

संकलन *Sankalan*



**A Compendium for
Industries in the
Defence Sector**



Index



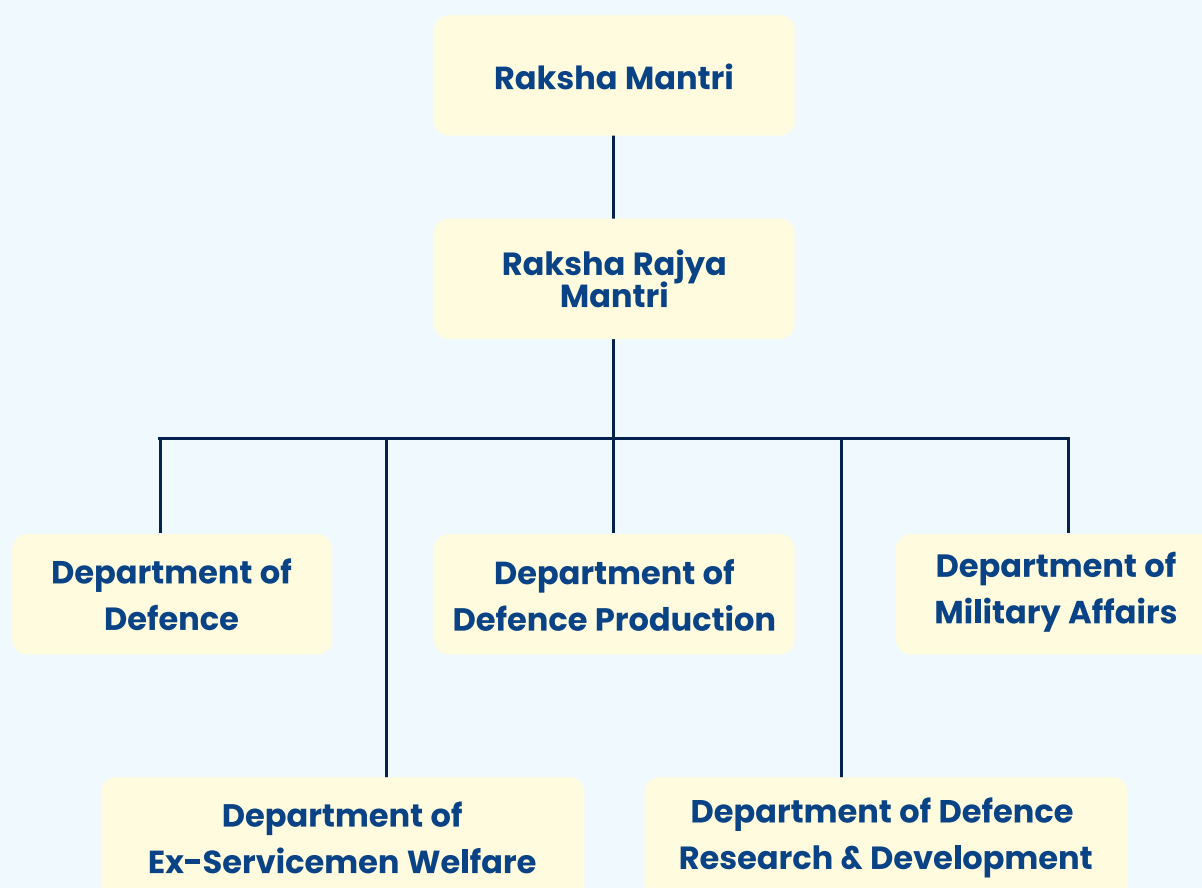
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Overview of Department of Defence Production

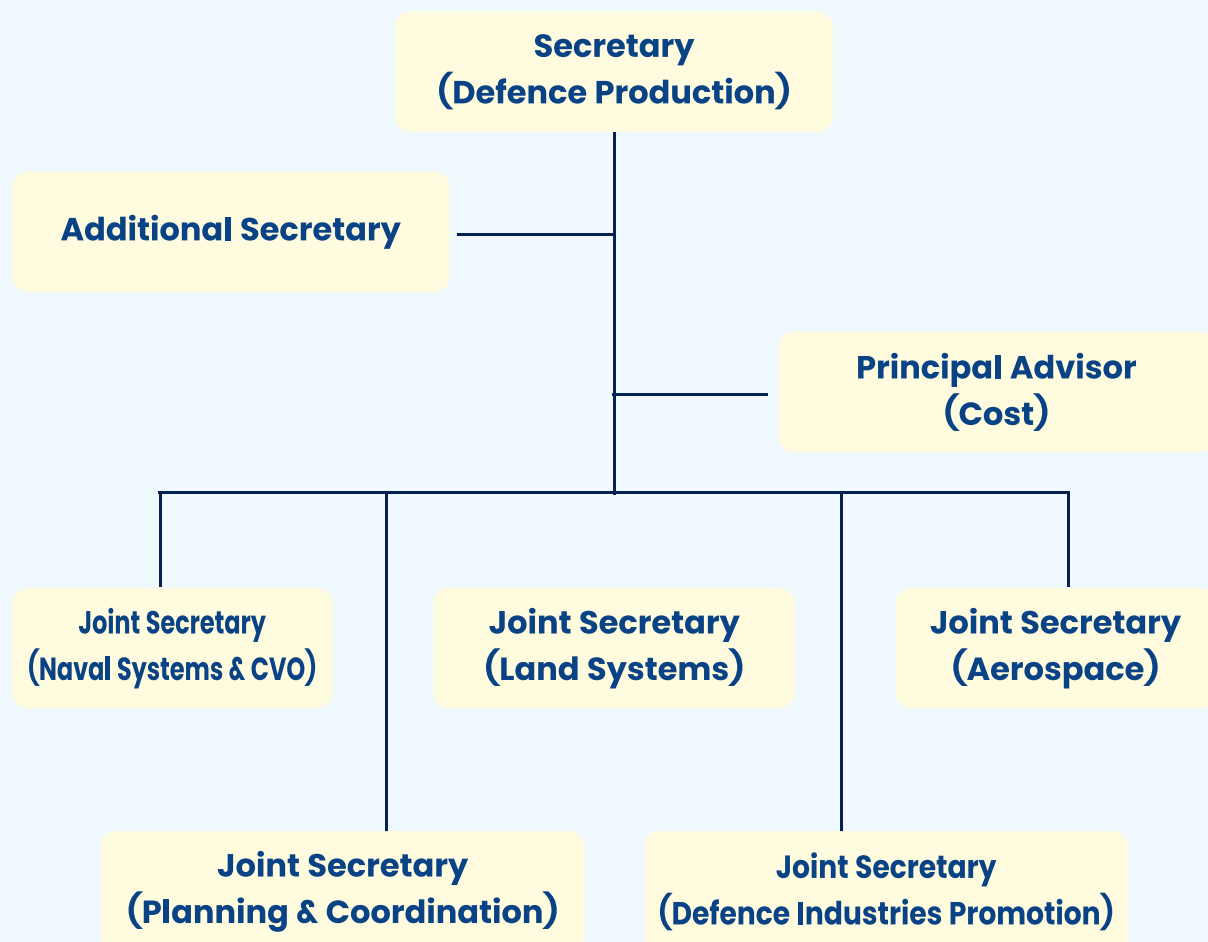
Ministry of Defence

The Government of India is responsible for ensuring the defence of India and every part thereof. The Supreme Command of the Armed Forces vests in the President. The responsibility for national defence rests with the Cabinet. This is discharged through the Ministry of Defence, which provides the policy framework and wherewithal to the Armed Forces to discharge their responsibilities in the context of the defence of the country. The Raksha Mantri (Defence Minister) is the head of the Ministry of Defence.



Department of Defence Production

The Department of Defence Production (DDP) was set up with the twin objectives of developing a robust production infrastructure and achieving substantive self reliance in design, development and production of Defence Equipment, Weapons Systems and Platforms. Over the years, the Department has established wide ranging production facilities for various defence equipment through the Defence Public Sector Undertakings (DPSUs) and from the year 2001 onwards through licensed private sector companies. Department of Defence Production administers the 16 Defence Public Sector undertakings including the 7 New DPSUs formed from erstwhile Ordnance Factory Board.



Milestones in Defence Production of India



- India's annual defense production soared to a record ₹1,54,070 crore, an 18% growth over the previous fiscal year's ₹1.27 lakh crore.
- Defense exports reached an all-time high of ₹23,622 crore, marking a 12% increase from the previous fiscal year.
- ₹7.85 lakh crore allocated to the Ministry of Defence in Union Budget 2026-27, the highest among all Ministries.
- Foreign Direct Investment (FDI) in the defence sector was liberalised in September 2020 to attract foreign investment, allowing up to 74% FDI through the automatic route and above 74% through the government route. Cumulative FDI inflow till December 2025 stands at ₹6644.46 crore.
- A robust defence industrial base includes 16 DPSUs, over 480+ licensed companies, and approximately 16,000+ MSMEs, strengthening indigenous production capabilities.
- The private sector plays a crucial role, contributing 23% to total defence production, fostering innovation and efficiency.
- India targets ₹3 lakh crore in defence production by 2029, reinforcing its position as a global defence manufacturing hub.
- In 2024-25, India achieved its highest-ever defence production of ₹1.54 lakh crore, over three times the ₹46,429 crore recorded in 2014-15.
- India's defence exports have surged from ₹686 crore in 2013-14 to ₹23,622 crore in 2024-25, a 34-fold rise that underscores the government's push for a self-reliant and globally competitive defence industry.



Wings in Department of Defence Production (DDP)

1. Naval Systems (NS)

Naval Systems (NS) wing is headed by Joint Secretary (NS), the wing aims to strengthen naval vessel & shipyard capability in the country by promoting self reliance and indigenisation to meet the needs of Indian Navy. The wing handles work related to all Defence Shipyards viz. DPSUs - GRSE, GSL, HSL and MDL, It looks after National Institute for Research and Development in Defence Shipbuilding (NIRDESH). Apart from above, It also looks after the matters pertaining to International Cooperation with countries of SAARC, ASEAN and East Asia region.



2. Land Systems (LS)



Land Systems (LS) wing is headed by Joint Secretary (LS), it aims to serve the requirement of Indian Army by providing self reliance & indigenous capability in land based defence equipment by overseeing procurement, facility, technology transfer, to enhance land based equipment & weapons availability of Indian Defence Forces. The wing looks after all work related to Directorate General of Quality Assurance (DGQA) and 07 newly formed DPSUs from erstwhile Ordnance Factory Board (OFB) and BEML Ltd, apart from

matters pertaining to International Cooperation with Western Europe region.

3. Aerospace (AS)

Aerospace (AS) wing is headed by Joint Secretary (AS), the wing deals with policy and coordination related to aerospace products, including aircraft, drones, and electronic warfare systems. Its functions include analysing defence production capacities, monitoring technology transfers, fostering indigenous development of aerospace items. The wing is responsible for matters pertaining to Hindustan Aeronautics Limited (HAL), Directorate General of Aeronautical Quality Assurance (DGAQA) and Defence Offset Management Wing (DoMW). It also looks after work

related to International Cooperation with Russia, Central & Eastern Europe region.



4. Personnel & Coordination (P&C)

Personnel & Coordination (P&C) wing is headed by Joint Secretary (P&C), the wing looks after the general administration and coordination in DDP and Testing infrastructure for defence industry. The wing is responsible for matters related with and DPSUs viz. Bharat Electronics Limited, Bharat Dynamics Limited (BDL). It executes and supervises activities related to Artificial Intelligence and Directorate of Standardisation in DDP. The wing also looks after work related to International Cooperation with Africa & West Asia region.



5. Defence Industries Promotion (DIP)



Defence Industries Promotion (DIP) wing is headed by Joint Secretary (DIP), the wing is responsible for all matters pertaining to Import and Export in defence sector along with issuance of Industrial License & Foreign Direct Investment (FDI) approvals. It does export promotion & MSME promotion by holding MSME conclaves in different states of India. The wing takes policy related decisions of defence production, and provides vital inputs in various policies of Ministry of Defence. The wing plays crucial role in promotion of "Make in India" initiative through Make Projects,

promoting indigenisation, liberalization of FDI & industrial licensing in defence sector. Apart from granting export & import authorisation, the wing also does investment promotion and oversees implementation of AI in defence sector. It also looks after the work related to Mishra Dhatu Nigam Limited (MIDHANI) apart from matter related to International Cooperation related to Americas, Oceania and Africa.



Attached/Subordinate offices of DDP

1. DIRECTORATE GENERAL OF QUALITY ASSURANCE (DGQA)

DGQA is an Inter-Service Organisation functioning under the Department of Defence Production in the Ministry of Defence. DGQA promotes quality assurance cover for the entire range of arms, ammunitions, equipments and stores supplied to the armed forces.

2. DIRECTORATE GENERAL OF AERONAUTICAL QUALITY ASSURANCE (DGAQA)

DGAQA is the Government Quality Assurance (GQA) Regulatory Authority for Quality Assurance and final acceptance of Military Aircrafts, Unmanned Aerial Vehicles, Aero engines etc. The primary role of DGAQA is to perform Government Quality Assurance (GQA) functions in respect of military aviation and allied stores.

3. DIRECTORATE OF STANDARDISATION (DOS)

DoS is a nodal agency under the Department of Defence Production (DDP), Ministry of Defence (MoD) for Standardization and Codification of Defence Equipment with an aim to control item proliferation and reduce inventory management without affecting the preparedness/efficiency/ of the Defence Forces.

4. DIRECTORATE OF PLANNING & COORDINATION D(P&C)

The Directorate is primarily mandated to formulate various enabling policies under 'AtmaNirbharta' initiative to encourage participation of domestic Industry in design, development and manufacture of defence equipment through various routes such as Make Procedure, IDEX Scheme and formulate policies to provide level playing field to private sector.

5. DEFENCE EXHIBITION ORGANISATION (DEO)

To organize and coordinate Aerospace and Defence (A&D) exhibitions in India and abroad. DEO, through these exhibitions promotes export potential of indigenously manufactured defence equipments and systems; and facilitates cooperation, joint ventures and Make in India initiatives.



Defence Public Sector Undertakings (DPSUs) under DEPARTMENT OF DEFENCE PRODUCTION



Mazagon Dock Shipbuilders Limited (MDL)

Mazagon Dock Shipbuilders Limited is a Navratna PSU, it is the premier shipbuilding yard in India, producing warships for the Navy and offshore structures for the Bombay High. MDL is presently constructing Missile Destroyers, Stealth Frigates and Scorpene Submarines in order to achieve self-reliance in warship production for the Indian Navy. The company's current portfolio of designs spans a wide range of products for both domestic and overseas clients.

Headquartered at Mumbai.

Turnover FY 2024-25 – ₹ 10116 Cr

Garden Reach Shipbuilders & Engineers Ltd (GRSE)



GRSE manufactures a wide range of products, including warships (frigates, corvettes, and patrol vessels), commercial vessels (like ferries and dredgers), engineering products (marine pumps and portable steel bridges), and various marine equipment including deck machinery and pontoon. Additionally, it has successfully developed Landing Craft Utility (LCU), Inshore Patrol Vessel (IPVs), Offshore Patrol Vessel (OPVs) and hovercrafts.

Headquartered at Kolkata.

Turnover FY 2024-25 – ₹ 4721.27 Cr



Goa Shipyard Limited (GSL)

GSL builds sophisticated, high technology warships for the Indian Defence Forces and the export market. Its core competencies include the construction of patrol vessels, missile boats, landing crafts, training vessels, survey vessels, sail training ships, fast patrol vessels and yard crafts for the Defence Sector, as well as various types of vessels in the commercial sector. The shipyard also has the capability to design and build vessels customized to diverse customer requirements.

Headquartered at Goa

Turnover FY 2024-25 – ₹ 2800.84 Cr

Hindustan Shipyard Ltd (HSL)



HSL is nation's premier shipyard engaged in shipbuilding, ship repairs, submarine refits as well as design and construction of sophisticated state-of-the-art offshore and onshore structures. HSL has built 200 vessels (including 11 wellhead platforms), repaired about 2000 vessels and refitted 5 Submarines for the defence, maritime and oil sector.

Headquartered at Visakhapatnam

Turnover FY 2024-25 – ₹ 1300 Cr



Advanced Weapons and Equipment India Limited (AWEIL)

AWEIL manufactures small arms and artillery guns for the Indian Armed Forces, foreign militaries, and domestic civilian use. Its key defence products small arms (rifles, LMGs, revolvers, assault rifles, carbines), artillery and anti-material guns (12.7 mm air defence guns, 14.5 mm anti-material rifles, 23mm Ghasha guns), grenade launchers, and ammunition hardware.

Headquartered at Kanpur.

Turnover FY 2024-25 – ₹ 3123 Cr



Troop Comforts limited (TCL)

TCL is engaged in production, testing, logistics, research & development and marketing of a comprehensive range of troop comforts items. Its product portfolio includes Life Cycle Clothing (LCC), Extreme Cold Climate Items (ECC), Special Clothing & Mountaineering Equipment (SCME), Ballistic Protection Gears, Supply Drop Equipment (SDE) & Arrester Barrier, Tentages for plain terrain & high altitude areas, Water Storage Equipment, Leather Items and General Stores.

Headquartered at Kanpur.

Turnover FY 2024-25 – ₹ 611.95 Cr

Gliders India limited (GIL)



GIL's product range of parachute systems such as man carrying parachutes, seat ejection / pilot parachutes, supply drop parachutes, aerial delivery systems, brake parachutes for aircrafts, Illuminating ammunition parachutes, recovery system parachutes, ammunition drop parachutes. GIL also manufactures sporting parachutes and rubberised items such as like floats for K.M. ridges, inflatable boats and inflatable splints.

Headquartered at Kanpur

Turnover FY 2024-25 – ₹ 194.25 Cr

Armoured Vehicles Nigam Limited (AVNL)



AVNL is engaged in production of Armoured Fighting Vehicles, Infantry Combat Vehicles (Tanks), Logistics Vehicles (Trucks), Artillery Gun Systems and Engines. AVNL produces and overhauls vehicles such as the T-72, T-90, and Arjun tanks, along with support vehicles and engines, and is developing next-generation platforms like the Future Ready Combat Vehicle (FRCV).

Headquartered at Chennai.

Turnover FY 2024-25 – ₹ 4946.32 Cr



Munitions India Limited (MIL)

Munitions India Limited (MIL) is biggest manufacturer and market leader which is engaged in Production, Testing Research & Development and Marketing of comprehensive range of ammunition & explosives for Army, Navy, Air Force, Para-Military Forces and Police Forces. It produces Small, medium, and high calibre ammunition, explosives, mortars, rockets, and hand grenades.

Headquartered at Pune.

Turnover FY 2024-25 – ₹ 8214 Cr



India Optel Limited (IOL)

IOL is engaged in manufacturing of defence products like Opto-Electronics systems and vision equipments for usage in the land-system platforms & weapons of battle tanks like T-90, T-72, Infantry Combat Vehicle BMP-II, Artillery Guns, Naval Guns and Small and Medium Calibre weapons with a clear emphasis on Indigenisation.

Headquartered at Dehradun.

Turnover FY 2024-25 – ₹ 1772.39 Cr

Yantra India Limited (YIL)



YIL is engaged in Production Testing, Logistics, Research & Development and Marketing of Small/ Medium/High Calibre Shell Body Hardware for Artillery / Tank Guns, Mortars, Rockets, Pod Assembly, Air Dropping Bombs and Cartridge Cases. It is engaged in production of various parts required in finished defence products made up of *forgings, castings, metal and steel components.*

Headquartered at Nagpur.

Turnover FY 2024-25 – ₹ 3032.79 Cr

BEML Limited



BEML Limited, under its defence segment offers High Mobility All-Terrain Vehicles, Recovery Vehicles, Bridging Systems, Mine Ploughs & Mine Clearing systems for Main Battle Tanks, Crew Protection Vehicle, Aircraft Towing Tractors, Aggregates for missiles, Ground Handling / Ground Support Equipment and Aircraft Weapon Loading Trolleys. It also offers a wide range of products for core sectors of economy such as Coal, Mining, Steel, Cement, Power, Irrigation, Construction & Road Building.

Headquartered at Bengaluru

Turnover FY 2024-25 – ₹ 3904.63 Cr



Hindustan Aeronautics Limited (HAL)

HAL, a Maharatna PSU, is an aerospace and defence company that designs, manufactures, and maintains aircraft, helicopters, and related systems, including avionics and engines. Its operation focus on developing new aerospace products, repairing and overhauling existing aircraft, and providing crucial components and spare parts for the Indian Armed Forces. HAL has indigenously designed and developed 17 types of aircrafts and helicopters and has also produced 14 types of aircrafts and helicopters under license from foreign Original Equipment Manufacturers (OEMs). To date, HAL has produced over 4250 aircraft and over 5400 aero-engines.

Headquartered at Bengaluru.

Turnover FY 2024-25 – ₹ 37729 Cr



Mishra Dhatu Nigam Limited (MIDHANI)

MIDHANI is a specialized metal and metal alloys manufacturing Mini Ratna Category-I company, producing critical special metals and alloys such as super alloys, titanium alloys and special steels required in the strategic sectors of India's defence, space, energy and commercial industries. MIDHANI is one of the leading manufacturers of special steels, superalloys, and the sole manufacturer of titanium alloys in India. Its state-of-the-art facilities are capable of catering to complex and dynamic requirements of critical materials.

Headquartered at Hyderabad

Turnover FY 2024-25 – ₹ 1025 Cr



Bharat Electronics Limited (BEL)

Bharat Electronics Limited (BEL) is a Navratna PSU. It manufactures state-of-the-art electronic products and systems for the Army, Navy and the Air Force. BEL produces a diverse range of defence products for the Indian armed forces, including Radars and Fire Control Systems, communications and electronic warfare systems. Naval systems such as Sonars and Shipboard Networks.

Headquartered at Bengaluru

Turnover FY 2024-25 – ₹ 23566.54 Cr



Bharat Dynamics Limited (BDL)

BDL is the primary manufacturing base for guided missile systems and allied equipment for the Indian Armed Forces. Since its inception, BDL has collaborated with DRDO & foreign Original Equipment Manufacturers (OEMs) to manufacture and supply a wide range of missiles and related equipment. A pioneer in the production of Anti-Tank Guided Missiles (ATGMs). BDL has evolved from a single product, single customer to multi product, multi customer company. It also manufactures the Akash Surface-to-Air Missile (SAM) system for the Indian Air Force and Indian Army. Today, BDL has well-established footprint in the Indian defence market.

Headquartered at Hyderabad

Turnover FY 2024-25 – ₹ 3766.92 Cr



Systems/Products developed by iDEX Winners



Firefighting robot for high-risk environment



Underwater Remotely Operated Vehicles



4G/LTE Tactical Local Area Network Radio



Tethered Drone System for Surveillance and Monitoring



Portable Radar Cross Section (RCS) Measurement Device



Innovation in Defence

Ques 1.1- What is DIO?

Defence Innovation Organisation (DIO) is a Section 8 not-for-profit company established under the aegis of the Department of Defence Production, Ministry of Defence.

DIO engages industries, including MSMEs, Startups, Individual Innovators, R&D institutions, and academia, and provides grants/funding and other support to undertake R&D projects with strong potential for future adoption in Indian defence and aerospace.

Ques 1.2- What are core objectives of DIO?

- To facilitate co-creation of novel, indigenized, and innovative technologies, and create pathways for incorporation of cutting-edge technologies to be used by Armed Forces, DPSUs and other Nodal Agencies.
- To transform defence innovation in India with the ultimate goal of delivering military-grade products that solve the critical defence needs.
- To create a culture of innovation in Indian defence & aerospace by engaging innovators through encouraging co-creation & co-innovation.

Ques 1.3- What is iDEX?

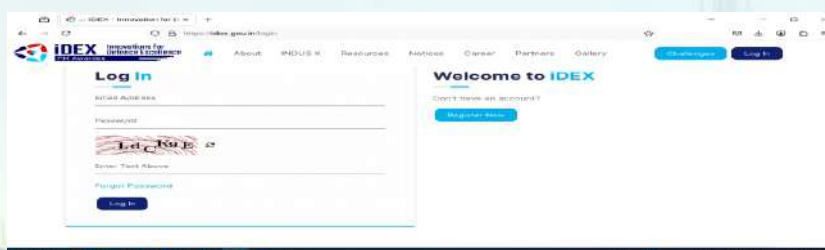
Innovations for Defence Excellence (iDEX) is the operational framework of the DIO. The iDEX framework was launched by the Hon'ble Prime Minister in 2018 to promote innovation in Indian defence and to create pathways for adoption of new technologies by the Armed Forces, DPSUs and other Nodal Agencies, while also nurturing future defence enterprises in the country.

Ques 1.4- Who can apply for Grant-in-Aid?

- Startups, as defined and recognized by Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India.
- Any Indian company incorporated under the Companies Act 1956/2013, primarily a Micro, Small and Medium Enterprises (MSMEs) as defined in the MSME Act.
- Individual Innovators are also encouraged to apply.

Ques 1.5- What is the procedure for applying for grant in aid under DIO?

- Applicant may apply against challenges through the iDEX website.
- Register on iDEX website and login using the credentials.
- Complete the application form and upload the required documents against challenges through the iDEX website.



Ques 1.6- How many challenge categories are currently offered by DIO?

Applicant can apply for following challenge categories at DIO:

1. DISC/ADITI: Problem statements are curated with support of Nodal Agencies through a structured process and are open for application for a specific time window only. Grant support of up to ₹1.5 crore is provided to DISC winners and up to ₹25 crore to ADITI winners.
2. Open Challenge (OC): Innovators may identify critical challenges and propose solutions suo-moto addressing needs of Services, DPSUs, or other Nodal Agencies. The application window of Open Challenge remains open throughout the year. Grant support of up to ₹1.5 crore is provided to OC winners.

Ques 1.7- How does DIO select startups to support?

1. DIO invites applications on its website. The application can be submitted for extant challenge categories. (please refer FAQ 5).
2. After preliminary scrutiny by the Nodal Agency, applications are shortlisted for HPSC (High Powered Screening Committee).

Note: Additional scrutiny (for Open Challenge proposals) to ensure relevance/usability of the solution for the specific Nodal Agency.

3. A High Powered Screening Committee (HPSC) consisting of representatives of various stakeholders including subject matter experts. The application is evaluated on various parameters including relevance, comprehensiveness, innovation, feasibility, capability, and viability to select the tentative winners. Final winners are declared based on HPSC recommendations.

Ques 1.8- What is SPARK?

SPARK (Support for Prototype & Research Kickstart in Defence) is the funding mechanism for Startups/MSMEs/Individual Innovators selected under extant challenge categories.

Ques 1.9- Is it necessary for an Individual Innovator applying for the challenge to have a registered entity?

At the time of application, Individual Innovator need not have a registered entity. However, upon being declared a challenge winner under extant challenge categories, the innovator must establish a legal entity (public limited company, private limited company, partnership firm, LLP, one-person company, or sole proprietorship registered under applicable Indian laws as startup/MSME) prior to execution of the iDEX Grant Agreement with DIO.

Ques 1.10- What is milestone-based grants?

The milestone wise payment structure is governed by the iDEX Contract (SPARK Grant Agreement) signed with the iDEX winner. As per the latest revision of SPARK Grant Agreement, the grant release structure is as follows:

Milestone 0 :10% of sanctioned iDEX grant
Milestone 1: 20% of sanctioned iDEX grant
Milestone 2: 20% of sanctioned iDEX grant
Milestone 3: 20% of sanctioned iDEX grant

Milestone 4 :20% of sanctioned iDEX grant

Milestone 5 :10% of sanctioned iDEX grant

Ques 1.11- How many challenges can a startup/MSME apply at a time?

A Startup/MSME can apply against multiple problem statements. However, under ADITI scheme, an applicant can be awarded only one ADITI challenge at a time. A fresh ADITI challenge will be considered only after closure of the previous ADITI challenge.

In addition to above, the present limit is for 5 (five) active iDEX Contract (DISC/OC) with an iDEX winner including 1 (one) under ADITI.

Ques 1.12- How can applicants track application status?

Applicant can log in to the iDEX website using their credentials. The status of all submitted applications will be available on the login dashboard.

Ques 1.13- Can a product developed under the SPARK framework for one Nodal Agency be procured by other Nodal Agencies?

Yes. As per provisions of the Defence Acquisition Procedure (DAP) 2020, a product developed for one Nodal Agency (Service) may also be procured by other Nodal Agency (Service) within the prescribed procurement limits as defined in DAP. For updated procurement guidelines, reference may be made to the latest DAP amendments.

Ques 1.14- Does DIO assure Minimum Pilot Order Quantity (MPQ) procurement ?

No. Minimum Pilot Order Quantity (MPQ) procurement is solely provided by the concerned Nodal Agency (Service).

Ques 1.15- Does DIO provide a “fit for military use” certificate after successful development and deployment?

No. Certification of “fit for military use” is issued by the concerned QA agency (i.e. DGQA/ DGAQA / DGNAI)

Ques 1.16- What is the Product Development Budget (PDB)?

