

Defence Acquisition Council

July 17, 2020

The Defence Acquisition Council (DAC) approved procurement proposals worth around ₹38,900 crore for various platforms and equipment required by the Armed Forces. Focussed on indigenous design and development, these approvals include acquisitions worth ₹31,130 crore from Indian entities. All the equipment will be manufactured in India, involving the domestic defence industry, with **participation from several MSMEs as prime vendors.**

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Consequent upon the **Group of Ministers recommendations on "Reforming the National Security System,"** the Ministry of Defence had set up broad structures and systems to deal with acquisitions on the capital account. An overarching structure, the Defence Acquisition Council (DAC), under the Defence Minister was constituted for **overall guidance of the defence procurement planning process.** The composition of the DAC is as follows:

- . Defence Minister: Chairman
- . Minister of State for Defence: Member
- . Chief of Army Staff: Member
- . Chief of Naval Staff: Member
- . Chief of Air Staff: Member
- . Defence Secretary: Member
- . Secretary Defence Research & Development: Member
- . Secretary Defence Production: Member
- . Chief of Integrated Staff Committees HQ IDS: Member

- . Director General (Acquisition): Member
- . Dy. Chief of Integrated Defence: Staff Member Secretary

The objective of the Defence Acquisition Council is to ensure **expeditious procurement** of the approved requirements of the Armed Forces in terms of capabilities sought, and time frame prescribed, by optimally utilizing the allocated budgetary resources.

The functions of the DAC include:

- in-principle approval of 15 Year Long-Term Integrated Perspective Plan for Defence Forces
- accord of Acceptance of Necessity to acquisition proposals
- categorization of the acquisition proposals relating to 'Buy', 'Buy & Make' and 'Make'
- issues relating to Single vendor clearance
- decision regarding 'offset' provisions in respect of acquisition proposals above Rs. 300 crores
- decisions regarding Transfer of Technology under 'Buy & Make' category of acquisition proposals
- field trial evaluation