

ELEVENTH REPORT
STANDING COMMITTEE ON DEFENCE
(2014-2015)

(SIXTEENTH LOK SABHA)

MINISTRY OF DEFENCE

[Action Taken by the Government on the recommendations/observations contained in the Third Report of the Standing Committee on Defence (16th Lok Sabha) on 'Demands for Grants of the Ministry of Defence for the year 2014-15 on Army (Demand No. 22)']

*Presented to Lok Sabha on 13.08.2015
Laid in Rajya Sabha on 13.08.2015*



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COMPOSITION OF THE STANDING COMMITTEE
ON DEFENCE (2014-15)

Maj Gen B C Khanduri, AVSM (Retd) – *Chairperson*

MEMBERS

Lok Sabha

2. Shri Suresh C Angadi
3. Shri Shrirang Appa Barne
4. Shri Dharambir
5. Shri Thupstan Chhewang
6. Col Sonaram Choudhary (Retd)
7. Shri H D Devegowda
8. Shri Sher Singh Ghubaya
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11. Dr Murli Manohar Joshi
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18. Smt Mala Rajya Lakshmi Shah
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20. Shri A P Jithender Reddy
- *21. Shri Hemendra Chandra
- **22. Shri Rajyavardhan Singh Rathore
- §23. Smt Pratyusha Rajeshwari Singh

* Sad Demise on 05.09.2014.

** Ceased to be Member of the Committee on 09.11.2014.

§ Nominated w.e.f. 22.12.2014.

(iv)

Rajya Sabha

24. Shri K R Arjunan
- #25. Shri Anand Sharma
26. Shri Rajeev Chandrasekhar
27. Shri A U Singh Deo
28. Shri Harivansh
29. Shri Vinay Katiyar
30. Shri Hishey Lachungpa
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33. Shri Tarun Vijay
- ©34. Shri Narendra Budania

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1. Smt Kalpana Sharma — *Joint Secretary*
2. Shri D S Malha — *Director*
3. Shri A K Srivastava — *Additional Director*
4. Shri Rahul Singh — *Under Secretary*

Nominated *w.e.f.* 08.10.2014.

© Ceased to be Member of the Committee on 08.10.2014.

INTRODUCTION

1, the Chairperson of the Standing Committee on Defence (2014-15) having been authorized by the Committee to present the Report on their behalf, present this Eleventh Report of the Committee on 'Action Taken by the Government on the recommendations/observations contained in the Third Report of the Standing Committee on Defence (16th Lok Sabha) on Demands for Grants of the Ministry of Defence for the year 2014-15 on Army (Demand No. 22)'.

2. The Third Report was presented to Lok Sabha and laid in Rajya Sabha on 22 December 2014. It contained 31 recommendations/observations. The Ministry of Defence furnished Action Taken Replies on all the recommendations/observations on 11 June 2015.

3. The Draft Action Taken Report was considered and adopted by the Committee at their sitting held on 10 August 2015.

4. An analysis of action taken by the Government on the recommendations/observations contained in the Third Report of the Standing Committee on Defence (16th Lok Sabha) is given in Appendix-II.

NEW DELHI;
10 August, 2015
18 Shravana, 1937 (Saka)

MAJ GEN B C KHANDURI, AVSM (RETD),
Chairperson,
Standing Committee on Defence.

CHAPTER I

REPORT

This report of the Standing Committee on Defence deals with Action Taken by the Government on the recommendations/observations contained in the Third Report of the Standing Committee on Defence (16th Lok Sabha) on 'Demands for Grants of the Ministry of Defence for the year 2014-15 on Army (Demand No. 22)' which was presented to Lok Sabha and laid in Rajya Sabha on 22 December, 2014.

2. The Committee's Third Report (16th Lok Sabha) contained 31 recommendations/observations on the following aspects:—

Para No./Nos.	Subject
1, 2 & 3	Budget
4	Modernisation of Army
5	Wheeled Guns
6	Tanks
7	Missiles
8 & 9	Ammunition
10, 11, 12 & 13	Bullet Proof Jackets
14	Night Vision Devices
15	Shortage of Basic Items for Army
16	Mountain Strike Corps
17, 18 & 19	Force Level of Army
20, 21 & 22	Need for new Rifle for Army (INSAS Rifle Vs. Assault Rifle)
23	Conditions for treating a Soldier as Martyr
24 & 25	Ex-Servicemen Contributory Health Scheme
26 & 27	Directorate General Quality Assurance
28, 29, 30 & 31	National Cadet Corps

3. Action Taken Replies have been received from the Government in respect of all the recommendations/observations contained in the Report. The replies have been examined and the same have been categorised as follows:—

- (i) (a) Observations/Recommendations which have been accepted by the Government:

Para Nos. 6, 18, 19

(03 Recommendations)

These may be included in Chapter II of the Draft Report.

