DEFENCE REFORMS

TRANSFORMATION TODAY FOR A BETTER TOMORROW

Reforms in 2020
Shramena Sarvam Sadhyam
Our country has been debating for long about reforms in Armed Forces and many commissions and their reports underline the same. To further sharpen coordination between the forces, India will have Chief of Defence Staff, CDS, which will make the forces even more effective.

PM Shri Narendra Modi’s address to the nation - 15th August 2019
Our Government’s priorities in Defence Sector are very clear. Our Armed Forces, along with other uniformed forces are the backbone of security architecture of the Nation – both Internal Security as well as security on the borders.

To meet the requirements of the changing technology, there is a constant effort to equip our Armed forces with the latest weapons to meet challenges emanating from the land, air and the sea; and by bringing about jointness and modernization through reforms such as appointment of Chief of Defence Staff, and other necessary reforms in the Armed Forces.

Strengthening border infrastructure not only improves the logistics of our armed forces but also contributes to the local economy. Under the decisive leadership of Prime Minister Shri Narendra Modi, the government is fully geared up to face any security challenge.

“Shri Rajnath Singh
Defence Minister of India"
India is constantly aiming towards achieving self-reliance in Defence production. The new Defence Acquisition Policy will give a big push for higher indigenous content as part of Aatma Nirbhar Bharat. Despite Challenges posed by COVID 19, several structural reforms in the Defence sector have been carried out under the leadership of Hon’ble Prime Minister Shri Narendra Modi ji, and the Hon’ble Defence Minister Shri Rajnath Singh ji. These reforms will transform the Defence sector and make the Armed Forces stronger and more capable in protecting our Nation.

Shri Shripad Y. Naik
Minister of State for Defence
20 Reforms

Across the Defence sector, through policy changes, innovation and digital transformation
To increase efficiency and coordination, while reducing duplication, a new position was introduced that would usher greater jointness in the Armed Forces – making him the chief military adviser to the Government of India and the Ministry of Defence.

**ACHIEVEMENT TIMELINE**

**Feb 2000**
- Kargil Review Committee recommended creation of CDS

**20 Years**
- For greater cooperation between various wings of Indian forces
- After a wait of two decades, CDS finally appointed
For Improved Civil-Military Integration

DEPARTMENT OF MILITARY AFFAIRS (DMA) CREATED

Department of Military Affairs (DMA) created in Ministry of Defence with CDS as Secretary, DMA

DMA Allocation of Business approved

DMA to have both civil and military officers on its roll

DMA created on 1.1.2020. About 170 civil posts transferred to DMA to enable immediate functioning. Officiating Additional Secretary, Joint Secretary and other officers posted from Armed Forces to ensure immediate functioning.
S.O. 4710(E).—In exercise of the powers conferred by clause (3) of article 77 of the Constitution, the President hereby makes the following rules further to amend the Government of India (Allocation of Business) Rules, 1961, namely:

1. (1) These rules may be called the Government of India (Allocation of Business) Three Hundred and Fifty Third Amendment Rules,2019.
   (2) They shall come into force at once.
2. In the Government of India (Allocation of Business) Rules,1961,-
   (A) in THE FIRST SCHEDULE, under the heading “9. Ministry of Defence (Raksha Mantralaya)”, for the existing sub-headings, the following sub-headings shall be substituted, namely,—
   “(i) Department of Defence (Raksha Vibhag)
   (ii) Department of Military Affairs (Sainya Karya Vibhag)
   (iii) Department of Defence Production (Raksha Utpadan Vibhag)
   (iv) Department of Defence Research and Development (Raksha Anusandhanur VikasVibh
   (v) Department of Ex-Servicemen Welfare (PoorvaSenani Kalyan Vibhag)”;
“AA. DEPARTMENT OF MILITARY AFFAIRS
(SAINYA KARYA VIBHAG)
1. The Armed Forces of the Union, namely, Army, Navy and AirForce.
2. Integrated Headquarters of the Ministry of Defence comprising of Army Headquarters, Naval Headquarters, Air Headquarters and Defence Staff Headquarters.
3. The Territorial Army.
5. Procurement exclusive to the Services except capital acquisitions, as per prevalent rules and procedures.
6. Promoting jointness in procurement, training and staffing for the Services through joint planning and integration of their requirements.
7. Facilitation of restructuring of Military Commands for optimal utilisation of resources by bringing about jointness in operations, including through establishment of joint/theatre commands.
8. Promoting use of indigenous equipment by the Services.”.
BRINGING ATMANIRBHARTA TO DEFENCE
An era of “Make in India” equipment for our Armed Forces

