

Give SMEs better play in defence sector: ISA

BANGALORE, DHNS: India Semiconductor Association (ISA) believes that to bring more innovation in defence electronics and communication, Indian SMEs should be given more opportunities.

“SMEs in India are hub for a lot of innovation, however, they are unable to provide capacity and also testing facilities that huge PSUs can offer,” ISA President PVG Menon told *Deccan Herald*.

With Indian defence budget of around \$32 billion and about \$1.5-2 billion for defence electronics, the only way to bring SMEs into mainstream is by partnering with them either in the form of joint ventures or by engaging in vendor development programmes.

Outlining the problems in bringing SMEs into the field, he said military equipments need a lot of testing which small companies cannot afford and they also need to provide support for the next almost 20 years, which is difficult for SMEs. “Innovation from SMEs coupled with the capacity in PSUs and large corporates will provide healthy mix of products that will benefit the defence sector,” he noted.
