

LICENSING, TRADE, AND ENFORCEMENT: EVALUATING THE LEGAL REGIME GOVERNING THE ARMS AND WEAPON INDUSTRY IN INDIA

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ABSTRACT

India's dedication to striking a balance between public safety, national security, and economic development is reflected in the complex and dynamic regulatory structure that oversees the country's arms and weapons industry. The current framework, which has its roots in colonial-era controls and was substantially altered after independence by the Arms Act of 1959 and the Arms Rules of 2016, has grown to include licensing, trade regulation, and enforcement at the federal and state levels. Nevertheless, the industry still faces difficulties like monopolistic market tactics, the spread of illegal weapons, regulatory oversight gaps, and bureaucratic bottlenecks. In addition to evaluating the constitutional underpinnings, international commitments, and administrative obstacles, this study aims to critically analyse the effectiveness of India's legislative and procedural frameworks controlling the licensing, production, trade, and enforcement of weapons. The study identifies both systemic flaws and positives in the current regulatory framework by using a doctrinal research technique based on secondary sources, such as government reports, statutory texts, court decisions, and international agreements. The results show that even while the legal framework is broad, administrative hold-ups, a lack of technology modernization, and disjointed interagency collaboration cause its enforcement to be uneven. The study comes to the conclusion that in order to improve transparency, encourage indigenization, encourage responsible arms exports, and guarantee strong adherence to international standards, significant reform is necessary. By providing practical legal and policy proposals targeted at improving institutional capacity, expediting licensing procedures, and bolstering India's standing as a safe and responsible participant in the international arms trade, it adds to the conversation on strategic autonomy.

KEYWORDS: Arms Act, 1959, Arms Rules, 2016, Weapons and Ammunition, Licensing, Enforcement, National Security.

INTRODUCTION

In India, the arms and weaponry sector functions under a complicated and dynamic regulatory framework that reflects the country's need to strike a balance between public safety, economic growth, and national security. The Arms Act of 1959 and the Arms Regulations of 2016 serve as the foundation for the regulatory framework, which includes strict licensing procedures for the production, ownership, sale, and transfer of firearms and ammunition. Central and state authorities supervise these procedures to guarantee that only qualified organizations and individuals are allowed entry. Recent policy reforms have attempted to liberalize and clarify procedures, encourage private sector participation, and align export controls with international standards like the Wassenaar Arrangement. The Industries (Development and Regulation) Act, 1951, mandates industrial licensing, which further subjects the production of arms to stringent approval mechanisms involving multiple government departments. The government's goals during these reforms have been to increase domestic manufacturing through programs like "Make in India," lessen reliance on imports, and strengthen enforcement against illegal arms trafficking—all while enforcing strict penalties for infractions and regularly monitoring producers and dealers. In order to assess how well India's legal framework regulating the weapons and weaponry sector addresses current issues and advances the nation's strategic and security goals, this research study critically analyses the licensing, trading, and enforcement processes that make up that framework.

HISTORICAL BACKGROUND

The legal regime governing the arms and weapon industry in India is deeply rooted in the nation's complex historical trajectory of defense procurement, international alliances, and evolving security imperatives. In the early years post-independence, India's armed forces relied predominantly on Western suppliers such as the United Kingdom, France, and the United States, but shifting geopolitical realities—particularly after the 1959 Tibetan revolt and the Sino-Indian border tensions—prompted a strategic pivot towards the Soviet Union, which became India's principal arms supplier through the Cold War, accounting for nearly 70% of India's military inventory by its end. The 1960s and 1970s saw India negotiating technology transfers and long-term credit arrangements with the USSR, enabling the acquisition and licensed production of advanced weaponry such as the MiG-21 fighter jets and T-series tanks. Meanwhile, India's arms trade diversified further after the Cold War, as diplomatic normalization with Israel in 1992 and increasing ties with the United States, France, and other countries allowed for a broader supplier base, with Israel and Russia remaining crucial partners alongside significant imports from the US and France. India's military expenditure has consistently ranked among the world's highest, reflecting ongoing security challenges, regional rivalries, and a de facto arms race with neighboring China. The domestic arms industry, while historically overshadowed by imports, has recently seen a push towards indigenization and export growth, with defense exports reaching ₹23,622 crore (US\$2.8 billion) in 2024–2025. Throughout this period, the licensing, trade, and enforcement mechanisms regulating the arms sector have been shaped not only by India's strategic needs and international partnerships but also by recurring controversies, allegations of corruption, and the influence of powerful arms dealers navigating the complex political-bureaucratic landscape. This historical context underpins the current legal framework, highlighting the interplay between national security imperatives, international obligations, and the persistent challenges of effective regulation and oversight in India's arms and weapon industry.

