Subject: EXECUTIVE ORDER ON PLACEMENT OF DIRECT ORDERS/RMSO FOR REPAIR AND OVERHAUL TASK UNDER OCPP

The Defence Acquisition Procedure (DAP) 2020 was promulgated by the Ministry of Defence (MoD) on 01 Oct 2020. Acquisition of new Capital Assets for the Services are undertaken as per the procedure defined in DAP-2020. Apart from such capital assets, there are other items of capital nature that enhance the utility of existing assets. To cater for such Procurements/Activities, Other Capital Procurement Procedure (OCPP) has been introduced through Chapter X of DAP 2020.

2. Further, to streamline the newly introduced OCPP, the list of OCPP items was promulgated by Acq Wing (MoD) on 07 Dec 2020 and the SOP for Procurement of Items was promulgated on 22 Mar 2021. However, placement of Direct Orders under OCPP, where Fixed Price Quote (FPQ) / Cost-plus Pricing is applicable are not covered under the provisions of Chapter X of DAP 2020 as well as SOP on OCPP.

3. For addressing the above mentioned anomaly, following additional provisions shall be applicable for OCPP procedures;

‘In specific cases where there is sanctioned pricing philosophy exists, fixation of price being done on recommendation (duly approved by Hon'ble Raksha Mantri) of Pricing Policy Review Committee, CFA approval will be obtained for AON and EAS together without floating RFP. Subsequently, after CFA approval, the Direct Purchase Orders/Repair and Manufacture Supply Orders (RMSOs)/Task may be placed. On completion of ROH and fixation of FPQ of the relevant year for items under cost plus category, case will be put up to CFA for revised EAS and releasing the differential payment. However in cases where such provisions do not exist, procedure as at Para 9 to 14 of Chapter X of DAP 2020 needs to be followed.’

Detailed flow chart is placed as Annexure.

Contd..2/-
4. This **Executive Order** has been issued after obtaining approval of DAC.

(Harish Kumar)
Director (Air Acquisition)
Telefax: 2301 2034

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Copy to:

(i) PS to RM
(ii) DA to CDS
(iii) SO to Defence Secretary
(iv) PPS to Secretary (DP)
(v)  PPS to Secretary (DR&D)
(vi) PPS to FA(DS)
(vii) PPS to CGDA
(viii) PPS to DG(Acq)

Copy also to: US, D(IT) for uploading this Order on MoD website immediately
Annexure to Executive Order on OCPP

OTHER CAPITAL PROCUREMENT PROCEDURE (OCPP): FLOW CHART

Listing in AAP

Is the item having sanctioned pricing philosophy and fixation of prices being done on recommendations (duly approved by Hon'ble Raksha Mantri) of Pricing Policy Review Committee (PPRC)? (To be certified by HQ/CG in the proposal)

Yes

Non-delegated Power Cases

Delegated Power Cases

Forward case to JS&AM of Acquisition Wing of MoD
Obtain comments from ADG Acq Tech
Final scrutiny and examination for AoN and CFA approval together.

Recommend the case with the approval of DG(Aca) to MoD (Fin) for concurrence

Case forwarded for processing to FADS/SDF through Addl FA&JS in MoD/Fin

Accord of concurrence by FADS/SDF

Obtain CFA approval by concerned JS&AM Wing post concurrence of FADS/SDF through Additional FA

AoN and CFA approval by concerned CFA

Placement of Direct Purchase Orders/Repair & Manufacture Supply Orders (RMSOs)/Task

Post Order Management by Services/CG

Case put up to CFA for revised EAS and releasing differential payment

No

AoN by CFA

Non-delegated Power Cases

Delegated Power Cases

Issue of Commercial RFP

Issue of Commercial RFP

Evaluation of Technical Compliance

Evaluation of Technical Compliance

Selection of L1 Vendor and finalisation of CNC Report

Selection of L1 Vendor and finalisation of CNC Report

As per Capital Acquisition Process defined in DAP 2020

CFA Approval

Signing of Contract

Post Contract Management by Services/CG

Recommend the case for concurrence of concerned PIFA/IFA for AoN and CFA concurrence together

Accord of concurrence by PIFA/IFA

AoN and CFA approval by concerned CFA

Placement of Direct Purchase Orders/Repair & Manufacture Supply Orders (RMSOs)

Post Order Management by Services/CG

Case put up to CFA for revised EAS and releasing differential payment