- (b) Observations/Recommendations which have been accepted by the Government and to be commented upon:

Para Nos. 23, 24, 25, 28, 29, 30, 31

(07 Recommendations)

These may be included in Chapter II of the Draft Report.

- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:

Para Nos. 8, 9, 11, 17

(04 Recommendations)

These may be included in Chapter III of the Draft Report.

- (iii) Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee which require reiteration and commented upon:

Para Nos. 1, 2, 3, 4, 5, 7, 10, 12, 13, 14, 15, 16, 20, 21, 22, 26, 27

(17 Recommendations)

These may be included in Chapter IV of the Draft Report.

- (iv) Observations/Recommendations in respect of which Government have furnished interim replies:

Para No. Nil

(00 Recommendation)

This may be mentioned in Chapter V of the Draft Report.

4. The Committee desire that the Ministry's response to their comments made in Chapter 1 of this Report to be furnished to them at the earliest and in any case not later than six months of the presentation of this Report.

A. Budget**Recommendation (Para Nos. 1, 2 & 3)**

5. The Committee had recommended as under:—

‘The Committee are surprised to see the continuous gap between the projected requirement of the Army and the allocations made to it. In the Revenue side, the Committee noted that during the year 2010-11, the gap between the projected amount and allocated amount is Rs. 5465.49 crore which has been increased to Rs. 13740.69 crore in 2011-12, whereas, during the year 2012-13, it has been decreased to Rs. 6534.59 crore but again increased to Rs. 12236.18 crore during the year 2013-14. During the current year also, the Committee see the gap of Rs. 12993.86 crore between the projected and allocated amount. In the capital side, it has been noted that there has been huge gap between the projected and allocated amount of Rs. 4382.20 crore, Rs. 6400.99 crore, Rs. 8996.80 crore, Rs. 7644.25 crore and Rs. 15402.55 crore for the years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively.’

6. The Ministry in its Action Taken Reply has stated as under:—

‘The allocations made to the Services are based upon the ceilings conveyed by the Ministry of Finance. In view of the shortfall in the allocations made by the Ministry of Finance as compared to the overall requirements projected by this Ministry, shortfalls are bound to arise in the allocations made to individual Services.’

This observation of the Committee was conveyed to the Ministry of Finance *vide* D.O. No. 3(4)/Bud-I/2013/06/Def. Secy./2015 dated 14.01.15.’

7. The Committee had recommended as under:—

‘The Committee are of the view that the Army has projected its demand after careful consideration of its various ongoing and proposed schemes. Since the pay and allowances and other obligatory expenses are of recurring nature, the gap between projected and allocated amount forced the Army to reduce its requirement of stores including ordnance stores, transportation, revenue works and maintenance, etc. affecting the upkeep of equipment, maintenance of existing infrastructure and bringing deficiencies in overall preparedness of the forces.’

8. The Ministry in its Action Taken Reply has stated as under:—

‘It may be noted that the Ministry of Defence is bound by the overall budgetary ceiling provided by the Ministry of Finance. Of the available limited resources, funds are allocated to the services depending on their requirements. While allocating funds it is ensured that all the genuine requirements are met and shortfall of funds does not come in the way of security of the country, which is the top-most priority.

This observation of the Committee was conveyed to the Ministry of Finance *vide* D.O. No. 3(4)/Bud-I/2013/06/Def. Secy./2015 dated 14.01.15.’

9. The Committee had recommended as under:—

‘The Committee are not able to understand the reduction of Rs. 15402.55 crore in the capital budget, during the current year and foresee the difficulties likely to be faced by the Army for its new projects and infrastructure as most part of the budget would go for the committed liabilities.

The Committee find the entire scenario very discouraging and do not find any reason with the Ministry of Defence and the Ministry of Finance for curtailment in the budget of the Army. The Committee fully understand that capable, motivated and dedicated force cannot move and fight without fuel in the vehicles and fire in its weapons. Therefore, the Committee recommend that the Ministry of Defence should allocate the amount to the Army as per its projections to buy new weapon system and creating infrastructure for the Army so as to keep its fighting spirit high and ready to move in any eventuality.’