EVOLUTION OF ARMS REGULATION IN INDIA

The development of India's arms regulation is a result of a complex relationship between colonial demands, post-independence changes, and continuous attempts to strike a balance between public safety and individual rights. Following the Sepoy Mutiny of 1857, which led the British to pass the Indian guns Act of 1878, the need to quell possible uprisings and preserve political power served as the main motivation for the regulation of guns during the British colonial era. This law clearly aimed to disarm the Indian population while exempting some privileged groups, such as Europeans and Anglo-Indians, by placing strict restrictions on the production, ownership, and transfer of firearms, particularly in relation to license requirements and broad discretionary powers granted to colonial authorities. With its focus on strengthening colonial power rather than preventing crime, the Act reflected a long-standing mistrust of the native populace. Following its independence in 1947, India worked to establish a more equal and logical legal system, which resulted in the Arms Act of 1959 replacing the 1878 statute. To reconcile the right to self-defense with the need for public order, the 1959 Act established a structured licensing system, classified weapons into forbidden and non-prohibited bores, and imposed harsh penalties for unlawful ownership or manufacturing. The Arms Rules of 1962 established to operationalize the new law. They strengthened regulatory monitoring and enforcement measures by outlining the processes for firearms handling, licensing, and renewal. Through recurring amendments over the years, the arms regulatory regime has continued to develop, reflecting the state's continuous response to new security threats and public concerns while continuously highlighting the importance of state control over weapons for the sake of collective security.

RESEACH OBJECTIVES:

- To critically analyze the existing legal and regulatory framework governing the licensing, trade, and enforcement mechanisms in India's arms and weapon industry, primarily under the Arms Act, 1959 and Arms Rules, 2016.
- To examine the historical evolution and constitutional foundations of arms regulation in India, including its colonial roots and post-independence reforms.
- To assess the operational efficacy of different types of licenses (manufacturing, import/export, dealership, civilian possession) and the roles of various regulatory authorities (MHA, DGFT, DPIIT, State Authorities, etc.).
- To evaluate enforcement mechanisms including inspection, compliance, penal provisions, and the roles of intelligence and enforcement agencies such as CBI, NIA, DRI, and Customs.

- To identify legal, administrative, and structural gaps within the current regime, such as regulatory inefficiencies, monopolistic practices, and illicit arms proliferation.
- To recommend legal and policy reforms aimed at simplifying regulatory processes, enhancing enforcement, promoting indigenization, strengthening international trade compliance, and boosting technological innovation and export capacity.

RESEACH METHODOLOGY:

The current study critically examines the current legislative framework controlling the licensing, trading, and enforcement of arms and weapons in India using only secondary sources of information and a thorough doctrinal methodology. The Arms Act of 1959, the Arms Rules of 2016, and other relevant laws including the Explosives Act of 1884, the Customs Act of 1962, and the Foreign Trade (Development and Regulation) Act of 1992 are the main sources of information used in this study. Along with these core legal sources, the study also draws from government reports, policy briefs, judicial rulings, parliamentary discussions, expert commentary, and international agreements such as the SCOMET export guidelines and the Wassenaar Arrangement. For the most recent information on licensing procedures, enforcement procedures, and procedural data, the official websites of regulatory agencies like the Department of Defense Production, the Directorate General of Foreign Trade (DGFT), and the Ministry of Home Affairs have been reviewed. To put the legal requirements in the context of larger policy frameworks and real-world implementation issues, academic literature, law journals, and think-tank publications were also examined. A systematic and critical assessment of India's arms regulation system is made possible by this secondary-source-driven approach, which also identifies administrative gaps, statutory coherence, historical evolution, and compliance with international standards. These findings serve as the foundation for well-informed conclusions and recommendations.

CONSTITUTIONAL AND STATUTORY PROVISIONS

The Indian Constitution provides legitimacy for the country's weapons and weaponry industry regulation, which is implemented through a comprehensive system of statutory enactments. This legal framework was created to preserve national security while taking economic regulation and citizen rights into account. The Seventh Schedule of the Indian Constitution establishes the boundaries of legislative authority between the Union and the States. In particular, the Parliament has the only right to enact laws pertaining to "arms, firearms, ammunition, and explosives" under Entry 5 of the Union List. In view of national security concerns, this constitutional clause gives the central government the authority to regulate the armaments sector consistently throughout the nation, guaranteeing centralized control. Despite the fact that India has not joined the Arms Trade Treaty (ATT), the centralization of legislative authority also guarantees India's adherence to its international commitments.

