

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 749
TO BE ANSWERED ON 06.02.2020

MSMEs ENGAGED IN DOMESTIC DEFENCE PRODUCTION

749. SHRI SUMEDHANAND SARASWATI :

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES pleased to state:

- (a) the number of Micro, Small and Medium enterprises (MSMEs) engaged in domestic defence production in the country;
- (b) the measures being taken by the Ministry to promote MSMEs in defence production sector;
- (c) whether the Ministry is providing protection to the domestic MSMEs engaged in defence production against foreign Original Equipment Manufacturer (OEM) companies as a result of foreign investment limit reaching 74 per cent; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): As reported by Department of Defence Production, number of MSME vendors of Defence Public Sector Enterprises / Ordinance Factory Board till 30.09.2019 is 10506.

(b): Ministry of Micro, Small and Medium Enterprises implements various schemes and programmes for promotion and development of Micro, Small and Medium Enterprises (MSMEs) including defence sector MSMEs across the country. These include Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE), Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme (CLCSS), Technology Centre Systems Programme (TCSP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Procurement and Marketing Support Scheme etc.

(c) & (d): In Make – I category of development of prototype of defence products/ platforms, projects not exceeding development cost of Rs.10 crore and procurement cost of Rs.50 crore are reserved for MSMEs. Similarly, under industry funded Make – II category of development of prototype of defence products/ platforms, projects not exceeding development cost of Rs.3 crore and procurement cost of Rs.50 crore are reserved for MSMEs.