Product Development Budget (PDB) refers to the estimated financial allocation, indicated by the iDEX winner, for all activities related to the research, design, prototyping, testing etc. of a product. It includes costs associated with material, labour, technology, and other necessary expenditures for the development of the product.

It includes:

- SPARK Grant
- Matching Contribution (MC) (Cash, In-Kind, and Past Expenditure)

The PDB covers both Capital Expenditure (CAPEX) and Operating Expenditure (OPEX) and is divided into three heads:

1. Prime Costs
2. Primary Overheads
3. Secondary Overheads

Note: The PDB finalized at the time of signing the agreement is tentative and may undergo revision in exceptional cases. However, the SPARK Grant shall remain limited to ₹1.5 Cr / ₹25 Cr or 50% of the PDB, whichever is lower.

Ques 1.17- What expenses are included under Prime Cost, Primary Overheads and Secondary Overheads?

A. Prime Cost (Direct Costs) - Costs directly related to core technical activities essential to realize the product.

Broadly includes:

- CAPEX: Equipment & Machinery, Computing Resources
- OPEX: Direct Manpower, Professional Service fees (Technical Experts), Design & Development, Testing, Certification

B. Primary Overheads (Indirect but Essential Costs) - Indirect costs essential for product realization.

Broadly Includes:

- CAPEX: Prototyping Lab Infrastructure
- OPEX: Manpower (Indirect), Utilities, Maintenance

C. Secondary Overheads (Non-core Indirect Costs) - Indirect costs not directly related to core product development.

Broadly Includes:

- OPEX: Indirect Manpower and other non-core expenses

Note: Detailed permissible expenses are provided in iDEX Grant Agreement and will be shared with the Grant Winners after selection.

Ques 1.18- What are the sources of funding for the PDB?

The PDB has two funding components:

1. SPARK Grant - Financial support in the form of grant provided by DIO to fund product development.

2. Matching Contribution (MC) – Contribution by the SPARK Grantee in the form of:
- Cash
 - In-Kind
 - Past Expenditure

The SPARK Grant must be matched by an equal or higher Matching Contribution.

Ques 1.19– What is Matching Contribution (MC) ?

Matching Contribution is the total contribution made by the SPARK Grantee toward the PDB in the form of Cash, In-Kind, and Past Expenditure.

Ques 1.20– What are the allowed sources of Matching Contribution (Cash)?

Matching Contribution (Cash) refers to funds transferred to the bank account exclusively opened by the grantee for iDEX project. Sources may include:

- Founder capital infusion
- Partner funding
- Revenue generated by the entity
- Debt/Equity investment
- Bank loans
- Cash awards

Ques 1.21– How is funding released under the iDEX project?

Funding is milestone-based and distributed across six milestones as follows:

Milestones	SPARK Grant Sanctioned	Matching Contribution (Cash) Committed
#0	10%	10%
#1	20%	20%
#2	20%	20%
#3	20%	20%
#4	20%	30%
#5	10%	

Ques 1.22. What is Past Expenditure under Matching Contribution?

Past Expenditure under Matching Contribution corresponds relevant expenditures incurred by the SPARK grantee in the past (from conduct of HPSC for the project and before signing of the agreement) specifically related to technology / product development activities.

Key Conditions:

- Capped at 20% of Total MC
- Allowed only under Prime Cost head of PDB
- Subject to prior verification by DIO

Ques 1.23. What is In-Kind Matching Contribution?

In-Kind Contribution refers to the monetary value (based on fair market value for intangibles or competitive market prices for others) of all expenditures incurred by the SPARK Grantee either on actual or accruals.

Examples:-

- Salaries of Core Technical/Operations Team, corresponding to the part not shown as monthly salary but accrued for later payment.
- Promoter/Founder-owned IP

Ques 1.24- Is there any ceiling on Salaries for Promoters/ Founders/ Core Technical /Operations Team?

Yes. Following are the caps on the salaries of Promoters/Founders and Core Technical/Operations Team.

Salary Caps:

- Core Technical Team:
 - Max Rs. 2.5 lakh/month/per person (10% annual increase allowed)
 - On pro-rata basis if involved in multiple projects
- Promoter/Founder:
 - Max Rs. 62,500/month (25% of ₹2.5 lakh) (10% annual increase allowed)
 - Maximum two promoters per company at a time
 - Applies as an overall limit for multiple IDEX projects exist at a time.

Ques 1.25- Can Promoter/Founder-owned IP be treated as MC In-Kind?

Yes. Promoter/Founder – owned IP can be considered under MC In-Kind (Primary Overheads) subject to following conditions:

- IP valuation must be conducted by a registered valuer.
- Considered case-by-case based on project criticality.

Also, IP filing cost of the product developed under IDEX project is allowed as part of PDB.

Note: The maximum amount claimed under this head is capped to 20% of Total MC or ₹25 lakh, whichever is lower.

Ques 1.26- What are the allocation caps under various heads?

SPARK Grant Allocation:

- Prime Cost: Minimum 75%
- Primary Overheads: Maximum 25%
- Secondary Overheads: 0%

Matching Contribution Allocation:

Cash	In-Kind	Past Expenditure
• Prime Cost: Minimum 75% • Primary Overheads: Maximum 25% • Secondary Overheads: Maximum 5%	• 100% under Prime Cost or Primary Overheads • No allocation to Secondary Overheads	• 100% under Prime Cost only (capped at 20% of Total MC) Note: MC-Cash must

Note: MC-Cash must constitute at least 50% of Total MC.

Ques 1.27- How are Capital Assets treated?

Capital Assets may be purchased as a part of the project subject to following conditions:

- ❖ All Capital Assets will be included based on its depreciation/amortized cost in the PDB, on pro-rata basis, and only for the project duration.
- ❖ In case already purchased and is in use before the Agreement, it may be included in the PDB based on guidelines set by DIO.

Ques 1.28- How are expenditures claimed in case of multiple iDEX projects?

In cases where resources are shared among multiple projects, the corresponding costs must be distributed on a proportionate (pro-rata) basis.

Ques 1.29- How are import payments treated?

The exchange rate will be of date when actual transaction (i.e. payment) has taken place and not the date of delivery of product.

Ques 1.30- What is the Negative List of Expenditures?

PDB funds cannot be used for:

- Cost overruns
- Cost of Land and buildings
- Establishment of new R&D centers
- Writing books/reports or collection of statistics or service
- Investments
- Interest on loan
- Bad debts
- Contributions or Donations
- Fines & penalties
- Advocacy
- Losses from other businesses or commercial operations
- Refinancing
- Entertainment/alcohol

- Unauthorized expenses not approved in PDB/WBS as recommended by DIO
- Expenditures/Liabilities by applicant before/after the sanction of the SPARK grant found to be irrelevant in general or not in accordance with the intent of co-creation under the current spark agreement, including its Annexures.

Ques 1.31- What are the provisions related to iDEX Project Transaction?

- All project expenses (except Past Expenditure) must be routed through the exclusive iDEX bank account opened exclusively for iDEX project.
- No cash transactions beyond limits specified in the applicable laws.

Ques 1.32- Is reallocation within PDB heads allowed?

Yes. Re-allocations of resources within a head (Prime cost, Primary Overheads and Secondary Overheads) – e.g. across line-items or sub-heads is allowed subject to fulfillment of percentage limits of Prime cost, Primary Overheads and Secondary Overheads.

Important Contact Details

Website : <https://idex.gov.in/>

Email : idexdio@ddpmod.gov.in

Phone No : 23212033



MAJOR INDIGENISED SUB-ASSEMBLY/ SUB-SYSTEMS/ SPARES & COMPONENTS

RECORD AND REPLAY SOFTWARE DESCRIPTION



VPX-135 SINGLE BOARD COMPUTER(SBC)



FUSION TECHNOLOGY BASED DRIVER NIGHT SIGHT FOR BMP-II



MUZZLE BORE SIGHT, UPV-125 FOR T-90 TANK



KNOCK OUT ENGINE CHARGE (KOE)





Indigenisation & Import Substitution

(i) SRIJAN Defence

Ques 2.1 – What is Srijan Defence Portal?

Srijan Defence Portal (<https://srijandefence.gov.in>) was launched by Hon'ble Raksha Mantri on 14 Aug 2020. It provides opportunity to Indian Manufacturers for indigenisation of the items which was imported in the past or likely to be imported in the future by the Defence Public Sector Undertakings (DPSUs) and Service HQs (Armed Forces). The portal is a non-transactional online marketplace platform.

Ques 2.2 – Why Srijan Defence Portal has been created?

The main objective of the portal is to-

- Partner the private sector in indigenisation efforts of Defence PSUs and Armed Forces.
- Single-window interface for private vendors to access information about import dependency items of 16 DPSUs, SHQs that are required to be indigenised.
- Indian industry will be able to show their interest on the items on the portal for which they can provide support in design, develop and manufacture the import dependent items as per their capability or through joint venture with OEMs.
- Chief Indigenisation Officer (CIOs)/ Nodal Officers have been assigned for each DPSUs/ SHQs for hand-holding the Indian Industries in their efforts towards indigenisation.

Ques 2.3. What is available on Srijan Defence Portal?

This Portal features list and details of imported items such as Systems/ sub-systems/ Assemblies/ sub-assemblies/ Spares/ Components/ Raw materials of various platforms of Defence Public Sector Undertakings (DPSUs) and Service HQs (Armed Forces). DPSUs/ SHQs display their items for indigenisation on this portal, which they have imported or are going to import, each item having sizable import value.

The items notified under Positive Indigenisation Lists (PILs) by Department of Defence Production (DDP) and Department of Military Affairs (DMA) is also available on the portal.

Ques 2.4 – How many organizations are there on the Srijan Defence Portal?

There are 21 organizations of MoD that have uploaded the information regarding the import dependency items that are required to be indigenised. This includes 16 DPSUs (Defence Public Sector Undertakings), 4 Services Headquarters (Army, Navy, Air Force, Indian Coast Guard) and Department of Military Affairs (DMA).

Ques 2.5 – Who can use this portal?

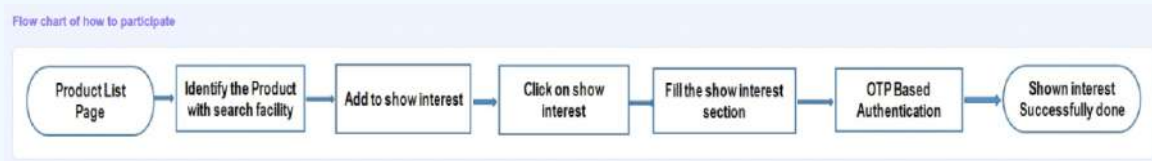
Indian Private manufacturers, Industry partners, and Suppliers looking to partner with Defence Public Sector Undertakings (DPSUs) and the Armed Forces for indigenisation i.e. manufacturing the items locally.

Ques 2.6 – How does a vendor register on the portal?

This portal does not require any registration by the vendors. A vendor can simply identify the product(s) of their interest for indigenisation and show interest. The steps mentioned in 'Show Interest' below may be followed for login.

Ques 2.7 – How do I use Show Interest?

Use the 'How to Participate' option available on Home Page of the Portal.



- This portal does not require any registration by the vendors.
- A vendor identify the product(s) of their interest for indigenisation and show interest.
- The product(s) will be added in the 'Show Interest Cart'.
- Check the 'Show Interest Cart' wherein the item selected by the industry will be visible.
- At this stage the portal will request to provide the industry details for login.
- The information to be provided includes Name of Person, Email ID, Company Type (Manufacturer/ Trader), Company Name, Company Category (MSME/Startups/etc.), Office Address, Mobile No. GSTIN (optional). This will help the industry in providing login credentials.
- With the Login credentials industry can track/ monitor the response given by the concerned Nodal Offices/ CIOs of DPSUs/ SHQs.

Ques 2.8 – How to search items on Srijan Portal?

Till Jan'26, more than 47000 items are available on the portal, of which 15500+ items have already been indigenised with the help of Indian industries. Various search options are available on Home page of the portal which can be utilised for searching items as per industry capabilities. These are as under-

- Organisation wise- DPSUs/ SHQs
- PIL Wise- to ascertain whether item is also part of notified PIL with timeline to indigenise.
- Category wise-
 - Based on Industry domain
 - Based on NATO Classification
- business prospects-
 - Based on Year of important
 - Based on Annual Import value
- Status-
 - Whether Indigenised (Yes/ No)
 - Supply Order Placed (Yes/ No)

Ques 2.9 – What are the basic features of Product available in the portal?

The basic feature of product available on the portal are-

- Item description including item image
- Item specification
- Item import value and quantity
- Contact details of Nodal Officer/ CIOs of DPSUs/ SHQs.

Ques 2.10 – How can I get in touch with DPSUs/ SHQs.

Every DPSU/ SHQ has nominated a Chief Indigenisation Officer (CIO) for coordination with DDP and industry/ vendors. The details of CIOs are available in “Contact us” tab, <https://srijandefence.gov.in/FeedBack> . Also, the details of Nodal Officer assigned for every item uploaded on the portal is available in the product details section.

Ques 2.11 – What is Positive Indigenisation List (PIL)?

The Positive Indigenisation List (PIL) is a list of strategically important major LRUs/ Sub-systems/ Assemblies/ Sub-assemblies/ Spares/ Materials of Defence Platforms notified with targeted timeline by Ministry of Defence to give impetus to 'Aatmanirbharata' in Defence by prioritizing indigenisation with the help of Indian defence industry. There are two types of PILs.

- PILs notified by Department of Defence Production (DDP) for Systems/ sub-systems/ Assemblies/ sub-assemblies/ Spares/ Components/ Raw materials of various platforms of Defence Public Sector Undertakings (DPSUs). So far, Five PILs involving 5012 items have been notified.
- PILs notified by Department of Military Affairs (DMA) for Platforms/ Weapons/ Systems/ Equipment/ Sensors of Service HQs(Armed Forces). So far, Five PILs involving 509 items have been notified.
- It aims to reduce import dependence, promote self-reliance (Aatma nirbharta), and boost the local defence industry.
- The items will be procured only from Indian industry after its successful indigenisation.

Ques 2.12 – Is there any fees for utilisation of Srijan Defence Portal?

No.

Ques 2.13 – Whether the supply order is directly placed through Portal?

No. This portal is meant for information of imported items for indigenisation. The interest can only be shown by the vendor for the indigenisation of items.

Ques 2.14 – How can I participate in the Tender/ Procurement process on Srijan Defence Portal?

This is not a procurement portal. The procurement actions will be initiated by the DPSUs/ SHQs through GeM portal.

This portal is meant for information of imported items for indigenisation. The interest can only be shown by the vendor for the indigenisation of items and the interest show by them is automatically forwarded to the concerned Nodal Officer and CIOs of DPSUs/ SHQs. The portal is a non- transactional online marketplace platform.

Ques 2.15 – What other information is available on the portal?

The copies of notified PILs of DDP as well as DMA under “Documentation” menu tab on the Home page and “Whats New” section.

Note: For detailed information a 'User Manual' is available in “Documentation” menu tab.

Ques 2.16 – What is the difference between Srijan Defence Portal and Srijan DEEP Portal?

Srijan Defence Portal is a platform where DPSUs and SHQs display their imported items for indigenisation. It provides opportunity to Indian Defence Manufacturers to indigenise the imported items.

Srijan DEEP Portal is a digital database of Indian Defence Industries and the products & services supplied by them to MoD Organisations and DPSUs. It is a centralized data repository of Defence vendors with easier identification of domestic capabilities.

Ques 2.17 – How can I get help/assistant on Srijan Defence Portal?

For any help or assistant required related to Srijan Defence Portal, you can write on the Helpdesk at helpdesk-dpit@ddpmod.gov.in or contact on 011-20836145.

(ii) SRIJAN DEEP

Ques 2.18 – What is Srijan DEEP Portal?

The Srijan DEEP (Defence Establishment and Entrepreneurs Platform) Portal is a Digital Database of the Indian Defence Industries and was launched by Hon'ble RM on 07th Oct 2025. It is a compendium of Indian Defence Industry/ Vendors including MSMEs and have details of their Products and Services supplied to various MoD organisations

Ques 2.19 – What is available in Srijan DEEP Portal?

On Srijan DEEP Portal the details of more than 33,000 Indian Defence Industry/ Vendors including 15740+ MSMEs and their over 255000 Products and Services supplied to various MoD organisations are available till Jan'26. Each industry/ vendor has been assigned a URN (Unique Reference Number).

Ques 2.20 – What is URN (Unique Reference Number)?

URN (Unique Reference Number) is a reference number automatically generated by the Database that will be a reference of the industry/ vendor across various divisions/ units in MoD. Each vendor on the portal has been assigned a URN that will help in identification of a vendor as unique entity across the organisations of MoD. The URN will ensure avoiding duplicity of vendors, updation of records w.r.t. products and services provided by them.

Ques 2.21 – How Srijan DEEP Portal is beneficial for a Vendor?

The main purpose of Srijan DEEP Portal is to create a centralised data repository of Indian Defence Industries with easier identification of domestic capabilities. It is beneficial to the industry/ vendors in the following ways–

- Industry can Check, verify and update their Products and Services supplied to various MoD Organisations thereby enhanced visibility of vendors across MoD organisations
- Potential for enhanced Business Opportunities for Industries and MSMEs.
- Data of industries/ vendors can be referred by MoD Organisation in registration process.

Ques 2.22 – How Srijan DEEP Portal is beneficial for Industry Associations?

The portal is beneficial to the Industry Associations in the following ways-

- Help to reach out to relevant industry/ vendor for policy advocacy and seek wider response.
- Digital Directory for Industry Associations
- Help to reach out to relevant industry/ vendor for policy advocacy and seek wider response.
- Associations can disseminate the relevant information such as business opportunities to industries/ vendors.

Ques 2.23 – How can a vendor login in to the Srijan DEEP Portal?

Department of Production IT (DPIT) has provided emails to vendors in the Database with information of User IDs and one Time Passwords. To Login in to the Portal follow the below steps:

A. In case of User IDs and Passwords are available with industry/ vendors:-

- Visit the Login Page. Go to the Direct Login Link- <https://srijandefence.gov.in/srijandeeep>
- Enter Username (use the registered email ID)
- Enter Password (provide the assigned password)
- Enter the available Captcha
- Click 'Login'
- Enter the One Time Password (OTP) sent on registered email ID.

B. In case where User ID and Password are not available with industry/ vendors:-

- Visit Srijan DEEP Portal. <https://srijandefence.gov.in/srijandeeep>
- For Sign Up- Use the 'Sign Up' button or use the direct link- <https://srijandefence.gov.in/CMMUserRegistration>
- Select the industry/ vendors type from the dropdown.
- Select salutation and enter name of your Point of Contact (PoC)

Note: This PoC should be one of the employee of the industry/ vendor who may login and check/verify/update data w.r.t. product and services supplied by you.)

- Enter your email and phone number.
- Enter Password. To reconfirm again enter the password
- Enter the Captcha. Select the checkbox
- Click Submit. A pop up to appear stating "User registered successfully"
- You can also use the 'User Manual' available on the Portal for further actions.

C. In case, industry/ vendor needs additional User ID for their employees, follow the instruction as mentioned above in part (B).

Ques 2.24 – Who is a Nodal Officer?

Nodal Officer is an officer(s) nominated by the organisations under Ministry of Defence (MoD)/ DPSUs.

The list of Nodal Officer is available on home page at

<https://srijandefence.gov.in/CMM/Login/Content/StaticPage/nodal-officer-list.html>.

Note: Whenever a new product is added by industry/ vendor, the information on name of MoD organisations/ DPSUs to whom the product is supplied is required to be provided. The product addition information will be sent to concerned Nodal Officer for authentication after which the product will be included in the database.

Ques 2.25 – What kind of Products can be added by the industry/ vendors?

Industry/ vendor can add the products and services that are required for Defence Platforms and Defence Production activities. The items such as stationary, house keeping service etc are not to be added in the database.

Ques 2.26 – Is access to the portal restricted only to PoC of Industry/ vendors?

Yes. Only authorized PoC of the industry/ vendor will be provided with the Access credentials. Only such PoCs can access the database and view/ update their respective information of products & services.

Ques 2.27 – What is the procedure for adding a product under a industry/ vendor profile?

The Product Details section is one of the most important part of DEEP. To add the Defence related Product supplied to MoD Organisation/ DPSUs, follow these steps:

- Login using User ID and Password.
- Go to the “Add new industry/ vendors Product” section.
- Fill the mandatory required details like 'Product Name', 'Defence Platform', 'Product Type', 'Part number', Product supplied to (organization name, supply order details)
- Click Save Product to store the details.

Ques 2.28 – How to update the industry/ vendors information on the Portal?

The industry/ vendors Details section is for adding the industry/ vendors information. Few Data will be auto fetched and is not editable. Here you can enter all the details about the industry/ vendors like Industry Domain, industry/ vendors Type etc. To add industry/ vendors details:-

- Go to View industry/ vendors from the top menu.
- In the side navigation bar, select the industry/ vendors Details tab.
- Fill in the required fields such as Industry Domains, Subdomain, industry/ vendors State etc.
- Click Save industry/ vendors Details to store the details.

Ques 2.29 – How to update the Certification details on the Portal?

To add certification details of a industry/ vendors:

- Go to View industry/ vendors from the top menu.
- In the side navigation bar, select the Certification Details tab.
- Enter the required certification information.
- Click Save Certification Details to store the entry

Ques 2.30 – How to update the industry/ vendors Testing Facility details on the Portal?

To add a industry/ vendor's testing facility information:

- First, click View industry/ vendors from the top menu.
- In the side navigation bar, select the Testing Facility tab.
- Enter the testing facility details in the form.
- Click Save Testing Details to store the information.

Ques 2.31 – How to update the industry/ vendors R&D details on the Portal?

To add a industry/ vendor's R&D information:

- Click View industry/ vendors from the top menu.
- Select industry/ vendors R&D tab from side navigation.
- Enter the R&D information in the form.
- Click Save R&D Details to store the details.

Ques 2.32 – Whether a GSTIN, PAN and CIN is compulsory for Sign Up?

No, only PAN (Permanent Account Number) is required during Sign Up.

Ques 2.33 – Does the system allow bulk upload of vendor data?

No. The system does not support bulk upload of vendor data. This feature is presently under development. Till such time industry/ vendor may enter the data.

Ques 2.34 – Is it permissible for multiple users from a single industry to share the same login credentials?

No, sharing login credentials among multiple users is strictly not permitted. Each vendor is assigned a unique login ID and password to ensure accountability, data security, and traceability of actions on the portal. Sharing credentials can lead to unauthorized access, data integrity issues, and security breaches.

However, one industry/ vendor can create more than one user credentials for their authorized employees through the Sign up page. As login requires OTP, the mobile number and email ID of each authorized employee should be provided while creating the User ID

Ques 2.35 – What actions should be taken if the page fails to load or displays an error?

If the Srijan DEEP Portal page fails to load or shows an error, follow these steps:

- Check your internet connection and ensure it is stable.
- Refresh the page or try reloading the link: <https://srijandefence.gov.in/srijandeeep>
- Clear the browser cache and cookies, then try again.
- Try a different browser (e.g., Chrome, Edge, Firefox).
- Ensure that you are using an updated browser version.
- If the issue persists, contact the IT support team of Srijan DEEP Portal Helpdesk. (heldpdesk-dpit@ddpmod.gov.in) or 011-20836145.

Ques 2.36 – For logging the portal, is it possible to receive OTP on a mobile number instead of an email address?

Yes, the portal supports sending OTPs to the registered mobile number of the Nodal Officer in addition to the registered email address. This enhancement ensures better accessibility and convenience for users during the authentication process.

Ques 2.37 – What steps should be taken if the OTP for login is not received?

If the OTP is not received during the login or password reset process, follow these steps:

- Check your email inbox – including the Spam/Junk folder.
- Ensure the correct registered email ID is entered.
- Wait a few minutes – there may be a slight delay in OTP delivery.
- Resend the OTP by clicking the “Resend OTP” option (if available).
- If the problem persists, contact the IT support team of Srijan DEEP Portal Helpdesk. (heldpdesk-dpit@ddpmod.gov.in) or 011-20836145

Ques 2.38 – What is the process for resetting a forgotten password?

Use the following Steps to Reset Password:

- Go to the login page: <https://srijandefence.gov.in/srijandeeep>
- Click on “Forgot Password”.
- Enter your registered email ID.
- Enter the Captcha code as shown.
- Click on Submit & Verify.
- An OTP (One-Time Password) will be sent to your registered email.
- Enter and verify the OTP.
- You will be redirected to the Create New Password page.
- Set a new password and confirm it to complete the process.

Ques 2.39 – What is the difference between Srijan Defence Portal and Srijan DEEP Portal?

Srijan Defence Portal is a platform where DPSUs and SHQs display their imported items for indigenisation. It provides opportunity to Indian Defence Manufacturers to indigenise the imported items. (<https://srijandefence.gov.in>)

Srijan DEEP Portal is a digital database of Indian Defence Industries and the products & services supplied by them to MoD Organisations and DPSUs. It is a centralized data repository of Defence vendors with easier identification of domestic capabilities. <https://srijandefence.gov.in/srijandeep>

Ques 2.40 - What action should be taken in case the product addition request of the industry/vendors is pending with the Nodal Officer?

The industry/ vendor can forward their query to the Indigenisation Division, DDP at ddp-indig@ddpmod.gov.in or to DPIT helpdesk at helpdesk-dpit@ddpmod.gov.in.

Ques 2.41 - Whether procurement/ tender information is available on this portal.

No, This portal contains information of Products & Services supplied by the industry/ vendors to the MoD Organisation/ DPSUs. This is not a procurement portal. The procurement actions will be initiated by the MoD Organisation/ DPSUs through GeM portal.

Ques 2.42 - How can I get help/assistant on Srijan DEEP Portal?

For any help or assistant required related to Srijan DEEP Portal, you can write on the Helpdesk at helpdesk-dpit@ddpmod.gov.in or contact on 011-20836145.

Important Contact Details

Website : <https://srijandefence.gov.in> , <https://srijandefence.gov.in/srijandeep>

Email : ddp-indig@ddpmod.gov.in, helpdesk-dpit@ddpmod.gov.in

Phone No : 23079066, 20836145





Defence Industrial License

Ques 3.1 – Who requires a license to manufacture defence products in India and who is eligible to apply?

Manufacture of items specified in the Press Note No. 1 of 2019 Series dt. 01.01.2019 issued by DPIIT, requires an Industrial Licence (IL) which is issued by:

1. The Department for Promotion of Industry and Internal Trade (DPIIT) under the Industries (Development and Regulation) Act, 1951 and Arms Act, 1959 under delegated powers of MHA
2. The Department of Commerce under the Industries (Development and Regulation) Act, 1951 and
3. Ministry of Home Affairs under Arms Act 1951.

Any Indian-owned and Indian-controlled company, including Micro, Small and Medium Enterprises (MSMEs) and startups and any foreign company with permissible FDI, is eligible to apply.

Ques 3.2 – Which products require an Industrial Licence for defence manufacturing?

Products notified vide Press Note No. 1 of 2019 Series dt. 01.01.2019 issued by DPIIT including arms and ammunition upto 12 mm caliber, explosives, military electronics, unmanned systems for defence use, combat vehicles, protective systems, and other notified defence equipment, require an Industrial Licence. Further, MHA has notified firearms, ammunition less than 12.7 mm caliber and pressure bearing parts of firearms which also requires Defence Industrial Licenses.

Ques 3.3 – Where can MSMEs and startups apply for a defence manufacturing licence?

Applications for an Industrial Licence are to be submitted online through the G2B portal of DPIIT for all items under Defence Product List of Press Note 1 of 2019 Series except those having calibre less than 12.7 mm, for which application may be filed with MHA through NDAL-ALIS portal.

Ques 3.4 – What documents are required for applying for an Industrial Licence?

Applicants are generally required to submit the following documents:

- Certificate of Incorporation
- Memorandum and Articles of Association
- Board Resolution authorising the application
- Shareholding pattern
- Details of proposed product(s) and technology
- Details of manufacturing location
- Security-related declarations as prescribed
- Detailed Project Report
- Land documents in respect of the company

Ques 3.5 - Is there any minimum investment or turnover requirement for obtaining a licence?

No minimum investment or turnover threshold has been prescribed. However, applicants must demonstrate technical capability, financial viability, and preparedness to comply with applicable security requirements.

Ques 3.6 - What is the typical timeline for grant of an Industrial Licence?

The processing time is generally 8 to 12 weeks, subject to completion of security clearances and inter-ministerial consultations, as applicable.

Ques 3.7 - What is the validity period of a defence manufacturing licence?

Under IDR Act, the initial validity of IL for defence sector is 15 years, further extendable upto 18 years for existing as well as future licenses. In case, license has already expired, the licensee has to apply afresh for issue of license. Once commencement of production has been done, the license issued is valid for the lifetime of the company.

Under Arms Act, 1959/Arms Rules, 2016, licensee is required to construct factory premises, set-up plant and machinery within 7 years of grant of license. Licensing authority may extend period of 7 years by a further period of 3 years on the basis of written request of licensee with recorded reasons. Again, after commencement of the production within the initial validity period, the license has a lifetime validity.