10. The Ministry in its Action Taken Reply has stated as under:—

‘In view of the shortfall in the allocations made by the Ministry of Finance with reference to the requirements projected, there will be shortfall in allocations made to individual Services. It would be unfair to allocate fully to any one Service, as this can only be done at the cost of other Services.’

11. The Committee are amazed over the routine reply of the Ministry of Defence on the lower allocation provided to Army year after year. It seems that Ministry has not planned the expenditure of funds before making demands for allocation a certain amount.

The Committee are of the view that the Ministry of Defence with prudent planning can work out a plan for maximum use with available money and should not set arbitrary targets which cannot be achieved because of less allocation by Ministry of Finance. The Committee understand that sometimes the allocated money also being surrendered by the Army which must be avoided. The Committee desire that revised amount allocated by the Ministry should be utilised fully by apposite planning.

12. The Committee are also not happy over the Action Taken reply of the Ministry of Defence that “it is bound by the overall budgetary ceiling provided by Ministry of Finance”. The Committee want to know the logic behind imposing budgetary ceiling from the Ministry of Finance at the highest level and Ministry of Defence accepting this. If the matter has been taken up with the Ministry of Finance, then details of the same may please be provided.

13. The Committee are constrained to note the term “genuine requirements” used, which gives an impression that few of other demands of the Army are not genuine and the budget provided to the Army can be curtailed as per the wishes of the Ministry of Finance and the Ministry of Defence.

14. In view of the strong need for modernization of Army, it is the earnest desire of the Committee that adequate allocation should be provided to the Army for launching of new projects and development of infrastructure, as per the operational role assigned to the Armed Forces.

15. The Committee desire that above facts should be brought to the notice of Raksha Mantri and, if required, Prime Minister may also be informed.

B. Modernization of Army

Recommendation (Para No. 4)

16. The Committee had recommended as under:—

‘The Committee note from the reply of the Ministry that the modernization of the Armed Forces is a continuous process based on threat perception, operational necessity, technological changes and available resources and the process is based on a 15 year Long Term Integrated Perspective Plan (LTIPP), the five year Services Capital Acquisition Plan (SCAP) and the Annual Acquisition Plan (AAP)

and the Armed Forces remain in a state of operational readiness to meet any eventuality. However, presentation by Army before the Committee belied the claim of the Ministry that all is well with the Army, as Army desired to acquire seven most critical procurement schemes to contribute for enhancement of their combat power in fast track mode. In this respect, the Committee are constrained to note that very little amount e.g. Rs. 8,521.10 crore, Rs. 10,176.07 crore, Rs. 13,153.95 crore, Rs. 12,383.36 crore, Rs. 14,252.49 crore, Rs. 13,724.14 crore and Rs. 13,327.04 crore was allocated to the Army for modernization during the years 2007-08 till 2013-14 respectively and that too for the last two years it is on the decrease. On the other hand the information supplied by the Ministry reveals that the Army could not utilize its modernization budget fully for the last six years in a row except for the year 2007-08. During the year 2008-09, it could not spend Rs. 2461.29 crore; in 2009-10, Rs. 1502.19 crore; in 2010-11, Rs. 666.27 crore; in 2011-12, Rs. 3386.56 crore; in 2012-13, Rs. 2852.35 crore; and in 2013-14 Rs. 2900.55 crore. Taking into account the above facts, the Committee are of the view that the Ministry has not planned spending of the Army properly otherwise surrendering of the funds could have been avoided. The Committee desires that a thorough review of LTIPP, SCAP and AAP should be undertaken for optimal utilization of funds. The Committee also desires that higher allocations should be provided for modernization of Army so as to make it a force to reckon with.'

17. The Ministry in its Action Taken Reply has stated as under:—

'The Committee has referred to the seven most critical procurements schemes identified by Army. It is clarified that they are derived from LTIPP, SCAP and AAP and the Army has flagged them additionally as priority items. The Budgetary Estimate for Financial Year 2015-16 is Rs. 22054.50 crore. The gaps between Budgetary allocation and actuals arise due to post contracts issues such as delayed supplies, supply consignments not being able to clear inspection and when progress of on-going procurements are affected by reasons such as insufficient and limited vendor base, non-conformity of the offers to the Request for Proposal (RFP) conditions, long field trials, complexities in contract negotiations, stakeholder consultations and long lead time for indigenization etc.