Import Stopped

101 defence equipment items Aug 2020

FDI IN DEFENCE
74%
FDI allowed up to 74% through automatic route and beyond 74% to be permitted through government (approval) route

GLOBAL MANUFACTURING HUB
87%
of all defence acquisition approvals from domestic vendors during 2020
Policy Initiatives

New Defense Acquisition Procedure (DAP 2020) Promoting Indigenous in defence & aerospace (approved in September 2020)

- DAP 2020 Promotes Make in India
- DAP 2020 Promotes Indigenous Materials
- Incentives for use of indigenous materials in defence/aerospace platforms
- Transfer of Technology (TOT) for materials through offset

Corporatization of OFB approved in May 2020

Ushering era of greater efficiency and productivity in Ordnance Factory Board (OFB)

Separate Budgetary Allocation for Domestic Capital Acquisition

Rs. 52,000 Cr. budget earmarked for Domestically made defence equipment in 2020-21.
• BEL makes Indian Ventilator in record time to meet Covid-19 requirements May 2020.

• MIDHANI makes 99.6% pure nickel wire for ventilators in May 2020.

• Indigenously designed & developed Quick Reaction Surface to Air Missile (QRSAM) hits bull eye at medium range and medium height in November 2020.

• Indigenously designed and built Pinaka rocket system clears test of 45-60 km range in November 2020.

• iDEX Challenge 4

• iDEX4Fauji launched in September 2020
DIGITAL TRANSFORMATION

Bringing Digital India to the Ministry of Defence (MoD)

- MoD SETS UP ITS LAN
- MOD ORGANIZATIONS GO DIGITAL
- NCC GOES ONLINE
- MoD PENSION GOES ONLINE
- DEFENCE ESTATES GO ONLINE
- EASE OF DOING BUSINESS WITH DEFENCE
- CANTONMENT SERVICES GO ONLINE
- CANTEEN STORES DEPARTMENTT GOES ONLINE

POWER TO EMPOWER
MoD sets up its LAN covering all officers of the Ministry

**Improved Security**

• DGQA starts online PDI (Pre Delivery inspection) in May 2020 to address security threats
• Armed Forces Tribunal starts digital hearing for the first time in August 2020
• National Defence College goes Online: 60th NDC organized remotely through video-conferencing from March 2020 onwards

**MOD organisations go digital**

For the first time

New Cyber security policy for MoD LAN unveiled to address security threats

17.5 lakh acres of defence land on GIS based platform

**Defence estates go online**

Ease of Access

• NoC for setting up Power, Wind and Solar projects goes digital in June 2020 to address security threats
• NoC for under water survey goes digital from June 2020
• NOC for aerial survey goes digital w.e.f May 2020
• Land transfer from Defence becomes easier
• Land Management System to manage requests for land transfer of defence land launched in November 2020

**Ease of doing business with defence**

Facilitative framework for business
Canteen Stores Department goes online
Ease of Access

- AFD items available online
- Soft launch in December 2020. Formal launch in January 2021
- Total computerization of CSD underway

Cantonment services go online
Improved Access

- E-Chhawani for ALL 62 Cantonments to provide e-services across the country
- Soft launch done in 5 Cantonments in December 2020.
- Formal launch in all Cantonments in January 2021

MoD pension goes online
Ease of Use

- E-Pension for Defence Accounts Department launched in November 2020
- E-Pension for Coast Guard and AFHQ Service Departments to be made Online in December 2020
- Progressive roll out in 2021

NCC goes online
A Digital First Approach

- NCC Mobile app launched in August 2020
- 65 Online Camps of Ek Bharat Shreshta Bharat held in 2020 till December 2020. Over 5,700 cadets participate
- Online enrolment, online training of ANOs
- Digital Forum for NCC cadets to share experience being launched in December 2020
- Use of simulators in NCC training expanded
MODERNISATION & INCREASED TRANSPARENCY
New Era of Speed & Transparency in Defence Acquisition

Highest ever thrust towards modernization in the last 10 years

10% budget increase in 2020-21 over previous year

POLICY REFORMS 2020

- Defence Acquisition Procedure 2020 approved (Sep)
- DRDO Procurement Manual revised (Oct)
- Provision for procurement from startup as Buy Indian- IDDM
- Legal recognition to iDEX process

