

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:5415
ANSWERED ON:13.12.2010
PROCUREMENT OF DEFENCE EQUIPMENT
Lal Shri Kirodi

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government proposes to constitute an integrated organization to expedite the defence procurement process and indigenisation of defence production;
- (b) if so, the details thereof alongwith the action taken by the Government in this regard;
- (c) whether the Government has mechanism to seek clarification from the sellers who after replying to the Request For Information (RFI) fail to provide equipment at field trial stage;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) to (e): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 5415 FOR ANSWER ON 13.12.2010

A dedicated Acquisition Wing having an integrated set-up with officers from the Department of Defence, Finance Division and Service Headquarters was created in the Ministry of Defence in 2002 to assist the Defence Procurement Board. All matters related to acquisition of capital nature are dealt by the Acquisition Wing.

As per provisions of Defence Procurement Procedure-2008 (Amendment-2009), a Request For Information (RFI) is issued to obtain inputs for preparation of a broad based Service Qualitative Requirements (SQRs) as also other elements which need to be structured into the costing, maintenance/product support and Transfer of Technology (ToT) aspects of the equipment proposed to be procured. After a decision on Acceptance of Necessity (AON), categorization and quantity is taken, Request For Proposal (RFP) is issued to short-listed vendors to make their offers taking into consideration full requirements of the acquisition. Those vendors/firms who are technically compliant are called for Field Evaluation (trials) on `No Cost No Commitment` basis. If the equipment is not evaluated in the initial trials, the vendor/equipment is not considered at a later point of time.