Recommendation of the Committee for Review of LTIPP, SCAP and AAP is already being implemented.'

The current LTIPP is for 2012–27 and the next LTIPP (2017–32) is already under formulation. This exercise ensures that the 15 year Long Term Plan (2012–27) is reviewed every 3-5 years and the next LTIPP (2017–32) is prepared incorporating all the operational necessities.

In respect of SCAP, Review of 12th Five Year Plan (2012–17) has already been carried out. The Recast 12th Five Year Plan was approved in July 2014.

Annual Acquisition Plan (AAP) is renewed every year. AAP 2014–16 was approved in May 2014. AAP 2015–17 is already under formulation.'

18. The Committee had referred to the seven most critical procurements schemes identified by the Army. The Ministry in its Action Taken Replies stated that these items are derived from Long Term Integrated Perspective Plan (LTIPP), the five year Services Capital Acquisition Plan (SCAP) and the Annual Acquisition Plan (AAP) and the Army has flagged them additionally as priority items. The Budgetary Estimate for Financial Year 2015-16 is Rs. 22054.50 crore. The gaps between Budgetary allocation and actuals arise due to post contracts issues such as delayed supplies, supply consignments not being able to clear inspection and when progress of on-going procurements are affected by reasons such as insufficient and limited vendor base, non-conformity of the offers to the Request for Proposal (RFP) conditions, long field trials, complexities in contract negotiations, stakeholder consultations and long lead time for indigenization etc. The Committee are surprised why there has been gaps between budgetary allocation and actuals and desire to know the reasons behind delayed supplies and non-clearance of inspection of supplied consignments. The Committee also deplore the planning process of the Ministry of Defence which led to insufficient and limited vendor base as well as non-conformity of the offers to the Request for Proposal. The Committee, therefore, recommend to fix the responsibility in this regard.

19. The Committee recommend that remedial measures should be taken to contain the above issues and they may be intimated at the earliest.

C. Critical shortages with Army-Wheeled Guns.

Recommendation (Para No. 5)

20. The Committee had recommended as under:—

'The Committee note that as per the Artillery profile, adequate quantities of wheeled guns are proposed to be procured to make

up for the existing void. An inference can easily be drawn from the existing situation that either there are problems in the course of procurement or with the planning process. The Committee are of the view that items of critical importance should be given priority in planning as well as in procurement so that wheeled guns are available to the Army in a given time.'

21. The Ministry in its Action Taken Reply has stated as under:—

'The procurement planning is based on the Long Term Integrated Perspective Plan (LTIPP), Services Capital Acquisition Plan (SCAP) and Annual Acquisition Plan (AAP) and arms and ammunitions are by and large available in the army in adequate quantity. Mismatches between requirements and availability can sometimes occur which are continually addressed by the on-going procurement process.'

The Army has identified a set of critical items which are to be given priority. The procurement of wheeled guns is currently under progress in the Regiment of Artillery as per the Artillery profile 2027.'

22. The Committee are constrained to note that despite having the Long Term Integrated Perspective Plan (LTIPP), Services Capital Acquisition Plan (SCAP) and Annual Acquisition Plan (AAP) and identifying the shortages, there is a mismatch in requirement and availability. The Committee are taken aback by the revelation of the Ministry of Defence that arms and ammunitions are by and large available in the Army in adequate quantity. The Committee fail to understand what does "by and large" means. It gives a false hope that Army has every arm and ammunition as per their profile or authorised strength, which is not true. The Committee wish while replying to the recommendations of the Committee, the Ministry should be more careful and vigilant.

23. The Committee also wish that the Ministry have explained in detail about the progress made in acquisition of Wheeled Guns in the Regiment of Artillery as per the Artillery profile 2027. A brief note on the achievement made till date to realize Artillery profile 2027 may also be provided to the Committee within two months.

24. The Committee recommend that the Ministry should make all out efforts to procure this item of critical importance to increase the fire power of the Army at the earliest.

D. Critical Shortages with Army: Missiles.**Recommendation (Para No. 7)**

25. The Committee had recommended as under:—

‘The Committee note that some of the missile systems with Army are BrahMos, UBK, Milan and Konkurs Missiles. However, the Committee find that Army also have some deficiencies in holding of missiles. The Committee also note that in reply to a question on the availability of missile carrying vehicles and if any proposal from private sector to supply the same had been received, it has been stated that no concrete proposal for supply of these vehicles were received from the private sector.

