

# MoD contracts and AoN's

## DAC clears Rs 3.60 lakh crore proposals

The Defence Acquisition Council, under the chairmanship of Raksha Mantri Rajnath Singh, accorded Acceptance of Necessity (AoN) for various proposals of the Services at an estimated value of about Rs 3.60 lakh crore, on 12 February 2026. For the Indian Air Force (IAF), AoN was approved for the procurement of Multi Role Fighter Aircraft (MRFA) Rafale, combat missiles and air–ship based high altitude pseudo satellite (AS–HAPS).



The majority of MRFA to be procured will be manufactured in India. The combat missiles will enhance the stand-off ground attack capability with deep strike power and very high accuracy. The AS–HAPS will be utilised towards carrying out persistent Intelligence, Surveillance and Reconnaissance, Electronic Intelligence, telecommunication and remote sensing for military purposes.

For the Indian Army, AoN was accorded for the procurement of anti-tank mines (Vibhav) and overhaul of vehicle platforms of armoured recovery vehicles (ARVs), T–72 tanks and infantry combat vehicles (BMP–II). Vibhav mines will be laid as anti-tank obstacle system to delay the advance of enemy mechanised forces. The overhaul of vehicle platforms of ARVs, T–72 tanks and BMP–II will enhance service life of equipment ensuring readiness and operational effectiveness of the Indian Army.

For the Indian Navy, AoN was cleared for 4 MW Marine Gas Turbine based Electric Power Generator and P–8I long range maritime reconnaissance aircraft. Induction



of 4 MW Marine Gas Turbine based Electric Power Generator under Make–I category of Defence Acquisition Procedure 2020 will minimise the dependency on foreign manufacturers, ensure self–reliance in power generation requirement of Indian Navy. The acquisition of P–8I aircraft will significantly boost the Navy's combat/war–fighting capability of long range anti–submarine warfare, maritime surveillance and maritime strike capability.

For the Indian Coast Guard (ICG), AoN was accorded for the procurement of electro–optical/infra–red system for Dornier aircraft. The procurement will assist in enhancing the efficacy of maritime surveillance capability of the ICG.

## Contracts for ALH Mk–III (MR) and VL–Shtil missiles

Ministry of Defence, on 3 March 2026, signed for the acquisition of six HAL Advanced Light Helicopters (ALH) Mk–III (Maritime Role) for the Indian Coast Guard (worth Rs 2,901 crore) and surface–to–air vertical launch Shtil missiles for the Indian Navy. The contract for the procurement of Shtil missiles and associated missile holding frames, valued at Rs 2,182 crore, has been signed with JSC Rosoboronexport, Russian Federation.



## Contract with HAL for 8 Dornier 228s

Ministry of Defence has signed a contract with Hindustan Aeronautics Limited (HAL), Transport Aircraft Division, Kanpur for the acquisition of eight Dornier 228 aircraft along with Operational Role Equipment for the Indian Coast Guard (ICG) at a cost of Rs 2,312 crore under Buy (Indian) category on 12 February 2026. ➡

