F.No. 1(33)/2011/D(S-III)
Government of India
Ministry of Defence
(Department of Defence Production)

New Delhi Dated: 31 May, 2013

Subject: **Clarification regarding requirement of Industrial Licence to become Indian Offset Partner.**

Several applications seeking defence industrial licence are being received in this Department from various companies through the Department of Industrial Policy & Promotion (DIPP), particularly in the context of their desire to qualify as Indian Offset Partner (IOP) of foreign OEMs for meeting their offset obligations.

2. In this connection, attention is drawn to Para 4.2 of the revised Offset Guidelines (Appendix D to Chapter 1 of Defence Procurement Procedure 2011) available on Ministry of Defence website. It is clarified therein that ‘the Indian Offset Partner shall, besides any other regulations in force, also comply with the guidelines/licensing requirements stipulated by the DIPP as applicable’. Possession of defence industrial licence is, therefore, not a pre-requisite for becoming an IOP and it is mandatory only if it is required under the licensing requirements/guidelines issued by DIPP.

3. The above may be kept in view by the Indian companies while applying for defence industrial licence.

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To,

Joint Director,
Technical Support Group,
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'H' Block Hutments
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On the MOD website