Also, the restriction of arms is strongly related to the fundamental rights guaranteed by the Indian Constitution. Every citizen has the right to engage in any vocation, trade, or business, as guaranteed by Article 19(1)(g). Article 19(6), however, allows the state to put reasonable restrictions on this freedom in the sake of public order, morality, health, and—most importantly—national security. Significant security considerations are inherent to the arms and weaponry sector. Consequently, even while citizens may have a constitutional right to do legal business, manufacturing, selling, or possessing firearms is not unrestricted and is strictly regulated to prevent abuse, the spread of illegal activity, and dangers to national security. Furthermore, the Supreme Court has construed Article 21 of the Constitution, which protects the right to life and personal liberty, broadly to encompass the right to live in a safe and secure environment. This view reaffirms the state's obligation to enforce stringent regulatory control over the distribution of weapons in order to guard against abuse and guarantee public safety.

The Arms Act of 1959 is the main law that governs firearms and ammunition in India. The colonial Indian Arms Act, 1878, which mainly intended to disarm the Indian population after 1857, was significantly different from the Act, which was enacted to modify and consolidate the laws pertaining to arms and ammunition. The 1959 Act seeks to strike a balance between security requirements and public access. It controls the purchase, ownership, production, distribution, import, export, and transportation of firearms and ammunition. No one may purchase or carry weapons without a current license issued under the Act, according to Section 3. The foundation of India's citizen gun control measures is this section. Similar licensing requirements are imposed on organizations engaged in the production, repair, or sale of weapons under Section 5 of the Act, so making licensing a necessary condition for economic involvement in the sector. Possession of restricted weapons or ammunition is illegal under Section 7, and violators face fines and imprisonment under Section 25. The Act also gives the Central Government the

power to forbid, in extreme cases, the manufacture or possession of specific types of firearms.

The previous Arms Rules of 1962 were superseded by the Arms Rules, 2016, which complemented the parent Act. The 2016 Rules were presented as a component of a larger reform that sought to improve the arms licensing regime's openness, streamline processes, and make use of digital governance. According to the Rules, guns are categorized into non-prohibited bore (NPB), prohibited bore (PB), and civilian arms. They offer comprehensive guidelines for granting, extending, suspending, and revoking arms licenses. Additionally, the laws set eligibility requirements for candidates, such as age, physical and mental health, and police-verified antecedents. The National Database of Arms permits (NDAL), a centralized digital platform designed to expedite the licensing process and avoid duplicate or forgery of arms permits, is a noteworthy aspect of the 2016 Rules. Additionally, the Rules include elements that are special to arms manufacturers, such as mandatory registration, inspection standards, export-import laws, and technology requirements including biometric systems for access to production facilities.

The regulatory framework controlling arms and weapons in India is supplemented by a number of other acts in addition to the Arms Act and Rules. The production, ownership, usage, sale, transportation, and import/export of explosives and explosive substances are governed by the Explosives Act of 1884 and the Explosive Substances Act of 1908. These Acts are frequently used in conjunction with the Arms Act in cases involving illicit arms manufacturing facilities and are essential in preventing the abuse of explosive materials that can be weaponized. Additionally, customs officers are empowered by the Customs Act of 1962 to stop the smuggling of weapons and ammunition into or out of India. Arms and other illegal goods that are imported or exported in violation of license requirements seized under Sections 111 and 113 of the Act.

Another significant piece of law that directly affects the global trade in weapons and defense equipment is the Foreign Trade (Development and Regulation) Act of 1992. The Export-Import Policy (EXIM Policy), which developed by the Directorate General of Foreign trading (DGFT) in accordance with this Act, contains limitations and requirements on the trading of weapons, ammunition, and defense-related products. Special licenses are needed for items on the SCOMET (Special Chemicals, Organisms, Materials, Equipment, and Technologies) list, and end users must thoroughly verify them. The SCOMET rules are designed to meet India's non-proliferation goals and make sure that exported defense materials do not wind up in the hands of terrorist groups or rogue governments.

