

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO.1434**  
TO BE ANSWERED ON 10<sup>th</sup> February, 2021

**NEW DEFENCE ACQUISITION PROCEDURE**

1434. SHRI TALARI RANGAIAH:

Will the Minister of DEFENCE j{k k ea=h  
be pleased to state:

- (a) whether the Government has released New Defence Acquisition Procedure (DAP), 2020 to provide impetus to growing domestic industry and achieve enhanced self-reliance in defence manufacturing;
- (b) if so, the details thereof;
- (c) whether the Government has removed the offset clause requirement in Inter-Governmental Agreements(IGA) to improve domestic defence manufacturing to benefit the Indian industry; and
- (d) if so, the details thereof?

**A N S W E R**

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI SHRIPAD NAIK)

(a) & (b): The Defence Acquisition Council in its meeting held on 28.09.2020 approved promulgation of DAP 2020 to be applicable w.e.f. 01<sup>st</sup> October, 2020. DAP 2020 is a product of extensive analysis, deliberations, interactions and focused formulations, aims to further 'Self Reliance' of the country in the defence sector and implement 'Ease of Doing Business' with emphasis on Simplification, Delegation, Reduced Timelines and making the process as Industry friendly as possible. Separate chapters have been formulated to incorporate specialized

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acquisition through the DRDO/OFB/DPSU, procurements related to Information and Communication Technology Systems, enable Leasing of equipment as also address issues related to Post Contract Management. Make procedure has been refined in DAP 2020 to make it more objective and time bound with focus on Indian Industry especially MSMEs.

(c) & (d): Under the DAP 2020, offsets are applicable under the Buy Global category. For procurement from Friendly Foreign Counters through the route of Inter Governmental Agreements, offsets will not be applicable. Further in order to provide impetus to manufacturing by Indian Industry through offsets, multipliers for technology transfer to Indian companies and for defence industrial corridors have been introduced.

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