- Procurements up to INR 100 crores reserved for MSMEs

- Mandatory identification of indigenous software capability at RFI stage
- Analysis based software (Fire Control Systems, Radar communications, Encryption sub-systems) to be Buy Indian-IDDM or Buy Indian
- Incentive for indigenous software as Enhanced Performance Parameter

- Leasing for non-mission critical requirements
TRIAL & TESTING
Transformed & Simplified

Option to go to DGQA, DGAQA or accredited 3rd Party Testing Agencies

Third Party Testing introduced in DAP 2020 w.e.f October 2020

QA plan to include rejection criteria and sample size as part of RFP

Reducing time and cost of trials

Boost to Startups
CONNECTING BORDER AREAS
For Better Development And Security
Like Never Before

World’s longest tunnel above 10,000 ft, Atal tunnel, Rohtang opened for traffic in October 2020, providing all weather connectivity to northern borders.

Developed first-ever indigenously designed modular bridge along with GRSE, Kolkata in 2020. Reduces cost & import dependency for modular bridges; important for hilly terrains.

State-of-the-art equipment procured for border infrastructure.

Hon’ble Prime Minister inaugurating the Atal Tunnel.
BRO Activity Timeline

- **APRIL 12, 2020**
  - Zojila pass opened almost a month ahead of schedule.

- **MAY 2020**
  - Link road between Dharchula and Lipulekh inaugurated

- **July 2020**
  - 6 bridges inaugurated in J&K

- **October 2020**
  - 44 bridges built by BRO. Simultaneous launch.
FORTIFYING THE DEFENCE

Adding firepower to the IAF arsenal

First major IAF procurement of state-of-the-art aircraft after 1996

First 5 Rafale arrive in India in IAF on July 2020. Second lot of 3 Rafale arrives in November 2020

Timely delivery and induction despite Covid-19 challenge
Ten streams of Indian Army opened for giving permanent Commission for SSC Women officers.

Women pilots of Indian Navy operationalized for first Time Commission for SSC Women officers.

All Sainik Schools thrown open for girl students from academic session 2020-21.
REFORMING DEFENCE R&D
To boost innovation and instill a scientific temper

Five labs with young scientists below 35 years of age only, launched in 2020

DRDO partnering with industry in design and development

DRDO identifies 108 Systems and Subsystems for industry to design, develop and manufacture in August 2020
REFORMS IN DEFENCE LAND MANAGEMENT
To enhance efficiency and speed in the land management process

- GIS mapping of 17.9 lakh acres Defence Land created with help of BISAG in March 2000 - Apart from basic layer based on GLR/MLR, around 15 additional GIS layers created for various specialized needs

- Launched in October 2020 - Fully digitized Land Management System in Ministry of Defence to enhance efficiency and speed of proposals for land transfer

- Construction of Metro projects under defence land throughout the country made easier - New policy that states that no lease rent to be paid for tunnels under defence land, approved in July 2020

- Equal Value Infrastructure in lieu of Defence Land | New policy framework to facilitate defence land for development projects including roads, highways, metros and other public utility projects | Policy approved in October 2020 | Completed process of 5 cases in 2 months; many more in the pipeline
REFORMS IN CANTONMENT ADMINISTRATION
Digital Transformation to improve access, efficiency and organisation

Draft Cantonment Amendment Act formulated for public consultation. Draft put out for stakeholders comments in May 2020

All 62 Cantonments moved to Accrual based accounting (in lieu of legacy cash-based accounting) w.e.f April 1, 2020

Easier repair & maintenance for residents of Cantonments. All minor changes not to require Cantonment Board permission. Directions issued in December 2019

More powers to elected representatives on Cantonment Boards

3 New Committees Formed

Finance Committee

Education Committee

Health & Environment Committee
Disability pension even if service less than 10 years allowed vide orders in July 2020.

For persons permanently incapacitated during military service.

Special Clothing to BRO personnel

GREF personnel working above 12,000 ft granted Special Cold Weather Clothing. Order issued in April 2020.
Prime Minister announces NCC in Border & Coastal Areas from ramparts of Red Fort on August 15, 2020

First planned effort to reach out NCC in remote border Areas.

1078 schools/colleges in Border and Coastal areas identified. Enrolment begins in November 2020.