A complicated interaction between statutory directions and constitutional demands governs India's arms and weaponry sector. The framework for regulation is established by the Constitution, but it is operationalized by a number of legislation, including the Foreign Trade Act, the Arms Act, the Explosives Act, and the Customs Act. Together, these clauses seek to achieve a careful balance between national security, public safety, and the economic liberalization of the defense industry. But even with this extensive legislative framework, enforcement is still difficult because of bureaucratic hold-ups, corruption, poor agency coordination, and new dangers like illegal online arms trafficking and 3D-printed weaponry. To preserve the stability and efficacy of India's weapons control regime, this calls for ongoing reform, digital modernization, and more stringent implementation.

TYPES OF LICENSES

The arms Act of 1959 and the Arms Rules of 2016 serve as the main regulatory frameworks for the extensive licensing system that underpins India's legal system for the weapons and weaponry sector. These regulations specify particular license types for a range of industry operations, including as manufacturing, importing, exporting, selling, and civilian possession.

- **Manufacturing Licenses:**

The Arms Act of 1959 and the Arms Rules of 2016 impose stringent regulations on the production of weapons and ammunition in India, requiring prior license according to the type and caliber of weapons to produced. Manufacturers of small guns up to 12.7 mm caliber are required to send Form A-6 and the required security clearances straight to the Ministry of Home Affairs (MHA). The Department for Promotion of Industry and Internal Trade (DPIIT), on the other hand, handles the license application procedure for weapons and ammunition larger than 12.7 mm caliber, which are often meant for defense platforms like tanks, warships, and aero planes. This is done through Form A-6 as well. Such manufacturing licenses are also granted in Form VII, which includes small arms, light weapons, and other items with military configurations, according to the Arms Regulations of 2016. Before a licensee may be granted, the Central Government may need to grant permission for restricted weapons or ammunition. In order to maintain strong monitoring of the domestic arms production ecosystem, a specialized licensing committee within the MHA reviews all new manufacturing applications and proposals for capacity growth

to ensure alignment with regulatory standards and national security interests.

• **Import and Export Licenses**

The Arms Rules, 2016, which require extensive procedures for obtaining permissions necessary for any cross-border movement of such products, impose strict regulatory monitoring on the import and export of arms and ammunition in India. The Directorate General of Foreign Trade (DGFT) primarily issues these permits, and acquiring an Importer Exporter Code (IEC) from DGFT is a requirement for participating in the international arms trade and achieving customs clearance. Applicants must also obtain a No Objection Certificate (NOC) from the Ministry of Defense's Department of Defense Production (DDP) in cases involving exports connected to defense. An Interministerial Cooperation Group, which includes officials from important organizations like the Ministry of External Affairs, the Department of Atomic Energy, and the Defense Research & Development Organization (DRDO), among others, carefully reviews each export license application. The Indian government's emphasis on national security and self-reliance in defense production is further reflected in the special permissions and enhanced regulatory review required for items classified as restricted under the ITC (HS) Export Policy or listed under the Positive Indigenization Lists (PILs).

• **Dealership Licenses**

Under the Arms Act of 1959, dealership permits are necessary for organizations that sell and distribute firearms and ammunition in India. These licenses act as a regulatory tool to guarantee that only people and companies with the proper authorization can work in this delicate industry. Strict requirements, such as keeping thorough records of all transactions, storing weapons and ammunition securely, and reporting to the appropriate authorities are all part of the licensing process. By preventing firearms from being diverted, illegally circulated, and misused, these regulations aim to strengthen public safety and national security goals through strict regulatory monitoring.

• **Civilian Possession Licenses**

In order to protect public safety and national security, civilian possession of firearms and ammunition in India is strictly regulated under the Arms Act. Anyone wishing to purchase, own, or carry a firearm must have a current license, which is often granted by state licensing authorities. The applicant's background is carefully examined during the procedure, and their eligibility is assessed based on a number of criteria, including their criminal history, mental stability, and perception of threat. Furthermore, there is a restriction on the kinds of weapons that are allowed for civilian use, and their use is subject to stringent guidelines designed to reduce the possibility of abuse. The state's dedication to limiting public access to firearms while upholding law and order is demonstrated by this licensing scheme.

Summary Table: Licensing Authorities and Forms:

| LICENSE TYPE | ISSUING AUTHORITY | KEY FORMS/REQUIREMENTS |
|---------------------|-----------------------------|--|
| Manufacturing | MHA / DPIIT | Form A-6, Form VII, Security Clearance |
| Import/Export | DGFT, DDP (MoD) | IEC, Export/Import License, NOC |
| Dealership | State Licensing Authorities | Arms Act License, Compliance Records |
| Civilian Possession | State Licensing Authorities | Arms Act License, Background Checks |

KEY REGULATORY AUTHORITIES

A. Ministry of Home Affairs (MHA)

The primary license-granting body for forbidden bore (automatic and semi-automatic) weapons is the MHA. It also has a big say in how laws pertaining to weapons and ammunition are made and implemented, especially when it comes to public safety and internal security.

