

DAP 2026 DRAWING THE LINE BETWEEN INDIGENOUS INNOVATORS & ASSEMBLERS

Subscribe

Quick Summary

The Government released **Draft DAP 2026** in February for stakeholder inputs prior to finalisation. The draft makes a decisive shift toward **ownership-based self-reliance** in defence acquisition. However, certain structural gaps risk dilution of genuine **IDDM capability**. Unless corrected, these loopholes may enable opportunistic players to exploit policy intent at the cost of **national technological sovereignty**.

Setting the perspective

The defining sentiment of Draft DAP 2026 is **ownership**. The transition from **“Make in India”** to **“Owned by India”** signals a strategic shift: India must own **Intellectual Property (IP)**, not merely manufacture licensed or acquired technology.

The true standard-bearers of this vision are **IDDM-compliant companies** that have invested heavily in indigenous **R&D** and built authentic **design, development, and manufacturing capability** within the country. These entities represent long-term **national capacity**, not transactional manufacturing arrangements.



Combat Proven Anti-Drone System

[Know more](#)

Build Adequate Deterrence

Current penalties for falsely claiming **Indian Design**—limited to forfeiture of **EMD and PWBG**—are inadequate. On major contracts, such penalties are often absorbed as acceptable business risk.

To establish credible deterrence, punitive measures must include **recovery of up to 75% of total contract value**, along with **debarment for a minimum of five years**. The **burden of proof** must rest squarely on the vendor. Only strong enforcement will prevent misuse of **IDDM classification** through “purchased IP” masquerading as indigenous design.

Reward Purity; Eliminate Inequality

Under **Buy (Indian-IDDM)**, Draft DAP 2026 prescribes **30% Indigenous Content (IC)** at prototype stage and **60% overall**. While 30% serves as a minimum entry threshold, it creates inequity when a vendor with **70% IC** competes on identical **L1 footing** with one at 30%.

The 70% IC vendor has undertaken far greater **R&D investment** and built deeper domestic capability. Yet, under strict L1 evaluation, such a company risks losing to an assembler integrating largely imported subsystems.

To correct this imbalance:

Vendors demonstrating **70% or higher IC** at trials should qualify for **negotiated order** placement at reasonable pricing, without L1 competition.

Graduated price credits should apply across the 30–69% IC band.

L1 competition should occur only among vendors at the lowest IC threshold.

Further, failure to deliver committed IC—whether through misrepresentation at bid stage or post-award substitution—must attract the **same penalties as fraudulent ID claims**. Any dilution of declared IC must invite **full punitive action**.



Check and Eliminate Fraudulent Claims

Entities acquiring foreign IP and claiming **IDDM** status without real design capability must be scrutinised. Possession of acquired design documents does not equate to **indigenous design competence**.

DAP 2026 must mandate:

- Demonstration of **pre-existing R&D capability**.
- A structured IP transition period not exceeding **18 months**.
- A minimum **three-year phase of independent development** post-transition, with **zero foreign designer involvement**.

Without such safeguards, India risks institutionalising superficial indigenisation.

Close Procurement Loopholes

IDDM preference currently applies primarily to standard Buy procedures. Categories such as **FTP, OCCP, LCCA, and SPM** do not mandate similar preference, enabling circumvention of IDDM intent.

All procurement categories must first establish whether an **IDDM-compliant vendor** exists capable of meeting operational timelines. Policy intent cannot be selectively applied.

Do Not Let Urgency Undermine Capability

Under **Buy (Global)** and **Lease (Global)**, no mandatory IDDM verification exists. **Fast Track Procedure (FTP)** is frequently invoked citing urgency—even where capable Indian vendors are available.

Every Buy (Global) or Lease (Global) case must first confirm absence of an IDDM vendor. **Technological readiness should be pegged at TRL 7 or above**, with certified delivery capability, before bypassing indigenous options.

Cut Out Perpetual Dependency

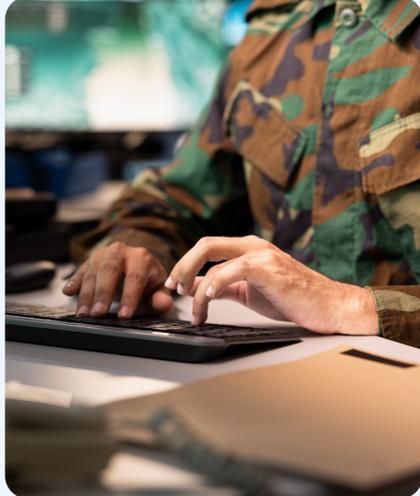
Procurement under **OCCP** for upgrades, refurbishment, **ROH**, modifications, and obsolescence management of foreign-origin platforms does not mandate IDDM preference. Consequently, such contracts often revert to foreign OEMs by default.

This perpetuates dependency. Every such case must examine whether **Indian IDDM-qualified vendors** can execute the task. **Strategic autonomy demands lifecycle capability**, not just platform acquisition.

Procurement and Proficiency Must Go Hand-in-Hand

Training equipment—including **simulators, synthetic environments, and mission rehearsals systems**—is excluded from FTP scope. If combat platforms are procured under FTP while training systems follow delayed standard procedures, a **structural readiness gap** emerges.

It must be mandated that when combat equipment is procured via FTP, associated training systems follow the **same acquisition route**.



The Missing Emphasis: Training Readiness

The Draft DAP inadequately reflects the Government’s **2021 Framework for Simulators in the Armed Forces**, which mandates early integration of simulator requirements in acquisition planning.

Training readiness must be elevated as a **guiding principle of DAP 2026** alongside national security and **Atmanirbharta**. **Training SQRs** should be formulated concurrently with platform SQRs, and simulator packages must be procured as **Buyer Nominated Equipment** from **IDDM-compliant Indian vendors**.

Our CMD as a distinguished stakeholder and a key industry player has forwarded his detailed views to the Govt on the above lines. Let’s hope the Govt measures up to **protect genuine IDDM capability of the country**.

Zen in News

Zen Technologies Limited Achieves Highest Dun & Bradstreet Rating of 5A1 | Agency-feeds News - News18



How Zen Technologies is reimagining defence training through AI & Software



How Made in India, Tested in the field: From simulators to Op Sindoor



Do subscribe to our monthly Newsletter

Stay connected with Zen Technologies

Get in touch [Contact us](#)