturing policy and took the following decisions on 01.10.1991 which were subsequently withdrawn on 5/10/95:-

- (i) Henceforth, Muzzle Loading (ML) guns manufacturers may be allowed to manufacture Breach Loading (BL) guns within the existing licenced capacity as per the recommendations of the State Government.
- (ii) The existing blank fire cartridges manufacturers may be allowed to manufacture live cartridges upto 20% of their existing quota within the overall limit.
- (iii) 20% increase over the existing quota in the matter of manufacture of arms and ammunition of the permissible type may be allowed subject to the recommendations of the State Government.

6. At present, there are 95 firms licensed by the Ministry of Home Affairs, Government of India for the manufacture of guns (single barrel/double barrel) and 25 firms manufacturing cartridges (either blank cartridges or live cartridges or both) upto the quota permitted in their licences. Although the quota of some firms was enhanced in the past as a result of Court judgements or otherwise, the instructions issued on 11/12/85 were reiterated on 16.4.1998, not to allow enhancement of quota on any ground whatsoever, continue to be in force at present.

7. The Department of Industrial Policy and Promotion (DIPP) obtained a decision from the Cabinet during 2001 - 2002 to allow manufacture of arms and ammunition in the private sector with nil or upto 26% FDI, and issued Industrial licences to three firms. Some requests have also been received to allow manufacture of sports weapons.

8. The current security scenario and law and order situation in the country, especially in J&K, North–Eastern States and left extremists dominated areas, require the Government to ensure total non-proliferation of arms and ammunition. However, considering the requirements for advanced weapons by the defence sector, Central Para-Military Forces, technological up-gradations of the arms and ammunition industry, it has been decided that:-

- a) Manufacture of arms in the private sector may be allowed on limited basis subject to Industrial license to be issued by DIPP.
- b) Applications from units in the large scale sector which are capable of producing advanced weapons and investing more than Rs. 50 crore may, with or without FDI upto 26% be considered by DIPP, as the item, 'arms and ammunition' is under compulsory licensing. In no case will any fresh licence be issued to any cottage or small scale sector units.
- c) Arms and ammunition may be primarily supplied to Central Para Military Forces, Defence and State Governments on tendering basis or exported. Automatic and semi-automatic weapons and all other prohibited Bore weapons will not be allowed to be sold in local market through arms dealers and the same will necessarily have to be supplied to Defence, Central Para Military forces and State Governments on tendering basis or exported.
- d) Sports weapons and NPB weapons may be supplied to registered arms dealers for sale to licence holders only.

- e) No enhancement in manufacturing quota of existing firms may be allowed.
- f) Applications for manufacture of arms and ammunition may be considered by DIPP as per procedure in consultation with MHA. Applications for manufacture of sports weapons may be considered in consultation with Ministry of Youth Affairs and Sports, who may like to consult Sports Authority of India, National Rifle Association of India etc., as deemed fit.
- g) DIPP may impose such other conditions as may be deemed fit by them.
- h) In cases in which Industrial licences have already been issued by DIPP without concurrence of MHA, MHA may agree to renewal of the industrial licences by DIPP subject to strict conditions that will be imposed at the time of renewal to enable the three firms to take effective steps in accordance with the new policy.
- i) The Arms Rules, 1962 empowers every Magistrate and police officer not below the rank of an Inspector to enter and inspect the premises of an arms and ammunition manufacturer to examine the stock and accounts of receipt and disposal of arms and ammunitions. It is proposed to prescribe annual inspection by the DM concerned of all the manufacturing units falling in his jurisdiction and to send a report to Secretary (Home) of the State Government concerned under intimation to MHA.