B. State and District Authorities

District magistrates and state governments are in charge of licensing non-prohibited bore firearms. A decentralized approach to civilian arms regulation is seen in these bodies' stringent police verification and threat assessment procedures prior to issuing licenses.

C. Directorate General of Foreign Trade (DGFT)

The Special Chemicals, Organism, Material, Equipment and Technologies (SCOMET) list is administered by the

DGFT, which is part of the Ministry of Commerce and Industry. It complies with international export control regimes such the Wassenaar Arrangement and the Missile Technology Control Regime (MTCR). In collaboration with other governmental organizations, the DGFT is in charge of granting export licenses for weapons and dual-use products.

PROCEDURAL MECHANISMS

A multi-layered collection of procedural mechanisms intended to provide strict control of licensing, trading, and enforcement actions characterizes the regulatory framework overseeing India's arms and weapon business. In order to establish comprehensive procedures for the lawful possession, manufacture, sale, transfer, transport, export, and import of arms and ammunition, the Arms Act of 1959, the Arms Rules of 2016, and subsequent amendments form the legislative backbone. The Ministry of Home Affairs and other central government agencies have exclusive jurisdiction over these matters. State governments have a specific responsibility in implementing licensing procedures to ensure compliance at various administrative levels. These procedures require that deadly military-pattern weapons remain inaccessible to civilians and are rigorously regulated through a system of legitimate permits. Senior officials in the Ministry of Defense Production have the authority to grant licenses for military equipment in the context of arms exports. This authority necessitates a signed end-user certificate from the receiving state as well as mandatory consultations with pertinent ministries and agencies. In the event that a disagreement cannot be reached, the matter is referred to higher-level committees for consensus or, in the absence of that, to the Minister of Defense for a final decision. The introduction of a new Standard Operating Procedure (SOP) to speed up arms exports through defense lines of credit is one example of recent procedural improvements. The SOP aims to simplify price discovery and negotiations while making these mechanisms available to both public and private sector organizations. Additionally, India emphasizes the importance of national legislation in carrying out obligations under international treaties, and its procedural regime is in line with international agreements like the Wassenaar Arrangement. This allows for flexibility and periodic updates to domestic laws as needed by changing international standards. The integrity of the license and trade system is supported by enforcement that is strengthened by strong administrative controls and punitive penalties for illegal trafficking, which guarantee that infractions are punished with severe legal repercussions.

TRADE OF ARMS AND WEAPONS

Domestic Trade Regulations:

A comprehensive regulatory system that governs the production, sale, and transfer of weapons within India's borders controls the country's domestic arms and weapons trade. The main piece of legislation is the Arms Act of 1959, which lays out the licensing, registration, and oversight procedures for commercial producers and dealers in conjunction with the Arms Rules, 2016. These rules, which include strict background checks and licensee compliance requirements, are designed to guarantee that only authorized organizations can produce and sell weapons. The Act forbids the unlawful manufacturing, sale, transfer, and possession of firearms and ammunition and requires registered dealers to maintain accurate records and submit reports on a regular basis.

Rules for Commercial Manufacturers and Dealers

Depending on the type of weapon, the appropriate authorities, usually the state governments or the Ministry of Home Affairs, must grant licenses to commercial makers and dealers. The licensing procedure involves a thorough examination of the applicant's qualifications, security setup, and adherence to safety regulations. Licensed dealers must keep thorough records of all transactions, and regulatory bodies may conduct routine inspections of them. Any breach of the licensing agreement may lead to licence suspension or revocation as well as legal action under the Arms Act.

Import and Export Controls

India uses a multi-layered regulatory framework to strictly regulate the import and export of firearms. The Directorate General of Foreign Trade (DGFT) is authorised by the Foreign Trade (Development and Regulation) Act of 1992 to control and grant licenses for the import and export of weapons, ammunition, and associated goods. The SCOMET (Special Chemicals, Organisms, Materials, Equipment and Technologies) list, which classifies things subject to export controls, such as munitions and dual-use goods, regulates the export of military equipment.

An Inter-Ministerial Working Group (IMWG) under the DGFT oversees the administration of export licenses for goods on the SCOMET list. The IMWG assesses applications in light of India's international commitments, foreign

policy considerations, and national security. The Department of Defence Production, which has created a comprehensive Standard Operating Procedure (SOP) for licensing that includes clauses for demonstration, testing, and technology transfer, further regulates the export of munitions (SCOMET Category 6).

