Ministry of Defence Department of Defence [Acquisition Wing Secretariat] *****

Subject: Amendment to the Defence Acquisition Procedure (DAP) 2020.

Chapter III of DAP-2020 provides Procedure for Procurement Under 'Make' And 'Innovation' Categories. Para 75-79 of Section II of Chapter III of DAP 2020 incorporate Acquisition through Technology Development Fund (TDF) Scheme.

2. Defence Acquisition Council (DAC) in its meeting held on 16.03.2023 has accorded approval to amend the existing procedure for procurement under Technology Development (TDF) Scheme in para 75-79 of Section II of Chapter III of DAP 2020, and replace with a Simplified Procedure for Acquisition through TDF. The relevant amendment is Annexed.

3. The above amendment will be applicable with immediate effect.

Encl. As above.

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AMENDMENTS IN PARA 75-79 OF DAP 2020 FOR INCORPORATION OF SIMPLIFIED PROCEDURE FOR ACQUISITION THROUGH TDF

Para 75 of chapter III of DAP 2020:

For

75. Projects pursued under the category of Technology Development Fund (TDF) Scheme of DRDO will be progressed for acquisition under innovation Category. The details of TDF scheme are given out at website https://tdf.drdo.gov.in. The procurement will be made under the 'Buy (Indian- IDDM)' Category. A nodal officer from the Services may be nominated by the SHQs for each requirement under TDF Schemes who will be the member of the Project Monitoring and Mentoring Group (PMMG).

Read

75. Projects pursued under the category of Technology Development Fund (TDF) Scheme of DRDO will be progressed for acquisition under innovation Category. The details of TDF scheme are given out at website https://tdf.drdo.gov.in. The procurement will be made under the 'Buy (Indian- IDDM)' Category. A nodal officer from the user will be nominated by the SHQs for each requirement from SHQ under TDF Schemes who will be the member of the Project Monitoring and Mentoring Group (PMMG) and will act as the primary interface between the SHQ and the industry during the design and development stage. The PMMG with requisite members would first confirm the readiness of prototype for trials and then subsequently carry out the 'Single Stage Composite Trials' of the prototype as per extant SHQ mandate described in the PDD document and ratify the same post scrutiny within one week of completion of 'Single Stage Composite Trials'. The trial report will be accepted by the appropriate authority within the SHQ in three weeks. Project, where prototype of only a single firm/individual has cleared the trials, would also be progressed as resultant single vendor.

Para 76 of chapter III of DAP 2020:

For

76. Once the prototype(s) have been successfully developed through TDF Scheme, the SHQ/DRDO would finalize the SQRs and prepare the SoC for grant of AoN in consultation with other stakeholders. In case procurement from more than one Development Agency (DA) is envisaged, the same may be included in the SoC with justification. The AoN will be sought based on the cost of the final product under 'Buy (Indian- IDDM)' Category.

Read

76. Once the prototype(s) have been successfully developed through TDF Scheme, Empowered Committee (EC) of Technology Development Fund (TDF) Scheme will decide on the project(s) where Minimum Order Quantity (MOQ) should be procured by SHQ. For such project(s), the Project Definition Document (PDD) will be converted into PSQRs prior to 'Single Stage Composite Trials', dispensing the RFI based SQR formulation process detailed in the Chapter-II of DAP-2020, since the development of prototype(s) under TDF is based on 'Technical Parameter Requirement (TPR)' and 'Project Definition Document (PDD)', articulated by the SHQ. The 'Single Stage Composite Trials' will then be based on these PSQRs, and if found acceptable, the PSQRs will be converted to SQRs. SoC for accord of AoN by the respective AoN according authority, for successfully developed prototypes through TDF framework, will be taken up by the SHQ based on these SQRs. The SoC will be prepared by the SHQs, within four weeks of successful trials, for approval by the AoN according authority. Quantity vetting and scaling is to be dispensed with for initial procurement in TDF cases.

Para 77 of chapter III of DAP 2020:

For

77. Solicitation of Commercial Offers: A commercial Request For Proposal (RFP) for 'Buy (Indian – IDDM)' phase, will be issued to all successful DA(s) for submission of their commercial offer prior to commencement of Field Evaluation Trial (FET). Cases where prototype has been developed by a single DA would not be treated as Single Vendor Case.

Read

77. Solicitation of Commercial Offers. RFP will be issued to the TDF DA on clearing 'Single Stage Composite Trials' under Buy (Indian-IDDM) category seeking commercial offer. When one of the DAs clears 'Single Stage Composite Trials', in cases where multiple DAs are developing the same technology; all other DAs may continue the development. However, in such cases, there will be no liability on Service HQs to procure from these other DAs. TDF & SHQs would provide necessary assistance to other DAs for completion of D&D till certification. DAs that clear 'Single stage Composite Trials' would be issued certificate of 'Fit for Military Use' by DRDO.

Para 78 of chapter III of DAP 2020:

For

78. FET: FET would be carried out by the SHQ in close consultation with PMMG and Directorate of TDF, DRDO as per Chapter II of DAP.

Read

Para 78 to be deleted.

Para 79 of chapter III of DAP 2020:

For

79. Follow-on Procedures: Subsequent procedures of Staff Evaluation, CNC and award of Contract will be same as for 'Buy (Indian- IDDM)' category, from the successful DA/DAs, in accordance with Chapter II of DAP.

Read

79. Follow-on procedures. Post CNC, contract will be awarded with the approval of CFA as per delegation of financial powers. CNC will comprise of maximum five members including Reps of user Dte (Member-Secretary), Tech Dte, rep IFA, rep Advisor (Cost) and chaired by a designated authority at appropriate level. The negotiated cost and contract vetting are to be undertaken by CNC only and approval of CFA at SHQ is to be obtained. The CNC will be completed within 30 days of commencement of the same in a collegiate manner. Observations if any, will be resolved within this stipulated time and no extension will be granted. Post accord of CFA approval, the contract will be signed within prescribed timelines.

(a) For cases under non-delegated powers, standard CNC composition as per Appendix H, Chapter II of DAP 2020 will continue and CFA approval will be obtained by MOD Acquisition. Rest of procedure will be as per delegated power cases.

(b) The proposed timelines for acquisition through TDF will be as per Appendix. M to Chapter III, as appended herewith as Appendix.

Appendix

Appendix M to Chapter III

(Refers to paragraph 75-79 of Chapter III)

PROPOSED TIMELINE FOR PROCUREMENT THROUGH TDF

| <u>S. No.</u> | Stage of procurement | <u>Time Line as per</u> DAP (in weeks) | Timeline per DAP {Cumulative Time-in weeks) |
|---------------|--|---|---|
| 1 | Acceptance of Necessity (SoC to be submitted for consideration of SPB/DPB/DAC) | Within 3 weeks of trial report | ТO |
| 2 | Issue of RFP | 4 | T0+04 |
| 3 | Pre bid meeting/dispatch of pre bid reply | 2 | T0+06 |
| 4 | Receipt of responses | 4 | T0+10 |
| 5 | Completion of TEC report/acceptance of TEC report | 4 | T0+14 |
| 6 | Finalization of CNC report | 4 | T0+18 |
| 7 | Obtaining of CFA-MoD | 2 | T0+20 |
| 8 | Signing of Main contract | 2 | T0+22 |