



“हर काम देश के नाम”

रक्षा लेखा विभाग(र.ले.वि.) मुख्यालय

DEFENCE ACCOUNTS DEPARTMENT (DAD) HEADQUARTERS

प्रशिक्षण एवं विकास केन्द्र (सेन्ट्राल)

CENTRE FOR TRAINING AND DEVELOPMENT (CENTRAD)

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No.TD/3487/Misc.Training/IICA

Dated: 25th April,2022

To

All concerned

PIFAs/PCsDA/CsDA/IFAs (and sub- offices as per list)

Subject: Proposal to organize a Five Day Familiarization Capacity Building Program “Procurement Procedures (including Capital Acquisition Process of Ministry of Defence), Negotiation Skills and Contract Management for Good Governance: Challenges in Implementation “exclusively for the officials of Controller General of Defence Accounts”.

A Five Day Familiarization Capacity Building Program has been approved by the Competent Authority and is scheduled to be conducted from 09-13 May, 2022 by Indian Institute of Corporate Affairs (IICA), Ministry of Corporate Affairs (Government of India) at CENTRAD.

2. In this regard, the Competent Authority has nominated 25 IDAS/SAOs/AOs officers for the subject training course as per Annexure 'A'. Copy of the detailed programme is also enclosed as Annexure 'B'

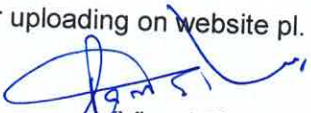
3. It is, therefore, requested that the officer(s) nominated from your organization may kindly be relived to attend the subject training program scheduled to be held from 09-13 May, 2022 at CENTRAD.


(Vinod Kumar)
ACGDA (Trg)

Copy to:

1. Officer In-charge -
IT&S Section,(DAD HQrs)

Alongwith with attachments for uploading on website pl.


(Vinod Kumar)
ACGDA (Trg)

Annexure-A

SL No	Name of officers	Present Office
1	Sh SK Das, IDAS, Sr Dy IFA	PIFA Coast Guard
2	Ms Amrita Panda (MS), IDAS, Sr Dy IFA	PIFA (O) New Delhi
3	Sh Kamal Singh Choudhary, IDAS, Sr Dy IFA	PIFA (Air Force)
4	Sh Manish, IDAS, Sr Dy IFA	PIFA HQrs WAC
5	Ms Kamlesh Kumari, IDAS, DCDA	PCDA (R&D) New Delhi
6	Sh Varun Nayyar, IDAS, Sr Dy IFA	IFA HQrs (R & D)
7	Ms Geetika Singh Bhattu, IDAS, DCDA	DCDA (R & D) Metcaf House
8	Ms Akshata Rao, IDAS, DCDA	PCDA New Delhi
9	Sh Susheel Kumar, IDAS, Dy IFA	IFA (Capital) Air Force
10	Sh Shaneel Rana, IDAS, Dy IFA	IFA DGAFMS
11	Sh N K Sharma, IDAS, Dy IFA	PIFA Army (M)
12	Sh C S Anand, IDAS, ACDA	AAO(Pay) WC
13	Sh Rakesh Gulati, IDAS, ACDA	Kenderiya Sainik Board
14	Ms Kavya Tangirala, IDAS, ACDA	PCDA New Delhi
15	Sh Rahul Gaur, IDAS, ACDA	PCDA (BR)
16	Smt Punam Bajaj, IDAS, ACDA	PCDA(BR)
17	Sh Prem Kumar Khanna, IDAS, Dy IFA	IFA HQ Delhi Area
18	Sh Susheel Koul, IDAS, Dy IFA	IFA (BR)
19	Sh SK Rajput , IDAS, ACDA	PAO (ORs) RRRC
20	Sh PP Bhardwaj , IDAS, Dy IFA	IFA (Capital)
21	Sh Rajeev Kumar, IDAS, ACDA	CDA (IDS)
22	Shri Parmod Kumar Sharma, AO	IFA (Army-Capital) New Delhi
23	Shri R K Srivastava, AO	IFA (Navy-Capital) New Delhi
24	Shri Mukesh Gupta, SAO	IFA (AF-Capital) New Delhi
25	Shri Santosh Basumatary, AO	IFA (P-Sea Bird) New Delhi



Indian Institute of
Corporate Affairs

Partners in Knowledge, Governance, Transformation.
under the aegis of Ministry of Corporate Affairs
Government of India



Partners in
Knowledge,
Governance,
Transformation

INDIAN INSTITUTE OF CORPORATE AFFAIRS

Presents

A Five Day familiarization Capacity Building Program for the officials of Acquisition Wing and Service HQs in Ministry of Defence

on
"Procurement Procedures (including Capital Acquisition Process of Ministry
of Defence), Negotiation Skills and Contract Management for Good
Governance: Challenges in Implementation"

Aim:

Training of officers on tendering and contracting dealing with procurement and acquisition.

