

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:3898
ANSWERED ON:17.12.2012
PRIVATE FIRMS IN DEFENCE PRODUCTION
Ajay Kumar SHRI

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has any mechanism to ensure that only authorised private companies with clean track record are considered at the bidding stage for procurement of defence equipment; and

(b) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) Yes, Madam.

(b) As part of such mechanism, Service Headquarters carries out vendor analysis as per the provisions of Defence Procurement Procedure (DPP) which inter-alia provides for analysis of the Vendors / Original Equipment Manufacturers' (OEMs) response to Request for Information (RFI), their earlier participation / performance along with track record. Besides a data bank is also maintained with regard to OEMs of various weapon systems and equipment. Request for Proposal (RFP) is issued to the vendor after detailed vendor analysis and security clearance.