This means that some initiative was taken by the private sector to supply the same but it could not fructify due to some reasons. The Committee desire that as missiles are very crucial component in the arsenal of any modern force with a high deterrent value, it should be made available to the Army in required quantity. Missile carrying vehicle is an essential integral part of carrying missile from place of production to the user, therefore, the Committee recommend that if BEML is not able to supply the requisite quantities due to various controversies or some other reasons, private sector should be given an opportunity for presenting their case.’

26. The Ministry in its Action Taken Reply has stated as under:—

‘Missiles are being procured for the Army through on-going contracts and procurement cases in progress.

Department of Defence Production (DDP), Ministry of Defence has permitted M/s BEML to engage with and procure from M/s TATRA TRUCKS (Czech Republic) the aggregates, components and parts of TATRA vehicles for procurements which are justified and necessary on basis of operational urgency, national security and non-availability of other alternatives. Thus, BEML is in a position to resume supplies for such critical procurement cases.’

27. The Committee note that Missiles are being procured for the Army through on-going contracts and procurement cases in progress, however, the reply given by the Ministry on Missile carrying Vehicles is not clear and does not state whether BEML has resumed supplies of TATRA Trucks or not. By recommending adequate supply of missile carrying vehicles, the Committee had intended that missiles could

be supplied and deployed by the forces at the desired location as per their perspective plans. The Committee are of the view that the planning process of Army should not be hampered due to non-availability of missile carrying vehicles. Therefore, the Committee desire that possibilities may be explored to procure missile carrying vehicles within the country also to make the country self-reliant in this area too.

E. Bullet Proof Jackets

Recommendation (Para Nos. 10, 12 & 13)

28. The Committee had recommended as under:—

‘The Committee note that the Acceptance of Necessity for procurement of 1,86,138 Bullet Proof Jackets was accorded by the Defence Acquisition Council (DAC) in Oct. 2009. The Request for Proposal (RFP) was retracted due to General Staff Qualitative Requirement (GSQR) related issues in Dec. 2011. The GSQR was subsequently amended and a fresh RFP was issued in Dec. 2012. After acceptance of Technical Evaluation Report and validation of the velocities achieved by the various types of ammunition at Terminal Ballistic Research Lab (TBRL) Chandigarh, the Trials of the Bullet Proof Jackets are to commence shortly.

The Committee also note that Bullet Proof Jackets (BPJ) are procured on the basis of the requirements of the Army and this is an ongoing process and the current procurement is on the basis of the revised GSQRs. Although the Ministry has mentioned that BPJs are procured on the basis of the requirements of the Army yet, the Committee could easily draw that the requirement must have arisen well before the approval of Defence Acquisition Council in Oct. 2009. The Committee believe that the figure of 1,86,138 lakh jackets must have soared in the last five years due to increase in number of new recruits and also wearing down of the old stock.

The Committee are perturbed over the fact that such an important life saving device has not been purchased by the Ministry jeopardizing the lives of thousands of soldiers. Therefore, the Committee recommend that in such cases where lives of soldiers are at stake, fast track procedures should be adopted to procure the items. They are not happy over the state of affairs in the Ministry where such an important purchase could not be materialized even after a lapse of five years. The Committee also recommend that the present purchase should be completed in short time-frame after the

evaluation trials are over at TBRL Chandigarh and delays, if any are due to callousness of a person, responsibility should be fixed for the same.

The Committee also desire that they may be informed whether BPJs for future procurements other than the present one, are included in the long or short term plans e.g. LTIPP, SCAP, AAP or not.'

29. The Ministry in its Action Taken Reply has stated as under:—

'Total authorisation of BPJs is 3,53,765 as per letter No. B/82241/29/CCS/BPJ/MGO/EM(GS&C)/124/DO(CPS/D(O-I)/2004 dated 24 March, 2004. Quantity 1,22,624 BPJs are currently held with Indian Army. Technical Evaluation Committee (TEC) Report on 1,86,138 BPJs was approved by DG Acquisition on 27 January, 2014.

Trial samples have been submitted to Terminal Ballistic Research Laboratory on 16 February, 2015 and trials have commenced on 09 March, 2015. In addition, the immediate requirement of 50,000 BPJs based on old GSQR is being made through Revenue Procurement.

Technical Evaluation Committee (TEC) Report on 1,86,138 BPJs was approved by DG Acquisition on 27 January, 2014. Trial samples have been submitted to Terminal Ballistic Research Laboratory on 16 February, 2015 and trials have commenced on 09 March, 2015. In addition, the immediate requirement of 50,000 BPJs based on old GSQR is being made through Revenue Procurement.