Objectives:

- The program helps to align the procurement strategies with management expectations and to identify actionable points, which can have an immediate effect on improving the performance of the organization in the short term & are consistent with strategic imperatives in the long term.
- The program will help the participants to understand intricacies of procurement in PSUs, Railways, Defence and other Central & State Govt. Departments.
- The program focuses on how your organization can minimize its exposure to risk, reduce costs and the potential for disputes by discussing the key aspects of understanding, drafting and negotiating contracts of all types – works, goods and services.
- The program features how to monitor & manage performance failures and provides tools, tips & techniques on effective resolution of disputes to minimize costs and reputational risk exposure to your organization.
- The program focuses on how your organization can ensure maximum efficiency and economy as well as to maintain competitiveness and transparency through contract administration.
- The program will provide insights about latest developments in Government purchase policies & practices and help to understand various aspects of e-procurement & its underline benefits.

Tentative Program Learning Content / Coverage - 5 days Program

Day - 1

TIMINGS	SESSIONS
09:45 am - 10:00 am	<p>Setting the Context & Welcome Remarks by:- Introduction among the participants</p>
10:00 am - 1:00 pm	<p>Drafting of Commercial Contracts</p> <ul style="list-style-type: none"> • Essentials of drafting a contract • Importance of structuring contract and legal aspects relating to L/D, B/G, Indemnity, Force Majeure, Dispute Resolution, termination, jurisdiction etc. • Structuring the Agreement • Types of contract (contract of guarantee and indemnity, wagering and contingent) • Review of relevant clauses of the agreement before signature <p>Contract administration & management</p> <ul style="list-style-type: none"> • Ensuring submission of pre-conditions under the contract (BG, PG, Indemnity Bond etc.). • Periodic review and checklist • Indemnification • Insurance • Amendments, addendum • Ensuring fulfillment of contractual obligations including warranty obligations by the supplier • Monitoring of Contract, Termination, extension, waiver, notice for damages etc. • Installation, Testing and Commissioning, Delay analysis • Determination of Purchaser's L/D Claim, Settlement of Price Variation in terms of PVC • Release Performance Security • Breach, Remedy
2:00 pm - 5:00 pm	<p>EPC (Engineering, Procurement and Construction) Contract</p> <ul style="list-style-type: none"> • Issues and Challenges of EPC Contract • Scope of work and technical specifications • Payment and Price • Time, Cost • Variations, Quality • Assignability and sub-contracting • Reporting

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Day - 2

TIMINGS	SESSIONS
10:00 am - 1:00 pm	<p>Cyber Contracts Contracts in the information technology era; importance of E-Contracts; Digital signature and contract formation; Asymmetric key encryption, digital signature certificates; legal issues involved in control of private key</p>
	<p>Indian Contract and Dispute Resolution Mechanism and Resolution of Disputes- Arbitration proceedings</p> <ul style="list-style-type: none"> • Dispute resolution (emphasis on arbitration) • Jurisdiction • Court views on amended Arbitration Act • Need for Arbitration, • Arbitration clause • Amendment in The Arbitration Act • Strategies for successful arbitration
2:00 pm - 5:00 pm	<p>Existing Public Procurement Guidelines - Challenges & Areas of concern</p> <ul style="list-style-type: none"> • Fundamental principles of Public Procurement • Financial Prudence • Risk perspective • Intricacies in Government procurement • Trends in procurement procedures • The Process Accelerator : How E-procurement & GeM -Government e-Market Place can bring efficiencies in Government & PSUs
	<p>Present Regulatory Framework for Public Procurement</p> <ul style="list-style-type: none"> • CVC Guidelines • General Financial Rules (GFR) • Limitations of existing procurement procedures • Preventive Vigilance & Public Procurement

Day - 3

TIMINGS	SESSIONS
10:00 am - 1:00 pm	<ul style="list-style-type: none"> • DPE Guidelines for Procurement • Defence and Aerospace Policy Framework - Broad Overview : present status and future <p>The government has taken a number of measures to promote and facilitate private investments in the defence sector. Government sees private investors as an important partner in defence manufacturing.</p>
	<p>Various aspects of distinctive and complex Defence Procurement/ Acquisition process</p> <p>Procurement planning : Preparation of Qualitative Requirements (QRs) for equipment featuring in the Long Term Perspective Plan (LTTP), Service Capital Acquisition Plan (SCAP) and Annual Acquisition Plan (AAP)</p> <ol style="list-style-type: none"> 1) <u>LTTP</u>- 15 years Long Term Integrated perspective plan 2) <u>SCAP</u>- 5 years Service Capital Acquisition Plan 3) <u>AAP</u>- 2 years roll on Annual Acquisition Plan

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Acquisition process stages:

- 1) Service qualitative requirements (SQRs)
- 2) Acceptance of Necessity (AON)
- 3) Solicitation of Offers (RFP)
- 4) Technical evaluation by TEC
- 5) Field evaluation (Equipment Evaluation Trials, whenever required)
- 6) Staff evaluation
- 7) Commercial negotiation by CNC
- 8) Approval of CFA
- 9) Award of Contract/Supply order
- 10) Post Contract management

2:00 pm -
5:00 pm

Defence Procurement Procedure /Defence Acquisition Procedure of Ministry of Defence.

