



# Technology Development Fund (TDF) Scheme

BUILDING AN ECOSYSTEM FOR ENHANCING  
CUTTING EDGE TECHNOLOGY CAPABILITY  
FOR DEFENCE MANUFACTURING

SUPPORTING AGENCY



**INVEST INDIA**  
NATIONAL INVESTMENT PROMOTION  
& FACILITATION AGENCY



# Vision

Building an ecosystem for enhancing cutting edge technology capability for defence manufacturing to meet the requirements of Tri-Services, Defence Production and DRDO.

# Mission

Creating an ecosystem for promoting self-reliance by building indigenous state-of-the-art systems for defence applications.

## About Technology Development Fund (TDF)

Technology Development Fund (TDF) has been established to promote self-reliance in Defence Technology as a part of the 'Make in India' initiative. It is a programme of the Ministry of Defence. This programme is executed by the Defence Research & Development Organisation (DRDO) to meet the requirements of the Tri-Services, Defence Production and DRDO. The Scheme encourages participation of public/private industries, especially **MSMEs and startups**, so as to create an ecosystem for enhancing cutting edge technology capability in the defence sector.

## Focus Areas

- Significant upgradation/ improvements/developments in the existing products/processes/ applications
- Technology readiness level upgradation from TRL 3 onwards to realization of products as per Tri-Services requirements
- Development of futuristic technologies/innovative products which can be useful for defence applications
- Import substitution of components whose technologies do not exist in the Indian industry
- The scheme will be limited to development of technologies or prototypes of products having potential use for National Defence

## Eligibility for Industry

- 1 Private industry registered in India especially MSMEs and Startups
- 2 The industry must be a public limited company, a private limited company, a partnership firm, a limited liability partnership, one-person company, sole proprietorship registered as per applicable Indian laws
- 3 Industry to be owned and controlled by a Resident Indian Citizen with a shareholding of at least 51%



# Funding Support

- 1** The funding will be through provision of grants to the Industry
- 2** The project cost of up to INR 10 Cr will be considered for funding, subject to a maximum of 90% of the total project cost
- 3** Industry may work in collaboration with academia or research institutions
- 4** The work involvement of academia cannot exceed 40% of the total project cost
- 5** The funding will be linked to mutually agreed milestones
- 6** Funds will be released either in advance against a bank guarantee of the same amount as collateral, or reimbursement based on the completion of milestones
- 7** Subsequent installments will be released on successful completion of milestones

## Project Duration

Maximum development period will be two (2) years.

## Selection Criteria

A three-tier evaluation and assessment will be done based on the following parameters:

- 1** Design capability
- 2** Fabrication and manufacturing capability
- 3** Maintainability and life cycle support
- 4** Commercial viability
- 5** Capacity and profile of the company



# TDF FOR NASCENT STARTUPS

## Who can apply for TDF Scheme for Nascent Startups?

- 1 Startup must be recognized by DPIIT and should not be incorporated for more than 3 years from date of submission of application
- 2 Startup should not have received any grants/grants-in-aid by any government scheme for a similar technology
- 3 Any industry which is a public limited company, a private limited company, a partnership firm, a limited liability partnership, one-person company, sole proprietorship registered as per applicable Indian laws
- 4 The industry must be owned and controlled by a Resident Indian citizen with a shareholding of at least **51%**
- 5 Startup should be incubated at one of the Central/State government assisted incubators
- 6 The incubator should have assisted at least **25 startups**, and at least 5 amongst these must be from the Defence and Aerospace sector

## Funding Support

1

Proposes to target nascent startups for project requirements with an estimated development cost of up to **1 crore**, inclusive of funding support of up to **20%** to the incubators associated with the startup.

2

Aims to provide financial assistance to startups for prototype development and trials.

3

Option to create partnerships with academia, where the contribution of the academia is up to **40%** of the total project effort.

# Evaluation

## Broad Category of Evaluation

### 1 Design Capability (60)

- PI & Team; Technical capability/Qualification/Quality of the Team (Startups/Incubator) 20
- Proposed configuration/Navelty 15
- Approach to meet functionalities 10
- Indigenous design capability in subject field (% Indigenous Content in the proposed technology development) 12
- Total no. of patents translated into product in the subject field and total no. proposed to be utilized for the project 03

---

**Total** 60

### 2 Fabrication and Manufacturing Capability(35)

- Indigenous manufacturing capability (plant and machinery) (with Startups/Incubator Partner) 10
- Potential to meet defence needs/innovative/Unique Solution as per the Project requirement 10
- Presentation /Potential Impact/Overall Assessment 07
- Inter-operability across the Services/Potential for dual use/Export Potential 05
- Execution of projects in India / abroad 03

---

**Total** 35

### 3 Nature of DA (05)

- Nature of the Company/Startups 03
- Nature of the Incubator 02

---

**Total** 05

---

**Grand Total** 100





# Benefits



Joint ownership of IPR along with DRDO



Opportunity of being a part of the defence ecosystem



Sales opportunity to primes as subcontractors



Direct channel of sales in the private marketplace for the development of dual use technology and spin-offs



Nurturing of young minds



## Contact Details

### Defence Research and Development Organisation (DRDO) Technology Development Fund Scheme

Director TDF, Room No. 325, A-Wing DRDO Bhawan, Rajaji Marg, New Delhi-110011

[www.tdf.drdo.gov.in](http://www.tdf.drdo.gov.in)

### Invest India – DRDO Technology Development Fund (TDF) Desk

[tdf@investindia.org.in](mailto:tdf@investindia.org.in)

[www.investindia.gov.in](http://www.investindia.gov.in)

To find out more visit: [tdf.drdo.gov.in](http://tdf.drdo.gov.in)



Invest India is a non-profit venture under the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India. Invest India, the national investment promotion and facilitation agency, acts as the first point of reference for investors in India.