MINISTRY OF DEFENCE

(Acquisition Wing)

Subject: Defence Procurement Procedure (DPP)-2008 Amendment-1 Instructions regarding Para 28.

Following amendment has been incorporated in the DPP-2008:-

- 2. Existing Para 28 of Chapter-I (`Buy' and `Buy & Make' categories) has been modified as under:-
 - 28. <u>ToT For Maintenance Infrastructure</u>. The provision of ToT to an Indian Public/Private firm, for providing Maintenance Infrastructure, would be applicable for 'BUY' category cases, where equipment is being bought from foreign vendors. The decision to apply this clause would be debated in the SCAPCHC meetings on a case to case basis and approved by DAC. In such cases the foreign vendor would have to identify an Indian firm which would be responsible for providing base repairs (third line) and the requisite spares for the entire life cycle of the equipment. The Indian firm to be selected would be from a list of public or private firms which would be specified in the RFP. These firms would be DPSUs / OFB / Raksha Udyog Ratnas (RURs) or any other firm as selected by the DDP. In addition, Army Base Workshops/Naval Dockyards/Base Repair Depots of Air Force may also be considered for such purpose at RFP stage on a case to case basis in consultation with DDP. The RFP would spell out the specific requirements of ToT for Maintenance Infrastructure which could cover the production of certain spares, establishment of base repair facilities including testing facilities and the provision of spares for the entire life cycle of the equipment. Both the foreign and the Indian firms would be jointly responsible for providing the maintenance facilities and support for that equipment.
- 3. This issues with the approval of Raksha Mantri.

(Shashi Kant Sharma)
Director General (Acquisition)

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