Licensing under DGFT

When it comes to licensing weapons and exporting them, the DGFT is essential. Each shipment requires exporters to get a license, and the IMWG, which is composed of members from several ministries and security organizations, thoroughly reviews applications. In order to guarantee alignment with India's strategic and security objectives, the licensing process evaluates the nature of the commodities, the destination nation, the end-user, and the intended end-use. When necessary, the DGFT also keeps an eye on post-shipment verification and oversees adherence to export regulations.

End-User Certification Requirements

A crucial element of India's export control policy is the end-user certification requirement. Foreign buyers are required to provide exporters with end-user certifications (EUCs), which outline the intended purpose of the exported weapons and forbid re-export or diversion without first obtaining Indian authorities' consent. The relevant Indian agencies verify these credentials to make sure the weapons aren't being transferred to unapproved users or utilized for objectives that go against India's international commitments or national interests.

Compliance with International Arms Embargoes

India is dedicated to abiding by the sanctions and arms embargoes imposed by the United Nations Security Council (UNSC). The Weapons of Mass Destruction (WMD) Act of 2005, the United Nations (Security Council) Act of 1947, and other pertinent laws give the government the authority to impose embargoes and forbid commerce with countries, organisations, or people that have been sanctioned. Due diligence must be performed by Indian exporters and businesses to make sure that their dealings do not contravene UNSC sanctions or aid in the spread of weapons to countries that are under embargo. To make compliance easier, the unified UNSC sanctions list is updated often and shared with interested parties. Along with adhering to the rules of the Arms Trade Treaty (ATT), which requires reporting, transparency, and responsible arms transfers to prevent illicit trade and diversion, India is a member of several significant multilateral export control regimes, such as the Missile Technology Control Regime (MTCR) and the Wassenaar Arrangement.

ENFORCEMENT MECHANISMS

Inspection and Compliance:

In order to ensure conformity with the Arms Act, 1959, and Arms Rules, 1962, police and Ministry of Home Affairs (MHA) personnel work together to enforce inspections and compliance in India's arms and weapon sector. In order to verify compliance with legal requirements, these inspections entail license verification, physical inspections of firearms and ammunition, and examination of records kept by manufacturers and license holders. In order to facilitate centralized surveillance and lower the danger of illicit possession or transfer, the MHA requires all arms license holders, whether new or current, to register with the National Database of Arms Licenses (NDAL-ALIS). Each licensee is assigned a unique identification number (UIN). In addition to keeping thorough records of manufacturing, import/export, and transportation licenses, licensing authorities and enforcement officers are also in charge of making sure that consignment information correspond with the licenses that are produced during inspections. Licenses may be suspended or revoked for non-compliance, and any inconsistencies or shortcomings must be reported. By stopping illicit manufacturing, abuse, and unauthorized arms trafficking, the inspection regime aims to protect public safety and national security. Police verification is essential to the licensing procedure and continuous compliance inspections.

Penal Provisions under the Arms Act

The Arms Act of 1959, which addresses major offences such illegal possession, smuggling, and unlicensed manufacturing, creates a strict legal framework to control the purchase, possession, manufacture, and transfer of weapons and ammunition in India. For a variety of infractions, Section 25 of the Act stipulates severe penalties: manufacturing, selling, or possessing weapons without a valid licence under Section 5 is punishable by at least three years in prison, with the possibility of a seven-year sentence, as well as fines; smuggling weapons or ammunition into or out of India in violation of Section 11 is punishable by the same penalties. For offences involving restricted

weapons or ammunition, the Act provides even more severe penalties: possession or acquisition in violation of Section 7 carries a minimum sentence of five years in jail, with the possibility of a ten-year sentence, as well as a fine. Additionally, Section 27 toughens the penalties for actually using weapons against the Act. The penalty can be anything from three years to life in prison, and if the use is fatal, it can even result in the death penalty. Additional sections that criminalize secret violations, knowingly buying from or delivering to unlicensed individuals, and repeated offences support these penal provisions, highlighting the Act's all-encompassing strategy for discouraging illicit arms trafficking and preserving public order.