The procurement of Bullet Proof Jacket through the Capital Route is a priority case and accordingly all efforts are being made to ensure speedy progress of the case. The primary cause of the delay was due to the requirement of conducting ballistic evaluations of the ammunition, prior to commencement of trials. The trials have since commenced from 09 March, 2015 onwards and further progress would also be expedited.

Based on LTIPP/SCAP/AAP, Capital Procurement of quantity 1,86,138 Bullet Proof Jackets caters for 12th Plan requirement. As and when the current procurement fructifies, the future requirement based on deficiencies will be addressed through Revenue Route.'

30. The Committee had recommended as under:—

'The Committee are perturbed over the fact that such an important life saving device has not been purchased by the Ministry jeopardizing the lives of thousands of soldiers. Therefore, the Committee

recommend that in such cases where lives of soldiers are at stake, fast track procedures should be adopted to procure the items. They are not happy over the state of affairs in the Ministry where such an important purchase could not be materialized even after a lapse of five years. The Committee also recommend that the present purchase should be completed in short time-frame after the evaluation trials are over at TBRL Chandigarh and delays, if any are due to callousness of a person, responsibility should be fixed for the same.'

31. The Ministry in its Action Taken Reply has stated as under:—

'Technical Evaluation Committee (TEC) Report on 1,86,138 BPJs was approved by DG Acquisition on 27 January, 2014. Trial samples have been submitted to Terminal Ballistic Research Laboratory on 16 February, 2015 and trials have commenced on 09 March, 2015. In addition, the immediate requirement of 50,000 BPJs based on old GSQR is being made through Revenue Procurement.

The procurement of Bullet Proof Jacket through the Capital Route is a priority case and accordingly all efforts are being made to ensure speedy progress of the case. The primary cause of the delay was due to the requirement of conducting ballistic evaluations of the ammunition, prior to commencement of trials. The trials have since commenced from 09 March, 2015 onwards and further progress would also be expedited.'

32. The Committee had recommended as under:—

'The Committee also desire that they may be informed whether BPJs for future procurements other than the present one, are included in the long or short term plans e.g. LTIPP, SCAP, AAP or not.'

33. The Ministry in its Action Taken Reply has stated as under:—

'Based on LTIPP/SCAP/AAP, Capital Procurement of quantity 1,86,138 Bullet Proof Jackets caters for 12th Plan requirement. As and when the current procurement fructifies, the future requirement based on deficiencies will be addressed through Revenue Route.'

34. The Committee find no sense of responsibility and fixing accountability in the replies submitted by the Ministry over the non-procurement of Bullet Proof Jackets (BPJs) and are unable to agree with the views expressed by Ministry of Defence that the Ministry

has treated procurement of BPJs as a priority case and all efforts are being made for speedy progress of the case. The Committee feel that if it was true, Army might have received the BPJs long ago. In the present instance, it is surprising to note that although the authorisation of BPJs is 3,53,765 and current held strength is 1,22,624, but the Ministry of Defence approved procurement of only 1,86,138 BPJs which is 45,003 less than the authorised numbers of BPJs. The Committee recall that while examining Demands for Grants 2015-16, during the deliberations, the matter regarding shortage of BPJs came up and Committee were shocked to learn that “shelf life” of existing Bullet Proof Jackets was going to expire in the succeeding year. It is inexplicable on the part of the Ministry that all these years, the Ministry could not find a source to procure BPJs. It also baffles the Committee that while arriving at the figure of 1,86,138 BPJ, the Ministry has not given thought of the BPJs which are to be invalidate due to wear, tear and expiry of prescribed time period.

35. The Committee are NOT AT ALL SATISFIED and observe that it is the duty of the Government to provide proper gear to their soldiers before sending them to counter insurgency or war-like situations.

36. It also perturbs the Committee that despite knowing the importance of such a crucial life saving item and the Committee pointing its importance earlier also, it has taken MORE THAN SIX YEARS to arrive at the trial stage after the approval of Defence Acquisition Council and after approval of DG Acquisition on 27 January 2014, it took the Ministry more than a year to trial evaluate the BPJs.

37. The Committee recommend that the Ministry should come out of slumber and make the procurement of BPJs in fast track accountable mode to make up present and near future shortages so as to save lives of thousands of soldiers. The Committee may be apprised of the action taken to procure the BPJs within a period of two months.