Ques 3.8 - Is Foreign Direct Investment (FDI) permitted in defence manufacturing?

Yes. FDI is permitted as per the extant FDI Policy:

- For existing Defence License Holders, FDI under automatic route is allowed Up to 49% beyond which through government route.
- FDI upto 74% under automatic route shall be permitted for companies seeking new industrial licenses.
- Beyond 74% under the government approval route, where it is likely to result in access to modern technology or other strategic benefits

Ques 3.9 - What is the Security Manual applicable to licensed defence companies?

The Security Manual is an official document issued by the Government prescribing mandatory security norms for licensed defence manufacturers. It covers physical security, personnel security, information security, cyber security requirements and other mandatory provisions. At present, SMLDI, 2015 is applicable on all Indian Licensed Defence Companies and is available on DDP website.

Ques 3.10 - Is compliance with the Security Manual mandatory for MSMEs and startups?

Yes. Compliance with the Security Manual is mandatory for all licensed Defence manufacturers, irrespective of their size or scale of operations.

Ques 3.11 - What are the key security requirements under the Security Manual?

The Security Manual, inter alia, requires:

- Adequate perimeter security and access control
- CCTV surveillance and monitoring systems
- Restricted access to sensitive production areas
- Secure storage of Defence materials and documents
- Information technology and Cyber security safeguards
- Proper visitor, document, and data control mechanisms

Ques 3.12 – Is appointment of a Security Officer mandatory?

Yes. Licensed Defence Manufacturing units are required to designate a Company Chief Security Officer responsible for implementation and monitoring of security measures as per the Security Manual. In addition, company also has to designate a Cyber Information Security Officer (CISO) responsible for framing and implementing a suitable Cyber security policy, conduct Cyber security audit and training for the Organisation.

Ques 3.13 – Is security clearance required for promoters, directors, and employees?

Yes. Promoters, directors, key managerial personnel, and employees handling sensitive defence-related work are required to be security vetted by the competent authorities.

Ques 3.14 – Are MSMEs supplying to larger OEMs also required to comply with security requirements?

Yes. MSMEs manufacturing licensed defence items, even as vendors or sub-contractors to larger Original Equipment Manufacturers (OEMs), must comply with the conditions of the Industrial Licence and the Security Manual.

Ques 3.15 – What action may be taken in case of violation of licence conditions or the Security Manual?

Non-compliance may result in suspension or cancellation of the Industrial Licence, imposition of penalties, blacklisting from defence procurement, and/or initiation of legal action as per applicable laws.

Ques 3.16 – Are MSMEs and startups exempted from Industrial Licensing? What is an Industrial Licence (IL) and when is it required?

No. MSMEs are not exempted from Industrial Licensing. Licensing requirements apply uniformly irrespective of company size.

An Industrial Licence under the Industries (Development & Regulation) Act, 1951 and Arms Act 1959 is required only for manufacturing items listed in the notified Defence Product List of Press Note 1 of 2019 Series.

a) Typical examples include:

- I. Weapon systems and platforms
- II. Military-grade simulators and fire-control systems
- III. Certain military electronics, explosives, and propulsion systems

b) Press Note 1 (2019 Series) – Defence Items requiring IL-<https://dpiit.gov.in/press-note-1-2019-series>

Ques 3.17 – Where and how can MSMEs apply for an Industrial License?

a) Applications are submitted online via the DPIIT G2B Portal and MHA's NDAL-ALIS portal.

b) Portal : G2B- <https://services.dpiit.gov.in/lms/ilServices>
NDAL-ALIS- <https://ndal-alis.gov.in/armslicence/>

a) Applicants must submit:

- I. Product description mapped to defence list
- II. Manufacturing process note
- III. Site & security details
- IV. Ownership & FDI structure
- V. Board resolution & authorised signatory details

Ques 3.18 – Do MSMEs require Arms Manufacturing License (Form VII) and when is it required?

- a) If your activity involves manufacture, assembly, proof-testing, or filling of arms and ammunition, an Arms Licence (Form VII) under the Arms Rules, 2016 is mandatory.
- b) This typically applies to:
 - I. Ammunition manufacturing
 - II. Small arms
 - III. Explosive-filled defence stores
 - IV. Proof-testing facilities
- c) Arms Rules Reference : <https://services.dpiit.gov.in/lms/document/ArmsRules.pdf>

Important Contact Details

*Email : cpo-ddp@ddpmod.gov.in, dir-ns@ddpmod.gov.in
Phone No : 011-23012483, 23018967*





(i) Defence Testing Portal (DTP)

Ques 4.1 – What is Defence Testing Portal ?

The establishment of the Defence Testing Portal will significantly enhance the visibility of testing resources available with Government QA agencies, DPSUs, DRDO, the Armed Services, private industry, and academia, enabling access for all stakeholders. Portal was inaugurated by the Hon'ble Raksha Mantri during Aero India 2025 held at Bengaluru on 10 Feb 25. It has been planned to eventually make use of the portal mandatory for availing the testing facilities. The centralised online Defence Testing Portal has been commissioned as part of digital DGQA program. It will facilitate Ease of Doing Business and support the Make in India initiative in Defence production by serving as a single-point platform for searching and requesting testing facilities.

URL for Defence Testing Portal – <https://dtp.dgqadefence.gov.in>

Strategic Objective –

Centralised, networked and optimal utilisation of Trials and Testing facilities of Labs and Firing ranges by Industries available in the country.

The Home Page of portal–

The Home Page displays the total number of service providers, laboratories, and firing proof ranges, along with the overall and current financial year test costs managed through the portal. Additionally, it highlights the total lab and proof tests registered, as well as the number of lab and proof demands raised by users



Documents

Click on 'Documents' in the Home Page to view and download 'Standard Operation Procedure For Allotment and Utilisation of Proof and Field Firing Ranges By Private Defence Industry' and the User Manual of the Defence Testing Portal.

Logging in – as a Service Provider OR Service User

Different roles and users are created in the dashboard for ease of use. Login with correct username and password credentials to get access to the dashboard.

1) **Service Provider** – The service provider profile allows users to efficiently manage lab and proof records. Users can add, edit, group, or delete entries to maintain accurate and organized data. It supports creating new entries, updating configurations, combining multiple tests for batch processing, and confirming deletions for proper record-keeping. Under the configuration tab the service provider can see all the details of their labs and proof as well as the demands placed against their labs and proofs.

Service Provider Dashboard



2) **Service User** – The service user profile allows users to view and manage labs, proofs, and items efficiently while using the portal. The Service User can access lab/proof table that displays a list of all lab/proof registered by the Service Provider. Users can browse and filter registered labs by test type, review details, and raise lab demand requests with preferred dates. Additionally, through the item table, users can add, edit, download attachments, or delete items, ensuring all required information is updated and accessible for smooth testing and request management.

Service User Dashboard



Ques 4.2 – What is the use of DTP and its Key Stakeholders ?

This is a centralized digital platform launched to provide easy access to defense testing infrastructure for the private sector, MSMEs, and startups. It facilitates "Ease of Doing Business" by allowing companies to search for and book testing, evaluation, and certification services for defense equipment across DGQA, DRDO, DPSUs, and private labs.

- ✓ DGQA, DGAQA & DGNAL Lab and Proof facilities
- ✓ DRDO Lab & Research Facilities.
- ✓ Service HQs (IA, IAF & IN) Lab and Proof facilities
- ✓ Govt DPSUs & PSUs Lab & Proof facilities

- ✓ Academia (to include IITs)
- ✓ MSMEs & Private Industry

Key Uses and Features:

- **Centralized Search:** Provides nationwide, real-time visibility into available testing labs, firing ranges, and specialized infrastructure for military hardware.
- **Streamlined Access:** Enables private industry and startups to book tests directly, bridging the gap in testing, evaluation, and certification infrastructure.
- **Transparency and Efficiency:** Replaces manual, fragmented, and often opaque procedures with a digital, accountable, and transparent system for scheduling and conducting tests.
- **Support for Indigenization:** Enhances the *Atmanirbhar Bharat* initiative by reducing reliance on foreign testing and supporting domestic manufacturing.
- **Testing Coverage:** Covers various domains including Electromagnetic Interference (EMI/EMC), Unmanned Aerial Vehicles (UAVs), rubber testing, ballistic testing, and environmental simulation.
- **Data Driven Monitoring:** Tracks the number of tests registered, labs involved, and costs involved in testing to ensure efficiency.

The portal, which was highlighted during the Aero India Show 2025, essentially serves as a one-stop-shop for Defence manufacturers to meet their testing requirements while fostering innovation in the domestic defense industry.

Ques 4.3 – How can MSME take advantage of DTP ?

The portal will empower MSMEs and the wider Defence industry to optimize resource utilization, deliver effective financial returns for entities operating testing infrastructures, and promote transparency and efficiency in testing processes. Over time, it aims to evolve into a national-level resource for Defence testing.

Defence Testing Portal facilitates MSMEs and companies for trial evaluation and test equipment developed by them and helping them to improve the quality of their products & equipment.

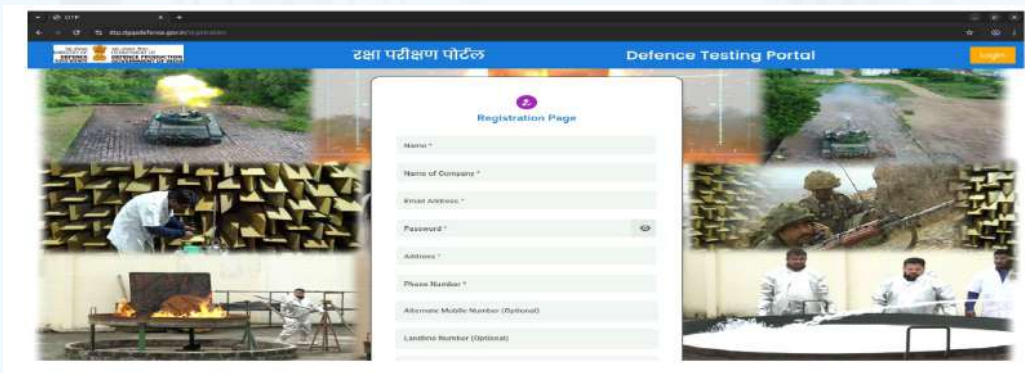
Ques 4.4 – Does DTP requires MSME to register themselves on portal? What are details required for registration?

Sign Up/Login Page

To register, click on the Signup button to open the Registration page. Enter the required details and submit your request for approval.



Registration Process – Registration and Approval Process – Complete the Registration Page



For users opting for a fresh registration, follow these instructions to fill out the required fields:

- **Name:** Enter your full name.
- **Name of the Company:** Enter your company's name.
- **Email Address:** Provide a valid email address.
- **Password:** Enter your desired password.
- **Address:** Enter the company's address.
- **Phone Number:** Input a valid phone number.
- **Alternate Mobile Number(Optional):** Enter a Alternate Mobile Number.
- **Landline Number(Optional):** Enter a Landline Number.
- **CIN Number(Optional):** Enter CIN Number.
- **Pincode:** Enter the valid pincode for your location.
- **Country:** Select your country from the dropdown menu.
- **State:** Select your state from the dropdown menu.
- **City:** Select your city from the dropdown menu.

(If Pin Code is not available contact DDTEP – ddtep-dgqa@gov.in)

Select to agree Terms and Conditions and Click on Register. OTP will sent to Registered Mail. Enter the OTP & Submit.

There is 02 level approval as follows –

- First Level Approval – The Recommending Agency (RA) based on Pin Code.
- Second Level Approval – Service Aggregator Manager (SAM).

Login Page –

To log in, click on the Login button to access the Login page. Enter your credentials and sign in to access the portal.

Ques 4.5—How can MSME or company has to submit sample for testing and How an company can track the request raised by them ?

Required test can be selected after that it can click on the Raise Request button, they are directed to the Lab Demand Request page. To initiate a request, it must first select the required item by clicking on the item name. This action will open a drop-down window where the item can be chosen after that the user must select the preferred start date and then click Submit to generate a new request for the chosen lab or proof.

Lab/Proof demand request table -

The Lab Demand Request table displays all the demand requests raised by the service user. From this table, the user can track the progress of each request the demands.

ID	Testing Setup Name	Type of Testing Setup	Item Name	Demand Status	Service Provider	Date - Created	Preferred Start Date	Date - Planner
101	Test	Test	COAG TESTS	Submitted	dra_cdrn_test1	18-04-2025	2025-05-15	

Ques 4.6 – what is the procedure for allocation and utilization of Ranges of DGQA, DRDO & OFB for companies and charges/fee involved therein?

Procedure for Allocation and Utilization of proof Ranges of DGQA, DRDO & OFB.

- The proof ranges of DGQA, DRDO and OFB are available to private industries for conducting trials and proof tests. The details of facilities and infrastructure available each are provided in SOP on its website along with the contact details of Nodal officers.
- Private Industry can write in prescribed Appendix available in SOP – to Nodal Officers of DGQA, DRDO and OFB for conducting trials and proof tests and also inform telephonic.

Cost involved –

- Expenditure shall be communicated to company based on the details provided by them during the request raised.
- On receipt of trial date, company will forward commitment certificate along with the payment of advance of 25% of estimated cost of trial firing or cost of proof stock component, whichever is higher.
- Advance payment to be done latest by D+50 days, whereas, D is the days of receipt of request from company to Nodal Officer.
- Remaining cost shall be deposited one week prior to test date.

Ques 4.7 – What is the procedure for allocation of field firing Ranges for companies to Service HQ (Army)?

Procedure for Allocation and Utilization of proof Ranges of DGQA, DRDO & OFB.

- To ensure the genuine requests – applications shall be received and vetted by nominated office of Ministry of Defence. The list of field firing ranges is available in SOP.
- All requests should reach to Nodal Officer by 01 Dec of the Army Design Bureau (ADB) for the next training year, which commences from 01 July to 30 June of the next year.
- Comments from concerned Directorates will be obtained to screen the applications.

Cost involved –

- Expenditure incurred on account of utilisation of weapon, ammunition, manpower and equipment admin facilities will be charged from industry as per laid government rates.
- On receipt of date of firing, company will forward commitment certificate along with the payment of advance of 25% of estimated cost of trial firing through Demand Draft not later than 45 days of scheduled date of firing.
- Remaining cost shall be deposited via demand draft one week prior to test date.

Ques 4.8 – What is the status of Registration and On boarding ?

Sr. No.	Entities	Lab & Proof Test Facilities Available (Sps)	Service Users Registered on the Portal (Sus)
1	DGQA	36	69
2	DGAQA	03	0
3	DGNAI	04	10
4	DRDO	26	11

1	DGQA	36	69
2	DGAQA	03	0
3	DGNAI	04	10
4	DRDO	26	11
5	DPSU	62	53
6	Indian Army	13	02
7	Indian Navy	01	0
8	Indian Airforce	08	3
9	Academia	08	0
10	Other Govt Lab	22	06
11	Private Industries	87	245
	Total	270	399

Approx 9729 Lab Tests and 740 Proof Tests are Available for the users.

Ques 4.9 – Facts and Figures on Portal –

Total Service Users – 399
Total Labs – 146
Total Proof Firing Ranges – 32
Total Labs Registered – 9729

Ques 4.10 – Where to contact for any query?

Ministry of Defence (MoD)
Department of Defence Production (DDP)
Directorate General of Quality Assurance (DGQA)
Directorate of Defence Testing Evaluation and Promotion (DDTEP)
For any query – please email on – ddtep-dgqa@gov.in or 011-24196829/16

(ii) Defence Testing Infrastructure Scheme (DTIS)

Ques 4.11 – What is DTIS?

Defence Testing Infrastructure Scheme (DTIS) is an initiative of the Ministry of Defence, implemented through the Department of Defence Production, to set up **state-of-the-art defence testing infrastructure** in partnership with private industry.

The scheme supports the creation of testing facilities required for defence and aerospace equipment within India to reduce dependency on foreign testing facilities.

Ques 4.12 – How is DTIS beneficial for MSMEs/companies?

DTIS benefits MSMEs and companies by:

- Providing **access to high-end defence testing facilities** within India
- Reducing cost and time involved in overseas testing
- Improving product quality and certification standards
- Enhancing participation in defence supply chains
- Supporting *Atmanirbhar Bharat* and indigenous manufacturing
- Encouraging R&D and innovation in defence technologies

Ques 4.13 – How to apply for DTIS and where can a company apply?

Companies must apply through:

- Official notifications issued by the **Department of Defence Production (DDP)**
- Submission of proposals in response to **Expression of Interest (EoI)** or Request for Proposal (RFP) scheme guidelines

Applications are generally submitted through the official Ministry of Defence portal or as specified in the scheme guidelines when announced.

Ques 4.14 – Who can apply for DTIS?

Eligible applicants include:

- Indian private companies
- MSMEs
- Start-ups
- Industry
- State/ Central Govt. Agencies
- Academia/Research Institutions

A Special Purpose Vehicles (SPVs) needs to be formed by minimum of 5 members consisting of the above. Applicants must be Indian entities meeting eligibility conditions prescribed under the scheme guidelines.

Ques 4.15 – Where to contact regarding any query related to DTIS?

Queries can be addressed to:

- **Department of Defence Production (DDP), Ministry of Defence, Government of India**
- Official website of Ministry of Defence
- Contact details provided in the scheme's official notification/EoI/RFP

Ques 4.16 – What is the main objective of DTIS?

To establish world-class testing infrastructure in India for defence equipment and systems.

Ques 4.17 – What kind of testing facilities are supported under DTIS?

- Environmental testing
- EMI/EMC testing
- Mechanical testing
- Aerospace system testing
- Electronics and communication system testing
- Any other testing facility where the gap exists in terms of capacity and capability and industry requires it.

Ques 4.18 - Is DTIS only for defence manufacturers?

Primarily yes, but companies involved in aerospace and dual-use technologies may also benefit.

Ques 4.19 - Does DTIS provide financial assistance?

Yes. The Government provides financial support (grant-in-aid) for setting up testing infrastructure, subject to scheme limits.

Ques 4.20 - What is the funding pattern under DTIS?

Generally, government funding is provided up to a specified percentage of the project cost, while the remaining cost is borne by the industry/SPV as per scheme guidelines.

Ques 4.21 - What is an SPV under DTIS?

An SPV (Special Purpose Vehicle) is a company formed by various entities specifically to establish and manage the testing infrastructure project.

Ques 4.22 - Is land provided by the Government under DTIS?

No, Land requirement is to be managed by SPV through State DICs or their own arrangement ; DTIS primarily supports infrastructure creation through financial assistance.

Ques 4.23 - Can a single MSME apply independently?

No, forming a consortium of 5 members as SPV is mandatory as per scheme guidelines.

Ques 4.24 - What is the duration for project completion under DTIS?

Project timelines are specified in the approval letter/MoU and scheme guidelines, typically ranging between 2-4 years.

Ques 4.25 - Are start-ups eligible under DTIS?

Yes, eligible Indian start-ups in defence and aerospace sectors can participate as part of an SPV.

Ques 4.26 - What documents are required for application?

Typically required documents include:

- Company registration details
- Project report (DPR)
- Financial statements
- Technical proposal
- Land ownership/lease documents
- Consortium/SPV agreements
- Other documents as specified in RFP

Ques 4.27 - Is there a minimum investment requirement?

Yes, minimum project cost criteria are defined in the scheme guidelines issued by the Department of Defence Production.

Ques 4.28 – How are projects selected under DTIS?

Projects are evaluated based on:

- Technical feasibility
- Industry demand
- Financial viability
- Strategic importance
- Contribution to indigenous capability

Ques 4.29 – Is DTIS applicable across India?

Preference will be to Defence Industrial Corridors/ State DICs. Projects can be set up anywhere in India, subject to approval.

Ques 4.30 – How does DTIS reduce testing costs for companies?

By providing domestic, shared, high-end testing facilities, companies avoid expensive overseas testing and long turnaround times.

Important Contact Details

Defence Testing Portal (DTP)

Website : <https://dtp.dgqadefence.gov.in/>

Email : ddtep-dgqa@gov.in

Phone No : 011-24196829/16

Defence Testing Infrastructure Scheme (DTIS)

Email : dtis-dqawp@navy.gov.in

Phone No : 011 - 24197629



EXPORTED PLATFORMS IN DEFENCE SECTOR

7.62X51MM MMG UPGRADE 1



AKASH WEAPON SYSTEM



ARCV MULE IMAGE 3



TRISHUL DRONE



GUNNERS SIGHTED TPD-K1





Export & Import Authorisations

(i) Export Authorisations

Ques 5.1 – Who can export Munition List items under Category 6?

Export of Munitions List items carried out by both Private as well as Public Sector Units as notified by DGFT under Category 6 of SCOMET is governed by the Standard Operating Procedure (SOP) issued by Department of Defence Production (DDP), Ministry of Defence.

Ques 5.2 – Are Standard Operating Procedures/Guidelines available in Public Domain?

Yes, the SoPs and related guidelines may be accessed at defenceexim portal i.e. https://defenceexim.gov.in/office_order

The screenshot shows the 'Office Orders' section of the Defence Exim Portal. It features a table with 4 entries. The first entry is 'Import SOP 1 October 2025' published on 2025-October-1. The second entry is 'Export SOP 12 September 2025' published on 2025-September-12. The third entry is 'Discrepancies and Suggestions to undertake before submitting Applications at Defence Exim Portal for Export / Import Authorisations' published on 2024-November-08. The fourth entry is 'Delegation of Powers for SCOMET Sub Category 6A007 & 6A008 to DDP' published on 2024-September-03. Each entry has a download icon in the 'Action' column.

S.No	Title	Published On	Action
1	Import SOP 1 October 2025	2025-October-1	
2	Export SOP 12 September 2025	2025-September-12	
3	Discrepancies and Suggestions to undertake before submitting Applications at Defence Exim Portal for Export / Import Authorisations	2024-November-08	
4	Delegation of Powers for SCOMET Sub Category 6A007 & 6A008 to DDP	2024-September-03	

Ques 5.3 – Does the SCOMET list remain static?

The SCOMET list is amenable to change by Director General of Foreign Trade (DGFT), as DDP works under delegated powers of DGFT, which has notified Department of Defence (DDP) as the Licensing Authority for export of Munition list items in Category 6 of SCOMET.

Ques 5.4 – Does DDP issue export authorisations for items under Arms Act?

Ministry of Home Affairs has delegated powers to DDP under Arms Act in Form X-A of the Arms Rules, only for export of nine parts of the Firearms namely- Barrel; Cylinder; Bolt; Breech Block; Slide; Firing Pin, Frame or Receiver; Extractor; Hammer/Striker.

Ques 5.5 – What are the items/categories for which Export authorisations are issued?

The permission to export of SCOMET Category 6 items for Government end use, including military end use is considered in following sub-categories:

- (a) Complete Systems/Platforms and other Sensitive Items covered in Appendix II of SOP.
- (b) Nine parts of fire arms notified by MHA viz. Barrel; Cylinder; Bolt; Breech Block; Slide; Firing Pin; Frame or Receiver; Extractor; Hammer/Striker
- (c) Residual items including certain Parts and components, Protective Equipment, etc.
- (d) Transfer of Technology/Software/Services - applicable to (a)-(c) above.

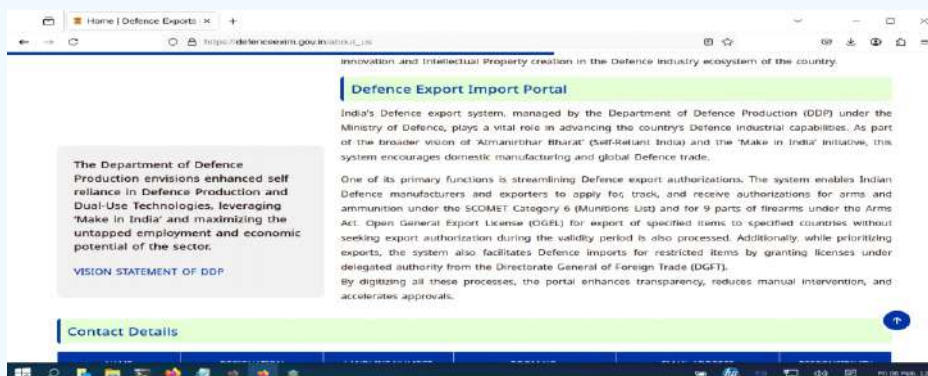
Note: The EAs for items at (a) and (d) above will not be considered for civilian usage. Also, the EAs are issued for :

- (i) For participation in Exhibition/Tender/RFP/NIT/Business Development/Exploring export opportunity and for Demonstration/Testing/Evaluation;
- (ii) Re-export, after undertaking repair or replacement of the items or part thereof, to the entity to whom it was originally exported;

- (iii) Export either for the purpose of repair or for replacement/ return to OEM from whom it was originally imported or its authorized agencies; and
- (iv) Export after undertaking MRO activity of items including systems/subsystems not exported earlier.

Ques 5.6 – How an exporter can file his application for Export Authorisation?

The exporters are required to submit their applications online on the defenceexim portal to DDP under the relevant part/category attaching a copy of EUC, Purchase Order/supply order/contract, Technical Specification of the items, undertaking in requisite format etc.



Ques 5.7 – What are the documents required for export of defence items?

For export of items viz. Complete systems/sub-systems/platforms and other sensitive items covered in Appendix-II of SoP; parts of fire arms, protective items, ToT/Software/services etc., the following documents are required among other things:

- (i) Copy of Purchase Order/Supply Order/Contract etc.;
- (ii) Technical Specification of items;
- (iii) End User Certificate (EUC) duly signed and stamped in prescribed format as per SoP clearly indicating the chain of supply/transaction/transmission/supply of export product;

Note: For fire arms export, a copy of license issued by MHA to manufacture the items and for ToT, a copy of Internal Compliance Programme and Technology compliance plans as per Authorised Economic Operator (AEO) programme of CBIC and details of level of ToT/know-how/software.

Ques 5.8 – What is EUC?

End User Certificate (EUC) is a certificate from the Buyer indicating therein that the defence products and technologies brought/acquired from the original supplier shall not be diverted or re-exported without the consent of the seller or misused by the buyer.

Ques 5.9 – Who issues the EUCs?

EUCs are issued by recipient companies or the authorised Government representatives of the recipient country, based on the regulations existing in the exporting nation.

Ques 5.10 – Who is the countersigning authority for EUC?

JS(DIP) is the countersigning authority in DDP for EUC which falls under Para 3.1.1 and 3.1.2 of Guidelines dated 26.02.2024 for countersigning of EUC.

Ques 5.11 – Is consultation done with some other entities/Stakeholders?

Consultation is done with relevant stakeholders as per the process laid out for different parts/categories of exports in the SOP.

Ques 5.12 – Is consultation also done in case of demo/participation in exhibition/NIT/Tenders?

No consultation with stakeholders is done in case of export of non-lethal items for participation in Exhibition/Tender/RfP/NIT/Demonstration provided the exporter holds a valid manufacturing license in respect of items to be exported as sample.

Ques 5.13 – What is 'Catch-all' provision?

As per Foreign Trade Policy, the 'Catch-All' provision specifies that if the exporter has been notified by DGFT or he knows or has reason to believe that an item not covered in SCOMET List has a potential risk of use in or diversion to Weapons of Mass Destruction (WMD) or in their missile systems or military end use (including terrorists and non-state actors), the export of such item may be denied or permitted subject to the grant of a license.

Ques 5.14 – Who is the competent authority for granting all authorisations?

Joint Secretary (DIP), Deptt. Of Defence Production is the competent authority for granting all authorisations. In case of difference between Stakeholders, the cases are submitted for consideration of Defence Export Steering Committee (DESC) headed by Secretary (DP). If consensus is not reached in DESC, the approval of Raksha Mantri is taken for a final decision.

Ques 5.15 – What is the time frame for issue of Export Authorisations?

EAs are normally decided within 4 weeks where Stakeholder consultation is required and it is 02 weeks where the consultation is not required.

Ques 5.16 – What is the validity of Export Authorisations?

- (i) General Export- till completion of order/contract;
- (ii) ToT/Software/Service- 24 months or completion of contract/order, whichever is earlier;
- (iii) Re-export after undertaking repair or rework or for replacement- 12 months
- (iv) Export after undertaking testing/MRO and Participation in Exhibition- 06 months;
- (v) Demo/Testing/Evaluation- 12 months
- (vi) Participation in Tender/RfP/NIT etc.- 24 months

(ii) Open General Export License (OGEL)

Ques 5.17 – What is OGEL for export of SCOMET items ?

An OGEL is a one time authorization granted to an exporter for export of SCOMET category 6 Munition List items under a specific category to the pre approved list of countries without any quantity restrictions. It is a bulk license that permits the authorisation holder to export the items or items under the specific category (as the case maybe) mentioned in the authorisation, to the pre-approved list of countries, without the need to apply for an authorisation for such exports during the validity period. Therefore, OGELs do not put any limitation on the quantity of total exports to be done during the validity period.

Ques 5.18 – Which Indian ports are eligible for exports under an OGEL?