Role of Intelligence and Enforcement Agencies

The Central Bureau of Investigation (CBI), National Investigation Agency (NIA), Directorate of Revenue Intelligence (DRI), and Customs are among the intelligence and enforcement agencies whose coordinated efforts are vital to the efficient regulation and enforcement of the laws governing India's arms and weaponry industry. The Delhi Special Police Establishment Act, 1946, gave the CBI the authority to investigate complex matters involving corruption, arms trafficking, and license violations. However, the CBI's jurisdiction is frequently limited by judicial or state orders. Recent multistate operations have revealed vast illicit arms supply chains, demonstrating the NIA's ability to disrupt complex cross-state illegal arms networks. The NIA is mandated to investigate and combat terrorism and related offences. In order to protect national and commercial interests, the DRI, India's top anti-smuggling agency, is essential in stopping the cross-border flow of illegal firearms and ammunition. Despite a strong legislative framework, customs officials, in cooperation with the DRI, play a crucial role in monitoring and stopping illegal arms imports and exports at ports and borders, which helps to seize thousands of illegal firearms every year. Together, these agencies work in a complex institutional and legal environment that calls for improved interagency coordination, modernization, and legal clarity in order to address enduring issues like internal corruption, cross-border trafficking, and changing smuggling strategies and maintain the integrity of India's arms control regime.

IDENTIFIED LEGAL AND ADMINISTRATIVE GAPS

Licensing and Regulatory Oversight

Significant gaps still exist in the legal and administrative spheres even after the Arms Rules, 2016 were implemented, replacing the previous 1962 framework and establishing stronger standards for manufacture, licensing, and record-keeping. Despite appearing strong on paper, the licensing process is compromised by uneven application and ineffective administrative procedures. The integrity and efficacy of the regulatory framework are jeopardized by the frequent accusations of corruption and procedural hold-ups against licensing authorities. Additionally, law-abiding residents find it challenging to obtain permits under the present system's strict standards, especially in areas with elevated security concerns.

Enforcement and Illicit Arms Proliferation

The presence of illicit firearms and unregistered producers presents a significant obstacle to the implementation of arms regulations. Despite being thorough, the regulatory structure has not adequately addressed the problem of domestically produced firearms, which are often linked to illegal activity. Public safety goals are compromised and illegal arms trafficking persists as a result of ineffective procedures for identifying and prosecuting unlicensed manufacturers. Still, there are gaps in the monitoring, investigation, and prosecution of crimes using weapons since the enforcement machinery struggles with a lack of resources and coordination.

Market Structure and Monopolistic Practices

A near-monopoly of state-run companies, especially the Indian Ordnance Factories (IOF), in the supply of civilian weapons is a defining feature of the Indian arms sector. This monopolistic structure has resulted in ongoing supply-demand imbalances, subpar product quality, and exorbitant costs. It is further supported by restrictive government regulations that restrict the involvement of the private sector. Legitimate customers and arms dealers are further disadvantaged by the lack of competitive pressures, which has inhibited innovation and efficiency.

Regulatory Loopholes and Regional Disparities

Both manufacturers and end users take advantage of the gaps in current laws and administrative procedures. For instance, there is an uneven application of the legislation due to the inconsistent enforcement of the processes for acquiring, depositing, and transferring weapons, particularly in rural and conflict-prone areas. Additionally, the framework does not adequately address the needs of communities and regions, especially in places with serious security threats where licenses are occasionally provided leniently without sufficient control.

Awareness, Training, and Public Education

Although safety training is required for license applicants under the Arms Rules, 2016, many people are still unaware of their legal responsibilities and proper firearm ownership. This lack of public understanding makes enforcement more difficult and encourages unintentional usage. Furthermore, the efficacy of preventive measures intended to encourage safe and legal firearms use is limited by the lack of ongoing outreach and training initiatives.

KEY RECOMMENDATIONS FOR STRENGTHENING THE LEGAL AND POLICY FRAMEWORK

The following suggestions are put out in order to close these gaps and get closer to a strong, independent weapons and weapon industry:

Enhance R&D and Innovation Ecosystem:

Even with a large defense R&D and production base, India's arms industry is nevertheless hindered by a lack of technological innovation and a lack of cooperation between private business, public sector projects, and academic institutes. The industry is still having difficulty moving from license manufacturing to true design and development capabilities, despite recent policy reforms that have given industry a fourth of the defense R&D funding and highlighted priority sectors like AI-based systems and hypersonic vehicles. Further impeding development has been the domination of the Defense Research and Development Organization (DRDO) and its preference for domestic initiatives, frequently at the expense of realistic evaluations of scientific and financial viability. India has to create a vibrant innovation ecosystem to close this gap by encouraging collaborations, assisting with technology incubation, and making sure that R&D expenditures result in solutions that are both operationally and financially viable.