38. The Committee desire that steps should be taken to develop the industry in the country so that dependence on foreign sources can be minimized.

39. The Committee also desire that the Ministry should give them criteria of treating a certain item as priority case.

F. Night Vision Devices**Recommendation (Para No. 14)**

40. The Committee had recommended as under:—

‘The Committee came to know during deliberations about the shortage of Night Vision Devices (NVD). The Committee also find seemingly inconsistency between the satisfaction level of the Ministry and Army. While the Ministry seems to be satisfied with what forces have on the other hand, the Army has altogether different view. It appears that Ministry is not taking Army in confidence while doing its perspective planning. The Committee feel that to have operational preparedness for all times to come perspective planning of Army as well as other forces should be visualized and strengthened. The Committee feel that delays in procurement may adversely impact operational preparedness of the services and also result in substantial cost overruns.’

41. The Ministry in its Action Taken Reply has stated as under:—

‘In view of shortages in the availability of Night Vision Devices (NVDs) a road map for Night Enablement of Indian Army being prepared as per Empowered Committee directions of October 2013. For this, enhancement of scales of Night Vision devices and weapon sights is in progress.’

42. The Committee are perturbed to find that since October 2013, even after the directions of the Empowered Committee, Night Vision Devices and Weapon Sights had not been procured. The Committee are distressed to note that the process of preparing road map for night enablement of Indian Army and enhancement of scales of Night Vision devices and Weapon Sights is still in progress. The Committee are unable to understand that what steps have been taken by the Ministry to purchase them, when it is a known fact that Night Vision Devices and Weapon Sights are essential for a modernised Army specially while operating during the night. The Committee, therefore, desire that to keep the Army in the state of readiness, Night Vision Devices & Weapon Sights should be expeditiously procured.

G. Shortage of Basic Items for Army**Recommendation (Para No. 15)**

43. The Committee had recommended as under:—

‘The Committee note that the Empowered Committee which looks into the procurement of 55 types of Special Clothing and

Mountaineering Equipments (SCME) authorized to troops deployed in Super High Altitude Areas including Siachen has already been constituted in August 2007 as per the direction of the Raksha Mantri. The Committee also note from the initial reply that there are no significant deficiencies for these equipment, however, to make these items available in adequate quantities, contracts have already been awarded to firms. A total of approximately Rs. 500 crore has already been earmarked for the procurement of Ex-import SCME items from the current year budget. From the reply to the supplementary question, the Committee conclude that the Ministry first tried to avoid the matter altogether and informed them that there were no significant deficiencies for these equipment, however, later on revealed that these exists shortfall of 2,17,388 number of High Ankle Boots, 13,09,092 Canvas brown rubber sole shoes with laces, 4,47,000 Cap Balclava, 65,978 Durrie IT OG and 1,26,270 number of Net Mosquito. The Committee are surprised over that fact that such deficiencies of basic items of regular use where no high-end technology is warranted, was allowed to exist. Therefore, the Committee desire that perspective planning should be done to foresee such deficiencies and pre-emptive action must be taken.'

44. The Ministry in its Action Taken Reply has stated as under:–

'Action is at hand to ensure that the requirements of high altitude clothing and equipment will be met by the procurement underway. A detailed plan has been worked to ensure that troops are inducted into the High Altitude Area only with the necessary clothing and equipment.'

45. The Committee find the reply of the Ministry of Defence vague and casual. The Committee are not happy over the attention given to the procurement of even basic items for the Army and desire that specific provisions be added in the procurement procedures so that the items which are essential for the survival of the forces like high altitude clothing and equipment are procured hassle free and without any delay. The Ministry has not supplied any specific information on the coping up with the huge shortfall of 2,17,388 number of High Ankle Boots, 13,09,092 Canvas brown rubber sole shoes with laces, 4,47,000 Cap Balclava, 65,978 Durrie IT OG and 1,26,270 number of Net Mosquito and only stated that requirement will be met by the procurement underway. The Committee desire that time schedule so drawn to procure these items be shared with the Committee so the difficulties faced by the Ministry, if any, be mitigated. The Committee may be apprised of the action taken to procure these items within a period of two months.

