

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

**Subject: Amendments to Defence Procurement Procedure (DPP) 2016.**

The following additions have been approved for inclusion in DPP-16:-

**(i) Para 54 to be added in Chapter-III A of DPP-2016 under Make-II procedure as below:-**

**54.** Prototypes that have been successfully developed through the iDEX framework will be taken up by the SHQs for grant of AoN after finalization of SQRs by the SHQs, as per procedure outlined in Para 24 & 25 above.

(a) The SoC will be prepared by the SHQs as per Para 24 above, with the involvement of important stakeholders such as HQ IDS, DRDO, DDP, Advisor(Cost) and MoD(Fin)/IFA.

(b) All such proposals granted AoN, will be processed for procurement as per procedure outlined in Para 35 onwards

(i) AoN for iDEX cases will be valid for six months. For cases, where RFP is not issued within six months from accord of AoN, SHQ will revalidate the AoN with due justification, as per the prescribed procedure.

(ii) Existing Para 36, 48, 49 & 52 will not be applicable in iDEX cases.

(iii) **User Trials.** User trials will be carried out by SHQ as per Para 37 & 38, in coordination with iDEX.

(iv) **Project Facilitation Team.** SHQ may nominate a nodal officer for each iDEX case or form Project Facilitation Teams (PFT). All reference to word PFT in existing Chapter IIIA may be construed as referring to PFT/nodal officer.

(v) **Developmental Agencies (DA).** All reference to the word DA in existing Chapter-III A may be construed as referring to iDEX winners or iDEX fellows for iDEX cases.

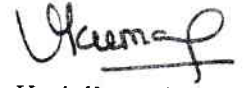
**Note:-** Innovations for Defence Excellence (iDEX) framework, vide DDP Note No. 1(5)/2018/DIHS/DP(Plg-V) date 27 March 2018, is aimed at creation of an ecosystem to foster innovation and technology development in

Defence and Aerospace by engaging Industries, MSMEs, Start-ups, Individual Innovators, R&D institutes and Academia.

(ii) **Para 82B to be added in Chapter II of DPP-2016 as under:**

**82B.** 'In cases where procurement is undertaken from a Joint Venture (JV) between an Indian DPSU/OFB/DRDO and a Foreign/Domestic Entity, formed on the basis of an IGA or otherwise, nominated as Single Vendor, a committee constituted based on the approval of DG(Acquisition), may be tasked to carry out fixation of reasonable price for basic version of the product being procured. It will be incumbent upon the JV to share its Costing data with the Costing Committee, as and when requested. The Costing Committee will submit its report to the DG(Acquisition) in these cases and the CNC will establish reasonability of the overall cost.'

2. The above amendments will be applicable with immediate effect.



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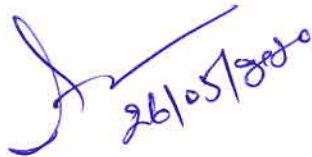
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26/05/2020