

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEFENCE RESEARCH & DEVELOPMENT ORGANISATION
LOK SABHA

UNSTARRED QUESTION NO. 3791
TO BE ANSWERED ON 11th August, 2023

TECHNOLOGY DEVELOPMENT FUND SCHEME

3791. SHRI P.P. CHAUDHARY:
SHRI ANURAG SHARMA:

Will the Minister of DEFENCE be pleased to state:

- (a) the details about the funding mechanism under the Technology Development Fund Scheme along with the total funds released by the Government till date under the same;
- (b) whether the Government provides any research support to the private industries, especially Micro, Small and Medium Enterprises (MSMEs) and start-ups under the said scheme;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government has formulated any evaluation and assessment criteria under the said scheme, if so, the details thereof and if not, the reasons therefor; and
- (e) the details about the MSMEs along with start-ups which received funds under the said scheme, State/UT-wise including Rajasthan?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

(a): The Technology Development Fund (TDF) Scheme has adopted a flexible funding approach for applicants to encourage the participation. Hence, two types of funding mechanisms are available under the scheme: -

(i) Reimbursement-The DRDO share of project cost is paid in a maximum of five (05) installments in the form of reimbursement upon successful achievement of milestones.

(ii) Advance- A staggered approach towards project funding in this scheme is in the form of advance funding subject to a maximum of five (05) "Milestones" of the project. Development Agency (DA) may avail an advance upon producing a Bank Guarantee of the same amount as collateral.

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The government has allocated a total of Rs. 260 Cr under the TDF Scheme, since its inception from 2016 and Rs. 64.35 Cr has been disbursed as a grant-in-aid to industries for development of defence technologies.

(b) & (c): Yes, Sir. The Government provides support to the private industries especially MSMEs and startups through TDF Scheme. The details of the scheme are as follows: -

Technology Development Fund (TDF) Scheme: Technology Development Fund Scheme is a program of MoD (Ministry of Defence) executed by DRDO under “Make-in-India” initiative. The Government has approved TDF Scheme to encourage participation of public/private industries especially MSMEs and Startups to design and develop various defence technologies indigenously.

(d): Yes, Sir. A Standard Operating Procedure (SOP) of TDF scheme has been formulated and approved by Competent Authority in 2016. The SOP describes about the evaluation and assessment criteria.

(e): A total 41 MSMEs and 20 Startups have been supported under the TDF Scheme. None of these belongs to Rajasthan. However, a large industry of Rajasthan has been supported under the scheme.