Once an OGEL has been granted to an exporter, there is no restriction on the port of loading/port of discharge to carry out exports, provided the authorization has been registered at a specified EDI Customs Port. An Indian Exporter can export the items from any port (air/sea) of India irrespective of the port of loading mentioned in the authorization, provided the authorization has been registered at a specified EDI Customs Port.

Ques 5.19 – Is there any quantity restriction for the items to be exported under an OGEL?

There is no restriction in the quantity or the number of shipments for export of the item/category specified in the OGEL.

Ques 5.20 – How are subsequent exports carried out under a General Authorization?

If an exporter has been granted an OGEL, the exporter is eligible to carry out exports multiple times under a specified category subject to post reporting requirements as per the relevant SoP. The post reporting requirements have to be complied with by the exporters who have been granted OGEL.

Ques 5.21 – What is the validity of OGEL?

As per current SoP, the validity of OGEL is 02 years.

Ques 5.22 – Is there any penal provision for improper use of OGEL?

Failure of use the OGEL correctly, may lead to suspension or withdrawal by DDP.

(iii) Repeat Order under SCOMET

Ques 5.23 – What is a Repeat Order Policy for SCOMET Authorisations?

The SoP enables an exporter to export the same SCOMET items (same intended end use, same sub-category, same specifications) to the same country/entities (buyer/consignee/end-user) for which authorization has already been granted to the exporter within a valid timeline. The SoP does not require the application to go through the Stakeholders' consultation process.

Ques 5.24 – What if exporter intends to export the same item to a different country/entity?

Such cases would not be considered under "Repeat". Export of the same item to a different country/end-user would require the applicant to file for a new application under the category "Fresh Exports". DDP processes the application and decides on it after verifying the credentials of the foreign buyer, consignee, and end-user through Stakeholder consultation process.

Ques 5.25 – What are the documents to be submitted while filing for a Repeat Order?

The documents are to be furnished as per extant SoP. These, inter-alia, include Purchase Order/Supply Order/ Contract, EUC, Technical specification, details of earlier application/authorisation issued.

Ques 5.26 – Can items be exported without any repeat order authorisation?

No. It is suggested that exporter may seek OGEL for exporting some category of items to pre-identified countries/entities and can generate self-authorisations on case to case basis.

(iv) Participation in Demo/Display/Exhibition/Tender/RFP/Testing

Ques 5.27 – What is the SCOMET policy to export/re-export items abroad only for/after Demo/Display etc.?

The SoP has been simplified for the following type of export/re-export and does not go through the Stakeholder consultation process –

- (i) Export of non-lethal SCOMET item(s) for demo/display/exhibition/tenders/RFP/RFQ/NIT purposes abroad provided the exports holds a valid defence manufacturing license of the items to be exported

- (ii) Re-Export of SCOMET item(s) after participation in demo/display/exhibition/tenders/RFP/RFQ/NIT in India.

Ques 5.28 - Are there any specific documents required for Demo/Display etc. ?

Export for the exhibition/display purpose requires a copy of confirmation of Participation in Exhibition from the Exhibition organiser and an Undertaking in prescribed format as per SoP. However, export for the demo purpose requires justification for demo, consent letter from the respective/relevant testing agency and an Undertaking in prescribed format as per SoP.

Ques 5.29 - What are the conditions for exporting indigenous/imported SCOMET items for the mentioned purposes abroad?

- (i) The export is temporary and for a specified period.
- (ii) No end-user certificate is required.
- (iii) No commercial transactions like selling/buying/renting/leasing are allowed.
- (iv) No transfer of technology through exchange/disclosure of information.
- (v) No authorization for UNSC-sanctioned destinations or high-risk countries/entities.

Ques 5.30 - What are the documents required for the export of imported SCOMET items after participation in demo/display/exhibition/tenders/RFP/RFQ/NIT in India?

- (i) Bill of entry containing details of the items being exported after completion of Demo/Display
- (ii) Copy of the import license issued originally to import the item(s) and if the item was free to import, then document in support of the same is required to be submitted.
- (iii) The proof of event/participation like an invitation letter or advertisement detailing the purpose, schedule, and specific location (venue, city) of the exhibition, display, demo, tender, RFP, RFQ, or NIT and document confirming participation of the applicant in the event.
- (iv) An Undertaking in requisite format as per SoP.

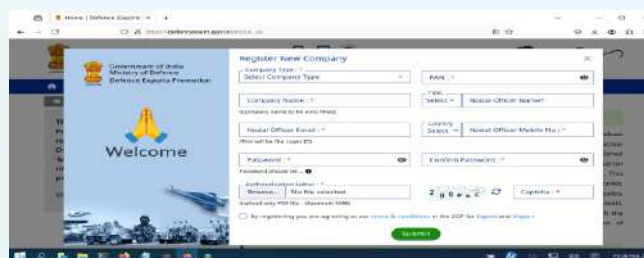
Ques 5.31 - Are there any other conditions under Demo/Display policy for items once the demo is over?

Exported items should be brought back to India within (06 months- for tender/exhibition, 12 months for demo, testing & evaluation) from the date of export and the proof shall be provided within 02 months from the date of import in this regard.

(v) Registration on Portal & related issues in filing applications on defence-exim portal

Ques 5.32 - How can an exporter register on defence-exim portal?

One can register his/her company on defence-exim portal i.e. <https://defenceexim.gov.in>



Ques 5.33 - What are the pre-requisites for registration on portal?

The e-mail, mobile no, valid PAN card, valid DSC and valid company authorisations are pre-requisites for registering on the portal.

Ques 5.34 - What are the steps involved in registration?

The details of steps involved among other things may kindly be accessed at <https://defenceexim.gov.in/public/frontend/assets/images/Defence-Exim-Registration-final.pdf>

Ques 5.35 - Whether the details of Board of Directors of the company also needed for registration on the portal?

The details of Board of Directors are not needed for registration on Portal for Export purpose and for SMLDI. For the purpose of Import, the details of Board of Directors are needed to be submitted.

Ques 5.36 - How to contact for portal related issues?

Contacts may be made on telephone at 011- 23210667 during working hours from 9.00 AM to 5.30 PM. For export authorisation details, contact can be made at 011-23012948.

Ques 5.37 - How can an exporter file correct applications and other relevant details?

The application should be filled giving all relevant details and other documents viz. Supply Order/Purchase Order/EUC/Technical specification are clearly visible. Also, the documents in foreign languages must be got translated in English and duly notarised documents be also uploaded for proper verifications.

Ques 5.38 - What are the commonly mistakes noticed by DDP in applications?

These are :

- i. End User Certificates from all entities involved in the supply chain are not duly submitted and are not in the prescribed format(s).
- ii. EUCs do not have details of entities duly filled and are not properly signed and stamped.
- iii. EUC clauses are not filled properly, as per the format.
- iv. Technical specifications are not submitted during the filing of the application.
- v. Purchase Orders submitted are not correctly submitted. The item details, item quantity in the purchase order do not match with the details mentioned in the application/EUC.
- vi. While the application includes the intermediary, the EUC from intermediary is not submitted along with the application.
- vii. The value of the shipment is incorrectly mentioned in the application. The values are not duly stated (especially in technology related applications). Also, the value mismatch has been noticed among EUC,PO/SO/Contract and application filed on the portal.
- viii. SCOMET Sub-Category (item should be covered in mentioned Sub-Category) is not filled while filing applications.
- ix. End User country is not clearly stated in the application and EUC.
- x. Specific end use is not mentioned in EUC
- xi. In case of Repeat Order cases, the following deficiencies have been noticed:
 - (a) The copies of all relevant documents submitted are not in a readable format. The item details, quantity, and Country of Origin/Destination are not properly highlighted, and they do not match with the items intended for re-export for repair, re-export after repair, demo, etc.

- (b) The latest version of the contract agreement/amendment is not provided, rather old versions of the contract agreements between entities are submitted and relevant clauses and details of the involved entities are not properly highlighted/attached.

(vi) Import Authorisations

Ques 5.39 – How do I register on the Defence EXIM Portal for import of items?

To register, visit the Defence EXIM Portal, create an account, and submit necessary documentation for verification.

Ques 5.40 – Can dual-use goods be imported through defencexim portal?

No – only for defence / central Govt or agencies end-use.

Ques 5.41 – Under which Act can items be imported?

Items can be imported under Arms Act, 1959 and FTD&R Act, 1992 against ITC(HS) codes listed in Annexure of Import SOP dated 01/10/25.

Ques 5.42 – From where Import SOP can be seen / downloaded?

Import SOP can be seen / downloaded under the Documents Tab on the defencexim portal i.e. defencexim.gov.in

Ques 5.43 – Do items for defence use can be imported by Pvt. Companies / entities?

Yes, the process to grant authorisation by DDP is divided into following categories: –

Category-1: items for the end use on standalone basis or after fitment into a system by Indian Armed Forces, DRDO, DPSUs and manufacturing Defence items by PSUs.

Category-2: Items for the purpose of design & development, export, repairs, participation in Tender/Exhibition & Evaluation and export after manufacturing the item only for defence organization.

Ques 5.44 – What are the modes of application on defencexim portal?

The importer shall choose the relevant form for filing the application.

- Application for import of Arms and Ammunition to be filed in FORM A – 10 under Arms Rule 2016
- for other restricted items to be filed under FTD&R Act 1992

Ques 5.45 – What are the common documents required for filling the application?

- (i) Copy of Purchase Order/Supply Order/Contract.
- (ii) Technical specification of the item(s) intended to be imported.
- (iii) An undertaking with regard to no change in board of director of the company subsequent to grant of manufacturing licence.
- (iv) Manufacturing licence issued by appropriate Government Authority (i.e. DPIIT / MHA) – In case of supply with any value addition.

- (v) Trader Licence issued by State Government – In case of direct supply without any value addition.

Ques 5.46 – Is there any specific document required for Category 1 & 2?

Yes – **For Category-1** – End User Certificate (EUC) signed by the applicant and counter signed by end user of imported items under Category-1.

- For Category - 2

- (i) End User Certificate (EUC)/ Self-declaration with relevant document under **Category-2**.
- (ii) In case Import for the purpose of re-exports, the copy of export authorisation shall be submitted along with application.
- (iii) In case of repairs a request letter issued by appropriate authority.
- (iv) In case of participation in Tender/Exhibition & Evaluation a copy of Tender/Exhibition from end user.

Ques 5.47 – What is the examination procedure being followed?

- (i) Applications submitted on portal will be scrutinized and discrepancy, if any, will be communicated to the Applicant within 05 working days.
- (ii) DDP will confirm the Purchase Order/ Supply Order/End User Certificate from the End User address/details provided in the application.
- (iii) Category-2 application shall be processed in consultation with MHA.

Ques 5.48 – What is the validity of Import License?

Category 1: Concurrent with schedules indicated in supply order/purchase order.
Category 2: 12 Months

Ques 5.49 – Is there any provision to renew Import Licence?

Renew of Import Licence is subject to the written confirmation from End User.

Ques 5.50 – Is there any Fee required for Import Applications?

Fees must be paid through DD or Cheque to be issued in favour of AO (DAD) Ministry of Defence (Civil), till provision for online payment is made on the portal. The Grant of Import Licence is subject to receipt of requisite fees in the DDP.

- applications filed under FTD&R Act shall be accompanied by application fees as indicated in the Appendix 2K of Aayat-Niryat Form (ANF) notified by DGFT.
- for applications filed under Arms Act, the applicable fee would be as specified in Schedule IV of the Arms Rules 2016 as amended from time to time.

Ques 5.51 – Is there any time frame for grant of Import Licence?

Import licence will be issued within 30 days subject to verification by end user and receipt of confirmation of MHA as the case may be.

Ques 5.52 – Does importer has to submit Utilization Certificate after import of items?

Yes. The Applicant shall submit a Certificate of Utilization considered by the end user within three months of the date of import in Category-1. The Proforma for declaration is mentioned in Para 8 of SOP.

Ques 5.53 – Does monitoring of items is being done after importing the items?

Yes, as per Para 9 of SOP

Ques 5.54 – Does importer has to maintain records w.r.t. documents / items mentioned in applications?

Yes, The Importer has to maintain records in manual and electronic form for a minimum period of 10 years from the date of application.

Ques 5.55 – Who is the Competent Authority to grant Import Licence?

JS(DIP), DDP

Ques 5.56 – Can importer ask for amendment to Import License?

Yes, only for applications filed under FTD&R Act.

Ques 5.57 – Does any fee is required for grant of amendment to Import License?

Yes, as indicated in the Appendix 2K of Aayat-Niryat Form (ANF) notified by DGFT

Ques 5.58 – Who is Competent Authority to grant amendment to Import Licence?

JS (DIP), DDP

(vii) Defence Export Promotion Wing (DEPW)

Ques 5.60 – How does DEPW help companies/MSMEs for defence related activities?

DEPW coordinates and follows up on defence export promotion related activities, including enquiries from various countries, to facilitate public and private sector companies. It supports MSMEs and other Indian defence companies by disseminating export leads via an online portal and organizing promotional events like webinars.

Ques 5.61 – How a company/MSMEs can know about the DEPW and assistance it provides to MSMEs/companies?

Companies and MSMEs can learn about DEPW and its services from DDP website as well as through its online portal. The promotional booklets can also be accessed from DDP website.

Ques 5.62 – How does DEPW enable MSMEs/companies to know about overseas exports inquiries?

DEPW enables access to overseas enquiries by disseminating export leads directly to registered Indian defence exporters on its online portal. Exporters will have to register in the

defenceexim portal and map themselves to their respective product profiles to receive the leads.

Ques 5.63 – Where to contact to reach out to DEPW by companies?

The DEPW is headed by DDG/Exports, DDP and can be reached at ddg-exports@ddpmod.gov.in

Ques 5.64 – How does DEPW promote defence equipment abroad?

DEPW operates the Brand India scheme for Defence Attachés to promote indigenous defence products with financial support to the Indian missions abroad. DEPW also organises webinars and other defence industrial interactions with Friendly Foreign Countries (FFCs).

Important Contact Details

Export/Import Authorisations

Website : <https://defenceexim.gov.in/>
Email : usepc@ddpmod.gov.in, dsdip.ddp@ddpmod.gov.in
Phone No : 011-23012948, 23016768

Defence Export Promotion Wing (DEPW)

Website : <https://defenceexim.gov.in/>
Email : epc@ddpmod.gov.in
Phone No : 011-23221843





Nodes -06

LAUNCH: August 2018



Nodes-05

LAUNCH: January 2019



Investment Promotion & Defence Corridors

(i) Facilitation to Companies/MSMEs

Ques 6.1 – Is there any Single Point of Contact or any office in DDP for MSMEs & Startups – for all queries/guidance pertaining to Defence Production in the Country?

Defence Investment Cell (DIC) under DDP, MoD acts as Single Point of Contact (SPoC) for all queries/assistance pertaining to Defence Production. It can be reached at email – def-corridor @ddpmod.gov.in & Phone No – 23075006. As of now, DIC has addressed more than 2000 queries received by industries/companies.

Ques 6.2 – What is role & function of Defence Investment Cell?

DIC acts as investment promotion and facilitation agency for all investment in defence sector. It facilitates and assist companies to venture into defence production by apprising them the opportunities and various avenues available in defence. It helps in the process of License acquisition, Export/Import applications and other regulatory assistance etc.

Ques 6.3 – How does Defence Investment Cell helps companies/MSMEs to venture into defence sector.

Defence Investment Cell facilitates entrepreneurs/companies to venture into defence sector by apprising them regarding the investment opportunities available in defence sector and guiding them regarding the procedure & regulatory mechanism of defence framework. Defence Investment Cell discuss with companies and MSMEs about their proposals and interest area in defence, and accordingly guide and assist them by apprising various initiatives of DDP like iDEX Scheme, Srijan & Srijan Deep portal and Make Procedures.

Ques 6.4 – How can DIC help in showing any innovative product / project in defence to the Services?

Companies/MSMEs may take guidance from DIC and submit Suo Moto proposal under Make II Project Category which shall be shared with Nodal Officers of Army, Navy And Airforce – as the case may be. The feedback of their proposals shall be intimated to the companies / MSMEs – post assessment by concerned office of Armed Forces.

Ques 6.5 – How does DIC facilitate foreign OEMs to set up their manufacturing base in India.

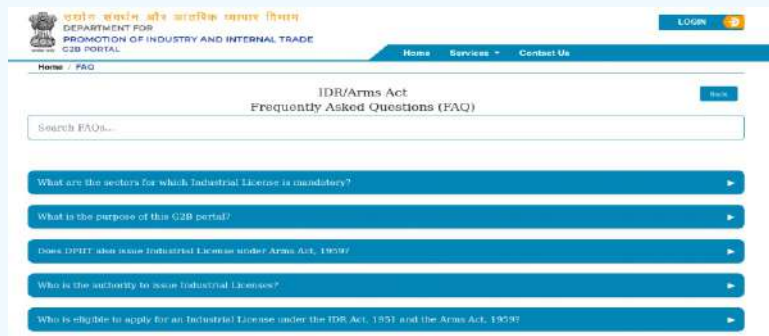
DIC organise meetings with foreign OEMs and persuade them for investment in India. DIC further provides advisories and address their queries, wherever required – by connecting them with concerned offices of DDP.

Ques 6.6 – How do MSMEs determine whether their business falls under Defence, Aerospace, or General Manufacturing?

- Your regulatory obligations depend on what you manufacture, who the end-user is, and whether the product is notified as a defence item.
- General Manufacturing: Products not notified under defence lists; governed by standard industrial, MSME, and FDI norms.
- Defence Manufacturing: Products notified under the Defence Items List requiring Industrial Licence or governed by the Arms Act / Arms Rules.

- d) Key point: Being a defence supplier (Tier-1/2/3) does not automatically require a licence—the product classification does.

Reference: DPIIT Defence Licensing Framework / <https://services.dpiit.gov.in/lms/faq>



Ques 6.7 – Is there any preference for MSMEs in procurement by DPSUs?

In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 per cent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply up to 25 per cent of total tendered value.

Ques 6.8 – Does DPSUs provide EMD exemption to SMEs in procurement process?

SMEs registered under the Udyam Registration (formerly UdyogAadhaar) or with NSIC (National Small Industries Corporation) are exempted from paying EMD in most DPSUs tenders.

Conditions for exemption:

The tendered item must be covered under the MSE's registration certificate.
The SMEs should provide valid registration documents at the time of bidding.

Documents Required for EMD Exemption:

MSME Registration Certificate
NSIC Certificate
Udyam Registration Certificate

Ques 6.9 – What is the time duration for payment to MSMEs for procurement by DPSUs.

DPSUs ensure payment to MSMEs within 45 days of receipt of material by DPSUs unless otherwise provided in terms and conditions of PO.

Ques 6.10 – What are the flagship schemes for Startups and MSMEs in Defence?

- a) Technology Development Fund (TDF), executed by DRDO, supports indigenous development of defence technologies by MSMEs and startups.
- Key features:
 - Grant-in-aid funding (up to ~₹50 crore depending on project)
 - Milestone-based disbursement
 - End-user involvement from Armed Forces / DRDO labs

- b) Scheme Page : <https://www.myscheme.gov.in/schemes/tdfs>

Ques 6.11 – What non-defence-specific funding schemes can MSMEs use?

- a) MSMEs in defence/aerospace are also eligible for general MSME schemes, including:
- I. CGTMSE is a credit guarantee mechanism set up by **Ministry of MSME + SIDBI** to enable **collateral-free credit** to eligible Micro & Small Enterprises through member lending institutions. It offers Collateral-free loans via banks and Credit guarantee coverage. The link to the scheme is : <https://www.cgtmse.in/>
 - II. MUDRA products under PMMY include **Shishu, Kishore, Tarun (and Tarun Plus)** with defined ticket-size bands (as per MUDRA)



(ii) MSME Conclaves under Scheme for Promotion of MSMEs in Defence

Ques 6.12 – What is the Scheme for Promotion of MSMEs in Defence?

It is a scheme launched by the Department of Defence Production (DDP) in 2019 to encourage MSMEs to participate in defence manufacturing and supply chains.

Ques 6.13– Why was this scheme launched?

The scheme aims to strengthen domestic defence production, promote indigenisation, and increase MSME participation in defence manufacturing and exports.

Ques 6.14 – Who can benefit from this scheme?

Micro, Small and Medium Enterprises (MSMEs), start-ups, and potential MSMEs from non-defence sectors can benefit from this scheme.

Ques 6.15 – What are MSME Conclaves?

MSME Conclaves are awareness and interaction events organised to inform MSMEs about opportunities in the defence sector.

Ques 6.16 – How many MSME Conclaves are organised every year?

One National-level and twelve State-level MSME Conclaves are organised annually across the country.

Ques 6.17 – Where are these Conclaves held?

The Conclaves are preferably organized in Tier II and Tier III cities to ensure wider participation of MSMEs.

Ques 6.18 – Who organises the MSME Conclaves?

The Conclaves are organized by DDP in partnership with industry associations and DPSUs.

Ques 6.19 – Who are the participants in the MSME Conclave?

The MSME Conclave is attended by MSMEs, start-ups, industry representatives, Defence Public Sector Undertakings (DPSUs), officials from the Ministry of Defence, Ministry of MSMEs, representatives of the Armed Forces, industry associations, and officials from State Governments.

Ques 6.20 – What information is shared during the Conclaves?

Sessions cover MoD initiatives such as procurement opportunities, Indigenisation, iDEX, Export Promotion, defence licences, testing & certification, opportunities in DPSUs, defence requirements, and MSME schemes.

Ques 6.21 – How do MSMEs benefit from attending these Conclaves?

MSMEs gain awareness of defence opportunities, government policies, procurement processes, and can interact directly with defence stakeholders.

Ques 6.22 – Are start-ups allowed to participate?

Yes, start-ups and MSMEs from non-defence sectors are encouraged to participate and explore opportunities in defence manufacturing.

Ques 6.23 – Do the Conclaves include interaction sessions?

Yes, interactive sessions are held where MSMEs and start-ups can discuss their ideas, challenges, and expectations with industry and government representatives.

Ques 6.24 – Is support provided by State Governments?

Yes, State Governments share information on local policies, incentives, and facilitation support for defence related industries.

Ques 6.25 – What is the role of the Ministry of MSME representative in Conclave?

The Ministry of MSME representative shares information on MSME schemes and initiatives, explains available support, and guides MSMEs on how to avail these benefits.

(iii) Uttar Pradesh Defence Industrial Corridor

Ques 6.26 – What is the Uttar Pradesh Defence Industrial Corridor (UPDIC)?

The Uttar Pradesh Defence Industrial Corridor (UPDIC) was announced on 01 February 2018 by the Hon'ble Prime Minister Shri Narendra Modi with the objective of strengthening indigenous defence manufacturing and promoting industrial development in the state. The corridor spans six strategic nodes—Agra, Aligarh, Lucknow, Kanpur, Chitrakoot and Jhansi. Several units have already commenced production, and a significant scale-up of activities is anticipated from FY 2026 onwards. These nodes are strategically located within the primary and secondary catchment areas of major National Highways and Expressways, ensuring strong logistics connectivity. To date, more than 200 Memoranda of Understanding (MoUs) have been signed, attracting investment commitments exceeding ₹35,280.59 crore and generating employment potential of over 53,263 persons.

Ques 6.27 – Where can stakeholders contact for queries or assistance related to the UP Defence Industrial Corridor?

Office Address:-

Uttar Pradesh Defence Industrial Corridor
4th Floor, B2 Block, PICUP Bhawan
Vibhuti Khand, Gomti Nagar
Lucknow – 226010, Uttar Pradesh

Contact Numbers:

+91-0522-4004523
+91-0522-4004527
+91-0522-2307542
+91-0522-2307592

Email IDs : defcorup.project@gmail.com, ceo.eida-up@gov.in

Ques 6.28 – What incentives are available for MSMEs and companies under the relevant policy?

The Uttar Pradesh Aerospace & Defence Units and Employment Promotion Policy 2024 provide a comprehensive package of fiscal and non-fiscal incentives to promote investment in the sector, including but not limited to: -

- Capital subsidy of 25% for A&D units established in Agra, Aligarh, Lucknow and Kanpur nodes.
- Capital subsidy of 35% for investors in Bundelkhand region (Jhansi & Chitrakoot nodes) and Purvanchal region.
- Transport subsidy of 50% of transportation cost, subject to an overall ceiling of ₹5 crore.
- Land subsidy of 25% for Anchor A&D Units within UPDIC.
- Green Infrastructure subsidy: 25% reimbursement of project cost up to a maximum of ₹1 crore.
- 100% reimbursement of domestic patent fees up to ₹25 lakh.
- 50% reimbursement of international patent fees up to ₹1 crore.
- Full reimbursement of trademark registration application fees up to ₹1 lakh per unit per

annum.

- Assistance up to ₹10 crore per year per institute for development of Centres of Excellence (CoE) in R&D and testing facilities.
- Additional 2% capital subsidy for women entrepreneurs.
- Skill development support through reimbursement up to ₹10,000 per month for 20 trainees per year per A&D unit. For detailed policy provisions, please refer to: <https://upeida.up.gov.in/updic/en/page/up-defence-aerospace-policy>
- The Policy is implemented through a Standard Operating Procedure (SOP) dated 4th June 2025. Kindly refer to the link for details: <https://upeida.up.gov.in/downloadmedia/>

Ques 6.29 – How does the UP-Defence Corridor facilitate ease of doing business for defence manufacturing companies?

The Uttar Pradesh Aerospace & Defence Units and Employment Promotion Policy 2024 promote ease of doing business through several enabling measures, including:

- i. Single Window System: All approvals and clearances are processed through a centralized single-window mechanism monitored at the highest level by the Chief Minister's Office.
- ii. Consolidated Incentive Disbursement: Uttar Pradesh Expressways and Industrial Development Authority (UPEIDA) functions as the nodal agency for processing permissible incentives and facilities.
- iii. Simplified Regulatory Framework: The policy encourages self-certification, deemed approvals, and third-party certifications to streamline compliance procedures.
- iv. Labour Facilitation: Flexible employment conditions are supported, including shift-based work, employment of women in three shifts, and engagement of contractual workers, subject to applicable labour laws.
- v. Robust Infrastructure: Newly developed industrial areas under defence nodes are equipped with dedicated power supply, water supply, sewerage systems, internal electrification, offsite fire stations, road connectivity, and secured peripheral boundary walls.
- vi. Industrial Security: The Government of Uttar Pradesh ensures a safe and secure industrial ecosystem to support defence manufacturing activities.

Ques 6.30 – Where are the six nodes of the UP Defence Industrial Corridor located?

The corridor comprises six nodes located in the districts of Agra, Aligarh, Jhansi, Chitrakoot, Kanpur and Lucknow. Collectively, approximately 2040.1513 hectares of land have been identified across these nodes for infrastructure development and industrial allotment.

Ques 6.31 – What is the procedure for a company to become part of the UP Defence Industrial Corridor?

The onboarding and land allotment process generally involves the following stages:

- Step 1: Submission of Intent through the Nivesh Sarathi Portal and signing of an MoU between the applicant and UPEIDA, marking formal entry into UPDIC. <https://invest.up.gov.in/investorcrm/welcome/registration>
- Step 2: Preliminary feasibility review by UPEIDA. Upon successful evaluation, a confirmatory letter, policy documents, checklist of required documents, and indicative land cost calculation sheet are issued.

- Step 3: Submission of formal application for land allotment along with Detailed Project Report (DPR), requisite documents, Earnest Money Deposit (EMD), and applicable processing fees.
- Step 4: Technical vetting of the proposal by UPEIDA, including issuance of observations or clarifications, if any.
- Step 5: Evaluation by the Technical Evaluation Committee (TEC), followed by consideration by the Land Allotment Committee (LAC) and issuance of a Provisional Allotment Letter upon approval.
- Step 6: Submission of the first instalment for the allotted land parcel and finalization of payment schedule and lease documentation.
- Step 7: Execution of lease deed and physical handover of the allotted land to the applicant.

(vi) Tamil Nadu Defence Industrial Corridor

Ques 6.32 – What is the Tamil Nadu Defence Industrial Corridor (TNDIC)?

The Tamil Nadu Defence Industrial Corridor (TNDIC) is a flagship initiative Ministry of Defence and one of the two Defence Industrial Corridors announced by the Government of India. The corridor aims to position Tamil Nadu as a leading global hub for aerospace and defence manufacturing by leveraging the State's strong industrial base, skilled workforce, and well-established ecosystem in automotive, electronics, heavy engineering, and precision manufacturing.

The corridor is designed to create a comprehensive defence manufacturing ecosystem by integrating industrial infrastructure, policy incentives, testing facilities, research, and development centres, MSME participation, and institutional facilitation mechanisms. It promotes indigenous defence production under the vision of *Atmanirbhar Bharat* and supports the development of a complete supply chain comprising OEMs, Tier-1, and Tier-2 suppliers, MSMEs, and startups.

By attracting domestic and global investments, enabling high-value manufacturing, and strengthening supply chain linkages, TNDIC enhances Tamil Nadu's position as a key aerospace and defence hub in India. The initiative capitalises on the State's port connectivity, industrial parks, advanced engineering capabilities, and strong MSME base to drive sustainable growth in defence manufacturing.