- Life cycle cost technique in capital acquisition projects
- Marginal cost pricing concept
- Impetus to Indigenization & 'Aatmanirbhar Bharat' (Self-reliant India) in defence procurement.
- Entry point for the industry both public & private in the acquisition process - Who, When & How
- Process of identification of industry, which will participate in major acquisition proposals - Raksha Udyog Ratna (RUR)
- Acquisition relating to 'Buy', 'Buy & Make' and 'Make'; category - essential elements and approach Issues regarding Transfer of Technology under 'Buy & Make' category of acquisition;
- Guidelines for the selection of industry "Raksha Udyog Ratnas"/ "Champions" in Defence Production & in selection of sub-contractors in Defence Acquisition

Day - 4

TIMINGS	SESSIONS
10:00 am - 1:00 pm	<p>Bid documentation and Bid invitation (NIT) & Tendering Process for Procurement</p> <ul style="list-style-type: none">• Basic structure of Tender• General Conditions of Contract (GCC) and Special Conditions of Contract (SCC)• Critical areas in tender documentation• Tendering / Bidding process : Inviting Tender Proposals with pre-determined Qualitative Requirements (QRs).• Risk management at tender stage• Need for dynamic tendering procedures• Strategic decisions• Firm / Variable Price, Price Variation Clause• Determining Qualifying Criteria• Deciding the Mode of Procurement, Bid System, Pre-bid Conference

	<p>Make in India & Public Procurement : emerging issues and policy proposals</p> <ul style="list-style-type: none"> • Promoting participation of MSMEs & Startups in Defence • How Purchase Preference linked with Local Content (PP-LC) encourage suppliers & service providers & add value to goods & services by adopting Make in India • Strengthening internal process compliance arrangement for procurement
<p>2:00 pm - 5:00 pm</p>	<p>Contract Management & issues of Restoring & Regenerating Sourcing & Supply Chain</p> <ul style="list-style-type: none"> • Supply chain management procedure that encourage innovation, cost reduction & continuous improvement • Mitigating disruption delays and additional costs
	<p>Effective Strategic Procurement Sourcing & Process Management</p> <ul style="list-style-type: none"> • KPIs for effective sourcing • Drivers of improved procurement performance • Category Management - Aligning resources, developing a category strategy and engaging stakeholders for successful category management. • Just In Time (JIT) Procurement • EOQ (Economic Order Quantity) concept and its application • Supplier Selection and Relationship Management - Developing relationships during renegotiation, supplier relationship management, the financial impact on supplier management and vested outsourcing. • Vendor Selection and Evaluation - Selection of vendor on the basis of competitive tendering. • Opening of Commercial bids • Vendor Development - Value drivers • Issues relating to Single vendor clearance;

Day - 5

TIMINGS	SESSIONS
<p>10:00 am - 1:00 pm</p>	<p>GeM Procurement Process</p> <p>Registration Process</p> <ul style="list-style-type: none"> • Primary User Registration • Secondary User Registration • Buyer • Consignee • DDO/PAO • Sign up to catalogue management and Payments. • How to take timely payments advantages. • How to get timely delivery acceptance <p>Procurement Methods</p> <ul style="list-style-type: none"> • Direct Purchase • L1 • BD/RA (Tender) • How to Award <p>Creation of CRAC Payment Methods</p>

Art of Negotiation : essential elements and approach

- Contract /Price Negotiations
- Process of Negotiation
- Negotiation Steps
- Re-negotiation of a Contract in a changed market scenario
- Negotiating Guidelines

Futuristic Opportunities for SMEs & Corporate houses in Public Procurement through Offset policy and multiplier provisions

2:00 pm -
5:00 pm

The size of the Defence Industry, including Aerospace and Naval Shipbuilding Industry, is estimated to be about Rs 85,000 Cr. While the contribution of Public Sector is estimated to be Rs 67,000 crores, the share of Private Sector has steadily grown to Rs 18,000 crores over the years.

In the private sector, many engineering majors have diversified and joined the Defence sector. The role of private sector will be very important. Defence and Aerospace offer huge opportunities for micro, small and medium enterprises (MSMEs).

Offset Policy for Defense Procurement - Offset under defense purchases are suitably focused to support the SMEs & Indian Corporate houses in the country, in upgrading their capacities, capabilities & technology.

- Understanding of off-set proposals.
- Fulfillment of off-set obligations in terms of direct purchases and direct foreign investments
- Offset Procedure
- Defence offset Obligations
- Compliance with the offset obligations
