Circular No. LXXXXVII                                                           Date: April 28, 2016

**Ministry of Defence has recently invited FISME to recommend MSMEs, who can develop Defence Items not so far made in India.** FISME is the only MSME body to be invited to participate in the ‘Make in India’ mission of the Defence Ministry.

A summary list of the items offered for development, at the first instance, is given below.

Since announcement of the ‘Make in India’ mission for Defence Procurements by Shri Manohar Parikkar, Defence Minister of India, FISME is consistently following up with the Defence Ministry for a respectable share for MSMEs in Defence Procurements.

Besides forwarding a series of position papers on the capabilities of Indian MSMEs in Defence Procurements, the matter was personally taken up by the President, FISME, at the highest level in the Ministry, which resulted in organising of a ‘Brainstorming Session’ by FISME, in Delhi,  June 2016, which was chaired by the Defence Minister himself.

**The due diligence of FISME resulted in reservation of ‘Make’ projects upto Rs. 10 crore in defence procurements for MSMEs.** The ‘Make’ projects are those, as mentioned in the recently announced Defence Procurement Procedure 2016, where Ministry of Defence will support Indian Industry in developing items not so far made in India.

There are two categories of ‘**Make’ projects; Make –I where 90% of the product development cost will be borne by the Defence Ministry** and for the other ‘Make – II’ category where the enterprise has to develop the product at own cost.

**The crucial point to note in both these categories is, once an enterprise is selected, Government will go for a long term contract for supply of the developed item (s).**

While the Ministry of Defence has not mentioned which of the items mentioned in the list will be in ‘Make –I’ category, it may be presumed majority of the will be, where 90% of the development costs of the item will be borne by the Ministry.

**FISME members, already supplying to Defence or  interested to take part in the GROUP, may respond immediately mentioning their preference for the items, so that they could be enlisted in the Defence Suppliers Group of MSMEs.**

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|  |  | **List of Potential MAKE Projects** |
|  |  | **SHQ (ARMY)** |
|  |  |  |
|  | **Sr no** | **Proposal** |
|  |  |  |
| 1. | | 125mm smooth bore gun barrel for T-72 & T-90 tanks with missile |
|  |  | firing and improved ammunition |
|  |  |  |
| 2. | | 1000HP Engine with associated peripherals  for T-72 Tank |
|  |  |  |
| 3. | | Individual Under Water Breathing Apparatus (IUWBA) @ 04 per tank. |
|  |  | – for T-90 Tank |
| 4. | | Environmental Control Unit– for T-90 Tank |
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| 5. | | Auxiliary Power Unit (APU) for T-90 Tank |
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| 6. | | Tracked Light Dozer (TLD) |
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| 7. | | Mechanical Mine Layer (Self Propelled) |
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| 8. | | Mechanical Minefield Marking Equipment (Mk-II) |
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| 9. | | Self-Propelled Mine Burier (SPMB) |
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| 10. | | Assault Track Way- Cl 18 for movement of HMVs in Desert & Semi |
|  |  | Desert |
| 11. | | APTA( Advance Pilotless Target Aircraft ) |
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| 12. | | MEAT (Manoeuvrable Expendable Aerial Target ) |
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| 13. | | Modern Aircraft Refueling Pump |
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|  |  | **SHQ (NAVY)** |

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| **Sr no** | **Proposal** |
| 1. | Diesel engine for Boats |
| 2. | Upper Air sounding system |
| 3. | Supersonic Arial Targets |
| 4. | Targets for Combat torpedo firing |
| 5. | Deck Winches( for shipping applications) |
| 6. | Diesel Engines for Propulsion |

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|  | **SHQ (Air Force)** |
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| **Sr no** | **Proposal** |
|  |  |
| 1. | MI series main & tail rotor blades |
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| 2. | Air to Ground Rockets |
|  |  |
| 3. | Chaff & flares |
|  |  |
| 4. | Long Range Glider Bomb |
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