Ques 6.33 – What are the key locations (nodes) of the Tamil Nadu Defence Corridor?

The Tamil Nadu Defence Industrial Corridor is structured around five strategically selected nodes, chosen based on their existing industrial strengths and manufacturing capabilities:

Chennai – A major hub for aerospace manufacturing, electronics, IT-enabled defence solutions, and R&D activities.

Coimbatore – Known for precision engineering, pumps, motors, foundries, and advanced industrial machinery, supporting high-accuracy defence components.

Salem – Strong in steel production and advanced materials, contributing to defence-grade raw material supply.

Hosur – An established centre for automotive manufacturing, heavy vehicles, and ancillary industries that can transition into defence mobility and subsystem manufacturing.

Tiruchirappalli (Trichy) – Home to ordnance factories, fabrication industries, and heavy engineering units, forming a critical part of the defence manufacturing base.

Together, these nodes form an integrated manufacturing network across the State. The corridor's nodal structure enables geographic distribution of industrial growth while promoting supply chain clustering, vendor development, and seamless integration of OEMs, Tier suppliers, MSMEs, and supporting industries within the aerospace and defence ecosystem.

Ques 6.34 – Where to contact for any query or assistance pertaining to the Tamil Nadu Defence Industrial Corridor (TNDIC)?

For any queries, investment facilitation, or assistance related to the Tamil Nadu Defence Industrial Corridor, stakeholders may contact the nodal agency:

Nodal Agency: Tamil Nadu Industrial Development Corporation (TIDCO)

Official Websites:

TIDCO Website: www.tidco.com

Email Contacts:

info@tidco.com

vvtndic@tidco.com

madhusoodhanan@tidco.com

vp.tndic@tidco.com

Ques 6.35 – What are the key benefits and incentives for MSMEs Companies?

MSMEs in the Aerospace and Defence sector in Tamil Nadu are eligible for a structured set of incentives under the Tamil Nadu Industrial Policy 2021 and the Tamil Nadu Aerospace and Defence Industrial Policy 2022.

The incentives broadly fall under the following categories:

1. Capital Subsidy / Investment Promotion Support

Financial assistance towards eligible plant and machinery and fixed assets.

2. Land Cost Incentives

Concessional land allotment rates in Government industrial parks and support for eligible private land purchases.

3. Stamp Duty Concessions

Reimbursement or exemption of stamp duty on land/shed transactions.

4. Electricity Tax Exemption

Exemption from electricity tax for a specified period from the date of commercial production.

5. Interest Subvention Support

Assistance in reducing the cost of borrowing as per applicable MSME policy provisions.

6. Skill Development & Training Support

Financial support for workforce training and skill enhancement.

7. Quality & Product Certification Assistance

Support for obtaining national and international quality certifications.

8. Intellectual Property (IPR) Support

Reimbursement support for patents, trademarks, and related intellectual property creation.

9. Green / Environmental Protection Incentives

Assistance for environmental infrastructure and sustainability measures.

10. R&D and Prototype Development Support (Make / Innovation Categories)

State support for defence innovation projects, including Make category programs and IDEX/TDF-linked initiatives.

NB: For detailed MSME-specific incentive provisions, please refer to: Tamil Nadu Aerospace & Defence Industrial Policy 2022 – Para 7.1.3 onwards

Relevant links are as appended below to:

1. Tamil Nadu Industrial Policy 2021 (<https://tidco.com/wp-content/uploads/2021/08/Industrial%20Policy%202021.pdf>)
2. Tamil Nadu MSME Policy 2021 (<https://mtipb-master.s3.ap-south-1.amazonaws.com/files/30814d375c62c54f4f14e220fa23aeb5.pdf>)
3. Tamil Nadu Aerospace & Defence Industrial Policy 2022 (<https://tidco.com/wp-content/uploads/2025/11/5.V25-%20Tamil%20Nadu%20AD%20Policy%202022%20-%20Final%20Print.pdf>)

Ques 6.36 – How does the corridor assist/ helps MSMEs in ease of doing business in defence?

The Tamil Nadu Defence Industrial Corridor enhances ease of doing business for MSMEs through a comprehensive facilitation framework combining digital governance, infrastructure readiness, grievance redressal, and ecosystem integration.

Single-Window Clearance System

All major approvals and statutory clearances are processed through the Tamil Nadu Single Window Portal. This ensures time-bound approvals, transparency, and reduced procedural delays. TIDCO coordinates with various State departments to facilitate faster clearances.

BizBuddy Industry Helpdesk (Grievance Redressal Mechanism)

BizBuddy serves as a dedicated industry grievance redressal platform. MSMEs can raise operational issues, approval delays, infrastructure concerns, or inter-departmental matters through this system. Issues are tracked digitally and resolved through structured escalation mechanisms, ensuring minimal disruption to business operations.

Online Incentive Application and Tracking

MSMEs can apply for eligible incentives digitally and monitor application status transparently. This improves predictability and reduces administrative follow-ups.

Plug-and-Play Industrial Infrastructure

Industrial parks developed by SIPCOT and other State agencies provide ready infrastructure including roads, power, water supply, drainage systems, and common facilities. This significantly reduces project setup time and capital expenditure.

Cluster-Based Manufacturing Ecosystem

The corridor promotes co-location of OEMs, Tier-1 suppliers, MSMEs, research institutions, and testing facilities. This cluster model enables supply chain integration, vendor development, and collaborative innovation.

Access to Defence Testing Facilities

High-end aerospace and defence testing infrastructure within the corridor reduce the need for MSMEs to make heavy capital investments in standalone testing equipment.

Reduced Regulatory Burden

Simplified compliance procedures, digital approvals, and streamlined inspection systems reduce bureaucratic bottlenecks and accelerate project execution.

Skilled Workforce Availability

Tamil Nadu's strong engineering and technical education ecosystem ensures availability of trained manpower suited for aerospace and defence manufacturing. Collectively, these mechanisms reduce transaction costs, shorten project timelines, enhance operational efficiency, and create a business-friendly environment for MSMEs in the defence sector.

Ques 6.37 – How can an MSME become part of the corridor?

An MSME can become part of the corridor by following a structured pathway:

- Register as an MSME under Udyam Registration.
- Identify the appropriate corridor node based on business activity and supply chain linkages.
- Apply for industrial land in SIPCOT or relevant industrial parks.
- Submit project details and obtain approvals through the Tamil Nadu Single Window Portal.
- Apply for relevant incentives under the Aerospace and Defence Industrial Policy or MSME Policy.
- Establish manufacturing operations.
- Register as a vendor with defence PSUs, private OEMs, or system integrators.
- Once operational within any of the corridor nodes, the MSME is considered part of the corridor ecosystem.

Ques 6.38 – How to apply or invest in the Tamil Nadu Defence Corridor as an MSME?

An MSME can invest and become part of the Tamil Nadu Defence Industrial Corridor through a structured and facilitative process supported by the State Government.

Step 1: Initial Engagement with TIDCO

Contact TIDCO, the nodal agency for the corridor, through its official portal or email to seek investment facilitation support.

Step 2: Project Proposal Submission

Prepare and submit a detailed project proposal outlining investment size, product profile, technology scope, manufacturing capacity, and employment potential.

Step 3: MSME Registration

Obtain Udyam Registration to avail MSME-specific benefits and schemes.

Step 4: Land Allotment and Approvals

Apply for land in notified industrial parks through SIPCOT and obtain statutory approvals via the Tamil Nadu Single Window Portal.

Step 5: Partnership & Supply Chain Integration

Engage with Defence PSUs, DRDO labs, and private OEMs to explore vendor registration, subcontracting, or strategic partnerships within the defence supply

chain.

Step 6: Application for Incentives

Apply for eligible incentives under the Aerospace and Defence Industrial Policy 2022 and MSME Policy schemes.

Step 7: Commencement of Operations

After securing land, approvals, and incentives, commence manufacturing and integrate into the defence ecosystem.

The Tamil Nadu Defence Industrial Corridor provides end-to-end facilitation for MSMEs from investment guidance and land allotment to approvals, incentives, and supply chain integration ensuring a streamlined and business-friendly environment for aerospace and defence manufacturing.

Important Contact Details

For General Query

Email : def-corridor@ddpmod.gov.in

Phone No : 011-23075006

Uttar Pradesh Defence Corridor

Email : defcorup.project@gmail.com, ceo.eida-up@gov.in

Phone No : 0522-4004523, 0522-4004527, 0522-2307542, 0522-2307592

Tamil Nadu Defence Corridor

Email : info@tidco.com, vvtndic@tidco.com, madhusoodhanan@tidco.com, vp.tndic@tidco.com, pmutidco@tidco.com

Phone No : 044 - 28554479, 28554480





Quality Assurance & Certifications

(i) Quality Assurance Reforms

Ques 7.1 – What is the objective of the Quality Assurance (QA) policy in defence?

QA policy lay down the roadmap towards ensuring quality & reliability of the entire range of Armaments, Stores & Equipment used by the Army and those stores of the Navy & Air Force for which DGQA is responsible, to enhance the combat efficiency of the Armed Forces. DGQA and DGAQA assure compliance with defence standards while enabling timely induction of equipment worth ₹50,000+ crore annually into the Armed Forces.

Ques 7.2 – What is the overall aim of QA reforms?

QA reforms aim to foster a quality culture in Defence manufacturing eco-system, reduce compliance burden and realign DGQA as a facilitator of Indian Defence Ecosystem. QA reforms support faster execution of defence contracts, many of which have delivery schedules of 12–36 months and promote a partnership-driven QA Model aligned with large-scale indigenisation programmes.

Ques 7.3 – Why was there a need for QA reforms?

Govt QA Agencies were focusing on 'Prevention Based' QA practices earlier and post reforms, DGQA has adopted 'Risk and Trust' based QA practices to reduce delays and align QA processes in ensuring Ease of Doing Business, without compromising on safety & performance.

Ques 7.4 – What major structural reforms were carried out in DGQA in recent years?

Based on recommendations of NPC Study ordered by Department of Defence Production for re-structuring of DGQA to reduce overlapping roles and decision layers have been implemented. Two new Directorates i.e. DQA(Region) with five Regional Quality Assurance Establishments at Delhi, Kanpur, Kolkata, Mumbai & Chennai, to provide single point regional support to Industry and Dte of Defence Testing & Evaluation Promotion at New Delhi, for transparent allocation & utilisation of proof & testing facilities have been created. Technical Directorates of DGQA have been aligned to the line directorates of Army and CQAs have been re-configured as Technology Centres and Product Centres, to provide single window support. This restructuring has contributed to a ~30–40% reduction in QA processing time and improved coordination with Services, DPSUs and private manufacturers.

Ques 7.5 – How has the role of QA changed after the reforms?

Role of DGQA has shifted from traditional QA Role to a Facilitator Role. DGQA is also spearheading various MoD schemes viz Green Channel Status Policy, Self-Certification Scheme, Third Party Inspection Scheme, Defence Export Promotion Scheme, Defence Testing Infrastructure Scheme etc. This has reduced late-stage rejections, improved first-pass acceptance rates, lowered rework costs that earlier accounted for 10–15% of production and reduce timelines in procurement cycle.

Ques 7.6 – How have QA reforms improved Ease of Doing Business?

Simplified procedures, digitisation, reduction in timelines, delegation of higher autonomy and trust-based certification have reduced compliance effort and uncertainty. Industry feedback indicates a substantial reduction in documentation, physical interface and QA follow-ups. QA timelines have reduced by ~30–40%, with many clearances now completed in a few days.

Ques 7.7– How do QA reforms help industry meet delivery schedules?

Predictable QA timelines reduce inspection bottlenecks and help manufacturers meet contractual milestones. Under the government's policy of “Make in India” and Ease of Doing Business, DGQA is acting as a facilitator for indigenous defence industry. To facilitate Ease of Doing Business, various measures have been instituted, viz acceptance based on Supplier Declaration of Conformity (SDoC), delegation of responsibility of ensuring quality to manufacturer through Green Channel Status (GCS) Policy and Self certification Scheme (SCS), ensuring centralised monitoring & transparent allocation of Proof and Testing facilities available in the Country, through Defence Testing Portal (DTP) etc.

Ques 7.8 – What digitisation reforms were introduced in QA processes?

Through Digital DGQA Programme, QA documentation, approvals, reporting, and monitoring are being digitised, replacing paper-based systems. Digital DGQA is a Web portal based Enterprise Resource Planning (ERP) Package with Secured Networking amongst DGQA Entities and secured C-DAC BOSS Operating System, which will ensure digital workflow and online approvals thus reducing manual file movement and contribute towards 30–40% faster decision-making in inspections and clearances. Similarly, Supply Order Monitoring Portal (SOMP) has also been implemented towards real-time visibility of status of various supply orders and contracts.

Ques 7.9 – What is risk-based QA and prevention-based QA?

Risk-based QA focuses inspections on critical and safety-related parameters instead of blanket checks, optimising QA manpower. Prevention-based QA shifts focus to early identification and correction of issues, reducing rework, delays, and downstream cost escalation.

Ques 7.10 – How does early QA involvement help industry?

Early technical guidance improves first-pass acceptance rates, reduces design and process errors, and supports right-first-time quality. This is especially critical for developmental projects where early changes can save months of rework and retesting.

Ques 7.11 – How do QA reforms support MSMEs, startups, and private sector participation?

Hand-holding, phased compliance, and simplified QA processes have lowered entry barriers. These measures have enabled a growing number of MSMEs and startups to join defence supply chains, which now include thousands of private vendors across domains.

Ques 7.12 – How do QA reforms help reduce production costs and support exports?

Reduced rework, fewer stoppages, and faster clearances have enabled 10–15% savings in indirect production and logistics costs. Globally aligned QA practices have supported India's defence exports crossing ₹20,000–₹21,000 crore annually.

Ques 7.13 - What is the combined impact of digitisation, testing infrastructure, and QA 4.0 reforms?

Digitisation, Defence Testing Portals, DTIS labs, QA 4.0, and virtual/hybrid inspections have created a technology-driven QA ecosystem, enabling faster development cycles, predictive quality management, reduced costs, and alignment to global best practices.

Ques 7.14 - Overall, how have QA reforms transformed the defence manufacturing ecosystem?

QA has evolved from a control-driven system to a trust-based, transparent, and growth-enabling framework. The reforms balance quality assurance with speed, competitiveness, indigenisation, and global integration, supporting India's long-term defence manufacturing and export ambitions.

(ii) Green Channel Policy

Ques 7.15 - What is the aim of Green Channel Certification?

Green Channel Status aim to delegate the responsibility of certifying the quality of products of firms having predefined financial and quality credentials, to them.

Ques 7.16 - What are the advantages of Green channel Policy ?

The Green Channel Policy is for granting Self-Certification status to manufacturers with proven quality & financial credentials. The advantages are as follows :

- Deemed registration status.
- Waiver of pre-dispatch inspection.
- Acceptance of store under Supplier's guarantee/ warranty against the contracts concluded by various Procurement Agencies under MoD.

Ques 7.17 - What are the key highlights of Green channel Policy after revision in Sep 2025?

- Annual turnover criteria has been reduced from existing Rs 500 Cr to Rs 200 Cr.
- Deferment of the requirement of demonstration of Process Capability Index (Cpk) more than 1.33, for critical to quality processes by 03 years.
- Bank Guarantee reduced from Rs 50 Lakh to Rs 25 Lakh.
- Application processing time reduced from 90 to 45 days.

Ques 7.18 - What are the eligibility criteria for getting GCS to a firm?

- (a) Firms having an annual average turnover of Rs 200 Crore or more during last three years and making profit in at least three out of last five years shall be eligible for award of GCS:-
- (i) Indian manufacturers/Public Sector Undertakings
 - (ii) Foreign Manufacturers having manufacturing facility in India.
 - (iii) OEM outsourcing the products in their own name/brand.
 - (iv) OEM having wholly owned Indian subsidiary having manufacturing facility in India.

- (b) Process capability Index (Cpk) for those processes which are critical to quality for the product should be greater than 1.33 (to be demonstrated within 03 years from grant of GCS only to encourage entry of new players into the Defence manufacturing sector).

Ques 7.19 - What is the procedure for obtaining Green Channel Status Certificate?

Refer Para 5 of Green Channel Policy for procurement of Defence Stores and Spares-2025, which is available at www.dgqadefence.gov.in.

Ques 7.20 - Who will assess the eligibility criteria?

The firms seeking GCS shall be assessed by the Green Channel Committee (GCC) headed by the ADG QA of the nominated Technical Directorate, according to their quality system, technical facilities available with them. For the purpose of grading, 'Manufacturer Quality Survey Report (MQSR)' will be used by the GCC for assessment.

Ques 7.21 - What is the validity period for Green Channel Status Certificate?

The GCS shall be applicable for a period of five (05) years from the date of issue of the certificate.

Ques 7.22 - What will be the Registration/ Application fee ?

The firm will submit an account payee Demand Draft (DD) drawn in favour of 'PCDA', New Delhi, for Rs 1.00 lakh excluding GST, towards one-time non-refundable registration fee. GST @ 18% of the Application fee will be remitted on a reverse credit basis.

Ques 7.23 - Can the certificate be renewed after five years ?

Yes, original GCS shall remain valid provided the renewal has been applied at least 90 days before expiry and Rs 25 lakh of BG has been extended. The renewal will be based on no adverse feedback from the user and will be granted only once.

Ques 7.24 -Is there any Bank Guarantee to be deposited by the firm ?

Firms granted GCS will be required to deposit an irrevocable BG of Rs 25 lakh, covering the items for which GCS is to be granted, within 15 days receipt of intimation regarding approval of case by the Competent Authority, as a security deposit. The list of items for which the BG is being submitted must be appended along with BG duly endorsed by the Bank. The BG shall be made in favour of 'PCDA', New Delhi- 110023 from any Indian Scheduled or its affiliated Banks with a validity of 63 months.

Ques 7.25 - If the customers feed- back against the firm is not good, what action can be taken against it?

All the customer complaints shall be brought to the notice of the Committee. In case of recurring defects during exploitation/ defect investigation, the GCC may propose one or both of the following penal action: -

- (a) Monetary penalty of up to Rs 25 lakh by forfeiture of BG.
- (b) Removal of the firm from Green Channel list for a minimum period of three years.

(iii) Self Certification Scheme

Ques 7.26 – What is the aim of Self Certification Scheme?

Self-certification Scheme aims to delegate the responsibility of certifying the quality of products to the registered manufacturer/ DPSUs with consistently high Supplier (Quality) Rating and established Quality Management System.

Ques 7.27 – What are the eligibility criteria for applying for SCS?

Firms satisfying the following can apply:-

- (a) Registered manufacturer and DPSUs with supplier Quality rating above 90%.
- (b) Process capability Index (Cpk) for Critical to Quality processes should be greater than 1.33 (to be demonstrated within 03 years from grant of SCS, to encourage entry of new players into the Defence manufacturing sector)
- (c) QMS certified as per ISO 9001:2015 requirements.
- (d) Quality System of Test Labs to be in conformance with ISO/IEC/7025 (If test labs are available).

Ques 7.28 – Who will assess the eligibility criteria?

The firms seeking SCS will be assessed by an Assessment team headed by the ADG QA concerned.

Ques 7.29 – What is the validity period for Self Certification?

The SCS shall be applicable for a period of five (05) years from the date of issue of the certificate.

Ques 7.30 – What will be the Registration/ Application fee?

There is No application fees.

Ques 7.31 – Can the certificate be renewed after five years?

Yes, it can be renewed subject to following conditions – (a) The DPSU/ Pvt Vendor will apply for renewal of SCS at least 90 days prior to the expiry of validity, giving details of orders executed during the last three years. It will be renewed for a further period of five years, within 45 days of receipt of application complete in all respects. Renewal shall be subject to successful completion of supply orders for the item during the term of Self-certification with a consistent Final Rating of at least 90% with NO adverse feedback from the Customer on each SO including the performance of the stores during Warranty period.

(b) In case the concerned DPSU/ Pvt Vendor has not received any SO, or has completed the orders received but with adverse feedback on the stores supplied, or has not successfully executed the requisite number of orders, renewal of Self-certification will be done after re-assessment.

Ques 7.32 – Will the Periodic Audit be carried out DURING SCC ?

During the currency of Self-certification, periodic audit of the processes and quality system of the DPSU/ Pvt Vendor may be carried out by designated SQA/QAO as per directions of AHSP

to confirm that QA activities are carried out as per the agreed terms and conditions, including use of the stamp of approval on the accepted stores. Periodic Audit will be carried out 'as on required basis' during the currency of SO/ contract and independent for each SO.

(vi) Defence Export Promotion Scheme

Ques 7.33 – What is Defence Export Promotion Scheme under DGQA ?

Defence Export Promotion Scheme (DEPS) aims to improve marketability of Indigenous Defence products abroad. It provided for two options to prospective Defence Exporters to request for a certificate from Government QA Agencies and other DDP notified Agencies in respect of Defence equipment /systems indicating “Fit for Indian Military Use” or “Tested and Certified against the QR provided by the prospective Indian Defence Exporter/ Manufacturer” for improving the marketability of their products globally. The scheme was originally launched by MoD/ DDP on 04 Oct 2018.

However, the scheme was further revised on 12 Sep 2025 to facilitate grant of certificates under three different categories i.e. “Fit for Indian Military Use”, “Fit as per Vendor Specification” and “Certificate of Field Trial Outcome”.

Ques 7.34 – What is the validity of Certificates issued under DEPS?

The validity of certificates issued is for 05 Years.

(v) Indian Military Airborne & Air Systems Certification

Ques 7.35 – What is Airworthiness Certification?

Airworthiness certification is a formal process that verifies an airborne store meets defined safety, reliability, and performance requirements. It ensures that the store will not adversely affect aircraft safety, handling, or mission capability during its operational life.

Ques 7.36 – What is an Airborne Store?

An airborne store refers to any item mounted internally or externally on an aircraft, including weapons, surveillance pods, fuel tanks, electronic warfare systems, or communication payloads. These stores interact structurally, electrically, and aerodynamically with the aircraft.

Ques 7.37 – Why is certification mandatory for airborne stores?

Certification ensures safe integration with aircraft, confirms structural and functional compatibility, and minimizes operational hazards. Without certification, stores can compromise aircraft flight stability, structural safety, and crew survivability.

Ques 7.38 – Who grants military airborne store certification in India?

Military airborne store certification is granted by CEMILAC, which establishes airworthiness standards and verifies compliance through testing, analysis, and documentation reviews.

Ques 7.39 – What is the objective of IMTAR?

IMTAR (Indian Military Technical Airworthiness Requirements) defines regulatory requirements for military aircraft and airborne systems to ensure uniform airworthiness standards across design, production, testing, and maintenance phases.

Ques 7.40 – What is IMAP?

IMAP provides roles and responsibilities and procedural guidance for implementing IMTAR requirements. It describes certification methodologies, compliance demonstration processes, and documentation practices.

Ques 7.41 – What are Airworthiness standards?

Technical Airworthiness standards are guidelines to ensure Safety of Air systems and Airborne stores during design, development and operations. Airworthiness Standards provide programme-related or product-related process standards, airworthiness design requirements and/or measurable criteria to ensure safety compliance with airworthiness rules.

Ques 7.42 – Who are the military airworthiness regulatory bodies in India?

- **CEMILAC (Centre for Military Airworthiness and Certification)**: Responsible for design assurance.
- **DGAQA (Directorate General of Aeronautical Quality Assurance)**: Responsible for Quality Assurance.
- Together, CEMILAC & DGAQA is called TAA (Technical Airworthiness Authority).

Ques 7.43 – What is DGAQA ?

The Directorate General of Aeronautical Quality Assurance (DGAQA) is a regulatory authority under the Department of Defence Production responsible for Government Quality Assurance (GQA) and final acceptance of military aeronautical systems for three services and Ground equipment for Indian Air Force.

Ques 7.44 – What is the role of DGAQA ?

Its main role is to ensure that the quality requirements are continuously being met for military aviation and its associated store as per approved standards during design & development, production, maintenance, repair, overhaul, modification and life extension.

Ques 7.45 – What are the key functions of DGAQA?

Key functions include stipulating the quality requirements, Inspection Authority for military aviation and its associated stores, issuance of Certificate of Safety for Flight (Form 1090) for Aircraft during design & development, production, maintenance, repair, overhaul & modification. AFQMS approval, other major activities includes defect investigation, capacity assessment, vendor registration and test house approval.

Ques 7.46 – How is DGAQA registration of suppliers helpful to services?

It confirms and gives assurance that a supplier possesses the necessary infrastructure, technical capability, and quality systems to produce items meeting military airworthiness standards, as required by Defence procurement related policies.

Ques 7.47 – What is guiding principal for DGAQA registration of Firm/MSME ?

Identification of suitable vendors/source capable of meeting the product quality required by the defence departments, particularly by the Defence Services, are vital functions for ensuring procurement of quality defence stores. Providing equal opportunity and ensuring fair process are important requirements in any procurement process so as to achieve transparency. Hence, selection and registration of firms, their performance appraisal and classification must be clearly spelt out and properly disseminated. It is also essential that the credentials of the firms applying for registration, including their financial status, the manufacturing and quality control facilities, the business ethics and their market standing are thoroughly scrutinized before registering them as an approved source of supply.

Ques 7.48 – What are the benefits of DGAQA approval ?

It is advantageous for a firm to have DGAQA approval since its own inspection staff (which is approved by DGAQA) can carry out routine inspection duties. This will eventually lead to more smooth flow of production activities at the firm's premises.

Ques 7.49 – What categories of registration does DGAQA provides to companies/MSMEs?

- a) Design, Development & Production
- b) Development & Production
- c) Production (Manufacturing, Processing, Machining etc)
- d) Maintenance Repair & Overhaul
- e) Authorised Dealer/Stockist
- f) Any Other

Ques 7.50 – What is the Utility of these Certificates?

Whenever a firm is considered by central procurement agency of Service Head Quarters for the supply of Airborne/Defence aviation related stores, registration/ capacity assessment of the Vendor (excluding DPSUs) by DGAQA is mandatory. DGAQA certified Approval of a Firm and its Quality Management System (AFQMS) Firms shall be considered as Registered Firm and their name will also be included in Compendium of Registered Firms. However for procurement of PAC or a Branded item shall be processed based on PAC Certificate without registration/capacity assessment and the PAC store is to be accepted on the basis of OEM Certificate/ guarantee. A firm registered with any department of the Ministry of Defence, the Services or OFB or the Inter-services organizations, may be considered as a registered firm for procurement by other departments of the ministry.

Ques 7.51 – How long does the registration process take?

General registration typically takes **90 days** from receiving complete documents, while specific RFP-related cases may be expedited to **30–45 days**

Ques 7.52 – What documents are required for registration?

Required documents include Company Profile, 3 years of Income Tax Returns, Audited Balance Sheets, PAN/GST details, proof of facilities, QMS accreditation, Technical manpower details, type approval details for the product and past experience.

Ques 7.53 – What is the validity of DGAQA registration?

Registration is typically valid for a fixed period (e.g., up to 5 years) and requires renewal based on performance and compliance.

Ques 7.54 – Any fees/charges involved for Firm Registration?

- (a) Fees for Micro / Small /Medium Scale Industries & Start-Ups Rs. 10,000/-
- (b) Fees for Large Scale Industries Rs. 25,000/-

Ques 7.55 – Which is the nodal directorate for DGAQA registration/AFQMS/Any other query?

Technical Coordination Group Coord HQ, Directorate General of Aeronautical Quality Assurance (DGAQA), 7th Floor, A Block, Defence Office Complex, KG Marg, New Delhi -110001
Phone-011 23031470/72, 011-23031402
e-mail: dirtc.dgaqa@gov.in

Ques 7.56 – Where is the DGAQA Hqrs. located ?

Headquarter DGAQA is located at Directorate General of Aeronautical Quality Assurance (DGAQA), 7th Floor, A Block, Defence Office Complex, KG Marg, New Delhi -110001
Phone-011 23031470/72, 011-23031402

Ques 7.57 – What is ALISDA

Aviation Electronics Inspection Specification Documentation Authority (ALISDA), is the field establishment of DGAQA, primarily responsible for Quality Assurance in respect of Aviation and ground support electronics equipment manufactured indigenously.

Ques 7.58 – What is MSQAA?

Missile System Quality Assurance Agency (MSQAA) is a nodal agency for inter services Quality Assurance established under the over all control of DGAQA to provide QA coverage during the development and production of various Missiles under the Integrated Guided Missile Development Programme (IGMDP).

Ques 7.59 – What is SSQAG?

SSQAG to provide Quality Assurance coverage to all strategic missile systems including ground systems designed and developed by DRDO. SSQAG will also be responsible for Quality Assurance for maintenance and major repairs/refurbishment during in-service surveillance over the life cycle of systems.

Ques 7.60 – What are the functions of RDAQA (CRI)?

The Regional Director, Aeronautical Quality Assurance (RDAQA) erstwhile Chief Resident Inspector (CRI), is the Resident representative placed as Head of the Field establishment of DGAQA, primarily to ensure the Quality Assurance of Airborne stores and related equipment during design, development, production and overhaul at various division of HAL, R&D; Organization and Ordnance Factories.