Strengthen Quality Assurance and Manufacturing Capacity

State-owned companies frequently operate at only half their productive potential, and India's defense manufacturing sector is plagued by persistent inefficiencies, underutilized capacity, and varying quality standards. Project milestones and operational performance are routinely disregarded in this system due to a lack of competition, bureaucratic inertia, and a captive market for public sector entities. As a result, India is still mostly dependent on imports for cutting-edge weapons, and domestic manufacture has only slightly improved capital acquisition for the armed services. Establishing strict quality assurance procedures, using international best practices, and fostering a competitive atmosphere that motivates both public and private entities to innovate and produce on schedule are all necessary to address these problems.

Promote Effective Indigenization and Export Facilitation

India wants to be a major arms exporter, but its proportion of global arms exports is still quite small, and it continues to be one of the biggest importers in the world. This paradox derives from the lack of a well-thought-out export strategy and the restricted capacity of domestic manufacturers to develop sophisticated systems at scale. Current geopolitical changes, like growing demand in Europe, offer India a special chance to take use of its affordable manufacturing capacity and close supply chain gaps worldwide. However, in order to take advantage of this, India needs to create a strong framework for export facilitation, participate actively in global defense markets, and establish economic and diplomatic ties that facilitate the sale of Indian goods.

Rebuild Trust with Technology Partners:

India has diversified its weaponry purchases as a result of its quest for strategic autonomy, but this strategy has also damaged India's relationships with important technological suppliers, most notably the US. Unpredictable legislative environments and worries about intellectual property protection make international companies even less willing to export vital technologies. Initiatives for co-production and co-development, which are crucial for enhancing indigenous capacity, have been constrained as a result. India must priorities long-term, mutually beneficial relationships that enable true technology transfer while protecting national interests and provide clear, stable policies in order to regain trust.

Simplify Regulatory Processes:

The defense industry is nevertheless plagued by convoluted licensing processes, protracted bureaucracy, and disjointed regulatory monitoring in spite of policy liberalization initiatives. These obstacles limit the rate of indigenization and deter private investment. Both local and foreign players have found it challenging to effectively traverse the regulatory environment due to the persistence of red tape and the absence of a single-window clearance mechanism. To make conducting business easier and spur sectoral growth, it is essential to streamline these procedures, harmonies procurement and compliance standards, and create a single clearing mechanism.

Strengthen Enforcement and Compliance:

India's regulatory framework still has shortcomings in the areas of end-use verification, effective enforcement of licensing requirements, and compliance with international weapons trade commitments. The lack of effective monitoring systems raises the possibility of diversion and damages India's reputation as a competent manufacturer and supplier of munitions. In addition to achieving international criteria like those established by the Arms Trade Treaty, strengthening these enforcement structures is crucial to guaranteeing that domestic production complies with diplomatic and national security goals. Improved interagency cooperation, infrastructure investment for compliance, and a dedication to accountability and openness at all levels of the weapons and weapon industry are necessary for this.

CONCLUSION

In summary, a complex interaction between historical legacies, constitutional mandates, national security imperatives, and modern international duties is reflected in the legislative and regulatory framework controlling India's arms and weapons sector. Even with the complex legal framework provided by the Arms Act, 1959, the Arms Regulations, 2016, and related legislation like the Explosives Act and Customs Act, India's licensing, trade, and enforcement systems are still disjointed and hampered by regulatory opacity, bureaucratic inertia, and a lack of private sector integration. India's goal of becoming a self-sufficient and internationally competitive armaments exporter has been hampered by the dominance of state-run enterprises, a lack of competitive pressure, and production inefficiencies. Systemic risks are further highlighted by enduring issues like the spread of illegal weapons, regulatory gaps, inadequate enforcement capabilities, and unequal interagency collaboration. The report concludes that although recent legislative attempts and reforms, such as the Make in India framework, the Wassenaar-aligned SCOMET principles, and digital licensing systems, are praiseworthy, they need significant institutional recalibration and practical support. Simplifying licensing processes, updating enforcement tools, developing strong public-private R&D ecosystems, and establishing strategic global alliances based on trust and technology sharing are all essential components of a full makeover. Strengthening India's arms governance would primarily depend on maintaining the constitutional balance between security and rights, encouraging legislative clarity, increasing transparency, and integrating accountability at all regulatory junctures. India can only successfully control its arms industry, preserve its sovereignty, fulfil its international obligations, and establish a respectable place in the world defence market by implementing such multifaceted reforms.

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