

**Press Information Bureau
Government of India
Ministry of Commerce & Industry**

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Streamlining the Procedure for Grant of Industrial Licenses

1. Increasing the validity period of Industrial License

As a measure of ease of doing business, henceforth two extensions of two years each in the initial validity of three years of the Industrial License shall be allowed up to seven years. This is in supersession of Press Note No. 5(2014 Series) dated 02.07.2014,

2. Removal of stipulation of annual capacity in the Industrial License.

It has been decided to deregulate the annual capacity for defense items for Industrial License. However, the licensee shall submit half yearly production return to Department of Industrial Policy & Promotion and Department of Defence Production, Ministry of Defence in the prescribed format, to be notified separately.

3. Sale of Defence items to Government entities without approval of Ministry of Defence.

The Licensee shall be allowed to sell Defence items to Government entities under the control of Ministry of Home Affairs (MHA), State Governments, Public Sector Undertakings (PSUs) and other valid Defence Licensed Companies without prior approval of the Department of Defence Production (DoDP). However, for sale of the items to any other entity, the Licensee shall take prior permission from the Department of Defence Production, Ministry of Defence.

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