Ques 7.61 – What is AAIW /AQAW(Armt)?

Air Armament Inspection Wing (AAIW)/Aeronautical Quality Assurance Wing (Armt) is the field establishment of DGAQA with its detachments primarily to ensure the Quality Assurance of Air Armament stores being produced by Ordnance Factories located at various locations. The detachments are reporting to HQ DGAQA through AQAW,Khamaria.

Ques 7.62 – What is AHSP?

Authority Holding Sealed Particulars (AHSP), is responsible for the safe custody of paper particulars i.e. Design Specifications, procurement drawings, patterns/samples, QAPs, QTRs etc. in connection with procurement and QA of Defence stores.

Ques 7.63 – What is AFQMS and who issues its approval?

AFQMS is an abbreviation for Approval of Firm & its Quality Management System. Director General Aeronautical Quality Assurance (DG, AQA) or his authorized representative issues the Certificate of Approval.

Ques 7.64 – Who is eligible to apply for AFQMS?

AS9100 accredited Firms having / expecting defence supply orders for military airborne stores or related ground support equipment on a continuous basis are major eligibility requirements.

Ques 7.65 –Is there any difference between 'Registration' and Approval under 'AFQMS' ?

- Yes. The activity of registration of firms is distinct from approval by DGAQA under AFQMS. Prior to 2005, QA agencies were given the dual responsibility of indigenous development (as import substitute) and QA authority for Defence Supply Orders. During those times, certain firms identified by the QA agency were registered with them for development/supply of identified stores. The responsibility for indigenous development since 2005 has been transferred to the procurement wings of the user services/associated production agencies. Consequently, DGAQA has stopped the activity of registration of firms (as per the guidelines given in the Defence Procurement Manual).
- As regards approval by DG, AQA under the scheme of 'AFQMS', the firms are to have or evidence of going to have Defence Supply Orders for Military aviation on continual basis. One-off order may not justify for grant of 'AFQMS' status to the firm. This is because in such an arrangement, DGAQA approves the QC/QA staff of the firm for

carrying out the routine QC/QA functions on their behalf. Hence to build-up the mutual trust/confidence in such an arrangement, interaction between the firm and DGAQA for duration more than one-off supply order shall be required.

Ques 7.66 – What is the difference between Type certificate and Airworthiness certificate?

- Type Certificate: Certifies that the design of a new air system meets all regulatory requirements. The design is deemed safe and compliant.
- Airworthiness certificate: Certifies that a specific, individual air system is safe for operating condition. The specific air system is airworthy and safe to fly.

Ques 7.67 – What is Initial Airworthiness Approval?

The approval issued by CEMILAC for the initial type design. Initial Airworthiness Approval includes, Military Type Certificate (MTC), Restricted Military Type Certificate (RMTC), Release to Service Document (RSD), Type Approval, Clearance for Service Use (CSU), Indian Military Aviation Technical Standard Order Approval (IMATSOA) and Letter of Approval (LoA).

Ques 7.68 – Who can apply for certification?

Any organization involved in designing, manufacturing, modifying, or integrating airborne

Ques 7.69 – What is Type Certification?

Type certification confirms that the baseline design of the airborne store meets all applicable airworthiness requirements and is approved for operational use.

Ques 7.70 – Can MSMEs independently seek certification?

Yes. MSMEs can directly apply if they possess sufficient design, manufacturing, and quality assurance capabilities, or they may partner with approved organizations.

Ques 7.71 – What is the first step for MSMEs?

MSMEs must establish organizational processes aligned with airworthiness standards and seek approval as design or production organizations.

Ques 7.72 – What documentation is required for registration?

Typical documents include organizational charts, technical capability descriptions, quality manuals, engineering procedures, and previous aerospace experience evidence.

Ques 7.73 - What is acceptance test procedure (ATP)?

ATP verifies final product performance before delivery to customers or integration agencies.

Ques 7.74 - What are the common standards for Software Development of Avionics Systems?

- DO-178C: Software Considerations in Airborne Systems and Equipment Certification
- DO-331: Model-Based Development and Verification Supplement
- DO-332: Object-Oriented Technology Supplement
- DO-330: Tool Qualification Considerations
- ARP4761: Guidelines and Methods for Conducting Safety Assessment
- IEEE12207: Software Development

Ques 7.75 - What is DOAS?

DOAS is a means to recognize the Design Organization (DO) that has a well-defined Design Assurance System (DAS) for enabling the DOs to be an applicant/ holder of Military Type Certificate (MTC) for Air Systems and Type Approvals (TA) for Airborne Stores.

- DOAS is not pre-requisite for bidding process or developments contracts.
- DOAS approval is 'Process Driven' at par with International Practices.

Ques 7.76 - What is the intent of DOAS?

- Capability of any firm to 'Meet Airworthiness Certification Requirements'.
- DOAS is a means for 'Effective Engagement between Design organization & CEMILAC'.
- Emphasis is on 'Design Assurance Process'.
- Required for firms Developing 'Critical & Complex Products' leading to Type Certification (Aircraft) and Type Approval (LRUs).

Ques 7.77 - What are AQA Directives?

AQA Directives are formal instructions and guidelines issued by DGAQA to standardize Quality Assurance (QA) procedures across all defence aeronautical production and repair agencies.

Ques 7.78 - Who must comply with AQA Directives?

All agencies involved in the design, manufacture, assembly, and overhauling of military aircraft and airborne stores, including Private Industry and MSMEs.

Ques 7.79 - What is the primary purpose of AQA Directives?

To ensure uniform application of QA standards, minimize technical risks, and maintain the highest levels of airworthiness and flight safety.

Ques 7.80 – Who is the ultimate authority for interpreting these Directives?

The Director General (DG), DGAQA, headquartered in New Delhi, is the final authority for any clarifications or interpretations regarding AQA Directives.

Ques 7.81 – Can you describe the process followed by DGAQA for final inspection and acceptance of defence equipment?

During the final inspection, DGAQA conducts verification/conformance w.r.t. contractual requirements. This includes physical inspections, functionality checks, Environmental/ ESS testing, performance tests (as applicable). Once the equipment meets all criteria, DGAQA accords final acceptance to the product in line with contractual requirements.

Important Contact Details

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Financial Needs of MSMEs

Ques 8.1 - Which companies are classified as MSMEs ?

Micro, Small, and Medium Enterprises (MSMEs) play a critical role in India's economic growth, contributing significantly to GDP, exports, and job creation. In the Union Budget 2025, the Government of India announced a significant revision to the MSME classification criteria to be effective from April 1, 2026

Category of Enterprise	Current Investment Limit	Revised Investment Limit	Current Turnover Limit	Revised Turnover Limit
Micro	Rs 1 Crore	Rs 2.5 Crore	Rs 5 Crore	Rs 10 Crore
Small	Rs 10 Crore	Rs 25 Crore	Rs 50 Crore	Rs 100 Crore
Medium	Rs 50 Crore	Rs 125 Crore	Rs 250 Crore	Rs 500 Crore

Ques 8.2 - How does SIDBI help in financing of MSMEs ?

Small Industries Development Bank of India (SIDBI) acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector as well as for co-ordination of functions of institutions engaged in similar activities.

Ques 8.3 - Does SIDBI provide any special scheme for MSMEs involved in Defence Sector ?

Yes, SIDBI runs a special scheme called " CASH DEFENCE " - A specialized financing solution designed to support MSMEs actively contributing to India's defence sector.

Ques 8.4 - What are the features of this special scheme " CASH DEFENCE " for Defence Sector ?

1. Access up to 20 Crore for established MSMEs and 5 Crore for new entities.
2. Covers the full value of your defence contract with working capital term loan.
3. Secure an additional 10% financing umbrella for unexpected needs.
4. Attractive interest rate for cost-effective financing.
5. Choose from bullet payments equal installments, or staggered options aligned with your contract's terms.

Ques 8.5 - Are SIDBI loans available through online mode ?

Yes , SIDBI loans are available through online mode . Customers can file loan application by visiting <https://onlineloanappl.sidbi.in/OnlineApplication/>

Ques 8.6 - What scheme does State Bank of India (SBI) have to provide loans to MSMEs ?

SBI has a flagship product Business Rule Engine (BRE) was launched in December 2023.

Ques 8.7 – What feature does loan Business Rule Engine of SBI have for MSMEs ?

- BRE is a single credit risk model across MSME loans up to Rs. 5 Cr. BRE has automated and accelerated the entire processing of loans.
- Loan application can be made from anywhere online 24/7 and 365 days.
- Loans under BRE are available through both online and branch visit mode

Ques 8.8 – What is CGTMSE Scheme ?

- Scheme provides guarantee cover for sanction of collateral free loans to entrepreneurs by Banks. Loans sanctioned to eligible borrowers for all activities (including trading) are covered up to Rs.10.00 crores. Obtention of Udyam Registration Number is mandatory for obtaining Guarantee Cover.
- Besides, there is a “Hybrid Security” product as well, where the Banks/FIs are allowed to obtain collateral security for a part of the credit facility, whereas the remaining can be covered under CGTMSE up to a maximum of Rs. 10.00 Cr.
- Annual Guarantee Fee Structure: Annual Guarantee Fee is to be payable upfront for First one year for commencement of guarantee and on an annual basis for continuation of Guarantee cover. Fee concession is available to select category of borrowers and units located at designated places and units having ZED Certification (Details are furnished in the Scheme Document of CGTMSE).

Ques 8.9 – What are benefits of CGTMSE Scheme ?

- o Collateral free loans don't require borrower to pledge any assets as security to the lender.
- o These loans are lent on basis of creditworthiness, income, and repayment capacity of the borrower.
- o Disbursement is relatively faster in these loans as collateral verification or asset valuation is not involved.
- o These are suitable for MSMEs/Start-ups as they may not have assets to offer as collateral.
- o Government also encourages Banks to provide collateral free loans with schemes such as CGTMSE.

Ques 8.10 – What is Mutual Credit Guarantee Scheme for MSMEs (MCGS-MSME) ?

- Department of Financial Services, Govt of India, has introduced a new Credit Guarantee Scheme for MSMEs to provide guarantee to Member Lending Institutions (MLIs) for Term Loans upto Rs.100 Crores
- The Scheme will be managed and operated by National Credit Guarantee Trustee Company Limited (NCGTC). W.e.f. 27.01.2025
- Guarantee cover available is 60% of the amount of default.
- There is no cap on project cost. However, Cost of machinery / equipment should be minimum 75% of the Project Cost.
- 5% of the loan amount should be deposited with NCGTC as upfront (initial) contribution at the time of application of guarantee cover. Hence, no Guarantee Fee for the first year.
- From the second year the Guarantee fee is 1.5% for next three years and 1% thereafter.
- The scheme is available for a period of four years from the commencement date i.e. 27.01.2025
- Lock-in-period: Invocation of guarantee can be exercised only after expiry of two years from the date of commencement of guarantee cover for the account.

Ques 8.11 – What is TReDS?

- TReDS (Trade Receivable Discounting System) is an institutional mechanism set up for financing of trade receivables of MSMEs from corporates and other buyers including Government Departments and Public-Sector Undertakings (PSUs) through multiple Financiers in an auction mechanism.
- To help MSMEs unlock the funds lying in trade receivables at competitive interest rate, RBI came up with the concept of Receivables Exchange called TReDS.
- Reduces delays in WC cycle by providing quick invoice settlement within 1-3 days.
- RBI issued the guidelines to setup and operate the Trade Receivables Discounting System (TReDS) on December 03, 2014.
- RBI initially issued license to three entities to operate TReDS platform in India, namely Receivables Exchange of India Limited (RXIL), Mynd Online National Exchange (MI) and Invoicemart.
- The financing is without recourse to the MSME sellers; therefore, the Financiers need to assign limits to the Buyers on the platform based on their internal risk assessment on the Buyers.
- A supplier supplies goods to Buyer and uploads the invoice on the platform along with other supporting documents. Buyers accept the invoice on the platform.
- On acceptance from the counterparty, same is made available to Financiers for bidding in auction on the platform.
- Financiers can bid for each factoring unit by quoting interest rate for discounting. The cost bearer either Seller / Buyer selects the most attractive bid among the bids available.
- SBI is at forefront of this product garnering 30% market share in through puts across all platforms. SBI does both MSME-MSME and Non MSME-MSME txns.

Ques 8.12 – What are participants of TReDS?

1. Sellers (MSMEs registered under MSMED act, GST & PAN)
2. Buyers (Corporates, PSUs, Government Departments, Companies with turnover threshold of Rs.250 Cr required to onboard)
3. Financiers (Banks, NBFCs, Registered Fis)
4. Platforms (RBI authorised TReDS players such as RXIL, MIxchange, Invoicemart and others)

Ques 8.13 – What are the benefits of TReDS?

- Immediate access to funds
- No collateral, faster funding (1-3 days)
- Competitive pricing via auctions

Ques 8.14 – Does SBI provide loans to Start-ups in MSME?

Yes, SBI provide loans to Start Ups in MSMEs under MSME – UDAAN for

- 1. Prototype creation, product / website / app development
- 2. Team hiring
- 3. Legal and consulting services
- 4. Raw material and equipment's
- 5. Licenses and certifications
- 6. Marketing and Sales
- 7. Purchase / Leasing of Office spaces and administrative expenses
-

Ques 8.15 – What are the features of MSME – UDAAN offered by SBI?

- o Loan quantum upto 50 crores for Startups classified as MSMEs (with URN) and recognised by DPIIT, GoI
- o Finance support for Prototype creation, Team hiring, Legal & Consultancy services, RM and Equipment purchase, Licensing and certifications, Marketing and Sales, Purchase / leasing of office space and Admin expenses
- o Financing will be done at startup branches
- o New Loans capped at Rs. 10 crs with mandatory coverage under NCGTC.

MSME financing by Private Banks and Venture Capitalists (VC) under iDEX Investor Hub (iIH)

(i) Loan Products & Schemes

Ques 8.16 – What types of MSME business loans/credit do the banks offer?

Private Banks offer a range of MSME Loans/credit facilities, including working capital loans, term loans, expansion loans, business loans, unsecured loan, overdraft facilities, and project finance. They also provide machinery and equipment financing, business expansion loans, startup-focused schemes, and trade finance support, catering to operational, growth, and project requirements of MSMEs. In addition, several banks have introduced specialised schemes such as innovation-focused loans, GST-linked credit facilities, digital overdraft products, and dedicated startup financing programmes to cater to specific segments within the MSME ecosystem.

Ques 8.17 – Do the banks provide collateral-free loans? If yes, up to what limit?

Yes, few private banks offer collateral-free loans for MSMEs, subject to eligibility criteria and credit assessment. Such loans are often extended under schemes like the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Credit Guarantee Scheme for Startups (CGSS) or through dedicated unsecured lending products. The loan limits vary by bank and scheme, depending on the borrower's profile, financials, risk assessment and repayment capacity/ projections. MSMEs are advised to check with the respective bank for specific eligibility conditions and maximum permissible limits.

Ques 8.18 - Do the banks offer any defence/ MSME-specific schemes? (e.g., MSME Samridhi, Digi OD, Suvidha)

Yes. Banks support MSME growth through a range of MSME and sector-specific credit/loan schemes, including products tailored for MSMEs/startups, cluster-based enterprises, and priority sectors. For the complete and up-to-date list of schemes, including eligibility criteria, loan limits, and application details, applicants are advised to refer to the official government portals and respective bank websites for comprehensive and verified information.

<https://msme.gov.in/sites/default/files/MSMESchemebooklet2025.pdf>

<https://www.nimsme.gov.in/msme-schemes>

Ques 8.19 - Are digital / instant loan products available for MSMEs?

Yes, banks offer fully digital and paperless MSME loan products, including instant overdraft facilities to meet the on-demand financing needs of MSMEs and startups. Digital platforms enable online application, document upload, e-signature, real-time tracking, and in some cases, instant in-principle approval (such as digital overdraft products). Additionally, some banks follow a hybrid model, where applications can be initiated online and completed with branch or relationship manager support, ensuring flexibility and convenience for applicants.

Ques 8.20 - What are the minimum and maximum loan amounts and tenure for MSME loans?

Loan amounts and tenure vary based on the bank, product type, and borrower eligibility. Collateral-free loans may range from small-ticket funding (such as ₹50,000 under PMMY) to higher limits under CGTMSE-backed schemes. Unsecured business loans may extend up to ₹1 crore or more, depending on the applicant's profile. Overdraft facilities can go up to ₹5 crore, subject to eligibility and assessment.

Term loans generally have repayment tenures of up to 5–7 years, aligned with repayment capacity and business needs. Working capital facilities are typically sanctioned as renewable annual limits, subject to periodic review.

Ques 8.21 - What happens in case of delayed payment or loan default?

Penal interest may be levied on overdue amounts as per the loan agreement. The account may be reported to credit bureaus (i.e TransUnion CIBIL, Experian, Equifax, and CRIF High Mark), which can adversely impact the borrower's credit score and future borrowing capacity. Banks may initiate recovery proceedings in accordance with applicable RBI guidelines and legal provisions. For stressed MSMEs, restructuring or moratorium relief may be considered, subject to eligibility and prevailing RBI frameworks.

Ques 8.22 - What are the alternative avenues available for MSMEs/Startups to raise financing other than conventional bank loans or Government schemes?

Apart from banking channels and Govt-backed schemes, MSMEs/startups may explore VC funding. VC funding does not require collateral and is based on the company's valuation—assessed on projected revenues, growth potential, scalability, and total addressable market (TAM). In return, investors receive an equity stake in the company. Unlike traditional loans, VC funding does not involve fixed repayment schedules, thereby reducing immediate financial burden. However, the MSME/startup is expected to deliver returns to investors over time through sustained business growth, profitability, or a successful exit such as acquisition or public listing.

iDEX-DIO has established iIH, a consortium of 19+ VC firms that have pledged investment support through an MoU to fund promising defence startups and MSMEs, particularly those that have received iDEX grants. Eligible startups may explore this platform for potential equity investment opportunities.

(ii) Application Process

Ques 8.23 – What is the step-by-step procedure for applying for MSME loans?

Typical process:

- Fill out the loan application (online or branch).
- Upload/submit required documents.
- Eligibility and credit assessment by the bank.
- Sanction and issuance of offer letter.
- Documentation execution (physical or digital).
- Loan disbursement.

Ques 8.24 – Does the bank have an online portal or mobile app for MSME loan applications?

Yes. Most Private and Public Sector banks provide online portals and mobile banking platforms for MSME loan applications. Some offer fully digital processing, while others provide a combination of digital and branch-based support. Additionally, government portals such as PSB Loans in 59 Minutes and JanSamarth enable cross-bank digital MSME loan applications.

Ques 8.25 – What is a typical processing time for MSME loan approval?

- Processing timelines vary depending on the bank, loan type, and size.
- Select digital products may offer instant or near-instant in-principle approval.
- Small-ticket MSME loans are typically processed within 1–2 weeks, subject to complete documentation.
- Larger or structured loans may take 2–6 weeks, depending on due diligence and credit assessment.

Ques 8.26 – Does the bank have a dedicated MSME desk or relationship manager for applicants?

Yes. Most banks provide dedicated MSME desks or relationship managers to guide applicants through eligibility, documentation, sanction, and post-disbursement services.

Ques 8.27 – What is the due diligence process, and is feedback provided if the loan is not approved?

Banks undertake a structured due diligence process that typically includes:

- Verification of KYC and business documents.
- Credit score and repayment history check via credit bureaus (CIBIL, Experian, Equifax, CRIF).
- Assessment of financial statements, turnover, cash flows, and business plan viability.
- Site visit or business inspection (for larger loans).
- Evaluation of collateral (if applicable) and promoter background.
- Regarding feedback on rejection: RBI guidelines mandate that banks must

- communicate the reasons for rejection of MSME loan applications. Banks are required to provide a written communication to the applicant explaining the basis for the adverse decision within a reasonable time frame. Applicants may also escalate through the bank's internal grievance redressal mechanism or approach the Banking Ombudsman.

(iii) Documentation

Ques 8.28 – What documents are required for MSME loan application?

Banks typically provide a checklist of required documents with the loan application form. The standard documentation requirements across banks include:

- KYC documents: Identity proof (PAN, Aadhaar, Passport), Address proof (utility bill, bank statement).
- Business registration: GST registration certificate, Udyam registration certificate.
- Financial documents: Audited financial statements (last 2–3 years), including profit and loss account, balance sheet, cash flow statement, and bank statements.
- Business continuity proof: Shop establishment certificate, municipal tax receipts, trade licence.
- Firm constitution documents: Memorandum of Association (MOA), partnership deed, LLP agreement, Articles of Association, Certificate of Incorporation.
- Business plan with projections (especially for startups and term loans).
- Income Tax Returns (ITR) for the last 2–3 years.
- GST returns.
- Property documents (if collateral is offered).
- Scheme-specific documents as applicable

Ques 8.29 – What are the common challenges MSMEs face in loan application documentation and process?

Common challenges include:

- Incomplete or outdated documentation, especially financial statements and GST filings.
- Lack of formal business registration (Udyam/GST), which is mandatory for MSME loan eligibility.
- Inadequate or informal accounting practices making it difficult to demonstrate financial stability.
- Low credit scores due to lack of formal credit history, particularly for newer businesses and startups.
- Difficulty in preparing a structured business plan with financial projections, which is required by most banks.
- Delays in processing due to submission of incorrect or incomplete documents.
- Lack of awareness about available government schemes and eligibility criteria.
- For startups, absence of prior financial track record or collateral.
- To mitigate these challenges, MSMEs are advised to maintain proper bookkeeping, file GST returns regularly, keep Udyam registration updated, maintain a healthy credit score (750+), and seek guidance from the bank's dedicated MSME desk or relationship manager.

(iv) Eligibility

Ques 8.30 – Is there a minimum turnover requirement to qualify for MSME loans?

Yes, turnover requirements vary by bank and product, with thresholds determined based on the specific loan scheme and the borrower's profile. Generally, banks may look for a minimum annual turnover in the range of ₹10 lakh to ₹40 lakh for certain business loan products, while micro-enterprise loans under PMMY may have relatively relaxed turnover conditions. GST compliance, reflecting verifiable turnover, is typically mandatory for MSME loan eligibility.

MSME Classification (as per latest Govt of India notification, effective 1 April 2025):

- Micro Enterprise: Investment up to ₹2.5 crore and turnover up to ₹10 crore
- Small Enterprise: Investment up to ₹25 crore and turnover up to ₹100 crore
- Medium Enterprise: Investment up to ₹125 crore and turnover up to ₹500 crore

Startup Recognition (DPIIT Guidelines) : For recognition as a Startup by DPIIT, the annual turnover limit has been enhanced up to ₹200 crore for regular startups and up to ₹300 crore for Deep Tech startups, subject to fulfillment of innovation and incorporation criteria.

Ques 8.31 – Is there a minimum business vintage (years of operation) required for loan eligibility?

Yes, most banks require a minimum business vintage, though it varies by bank and product. General industry practice requires 1–3 years of business operation for standard MSME loans. However, startups with less vintage may be eligible under specific schemes such as PMMY, YES SPARK, CGSS, Stand-Up India, or PMEGP, provided they meet registration (Udyam/GST) and other basic eligibility requirements.

Ques 8.32 – At what stage of growth do VC funds typically consider MSMEs/Startups for investment?

VC funding is generally suited for MSMEs/Startups at the early-growth to expansion stages, where they have a validated product or technology, initial market traction, and a clear scalability roadmap. Startups at the very early (idea or prototype) stage may first consider angel or seed funding before approaching institutional VC investors.

(v) Interest Rates & Repayment

Ques 8.33 – What is the range of interest rates applicable for MSME loans? Are interest rates fixed or floating?

MSME loan interest rates vary by lender, product, borrower profile, and scheme. Broadly: Private banks and NBFCs may charge from 12% to 18%+ per annum. Government-backed scheme loans (PMMY, CGTMSE) generally attract lower effective rates. Most MSME loans are on floating interest rates, linked to external benchmarks as per RBI mandate (effective October 2019). Fixed rate products are available but less common for MSME lending.

Ques 8.34 – Is a moratorium period available? If yes, for what duration?

A moratorium period (during which only interest is paid, and principal repayment is deferred) may be available for certain MSME loan products, particularly term loans for new projects, expansion, or startup financing. For stressed MSMEs, restructuring with revised repayment

schedules (which may include a moratorium element) continues to be available under prevailing RBI frameworks. Applicants should discuss moratorium options with their bank's MSME desk at the time of loan application.

Ques 8.35 – Are lower interest rates available for timely repayment or good credit history?

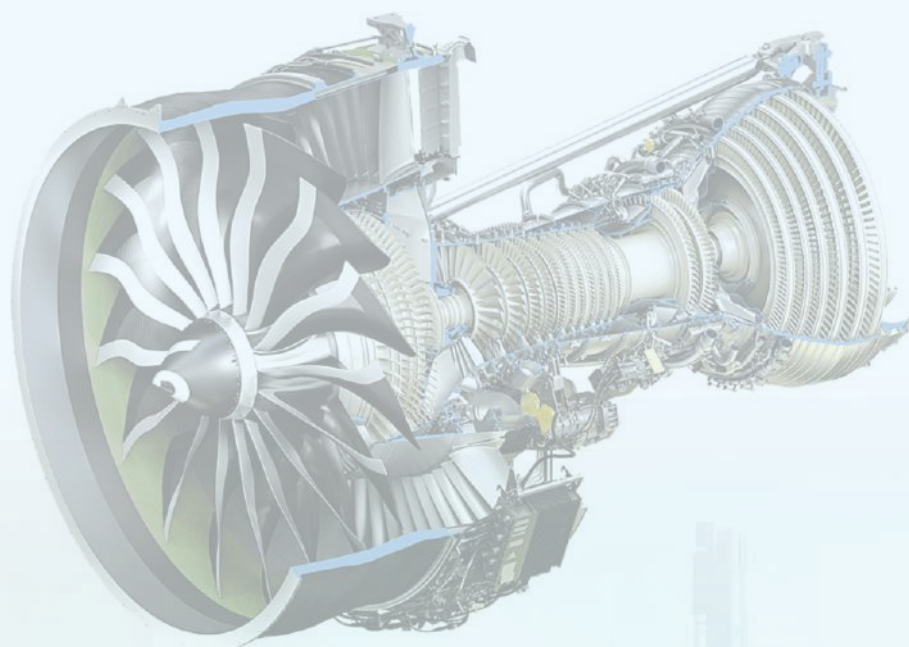
Yes. While banks may not always formally advertise 'lower rates for timely repayment,' a strong credit history and consistent repayment record are key factors in securing more favourable interest rates. Borrowers with a CIBIL score of 750+ and clean banking history are typically offered lower spreads and better terms. Banks may also offer rate reductions on renewal of working capital facilities for borrowers with satisfactory track records. MSMEs are advised to maintain regular GST filings, clean bank statements, and timely EMI payments to strengthen their credit profile for better rates.

Ques 8.36 – Are concessional interest rates available for defence MSMEs or start-ups?

Yes, concessional interest rates may be available under certain government-backed or sector-focused schemes. Banks may extend preferential pricing to eligible startups, innovation-driven enterprises, women entrepreneurs, Zero Defect Zero Effect (ZED) - certified MSMEs, or units covered under CGTMSE/PMMY and other notified schemes.

Ques 8.37 – Are there any processing fees or other charges for MSME loans?

Yes, most banks levy processing fees and other charges for MSME loans. Processing fees typically range from 0.5% to 2% of the sanctioned loan amount, plus applicable taxes. The exact fee depends on the bank, loan product, and borrower profile. Applicants are advised to review the sanction letter or term sheet for detailed charges, including documentation, renewal, prepayment, or foreclosure fees, where applicable.





At the MSME ODR Portal. All new delayed payment applications will now be filed at the MSME ODR Portal which can be accessed at: <https://odr.msme.gov.in/>





Grievance Redressal of MSMEs

Ques 9.1 – What is Grievance Redressal Mechanism for MSMEs?

Grievance Redressal of MSMEs is a government-facilitated mechanism designed to enable Micro, Small, and Medium Enterprises to submit and track complaints regarding delayed payments, policy, or operational issues online. The mechanism comprises of portals to submit complaints as well as reach out to nodal officers of DPSUs for redressals. The list of officers as nodal officers from DPSUs for grievance redressal is provided in subsequent FAQs.

Ques 9.2 – What are the key portals wrt grievance redressal for MSMEs?

Key portals for grievance redressal of MSMEs are MSME Samadhaan, CHAMPIONS, and CPGRAMS.

Ques 9.3 – What is MSME Samadhaan Portal?

MSME Samadhaan is a Portal created by Office of DC (MSME), Ministry of Micro, Small and Medium Enterprises (MSME) where Micro and Small Enterprises (MSEs) can file their applications online regarding delayed payments.



Ques 9.4 – How an MSME can lodge complaint on Samadhaan portal?

MSMEs can file complaints regarding delayed payments on the SAMADHAN portal by logging in with their Udyam/Udyog Aadhaar number, verifying via OTP, and filling out the application with invoice and work order details. Supporting documents (invoices, work orders) must be uploaded to initiate the process.