Preference to NCC cadets in employment in Central Armed Police Forces from May 2020.

Youth Exchange Programme Allowance for NCC cadets increased from Rs 100 per day to 750. No. of countries increased from 10 to 15. Orders issued in May 2020.

NCC Alumni formed for the first time. Approved in November 2020.

UNPARALLELED REFORMS IN NCC
Expanding reach to remote locations
Under Vande Bharat Mission the navy evacuated 3992 stranded Indians from Iran, Sri Lanka and Maldives.

INS mounted 8 relief missions during 2020-21

INS Kesari provided Covid-19 medical relief including medicines, doctors to 5 countries.

INS Airavat provided 270 MT food aid to Sudan, Djibouti and Eritrea struck by natural calamities.

Indian Coast Guard leads rescue operation to save Sri Lanka coast of its biggest oil spill

New Diamond oil tanker on fire rescued without any oil spillage in September 2020

Indian Defence Forces extend helping hand to friendly foreign countries in distress.

Indian Coast Guard leads rescue operation to save Sri Lanka coast of its biggest oil spill
Training facilities for friendly foreign countries enhanced.

01. Australia invited in Malabar 2020 naval exercise held in November 2020 along with US, Japan & India.


03. Agreement on Reciprocal Provision of Supplies and Services signed with Japan in September 2020.

04. Sub-Group on Defence Industry formed in Sept 2020 between India & Israel to foster greater industry partnerships.

05. MoU between Coast Guards of India & Indonesia signed in July 2020.

Training facilities for friendly foreign countries enhanced.

01. Seats in NDC increased from 100 -120 additional seats for Nepal, Maldives, Myanmar, Uzbekistan, Tajikistan, Bangladesh, Philippines & Indonesia.

02. First such expansion after 2009.

IAF mounted over 800 relief missions during 2020-21.

01. IAF mission to Mauritius with specialized equipment and technical team in August 2020.

02. IAF Mission to Kuwait in April 2020 to carry Rapid Response Team against Covid-19.

GALVANIZING STRATEGIC THINKING
Building a research-oriented approach

Reaching out to Think Tanks/Research Centers to give impetus to strategic thinking

10 different studies commissioned/under commissioning on areas of national security

November 11, 2020

President’s Chair of Excellence on National Security set up at National Defence College

MoU with IIT Kanpur and MoD signed in August 2020

to develop Artificial Intelligence based solution for finding root cause resulting in grievances/complaints against MoD
OFFSET REFORMS
New Offset Policy Approved in September 2020

- Offset provisions to apply on Capital Acquisitions of Rs. 2000 Cr or more
- Quantum of offset to be 30% of the estimated acquisition cost
- Offset/obligation to be discharged through Indian Offset Partner (IOP) – Pvt. industry/DPSUs/OFB/DRDO
- Vendors free to select their IOP
- Streamlined list of eligible products
- Higher preference for purchase of defence product as compared to components
Canteen Stores Department Reform

Vocal for Local

1. Defence canteen at doorstep - E-commerce introduced for AFD items


3. Ban on sale of foreign made goods in CSD canteen with effect from 19 Oct 2020
Explosive growth in Defence (2016-2020 – eight times growth)

- Exports expanded to more than 84 countries.
- Private sector leads growth in Defence exports

India for the first time figures in the list of Defence equipment exporting nations

- SIPRI puts India in Arms exporter list of 2019 at #23.

"Defence Exports and Export Authorisations": The value of defence exports in the past five years is as under:

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<td>Total Export</td>
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<td>4682</td>
<td>10746</td>
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<td>No. of Authorizations issued</td>
<td>42</td>
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* The value mentioned includes actual export by DPSUs and value as per authorisations issued by DDP (EPC) to private firms and SCOMET (other than Cat.6).
AFMS was used extensively during the fight against Corona. Provided all emergency needs. First to make ready quarantine facility for 3,500 persons at 14 locations throughout the country. Earmarked 9,000 Beds for Covid-19. DRDO sets up DRDO hospitals in record time. 

- Delhi 1000 beds, Patna 500 beds, Muzaffarpur 500 beds

Created three exclusive Covid-19 hospitals with 2,000 beds. 20 AFMS Hospitals to work in partnership with 21 Medical Colleges in 11 States/UTs. Post doc students available for Armed Forces Medical Hospitals. AFMS doctors to teach in partner Medical Colleges.