

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:2034
ANSWERED ON:22.11.2010
DELAY IN DEFENCE PROCUREMENT
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Will the Minister of DEFENCE be pleased to state:

- (a) whether the import of the defence products take inordinate time which leads to cost overruns;
- (b) if so, the details thereof; and
- (c) the mechanism being adopted by the Government to reduce the time taken in the import of defence products without cost escalation?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) to (c): Procurement of defence equipment/platforms is made from various indigenous as well as foreign sources in accordance with the provisions of Defence Procurement Procedure (DPP). The import option is considered when it is necessary to procure the equipment/platforms within a definite time frame on operational grounds and normally when such equipment/platforms cannot be sourced indigenously within the specified time frame. DPP envisages a procurement cycle of 2-3 years to conclude the contract. However, delays occur in some cases due to several reasons, such as insufficient and limited vendor base, non-conformity of the offers to the Request for Proposal (RFP) conditions, field trials, complexities in contract negotiations, limited indigenous capacity and long lead time for indigenization etc.

To counter systemic and institutional delays, procedures are continuously reviewed and refined on the basis of experience gained during the procurement process.