Steps to File a Complaint on SAMADHAN Portal:

- Visit the Portal: Go to the official SAMADHAN website.
- Case Filing: Click on "Case Filing for Entrepreneur/MSE Units".

Ques 9.5 – Does Ministry of MSME take action on applications filed on MSME Samadhaan Portal?

No, MSME SAMADHAAN online portal is developed by Ministry of MSME only to facilitate MSEs filing of their applications regarding delayed payments online. The application once filed is forwarded automatically online to the concerned Micro and Small Enterprise Facilitation Council (MSEFC) established by the State/UTs as per the provisions of MSMED Act, 2006. Action on the applications regarding delayed payment is taken by the concerned MSEFC only.

Ques 9.6 – How can an application be closed by applicant enterprise on Samadhaan portal?

Enterprise can close an application, by following the given steps:-

- Please check your application/case status by clicking on https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Entrepreneur_status.aspx
- If application is converted into cases then MSEFC Council will take decision on the application / cases.
- If your application is not converted into case then click on https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_MSMEEntValidation.aspx
 - Enter valid udyog aadhaar/ Udyam registration number and mobile number;
 - OTP will be sent on registered email id in Udyog aadhaar/ Udyam registration number;
 - Enter OTP;
 - After that click on Update Payment link, check your application. Then an enterprise can do mutual settlement of the application.

Ques 9.7 – What is the role of Micro and Small Enterprises Facilitation Council (MSEFC) ?

According to the Micro Small & Medium Enterprises (MSME) Development Act 2006, if the supplier MSME unit supplies any goods to the buyer, the buyer unit is required to make a payment on or before the prescribed date. In the event of detained payment, the buyer unit is responsible for paying a penal interest. In case of any dispute concerning the payment of penal interest, a reference will have to be furnished regarding the reason for the delay to the Micro and Small Enterprises Facilitation Council (MSEFC). MSMED Act governs the following provisions related to delayed payments to the MSMEs by specifying the credit period and penal interest for delayed payment:

Ques 9.8 – What is the liability of Buyer unit to make payment ?

According to Section 15 of the Micro Small & Medium Enterprises (MSME) Development Act, the buyer is liable to make payment to the supplier (micro or small enterprise) for purchasing goods on or before the date mentioned in the agreement.

- (i) If there is no agreement, the buyer is required to make the payment on the appointed date.
- (ii) The period of credit provided by the seller unit should not exceed 45 days from the acceptance day or the date of deemed acceptance.
- (iii) As per the MSMED Act, a maximum period allowed for payment is 45 days from the date of delivery of goods or services.

Ques 9.9 – What is the provision for penal interest for delayed payment to MSMEs ?

According to section 16 of the MSMED Act, the buyer required to pay penal interest for delayed payment to an MSME enterprise. The buyer will be liable to pay penal interest with monthly interest rests on the outstanding amount. The interest rests on the outstanding amount will be calculated from the prescribed date of payment or fifteen days from the acceptance of services or goods

Ques 9.10 – What is the Arbitration Process under MSEFC ?

Initially the effort is made for conciliation between Buyer and Seller. However, If the conciliation does not lead to settlement of the dispute, the MSEFC acts as an Arbitrator for the final settlement of the dispute or refer the case to an institute.

The supplier MSME unit, the buyer unit or through his lawyer registered with any court shall present the payment case before the MSEFC Councilor or the institute during the arbitration process.

The institute has to furnish its report to the MSEFC within the stipulated time.

The decision of the Council for delayed payment will be made at the Micro and Small Enterprises Facilitation Council.

The MSEFC will make an arbitral award in accordance with the Arbitration and Conciliation Act 1996. The arbitral award will be formed within seven days of the filing of an application through the MSME Samadhaan portal.

Ques 9.11 – Whether delayed payment provision under MSMED Act, 2006 are applicable in case of enterprises growing from Small enterprises to Medium enterprises?

Changes have been made in the Samadhaan Portal in accordance with S.O.4926 (E) dated 18.10.2022. The Notification mentions that in case of an upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise shall continue to avail of all non-tax benefits of the category (micro or small or medium) it was in before the re-classification, for a period of three years from the date of such upward change. Accordingly, a small enterprise growing to Medium and covered by the Notification can avail the provision for delayed payment as per Chapter-V of the MSMED Act, 2006.

Ques 9.12 – What is Champions Portal?

CHAMPIONS stands for Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength. The portal can be accessed at <https://champions.gov.in>. It is a one-stop place for MSME grievances and handholding of new setups in these difficult times.



Ques 9.13 – What facility does CHAMPION portal provides to MSMEs?

The CHAMPIONS portal is a platform for resolution, redressal and remedies. It is a facility provided by the Ministry of Micro, Small and Medium Enterprises for:

- Ensuring a speedy, convenient, and effective redressal of MSMEs grievances.
- Handholding and helping MSMEs in their navigation of various government schemes/policies.
- Providing guidance and advisory services in areas of Finance, Marketing, Technology, Raw Material, Labour, Infrastructure and Capacity Building.
- Connecting MSMEs with key officials of Ministry, State Governments, Lending Institutions and Government agencies.
- Disseminating of information and details of all schemes of the Ministry of MSME.

Ques 9.14 – What is the route for registering grievance on CHAMPION portal?

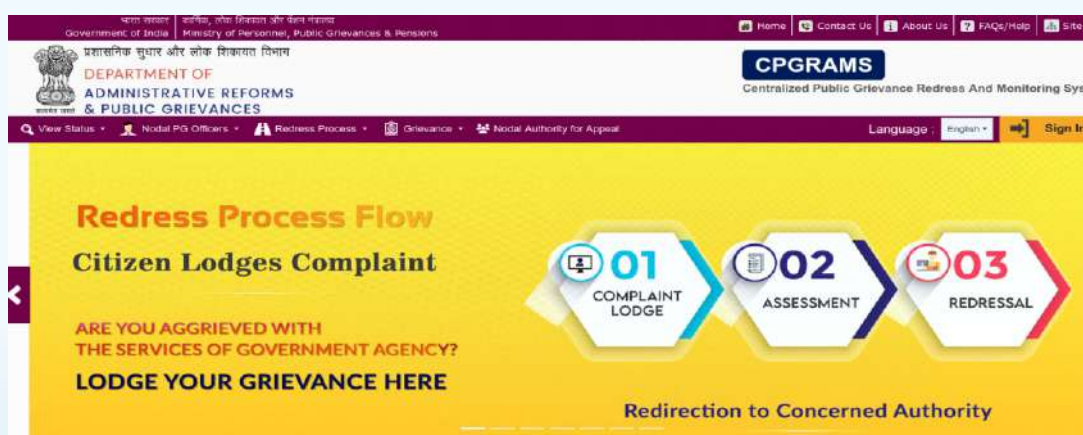
Visit official website i.e. <https://champions.gov.in> – Your Grievance tab – Register Your Grievance.

Ques 9.15 – How an MSME can seek guidance/information through CHAMPION portal?

Visit official website i.e. <https://champions.gov.in> – Your Grievance tab – Seeking guidance/information

Ques 9.16 – What is CPGRAMS?

The Centralised Public Grievance Redress and Monitoring System (CPGRAMS) is a 24x7 online platform that offers significant advantages to Micro, Small, and Medium Enterprises (MSMEs) by providing a fast, transparent, and direct channel to address grievances with central and state government organizations.



Ques 9.17 – Where can the grievances be sent?

The grievances can be sent to: The Department of Administrative Reforms and Public Grievances. (pgportal.gov.in)

Ques 9.18 – Where can companies see the status of their applications?

Visit official webpage – <https://pgportal.gov.in> – View Status tab – Grievance Status

Ques 9.19 – How can companies lodge the grievance?

The grievances can be lodged online. In cases where internet facility is not available or even otherwise, the citizen is free to send her/his grievance by Post. There is no prescribed format. The grievance may be written on any plain sheet of paper or on a Postcard / Inland letter and addressed to the Department. The grievance can also be filled through Common Service Centre.

Ques 9.20 – What is the role of Department of Administrative Reforms and Public Grievances (DARPG) with reference to the grievances concerning Central Ministries/Departments/Organizations?

The Department of Administrative Reforms & Public Grievances is the chief policy making, monitoring and coordinating Department for public grievances arising from the work of Ministries/Departments/Organizations of the Government of India. The grievances received in the department are forwarded to the Ministries/Departments concerned. Redressal of grievances is done by respective Ministries/Departments in a decentralized manner. The Department periodically reviews the status of redressal of public grievances under CPGRAMS of Ministries/Departments for speedy disposal of grievances / complaints.

Ques 9.21 – How to communicate with any Defence PSU regarding any grievance pertaining to delayed payments or any MSME related issue?

Please find below the details tabulated wrt Nodal Officers of DPSUs –

S NO	DPSU Name	Nodal Officer for MSME
1	Yantra India Limited	Name- Smt. Archana Gupta. Designation- Works Manager Phone No- 0712-2391041 Email- archanagupta@ord.gov.in
2	AWEIL	Name - Arvind Mishra Designation - JWM(SG) Phone No - 0512-2245896 Email - arvindmishra@ord.gov.in
3	Garden Reach Shipbuilders & Engineers Ltd.	Name - Shri Saraswata Palit Designation - DGM (Purchase) Phone No - 033-22021360 Extn: 6141 Email - Palit.Saraswata@grse.co.in
4	Goa Shipyard Limited	Name - Mr. Dipak Chourasia Designation - DGM (Purchase) Phone No - 08322514083 Email - dipakchourasia@goashipyard.com
5	BEML Limited	Name - Mrs. Anitha. K Designation - DGM Corporate Materials Phone No - 080-22963179 Email - : anithak@bemltd.in
6	Bharat Electronics Limited	Name: Umashankar Patnaik Designation- Additional General Manager Phone No- 080-22197241 Email- uspatnaik@bel.co.in

7	Bharat Dynamics Limited	Name: Shri A Srinivasa Reddy Designation- AGM (Corporate Commercial) Phone No- 040-23456133 Email- bdlldgmceap@bd@india.in
8	Hindustan Shipyard Limited	Name: Smt Kusum Yadav Designation- DGM (Purchase) Phone No- 9493792420 Email- kusumyadav.k425@hslvizag.in
9	AVNL	Name- C R Sandeep Designation- Joint General Manager Phone No- 044 26843332 / Email- crsandeep@ord.gov.in
10	Mazagon Dock Shipbuilders Limited	Name- Smt Vaishali Gharat Designation- DGM (Materials) Phone No- 022-23763246 Email- vgharat@mazdock.com
11	Troop Comforts Limited	Name- Shri Amit Kumar Patel Designation- Sr. Manager Phone No- 0512-2984860 Email- amitkumarpatel@ord.gov.in
12	Hindustan Aeronautics Limited	Name: Ramesha K C Designation: Additional General Manager (IM) Phone: 080-22320630 Email: hod-imm-co@ha@india.co.in
13	Gliders India Limited	Name: Smt . Anupama Tripathi Designation- Manager Phone: 0512-2983308 Email: anupamatripathi1@ord.gov.in
14	India Optel Limited	Name: Shri David Gangte Designation: Additional General Manager Phone: 0135- 278710-03 EXTN: 4013 Email: hdavidgangte@ord.gov.in
15	MIDHANI	Name: K. Raj kumar Designation: AGM Materials Phone No- 040-24184578 Email- rajkumar@midhani@india.in
16	Munitions India Limited	Name- Nishith Dwivedi Designation- GENERAL MANAGER Phone No- 020-25922031 Email- nishithdwivedi@ord.gov.in




GeM - CPPP
Government e Marketplace - Central Public Procurement Portal

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Tender Title	Reference No	Closing Date	Bid Opening Date
BUILDING NO P-81 TYPE B AT JAIPUR MIL STN	GE/1- /2025-26	07-Apr-2026 06:00 PM	10-Apr-2026 11:00 AM
9. SPECIAL REPAIRS TO ROAD AND PAVEN OF PAVIR BLOCK PATHWAY ALONGWITH ROAD AT RD ACEN OF KENDRIYA VIDYALAYA AT GAD DULGAON.	86584/E8	06-Apr-2026 06:00 PM	08-Apr-2026 09:00 AM

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Latest Corrigendums

Corrigendum Title	Reference No	Closing Date	Bid Opening Date
3. CO	TRANSFORMER OF 01X 2000 KVA POWER TRANSFORMERS INCLUDING ASSOCIATE EM AND DR INFRA AT MRS DANAPUR	30-Mar-2026 06:00 PM	06-Apr-2026 09:00 AM

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Certifying Agency



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ADVANCING DEFENCE WITH NEXT-GEN TECH
 YEAR OF TECHNOLOGY ABSORPTION

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Tenders

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Southern Command	PUBLICATION OF ADVERTISEMENT REGISTRATION OF VENDORS AS APPROVED ASC CONTRACTORS FOR SUP OF FRESH ARTICLES TO THE ARMY	02 Dec 2025	02 Dec 2026	View
OS Dte	OUTLINE TRADE PROC PLAN (OTPP) ITEMS FOR FY 2025-26	05 May 2025	04 May 2026	View
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INDIAN AIR FORCE
 TOUCH THE SKY WITH GLORY

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Make In India

[INDIGENISATION](#) | [INNOVATION](#) | [RFP/RFI/EOI](#)

CUMULATIVE DETAILS

CAPITAL PROCUREMENTS

1. DETAILS OF INDIGENISATION RELATED RFP/ RFI/ EOI FOR THIS WEEK
2. CORRIGENDUM TO RFI FOR MOBILE X-BAND DOPPLER WEATHER RADAR (DWR)
3. RFI FOR MOBILE MICRO MUNITIONS BASED ANTI SWARM DRONE SYSTEMS
4. RFI FOR MOBILE X-BAND DOPPLER WEATHER RADAR (DWR)
5. RFI FOR KAMIKAZE DRONE BASED ANTI SWARM DRONE SYSTEMS
6. CORRIGENDUM TO RFI FOR VHF RADAR



Procurement Portals of SHQs

Ques 10.1 – How MSME/companies can see the procurement requirements for Indian Army, Navy, Air force?

Companies & MSMEs can visit various online portals to see the details of Tenders/RFI/EOI.

Ques 10.2 – What are the various portals where procurement of armed forces is floated?

The major online platforms for procurement of Armed Forces are listed below –

- Defence eProcurement Portal - defproc.gov.in
- Central Public Procurement Portal- eprocure.gov.in
- Government e-Marketplace (GeM) – <https://gem.gov.in>
- Indian Army official Website - <https://indianarmy.nic.in/tenderrfi/tender/>
- Indian Navy Official Page -<https://indiannavy.gov.in>
- Indian Airforce official Website - <https://indianairforce.nic.in/indigenisation>

Ques 10.3 – Where to find tender details on Indian Army official Website?

Please visit – <https://indianarmy.nic.in> – Tenders & RFI tab



Ques 10.4 – Where a Company/MSMEs can find the tenders pertaining to Capital Procurement?

All the MoD defence tenders for capital procurement are projected through the Defproc portal i.e. defproc.gov.in

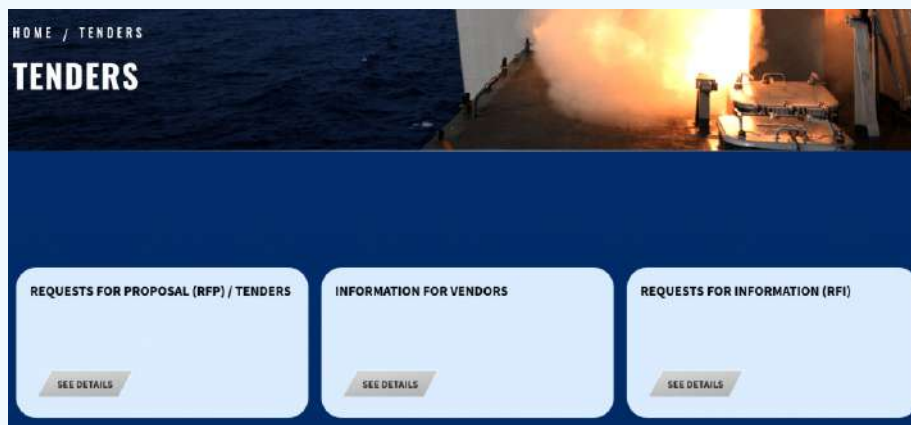
https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://defproc.gov.in/&ved=2ahUKEwiZl5O80fWSAxXWSvEDHQ_4Ob8QFnoECCoQAQ&usq=AOvVaw09WC-mG08lfixm2ROgUht_

Ques 10.5 – Where a Company/MSMEs can find the tenders pertaining to Revenue Procurement?

Tenders pertaining to Revenue procurement are projected through GeM portal i.e. <https://gem.gov.in>

Ques 10.6 – Where to search tenders for Indian Navy on official website?

Please visit the URL – <https://indiannavy.gov.in/content/tenders-enquiry>



Ques 10.7 – How do I get enrolled in the Defence eProcurement Portal?

Online enrolment for eProcurement is very simple as a bidder. Go to Tenders Home Page Click on Online Bidder Enrollment link and just fill up the registration form online. On successful submission, the registered login id can be used to login. Then login again and map your Digital Signature certificate with your account, which completes the online enrolment process.

Ques 10.8 – How to view / download Tender documents without logging into the system on Defence eProcurement Portal – defproc.gov.in

Click on the Latest Active Tenders, and search the tender you are interested in using certain search criteria. To download the tender documents click on view button and click on the tender documents. The system will ask you for the user name and password. You can use the guest account guest with the password Guest#08 and click on any of the active tenders and download the required documents. However, it is advised to login to the system and download the tender documents so that corrigendum/addendum if published will be automatically mailed to you.

Ques 10.9 – What is the maximum size of a file that can be uploaded as a bid document in a packet in the eProcurement portal?

The application does not impose any restriction on the size of bid document that can be uploaded into the portal. However, the upload limit is decided by the Network speed that the client system has and also the memory configurations that have been defined in the system for Java Runtime Environment (JRE). For better operational convenience, based on the field experience, if bids of larger sizes are to be uploaded in a tender, it is suggested that the number of documents in a packet or cover may be kept up to 4 or 5 documents and the bidder may be asked to upload a maximum of 40 MB per file and not exceeding 120 MB per Packet. This will result in better operational efficiencies. It is also suggested that the files while scanning may be scanned at less than 100 DPI resolutions in black and white which will result in smaller file sizes.

Ques 10.10 – Where to search tenders for Indian Airforce on official website?

Please visit the URL – <https://indianairforce.nic.in/indigenisation>



The screenshot shows the 'Indigenisation' section of the Indian Air Force website. The header includes the 'Make In India' logo and the tagline 'TOUCH THE SKY WITH GLORY'. The main navigation bar has tabs for 'INDIGENISATION', 'INNOVATION', and 'RFP/RFI/EOI'. The left sidebar lists various links: 'INDIGENISATION EXPOSITION', 'CEMILAC PROCEDURES AND DDPMS', 'IAF TEST FACILITIES', 'DGAQA POLICIES', 'ADMS 2022', and 'FREQUENTLY ASKED QUESTIONS (FAQS)'. The main content area features a grid of buttons: 'INDIGENISATION EXPOSITIONS OVERVIEW', 'INDIGENISATION CONTACT DETAILS', 'IAF COMPENDIUM OF CHALLENGES & OPPORTUNITIES FOR INDIAN INDUSTRY', 'IAF CLOTHING REQUIREMENT', and 'DEFENCE PROCUREMENT MANUAL'. Below this grid, a section titled 'Indigenisation Procedure' explains the process flow, starting with 'Expression of Interest (EOI)' and 'Acceptance of Necessity (AoN)'.

Indigenisation Procedure: The indigenisation process and Process flow chart is explained below:-

1. **Expression of Interest (EOI):** Once the necessity for indigenising of an item is established, the details of the item will be published on CPPP and IAF webpage to seek interest from prospective vendors.
2. **Acceptance of Necessity (AoN):** AoN is obtained after receiving EOI. Likely annual requirement is considered as the quantum of necessity for deciding the economic viability while obtaining AoN.







Miscellaneous

(i) Defence Acquisition Procedure (DAP)

Ques 11.1 – What is purpose of Defence Acquisition Procedure?

DAP 2020 focuses on simplifying the Defence acquisition procedure and institutionalising monitoring mechanism with concurrent actions using digital technologies & data base for selection of best equipment in a transparent and competitive manner giving adequate opportunities to capable vendors.

Ques 11.2 – What is the aim of DAP 2020?

The aim of the Defence Acquisition Procedure (DAP), erstwhile Defence Procurement Procedure (DPP), is to ensure timely acquisition of military equipment, systems and platforms as required by the Armed Forces in terms of performance, capabilities and quality standards, through optimum utilisation of allocated budgetary resources.

Ques 11.3 – What is the Scope of DAP 2020?

The DAP will cover all Capital Acquisitions other than Works and Land undertaken by the Ministry of Defence (MoD) and Service Headquarters (SHQ) both from indigenous sources and ex-import, except for medical equipment.

Ques 11.4 – How are Capital Acquisition schemes are classified?

Capital Acquisition schemes are broadly classified as, 'Buy', 'Buy and Make', Leasing, 'Make', 'Design and Development (D & D)' and Strategic Partnership Model (SPM). Other Capital Procurement Procedure (OCP) may be followed for overhaul, major refits, upgrades and replacement of items of Capital nature.

Under the 'Buy' scheme procurements are categorised as 'Buy (Indian - IDDM)', 'Buy (Indian)', and 'Buy (Global)'.

Under the 'Buy and Make' scheme, the procurements are categorised as 'Buy and Make (Indian)' and Buy (Global - Manufacture in India).

Ques 11.5 – Is there any prioritization of categories under acquisition process?

The acquisition categories under the 'Buy' and 'Buy & Make' schemes are prioritised in decreasing order of preference towards indigenisation. However, this prioritisation excludes the Make, Leasing, D&D and Strategic Partnership Model (SPM) categories.

The decreasing order of priority is:

- (a) Buy (Indian – Indigenously Designed, Developed and Manufactured) i.e., Buy (Indian-IDDM)
- (b) Buy (Indian)
- (c) Buy and Make (Indian)
- (d) Buy (Global – Manufacture in India)
- (e) Buy (Global)

Further, vendors qualifying in a higher category may participate in a lower category if they meet the stipulated requirements.

Ques 11.6 – What are the various stages under process of acquisition under DAP – 2020?

Largely the following stages are found in the process of acquisition –

- (a) Request for Information (RFI)
- (b) Formulation of Services Qualitative Requirements (SQRs)
- (c) Acceptance of Necessity (AoN)
- (d) Solicitation of offers through Request for Proposal (RFP), including offset offer, if applicable
- (e) Evaluation of technical offers by the Technical Evaluation Committee (TEC)
- (f) Evaluation of the offset offers by the Technical Offset Evaluation Committee (TOEC)
- (g) Field Evaluation Trials (FET)
- (h) Staff Evaluation
- (i) Oversight by Technical Oversight Committee (TOC), if required
- (k) Contract negotiations by Contract Negotiation Committee (CNC)
- (l) Approval of the Competent Financial Authority (CFA)
- (m) Award of the Contract/placing of Indents
- (n) Post-Contract Management

Ques 11.7 – Who is an “Indian company” under Buy – IDDM and Make I & II categories?

Under Buy (Indian-IDDM), Make I and Make II categories, an Indian company must satisfy the following two conditions (in addition to being an Indian Vendor – defined as an entity set up as per incorporation/ownership models under the Companies Act, Partnership Firm, Proprietorship or any other ownership model as per relevant Indian laws and complying with all regulations in force applicable to that industry):

1. Ownership by Resident Indian Citizens
More than 50% of the capital must be directly or beneficially owned by resident Indian citizens and/or Indian companies ultimately owned and controlled by resident Indian citizens.

The maximum permitted Foreign Direct Investment (FDI) is 49%. Indirect foreign investment is included in this limit and pyramiding of FDI is not permitted.

2. Control by Resident Indian Citizens
Control includes the right to appoint the majority of directors or to control management or policy decisions through shareholding, management rights, shareholders agreements or voting agreements.

Ques 11.8 – What is Buy (Indian-IDDM) category of acquisition?

Buy (Indian-IDDM) category refers to the acquisition of products from an Indian vendor that are indigenously designed, developed and manufactured, with a minimum of 50% Indigenous Content (IC) calculated on the cost basis of the base contract price (i.e., total contract price less taxes and duties).

Ques 11.9 – What is Buy and Make (Indian) category of acquisition?

Buy (Indian) category refers to the acquisition of products from an Indian vendor which may not have been indigenously designed and developed, but must have a minimum of 60% Indigenous Content (IC) calculated on the cost basis of the base contract price (i.e., total contract price less taxes and duties).

Vendors eligible under the Buy (Indian-IDDM) category are also permitted to participate in this category with indigenous design and a minimum of 50% IC on the cost basis of the base contract price.

Ques 11.10 – What is Buy and Make (Indian) category of acquisition?

Buy and Make (Indian) category refers to an initial acquisition of equipment in Fully Formed (FF) state, in quantities as considered necessary, from Indian vendor(s) engaged in a tie-up with a foreign Original Equipment Manufacturer (OEM), followed by indigenous production in a phased manner involving Transfer of Technology (ToT) of critical technologies as per specified range, depth and scope from the foreign OEM. Under this category, a minimum of 50% Indigenous Content (IC) is required on the cost basis of the Make portion of the contract (i.e., base contract price less taxes and duties). Acquisition under this category may also be carried out without any initial procurement of equipment in Fully Formed state.

Ques 11.11 – What is Buy (Global – Manufacture in India) category of acquisition?

Buy (Global – Manufacture in India) category refers to an outright purchase of equipment from foreign vendors, in quantities as considered necessary, followed by indigenous manufacture of the entire or part of the equipment and spares/assemblies/sub-assemblies/Maintenance along with Repair and Overhaul (MRO) facility (only if these are part of the main contract), through its subsidiary in India/through a Joint Venture/through an Indian Production Agency (PA), with Transfer of Technology (ToT) of critical technologies as per specified range, depth and scope to the Indian PA.

This category requires a minimum of 50% Indigenous Content (IC) on cost basis of the Base Contract Price (i.e., total contract price less taxes and duties). Indian vendors are permitted to participate in this category. Acquisition under this category may also be carried out without any initial procurement of equipment in Fully Formed (FF) state. All payments for the manufactured portion shall be made in Indian Rupees as per contract provisions.

Ques 11.12 – What is 'Buy (Global)' category of acquisition?

Buy (Global) category refers to outright purchase of equipment from foreign or Indian vendors. In case of procurement through foreign vendors, the Government-to-Government (G2G) route or Inter-Governmental Agreement (IGA) may be adopted for equipment meeting strategic or long-term requirements. An Indian vendor participating in this category must meet a minimum of 30% Indigenous Content (IC), failing which the vendor shall discharge offsets as applicable. Foreign vendors are required to discharge offsets in all Buy (Global) cases with an Acceptance of Necessity (AoN) cost of ₹ 2000 crore or more, except in ab-initio Single Vendor Cases, including procurements based on IGA/FMS.

(ii) Defence Procurement Manual (DPM)

Ques 11.13 – What is purpose of Defence Procurement Manual 2025?

This Manual, containing principles and procedures relating to revenue procurement of goods and services for the Defence Services, Organisations and Establishments, laid down in terms of Rule 142 of the General Financial Rules (GFRs) 2017 shall come into force with effect from 1/11/2025.

Ques 11.14– What is Scope of DPM 2025?

It shall cover procurement of all goods and services including medical equipment, other than Entitled Rations, Works and Land, classified as Revenue Expenditure and booked under the Revenue Budget Heads, apart from any other type of purchases to which the provisions are made specifically applicable. The Defence Research and Development Organisation (DRDO) and the Defence Public Sector Undertakings (DPSUs) will, however, continue to follow their own procurement procedure.

Ques 11.15 – What are the changes with respect liquidated damages (LD) in PM 2025?

In DPM 2025, there is a relaxation of financial penalties with softer liquidated damages. By lowering punitive risks for vendors, especially during innovation stages, the government hopes to incentivise genuine efforts.

Liquidated damages (LD) which is levied on delayed delivery of stores and services, has been relaxed and maximum LD to the extent of 10% will be levied only in cases of inordinate delay. This provision has further been relaxed in case of indigenisation where only 0.1% LD per week will be levied instead of 0.5% per week as applicable in other cases.

Ques 11.16 – What has been change in DPM wrt NOCs from erstwhile OFB?

To ease and fast track the procurement, in this revised manual, condition to obtain 'No objection certificate' from erstwhile Ordnance Factory Board before going for procurement from other sources, has been dispensed with.

Ques 11.17 – What further steps have been taken in DPM 2025 for Atma Nirbharta and domestic industries?

A new chapter entitled "Promoting Self-reliance through Innovation and Indigenization" has been added in the revised DPM which focuses on Atma Nirbharta and broad guidelines for processing and concluding development contracts for all goods and services covered by this Manual, and covers import substitutions of existing systems through indigenous design, development, repairs, reclamations, refurbishments, overhaul, fabrication, upgradation and product improvement of weapon systems, equipment, spares, services and all other related activities within the country.

