

Ministry of Defence
[Acquisition Wing Secretariat]

Subject: Amendment to Defence Procurement Procedure (DPP) – 2013.

The following existing para of DPP-2013 is amended to the extent indicated below:-

Para No.	Page No.	<u>For</u>	<u>Read</u>
<u>Para 45 of Chapter I</u>	<u>Pages - 16 & 17</u>	<p>There are cases where the project involves establishment of maintenance / overhauling facilities or infrastructure for an equipment or Turnkey projects involving establishment of communication facilities along with associated infrastructure at number of locations in the country. The scope of such projects is large and varied involving number of activities, hence there is a requirement of identifying a single agency capable of completing the project on a Turnkey basis. In this context apart from the vendors listed in Para 24, reputed integrators would also be considered. Being a Turnkey Project, the trials are not initially envisaged till establishment of the Test Bed and hence it is essential to select the vendors with requisite capabilities prior to issuing RFP. For such cases, a Detailed Project Report (DPR) would be worked out by the concerned SHQ. It should lay down the detailed scope of work involved, bill of material, approximate cost estimates and the time frame for project completion. This report should be placed before the GSEPC for ratification. The DPR would be forwarded to the SCAPCC / SCAPCHC along with the Statement of Case while seeking the AON and categorisation. In certain complex cases, the DPR may be outsourced by SHQ, the justification of which may be given in the statement of case for seeking the AON. Consequent to</p>	<p>There are cases where the project involves supply, installation and commissioning of varied machines/equipment for establishing specialised maintenance/communication/ storage/overhauling facilities (with or without infrastructure) at one or more locations in the country. Such projects including up-gradation/modernisation of existing assets may be carried out on Turnkey Basis and may also include setting up of requisite specialised technical infrastructure. The scope of such projects is large and varied involving number of activities, hence there is a requirement of identifying a single agency capable of completing the project on a Turnkey basis. In this context apart from the vendors listed in Para 24, reputed integrators would also be considered. Being a Turnkey Project, the trials are not initially envisaged till establishment of the Test Bed and hence it is essential to select the vendors with requisite capabilities prior to issuing RFP. For such cases, a Detailed Project Report (DPR) would be worked out by the concerned SHQ. It should lay down the detailed scope of work involved, bill of material, approximate cost estimates and the time frame for project completion. This report should be placed before the GSEPC for ratification. The DPR would be forwarded to the SCAPCC / SCAPCHC along with the Statement of Case while seeking the AON and categorisation. In certain complex cases, the DPR may be outsourced by SHQ, the justification of which</p>

	<p>the AON, a committee would be formed comprising of representatives of user directorate, maintenance directorate, DRDO, DDP, Def (Fin), Technical Manager and any other agency as deemed necessary, for carrying out the selection of the prospective vendors who would be issued the RFP. The sequence of procurement procedure in such cases would be:</p> <p>(a) Making of a Detailed Project Report. (b)Acceptance of Necessity. (c) Selection of Vendors. (d) Issue of RFP. (e) Technical Evaluations to shortlist the prospective vendors. (f) Price Negotiations. (g) CFA Approval and Contract conclusion. (h) Establishment of Test Bed. (i) Project Implementation.</p>	<p>may be given in the statement of case for seeking the AON. Consequent to the AON, a committee would be formed comprising of representatives of user directorate, maintenance directorate, DRDO, DDP, Def (Fin), Technical Manager and any other agency as deemed necessary, for carrying out the selection of the prospective vendors who would be issued the RFP. The sequence of procurement procedure in such cases would be:</p> <p>(a) Making of a Detailed Project Report. (b)Acceptance of Necessity. (c) Selection of Vendors. (d) Issue of RFP. (e) Technical Evaluations to shortlist the prospective vendors. (f) Price Negotiations. (g) CFA Approval and Contract conclusion. (h) Establishment of Test Bed. (i) Project implementation.</p>
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2. The above amendment has been approved for inclusion in the DPP-2013 and shall come into force with immediate effect. All concerned authorities may kindly note for information and compliance.

Sd/-
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Director (Acq)
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To

CISC VCOAS VCNS VCAS DG(CG)

All Joint Secretaries/Additional FAs /Finance Managers/Technical Managers/ DGWE/ ACAS(Plans)/ACNS(P&P)/Directors/Deputy Secretaries.

Copy for information to: PS to RM, PS to RRM, SO to Defence Secretary, PPS to Secretary(DP), SO to SA to RM, PPS to FA(DS), PS to DG(Acq), PPS to AS(R), PPS to AS(DP), PPS to FA(Acq) & AS, CGDA, Principal IFAs

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Copy also to: Director (NIC), Room No. 305-B, Sena Bhavan- with request to upload this ID on MoD website immediately for information of all concerned under intimation to this Secretariat.