

**Centre for Aerospace & Defence Laws (CADL)
DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD**

M.A. (Security & Defence Laws)

Academic Year: 2022-2023

Second Semester - End Semester Examination (June, 2023)

Paper II - 1.2.6. Defence Contracts and Tenders

Duration of the Examination: 2 ½ hours

Total Marks : 70 marks

INSTRUCTIONS TO CANDIDATES

- a) Read the instructions carefully and adhere to the same.
 - b) Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.
 - c) The questions to be interpreted as given and no clarification can be sought from the Invigilator.
 - d) Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.
 - e) Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.
 - f) Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.
 - g) Copying is strictly prohibited and is considered as a serious academic misconduct and the University will take action as it deems fit.
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Section – A

**Answer FIVE questions out of SEVEN questions and each question carries 10 marks.
(5 x 10 marks = 50 marks)**

- 1. Explain the concept of offer and acceptance in contract law. Discuss the requirements for a valid offer and acceptance in defence contracts.
- 2. The Ministry of Defence is negotiating a contract with a foreign defense company for the procurement of advanced missile systems. Discuss the key legal and commercial considerations that should be taken into account during the negotiation process. Analyze the potential risks and opportunities for both parties and suggest strategies for achieving a mutually beneficial agreement.

3. Discuss the approval process and conclusion of defence contracts. Explain the role of the Defence Procurement Manual in regulating the conditions of a contract.
4. Examine the concept of defence offsets in the international context. Discuss the international best practices in defence offset policies and their relevance to India.
5. Using the Rafale Deal as a case study, analyze the implementation of defence offsets in India. Discuss the challenges and lessons learned from this specific defence contract.
6. A foreign defense company wins a major defense contract in India and is obligated to fulfill offset obligations as per the Defense Offset Policy. However, the company faces challenges in identifying suitable offset projects and ensuring their successful implementation. Analyze the company's options and strategies for meeting its offset obligations effectively.
7. The Indian Ministry of Defence intends to collaborate with a foreign defense company for the development and production of advanced military aircraft. Discuss the legal and contractual considerations involved in establishing and managing an international collaboration in defense contracts. Analyze the potential benefits and challenges of such collaboration.

Section – B

Answer FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)

- a. Explain the tendering procedures in defence procurement.
- b. Discuss the bidding process under the Defence Procurement Manual.
- c. Explain the concept of offset dilution in defence contracts.
- d. Discuss the defence items banned from import and their impact on India's self-reliance and indigenization efforts in the defence sector.
- e. Discuss the standard conditions of contract in foreign procurement.
- f. Critically analyze the evolution of the Indian Defence Offset Policy.