Ques 11.18 – What are main types of Indigenisation Contracts elaborated in chapter entitled "Promoting Self-reliance through Innovation and Indigenization" of DPM 2025?

Two main types of indigenisation contracts that can promote production of goods and services within the country are –

- (a) **Development Contracts** – Development contracts, unlike normal contracts/ supply orders, involve development work against given data/ technical specifications/ drawings or development of new product /technology without technical specifications or conduct of a technical life enhancement/ reliability improvements on a component, sub-system or a system of equipment, etc. Such contracts typically include uncertainties and risks during the development process, depending upon the complexity of the item under consideration.
- (b) **Fabrication Contracts** – Fabrication contracts refer to one-time contracts concluded with a contractor or an industry/ vendor for fabrication and supply of components, sub-assemblies or an assembly, which are not commercially available, against design drawings/ specifications to be supplied by the in-house agencies of MoD, namely Directorates of Indigenisation/ IIOs/ R&D Laboratories/ Establishments/ Workshops/ Depots/ Institutions etc.

Ques 11.19 – what is the Key Differences between DAP 2020 & DPM 2025.

- DAP is for buying new, high-value assets (Capital).
- DPM is for maintaining existing assets and operational stores (Revenue).
- DAP emphasizes long-term capability building and indigenization.
- DPM focuses on immediate, procedural, and operational efficiency.

Ques 11.20 – How much procurement is reserved for MSMEs under the latest Defence Procurement Manual (DPM)?

The DPM 2025 introduces product reservation for Micro and Small Enterprises. Recent policy summaries indicate a reservation target of 25% for eligible defence contracts for MSMEs under the revised manual.

Ques 11.21 – What procurement relaxations or preferences do MSMEs get (technical, financial, or bidding)?

DPM 2025 and related policy updates provide:

- Reservation of certain product categories.
- Simplified qualification norms for startups/MSMEs.

Specific relaxations (e.g., bid security exemptions, price preference, relaxed turnover criteria) vary by tender and PSU. MSMEs should carefully review tender-specific clauses.

Ques 11.22 – What quality, testing, and certification requirements should MSMEs expect for defence supplies?

Defence procurements typically require:

- Defence-specific quality standards.
- Testing at authorised laboratories.
- Compliance certifications (e.g., ISO standards, defence QA approvals).

Tender schedules specify mandatory tests, inspection regimes, and acceptance criteria. Early engagement with PSU quality teams helps expedite approvals.

Ques 11.23 – Are there special provisions for startups and defence-tech MSMEs (innovation, testing, offsets)?

The revised DPM emphasises startup- and innovation-friendly measures, including:

- Relaxed norms for DPIIT-recognised startups.
- Mechanisms to fast-track prototype evaluation and procurement of innovative solutions.

Defence-tech MSMEs should obtain DPIIT recognition and engage with DDP and PSU innovation cells for pilot opportunities.

Ques 11.24 – What practical first steps should an MSME take to enter a Defence PSU supply chain?

Step 1 – Get Certified

- Obtain Udyam/MSME registration.
- Secure relevant quality certifications.

Step 2 – Register on Portals

- Enroll on the MoD eProcurement portal.
- Register on relevant PSU vendor portals.

Step 3 – Study Tenders

- Monitor tender schedules.
- Review pre-qualification criteria and MSME reservation clauses.

Step 4 – Engage Early

- Contact PSU vendor-development or procurement teams.
- Approach the Defence Investment Cell for guidance.

Step 5 – Prepare Compliance & Finance

- Ensure readiness for testing, QA, and documentation.
- Plan finances for performance guarantees and EMD requirements.

(iii) Make Procedures

Ques 11.25 – What is Make in India Defence Portal ?

'Make in India' Portal of defence aims to provide a single platform for the industry to access any information related to policies/initiatives being taken by department and enabling the Indian defence industry to participate in Make program (Make-I, Make-II, Make-III) for indigenous design and development of defence platforms and promoting 'Make in India' in defence manufacturing sector. URL – <https://makeinindiadefence.gov.in>

Ques 11.26 – What are Make Projects?

Make projects are classified into three categories i.e. Make-I, Make-II and Make-III. Make I and Make-II are innovations and essentially pertain to products involving indigenous design, development and manufacturing. Cases where Indian companies either hold IPR, including where, it has been acquired from Foreign Companies or have ownership of the design of the

main system/ equipment, will be deemed to be indigenously designed and developed.

- (a) **Make-I (Govt Funding)** – Projects involving design and development of equipment: Systems, Major platforms or upgrades by the industry with provision of Govt funding of upto 70% of prototype development cost or max 250 crores per Developing Agency (DA), Subject to a maximum of two DAs.
- (b) **Make-II (Industry Funding)** – This includes design and development and innovative Solutions by Indian Vendors for which no Govt Funding is provided. Solutions could also be offered by Industries as a “Suo Moto Proposal”. For format and details Log on to ([https://www.makeinindia.defence.gov.in/admin/writereaddata/upload/Download/Final SoP for Suo-moto 23 5 18.pdf](https://www.makeinindia.defence.gov.in/admin/writereaddata/upload/Download/Final%20SoP%20for%20Suo-moto%2023%2018.pdf)). The Prototype development cost is borne by the industry with assurance of orders.
- (c) **Make-III** – Such projects would not be designed / developed indigenously but can be manufactured in India as a “Import substitution” for product support of weapon systems/ equipment held in the inventory of the services. Indian firms may manufacture these either in collaboration or with ToT from foreign OEM. The Indian Vendors can enter into a JV with OEM.

Ques 11.27 – Which all industries can participate in Make projects?

All large, Pvt, MSMEs and start-ups can participate in Make Projects. Projects with a prototype development cost of <3 cr and procurement cost < 100cr year based on delivery schedule are reserved for MSMEs and start-ups only.

Ques 11.28 – What is the minimum indigenous Content requirement under Make I & Make II scheme?

Minimum Indigenous content requirement under Make-I & Make-II is 50%.

Ques 11.29 – In which Make Category Industry can submit SUO MOTO Proposals?

Companies can submit SUO MOTO proposals under Make II & Make III Categories.

Ques 11.30 – Where a company can find Make Procedure?

Make Procedure can be found at Chapter – III of DAP which is present under publication tab on the Make Dashboard on <https://makeinindia.defence.gov.in>

Ques 11.31 – What kind of financial support will be given by the Government/MoD under Make I Sub-category?

For Projects under Make-I sub-category, MoD will provide financial support upto 70% of prototype development cost or maximum of 250 crores per Development Agency (DA).

Ques 11.32 – What is EOI and how to respond for the same?

EOI is expression of Interest is detailed response to be submitted by industry for AoN accorded projects based on which short listing of Development agencies shall be done. Response for EOI is to be done on offline mode within the given timeline. The projects for which EOI is live will be reflected under the participation tab on the dashboard.

Ques 11.33 – How can companies contact the SHQs/Nodal departments?

The contact number of the SHQs/Nodals is given under the contact us tab on the Make Dashboard.

Ques 11.34 – Where can Suo Moto proposals be submitted?

Suo-moto proposals can be submitted on the website i.e. <https://makeinindiadefence.gov.in/> itself under the tab Suo-moto on the main page of the website after login by the industry.

Ques 11.35 – What are exploratory projects?

Exploratory projects are those Projects for which response is to be sought from the industry regarding feasibility of project before “Approval – in – Principle”.

Important Contact Details

Contact number of the SHQs/Nodals are given under contact us tab on the Website.

(iv) Technology Development Fund (TDF)

Ques 11.36 – What is Technology Development Fund (TDF) Scheme?

Technology Development Fund (TDF) has been established to promote self-reliance in Defence Technology as a part of the 'Make in India' initiative. It is a programme of MoD (Ministry of Defence) executed by DRDO meeting the requirements of Tri-Services, Defence Production and DRDO. This scheme aims at funding the development of defence and dual use technologies that are currently not available with the Indian industry, or have not been developed so far.

Ques 11.37 – What is the link for TDF Standard Operating Procedure?

<https://tdf.drdo.gov.in/resources/sop>

Ques 11.38 – Who can apply for TDF?

- Proprietorships/Partnerships/LLPs/Private Limited Companies owned and Controlled by Resident Indian Citizens.
- Types of entities above with foreign investments/partnerships not exceeding 49%.
- Aspirants may form a consortium/Association of Persons and apply, with the aforementioned criteria applicable.

Ques 11.39 – What is the procedure for participating?

Details pertaining to the process may be found in Standard Operating Procedure. Summarily, the process involves issuance of Expression of Interest [EoIs], short listing of agencies based on their EoIs, seeking a Detailed Project Report, followed by selection of DA's after which a project is awarded.

Ques 11.40 – What kind of products/innovations are considered under TDF?

Information about the same can be found in Para 1 of the Standard Operating Procedure document as provided in the “Resources” section of the website

Ques 11.41 – What are the key criteria for development of projects under this scheme?

- The scheme will be limited to development of technologies or prototype of product having potential use for the Services.
- The financial criteria for inclusion of projects under the TDF scheme will be that the cost of development spread across all the required technology development phases will not exceed INR 10 crore.
- Typically, the projects under the TDF scheme will not exceed a development period of two years.

Ques 11.42 – How the funding is facilitated under this scheme?

Details of the process involvement in release of funds can be found in Para 42 of the Standard Operating Procedure document as provided in the “Resources” section of this website.

Ques 11.43 – What are the phases of submissions for award of a Technology Development Fund Scheme program?

There are two phases in the scheme i.e., Submission of Expression of Interest and submission of Detailed Project Report against RFP.

Ques 11.44 – Who executes the Technology Fund Scheme?

The Technology Development Fund Scheme is executed by Dte of TDF, DRDO Hqrs for meeting the requirements of Tri-Services, Defence Production and DRDO.

(v) Development-cum-Production Partner (DcPP)

Ques 11.45 – What is a DcPP?

Development cum Production Partner (DcPP) is an Indian industry which is involved in development of the system with DRDO/ Central Government Research Organisation. DcPP through DRDO/ Central Government Research Organisation will be responsible for integration, production, supply, maintenance, support, obsolescence management & its associated components to the Services during its entire life cycle, post placement of contract(s) by MoD. MoD (Acquisition Wing) will issue commercial RFP for production to the DcPP(s) post development trials followed by conversion of PSQRs to SQRs.

Ques 11.46 – What is the purpose of the DcPP model?

It ensures industry involvement from the start, accelerating the development-to-induction cycle for defence systems and reducing time-frames.

Ques 11.47 – How does DRDO select a DcPP?

The selection of DcPP(s) will be done on competitive basis. Exploration of likely DcPP(s) amongst the Indian Industries will normally be done through the process of Expression of Interest (Eoi) on open mode to encourage competition for short listing the potential industry partners and subsequently DRDO/ Central Government Research Organisation will issue RFP to the shortlisted industries on Limited Tender Basis for development of the system through a competitive process that identifies potential manufacturing agencies (both public and private sectors).

Ques 11.48 – What will be the minimum number for selection of DcPPs?

A minimum of two DcPPs will be selected through a competitive process and the procedure shall be conducted under a two-bid system.

Ques 11.49 – Who is the approving authority for DcPPs?

Approval of DcPP(s) will be accorded by Secretary DD R&D & Chairman, DRDO, for DRDO and respective administrative Secretary in case of Central Research Organisation, before placement of the development contract. The selected industries will be declared as DcPP(s).

Ques 11.50 – What will be the responsibility of DcPP?

- The DcPP(s) will be involved from the initial stages of design and development.
- DcPP(s) through DRDO/ Central Government Research Organisation will be responsible for realisation of prototypes for Development Trials, PSQR Validation Trials, integration, production, supply, maintenance and Life Cycle Support for the system and its associated components delivered to the Services as per the contractual terms and conditions.
- The Licensing Agreement for Transfer of Technology (LAToT) will be signed with selected DcPP(s) on successful completion of development trials.
- DcPP(s) will produce the system as per the supply chain, established during the development stage, in accordance with the provisions of LAToT.

Important Contact Details

Technology Development Fund (TDF)

Email : director.tdf.hqr@gov.in

Phone No : 011-23007314

Development-cum-Production Partner (DcPP)

Email : disb.hqr@gov.in

(vi) Army Design Bureau (ADB)

Ques 11.51 – What is Army Design Bureau (ADB)?

ADB acts as the facilitator and nodal agency for bringing together the Army, industry, academia, and research organizations (DRDO). It identifies technological needs, defines problems, and promotes the indigenization of equipment under the 'Make in India' initiative.

Ques 11.52 – What is Army Technology Board (ATB)?

The ATB is a specialized entity that works under the umbrella of the ADB (along with others like iDEX and Make-II) to fund and support the development of technology. It holds meetings to deliberate on proposals from academia and industry for Research & Development (R&D) projects.

ATB is a medium for exchange of knowledge and collaboration in the field of technology with the Academia. It identifies, approves and fund technological research, studies and development projects. Solutions in response to the Problem Statement Compendium are analysed for their application during the annual board meeting of the ATB chaired by Deputy Chief of Army Staff (Capability Development & Sustenance).

Ques 11.53 -What is the procedure of undertaking technology development projects through ATB?

The project proposal for R&D may be submitted to the ADB. Post its examination and approval, the proposal would be progressed by establishing an interface with the developer.

Ques 11.54 – Who can undertake R&D project through ATB?

The R&D project may be undertaken by Government agencies like IISc, IIST, IISIT, PSUs, DRDO Labs, Ordnance Factories, Private Sector Organisations, Private Vendors, Private Academic Institution/ technical consultants and also by Army Units/ establishments.

Ques 11.55 – What is the procedure for submission of project proposal for undertaking R&D projects through ATB?

The procedure of submission of project proposal is as under :-

- (a) The project proposal should include:-
 - (i) Background including expertise available.
 - (ii) Aim and Scope.
 - (iii) Description including technical details and specification.
 - (iv) Time frame including time required for each phase/ stage of the proposed project.
 - (v) Total cost of the proposed project.
- (b) The project proposal may be forwarded at ddgtechres-mod@gov.in.

Ques 11.56 – Once the prototype is developed, can it be inducted in the Indian Army/ other services?

The ATB projects primarily deal with development of technology. The successful completion of an ATB project will lead to development of a technology prototype. For induction/ procurement in Indian Army, the case may be considered by respective acquisition branch of the Indian Army/ Indian Navy/ Indian Air Force based on procedures in vogue.

Ques 11.57 – I am a professor/student/research fellow/ and have recently launched a start up. I want to undertake R&D projects for Indian Army. What is the procedure and whom do I contact?

Indian Army wholeheartedly supports the initiative to undertake R&D projects leading to Self Reliance. The R&D projects for Indian Army can be undertaken through Army Technology Board (ATB), Technology Development Fund (TDF) and Innovations for Defence Excellence (iDEX) routes.

Important Contact Details

Email : ddgtechres-mod@gov.in

Phone No : 011-23018741

(vii) Defence Offsets Management Wing (DOMW)

Ques 11.58 – What are the objectives of Defence Offsets?

The key objectives of the offset provisions as contained in DAP 2020 is to leverage capital acquisitions and technology to develop Indian defence industry by:-

- (a) Fostering development of internationally competitive enterprises; and
- (b) Augmenting capacity for Research, Design and Development related to defence products and services.

Ques 11.59 – Whom do offsets apply?

As per latest Defence Acquisition Procedure (DAP 2020), offset provisions are applicable only on “Buy Global” categories of capital acquisitions. The offset provisions apply in capital acquisition contracts which are more than ₹ 2,000 Crore. However, the offsets are not applicable to procurements under “Fast Track Procedure” and in “Option Clause” cases if the same was not envisaged in the original contract. No offsets will be applicable in all ab-initio Single Vendor Cases including procurements based on IGA/FMS. Offset applicability on Indian Vendor under ‘Buy Global’ cases do not arise in case the indigenization component is 30% or more.

Ques 11.60 – What is the procedure?

Offset obligations can be discharged by the foreign OEMs through any one or a combination of the following avenues as per Defence Acquisition Procedure (DAP) 2020:

- i) Direct purchase of or executing export order for eligible Products or Services.
- ii) Investment in Defence Manufacturing through FDI or direct investment or JV or through non-equity route for co-production, co-development and production or licensed production of defence products.
- iii) Investment in Transfer of Technology for manufacture of eligible products to Indian enterprises.
- iv) Acquisition of technology through ToT to Government Institutions & establishments.
- v) Critical Technology Acquisition by DRDO.

Ques 11.61 – Who are the Indian Offset Partners (IOPs)?

Indian enterprises, institutions and establishments engaged in the manufacture of eligible products and/or provision of eligible services, including DRDO, are referred to as the Indian Offset partner (IOP).

Ques 11.62 – How are offset claims submitted?

The offset claims alongwith relevant documents are submitted by the vendor through online mode on Defence Offset Management Wing (DOMW) portal. DOMW may conduct an audit by a nominated officer or agency to verify the actual status of implementation.

Ques 11.63 – Will offset credits be granted automatically post submission of claims to DOMW?

All claims of the vendor submitted through the quarterly/six monthly reports (pertaining to grant of offset credits) under an offset contract will undergo for audit. Based on the audit report & post approval of competent authority, shortfall (if any) will be ascertained & offset credits will be granted by DOMW.

Ques 11.64 – How does your office helps MSMEs/companies?

The Defence Offset guidelines have paved the way for proactive participation of MSMEs of India by incorporating a scheme of multipliers of 1.5 for engaging MSME as Indian Offset Partners (IOPs), which promotes their integration in global supply chain.

Ques 11.65 – What is the duration of the period of discharge of offset obligations?

As per Defence Offset Guidelines, offset obligations are to be discharged within the period of the main procurement contract. The period of main contract includes the period of warranty of the equipment being procured under the main contract.

Ques 11.66 – Can the period of performance under the offset contract be extended?

As per Defence offset Guidelines, with the approval of Competent Authority, the period of offset discharge can be extended beyond the period of the main procurement contract by a maximum period of two years.

Ques 11.67 – What will happen to excess offset obligations carried out by the vendor in a particular year under the offset contract?

A vendor shall be required to fulfill offset obligations in accordance with the annual phasing plan as agreed in the offset contract. If a vendor carries out excess offset obligation in a particular year during the period of offset obligation, the same would be carried forward to the subsequent year.

Ques 11.68 – Where to contact for any query wrt defence offsets?

Defence Offset Management Wing (DOMW) under the Department of Defence Production in the Ministry of Defence is de-facto single window agency for any query with respect to defence offsets (email id: support-domw@ddpmo.gov.in).

Important Contact Details

Email : neeraj.agrawal@nic.in

Phone No : 23792069

(viii) Defence Production Information Technology (DPIT)

Ques 11.69 – Where can MSMEs find opportunities and resources to engage with defence production?

- (a) MSMEs can visit the official DDP website (<https://www.ddpmod.gov.in/>) to access and explore Key offering section for various schemes.
- (b) SrijanDefence Portal: Lists items for indigenisation, enabling MSMEs to partner with defence establishments.
- (c) iDEX Portal: Offers innovation challenges and funding support for startups and MSMEs to develop defence technologies.
- (d) Policy and Guidelines Section: Provides information on procurement policies, quality assurance, and export procedures relevant to MSMEs on DDP website.

Ques 11.70 – Is technical support available on the DDP portals such as SrijanDefence, DefenceEXIM for MSMEs and start-ups?

Yes. The DDP portals offer helpdesk support [helpdesk-dpit@ddpmod.gov.in, **contact number 011-20836145**], along with FAQs, and user manuals. MSMEs can raise queries online or contact the helpdesk.

Ques 11.71 – Is there any portal/website where MSME can register as a firm/company and can upload their Defence Products?

Yes, MSME can register as a firm and can upload their Defence Products on the Srijan DEEP on SrijanDefence portal [<https://srijandefence.gov.in/SrijanDEEP>]

Ques 11.72 – How can MSMEs participate in Aero India/ DefExpo exhibitions?

MSMEs can register online through the official Aero India/ DefExpo website under the exhibitor section. During registration, they can select MSME-specific categories to avail benefits such as subsidized stall rates.

Ques 11.73 – How Export/Import authorisation for Defence items can be granted for MSMEs?

MSMEs need to register on Defence EXIM portal [<https://defenceexim.gov.in/>], after registration MSMEs can apply for export/Import authorization as per relevant guidelines issued by DDP.

Important Contact Details

Email : helpdesk-dpit@ddpmod.gov.in
Phone No : 20836145

(ix) Directorate of Standardisation (DoS) & Codification

Ques 11.74 – What is Directorate of Standardisation ?

The Directorate of Standardisation (DoS), under India's Ministry of Defence (Department of Defence Production), establishes uniform engineering, technical specifications, and standards for defence equipment. Established in 1962, it aims to reduce variety in inventory, enhance interoperability, and control item proliferation across the armed forces.

Ques 11.75 – What are the main aims of Standardisation in Defence ?

The main aims of Standardisation in Defence are, 'Entry Control', 'Variety Reduction', Interoperability of Defence equipment/systems and optimisation & rationalisation of Inventory.

Ques 11.76 – What are the domains/ technologies in which Standards documents are formulated in MoD ?

Standards documents in various domains/technologies are formulated in the MoD by following Standardisation Sub – Committees:-

- (a) Aeronautical Stores Standardisation Sub-Committee (Aero-SSSC).
- (b) Armament Standardisation Sub-Committee (ASSC).
- (c) Electrical Standardisation Sub-Committee (ESSC).
- (d) Engineering Equipment Standardisation Sub-Committee (EESSC).
- (e) Guided Missile Systems & Components Standardisation Sub-Committee (GMS & CSSC).
- (f) Instruments Standardisation Sub-Committee (ISSC).
- (g) Information Technology Standardisation Sub-Committee (ITSSC).
- (h) Electronics Standardisation Sub-Committee (LSSC).
- (i) Marine Equipment Standardisation Sub-Committee (MESSC).
- (j) Materials Standardisation Sub-Committee (MSSC).
- (k) Nuclear Biological Chemical systems Standardisation Sub-Committee (NBSSC).
- (l) Stores Standardisation Sub-Committee (SSSC).
- (m) Vehicles Standardisation Sub-Committee (VSSC).
- (n) Defence Space Applications Standardisation Sub-Committee (DSASSC).

Ques 11.77 – What are the different types of Standards documents ?

Following types of Standards documents are formulated by various Standardisation Sub – Committees under the aegis of Directorate of Standardisation in MoD:-

- (a) Joint Services Specifications (JSS).
- (b) Joint Services Rationalised Lists (JSRL).
- (c) Joint Services Preferred Ranges (JSPR).
- (d) Joint Services Guides (JSG).
- (e) Approval Notifications (AN).

Ques 11.78 – What is a Authority Holding Sealed Particulars (AHSP)?

The AHSP is the specialized agency responsible for the custody and maintenance of the associated technical documentation (drawings, specifications) for any given Defence item/ equipment/ systems.

Ques 11.79 – What is the AHSP's role in the Standardisation process?

The concerned AHSP provides the technical expertise to the respective Standardisation Sub – Committees which is required for formulation of various Standards documents for specific item/ equipment. Representatives of AHSPs are active members of concerned Standardisation Sub – Committees.

Ques 11.80 – Is any Standard available on Engineering Drawings?

Standard on Engineering Drawings – “**JSG- 0104:2025** (Second Revision) Code of Practice for Engineering Drawings Armament Stores” already exists and the same can be obtained from Directorate of Standardisation (DoS), DDP/MoD.

Ques 11.81 – Is it feasible to access Standards host on DoS website without access control mechanism (login credentials)?

Presently, Standards documents hosted on DoS website (<https://ddpdos.gov.in/>) are accessible through access control mechanism (login credentials) only.

Ques 11.82 – What is National Codification Bureau (NCB), India?

National Codification Bureau (NCB), India is mandated to steer, facilitate and monitor the codification of defence equipment in India.

Ques 11.83 – Who is designated as National Codification Bureau (NCB), India?

The Directorate of Standardisation (DoS), functioning under the Department of Defence Production, Ministry of Defence, has been designated as National Codification Bureau (NCB), India within the NATO Codification System (NCS).

Ques 11.84 – What is the linkage between Codification, Joint Services Preferred Ranges (JSPRs) and Joint Services Rationalisation Lists (JSRLs)?

The relationship between Codification, Joint Services Preferred Ranges (JSPRs) and Joint Services Rationalisation Lists (JSRLs) is brought out in the following descriptions:-

- (a) **Codification (Data Collection).** Defence inventory is codified wherein each item/store of the inventory is assigned a unique code in the central catalogue that lists items and its salient characteristics and technical parameters.
- (b) **JSPR (Prepared for future requirements).** Based on the codified data, the Standardisation Sub- Committees identify the optimal 'preferred ranges' for future procurements and designs, thus restricting the entry of un-required varieties of items/stores (Entry Control).
- (c) **JSRL (Prepared based on existing inventory).** The Standardisation Sub – Committees utilise the codified data to review the existing inventory to identify obsolete, superfluous, or duplicate items/stores to be removed, from the

inventory, resulting in the JSRL which may also be utilized as inputs for future procurements (Variety reduction).

Ques 11.85 – What is NSN (NATO Stock Number)?

A NATO Stock Number (NSN) is an unique code consisting of 13 digits assigned to defence equipment in accordance with NATO Codification System (NCS).

Ques 11.86 – What is NATO Commercial and Government Entity (NCAGE) Code?

NATO Commercial and Government Entity (NCAGE) Code, is a unique identifier assigned to manufacturer, suppliers, various government and defence agencies. NCAGE codes provide a standardised method of identifying a given facility at a specific location.

Ques 11.87 – Is codification a mandatory requirement?

As per DAP 2020, codification of defence equipment is mandatory requirement for capital procurement cases. Para 16 (b) of Schedule I (RFP format) of Chapter II and Para 33.5 of Article 33 (Product Support) of Chapter VI (Standard Contract Document) of DAP 2020 mandates codification clause to be incorporated in RFP and Contract.

Ques 11.88 – How is Codification of Indigenised Store/ equipment to be undertaken?

The Dte initiating and progressing the indigenisation case or the Contract Management Dte (that is Professional Dtes / Line Dte / Engineering/ Maintenance Dte, as applicable) of the respective Services shall be responsible for ensuring the codification of stores indigenized in codification with the concerned ASHP/agency.

Ques 11.89 – What is meant by Type-II Codification and Local NSN ?

- (a) Under Type – II codification of NATO Codification System, items can be codified with minimum information about the item. The extent of data to be provided during codification is to be determined by the concerned organization.
- (b) In certain cases, Codification may be undertaken as “create Local NATO Stock Number (NSN)”, which signifies that the assigned NSN will be resident in National database of NCORE-NG software and will not be disseminated to the Global database.

Important Contact Details

Email : director.defstand@gov.in

Phone No : 23043201, 23043203

(x) Defence Exhibition Organisation (DEO)

Ques 11.90 – How does DEO guide and promote companies to participate in defence events.

DEO organizes and coordinates Aero India & DefExpo on biennial basis in India. DEO also coordinates the setting up of India Pavilion at prominent foreign Aerospace & Defence exhibitions. These exhibitions offer an opportunity to MSMEs to display their products and technologies.

Ques 11.91 – How DEO helps MSMEs & Companies to know about upcoming Defence events in country as well as foreign.

The upcoming foreign defence exhibitions are displayed on DDP website giving visibility of next 2 years.

(<https://www.ddpmod.gov.in/sites/default/files/e97165d803d571022750c737e71d30a42b48c54d94919c3941e22beb49060f63/95206a989b08dcfc60fa2d359867b55624329ed5a274cd2c039848ea9a899e14.pdf>).

Ques 11.92 – How MSMEs & Companies can be helped by DEO for payment in these events.

The payment for participation in foreign exhibition is done to the Nodal DPSU. MSME may contact nodal DPSUs or DEO to express their interest for participation in foreign exhibition. Further, MSMEs/startups are provided space in the India pavilion at a 50% discounted rate for foreign exhibitions.

Ques 11.93 – How does DEO helps companies pertaining to logistics in foreign exhibitions.

Logistics for foreign exhibition is handled by freight forwarded appointed by Nodal DPSU.

Ques 11.94 – Is any discount available for MSME & minimum space offered to MSME?

MSME can avail 50% discount. A Minimum booking of 12 sqm of shell space is offered to MSME on which 50% discount are offered. Space above 12 sqm is not eligible for any discount.

Ques 11.95 – What documents are required to claim the MSME discount?

Valid MSME registration proof with UAM (UdyogAadhar Memorandum) number must be submitted.

Ques 11.96 – What are the key benefits of participating in foreign exhibitions?

Participation offers global exposure, business development opportunities, interaction with government agencies and other B2B & G2B opportunities.

Important Contact Details

Email : ceo.defex-mod@gov.in

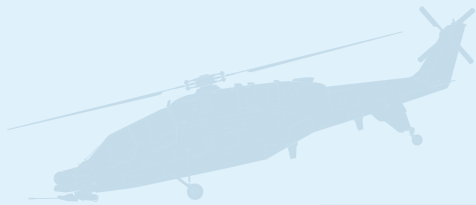
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