

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2823**  
TO BE ANSWERED ON 17<sup>th</sup> March, 2023

**OFFSET CONTRACTS**

2823. SHRI DUSHYANT SINGH:

Will the Minister of DEFENCE be pleased to state:

- (a) the total value of all offset contracts, the quantum of offsets obligations paid so far along with the quantum of offsets dues so far by defence contractors;
- (b) the details of offset obligation lapsed by defence vendors during the last five years;
- (c) the details of proposal of the Government to recover the penalties imposed on suppliers due to non-fulfillment of offset clauses;
- (d) whether the Government conducts assessments of the quality of offsets promised as a bid evaluation criteria before accepting tenders, if so, the details thereof along with the criteria laid down to assess the quality of the offsets; and
- (e) the monitoring mechanism followed by the Government for the implementation of offset contracts?

A N S W E R

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

- (a): The total value of all offset contracts is 13.21 Billion USD. The quantum of offset obligations for which claims have been submitted is 6.42 Billion USD. The quantum of offset due is 1.84 Billion USD.
- (b): No offset obligation has lapsed during the last five years.
- (c): Penal action is taken on the defaulting vendors as per the relevant provisions of the Defence Offset Guidelines under the applicable Defence Procurement Procedure.
- (d): Assessment of the quality of offsets is not provided as bid evaluation criteria in the Defence Offsets Guidelines under the extant Defence Procurement Procedure.
- (e): Implementation of Offset contracts is electronically monitored end to end through Defence Offsets Management Wing Portal. This has enhanced transparency, accountability and efficiency in the management of offsets.

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