H. Mountain Strike Corps

Recommendation (Para No. 16)

46. The Committee had recommended as under:—

‘The Committee note that Mountain Strike Corps which is needed to counter advances of neighbouring countries at high altitude areas has been sanctioned keeping in view the 15 year perspective plan. However, the Committee are surprised to note that for raising of this Corps, no separate allocation has been made in this year’s budget. As informed, an amount of Rs. 5000.00 crore has been earmarked for it but it is not over and above the actual budget allocated and the Army has been asked to raise this Corps out of its own budget. The Committee also came to know that for raising this Corps only war wastage reserve are being utilised. It seems very impractical and incongruous that a new Corps is being raised with war wastage reserves. The Committee feel that the Ministry should do away with its proclivity of *ad-hoc* planning and provide adequate budgetary support commensurate with the requirement of Mountain Strike Corps.’

47. The Ministry in its Action Taken Reply has stated as under:—

‘The proposal regarding ‘Capability Development Plan along the Northern Borders’ referred as ‘Mountain Strike Corps’ was approved by the CCS in Sept. 2013 and the sanction order was issued in October, 2013. Since less time was left after the approval during the financial year 2013-14, no additional funds were provided during 2013-14. During the current financial year (2014-15), an amount of Rs. 1,44,481.00 crore was projected as overall budget which included Rs. 8118.00 crore (Capital + Revenue) for Mountain Strike Corps. Later a separate allocation of Rs. 3934.00 crore for Capital Acquisition was indicated for the scheme. In order to enable immediate capability enhancement for the Northern Borders, the raising of Mountain Strike Corps was commenced utilising existing manpower and weapons and stores from existing reserve stocks (WWR). Plans for replenishment of the WWR stocks already issued to the new units and formations raised as part of Mountain Strike Corps, have been formulated and are under implementation as per availability of budget.’

48. The Committee are constrained to note that the raising of ‘Mountain Strike Corps’ was commenced utilizing War Wastage Reserves (WWR), which are war reserves and not to be touched

otherwise. Keeping in mind the importance of 'Mountain Strike Corps' to counter advance of neighbouring countries at high altitude area, the Committee had desired the Ministry to do away with its proclivity of *ad-hoc* planning and provide adequate budgetary support commensurate with requirement of 'Mountain Strike Corps' but the Action Taken Replies convey that Mountain Strike Corps is being raised only as per availability of budget.

49. The Committee contemplated over the whole scenario including the raising of Mountain Strike Corps from WWR and take a very serious view on the milking of existing resources. As there are, already, serious shortages in the current WWR, which does not even cater fully to the existing demand, how could it can be further "milked" to create new assets like Mountain Strike Corps. The Committee have been repeatedly pointing out the 'serious' shortages in various "operational" areas, however, it appears that the matter is not being given due consideration that it deserve.

50. The Committee deplore the casual approach of the Ministry in treating their recommendations. The Committee, therefore, reiterate their earlier recommendation to provide separate allocation as well as separate set of modernized weapons for raising of 'Mountain Strike Corps', which is essential for protecting our borders at high altitude areas.

I. Need for new Rifle for Army - INSAS Rifle Vs Assault Rifle

Recommendation (Para Nos. 20, 21 & 22)

51. The Committee had recommended as under:—

'The Committee note that INSAS Rifle was designed and developed by DRDO based on Qualitative Requirements (QRs) set in 1982 and met all QR parameters and inducted into Service in 1996. The Rifle has been fully exploited since then including OP Vijay in 1999. Subsequent to OP Vijay, the problems started occurring e.g loosening of flash eliminator, loosening of Piece guide, etc. The requirement was also felt for Upper Hand Guard, additional safety in firing mechanism, Grenade sight requirement, Improved Lever Locking Gas Cylinder. The Committee also note that DRDO and Ordnance Factory Board (OFB) jointly took up product improvement programme based on this feedback and introduced the Improved Rifle as Rifle Mark 1B1 in 2001. Later on, plastic magazine cracking problem was reported. Earlier, the magazines were procured ex-trade but now production has been established at Ordnance Factory Dum Dum and problems have been resolved.

From the information furnished, the Committee are dismayed to learn that DRDO started working on INSAS Rifle way back in 1982 but surprisingly it took 14 years in its development and could not be able to deliver the Rifle only in 1996. But just after 3 years, the quality of rifle tested in Operation Vijay revealed that product was not up to the mark and many improvements were needed. The Committee find it shocking that even years of expertise has not evolved DRDO to develop a world class basic product like rifle.'

52. The Ministry in its Action Taken Reply has stated as under:—

“Armament Research & Development Establishment (ARDE), Pune started working on Indian National Small Arms System (INSAS) project in March, 1982 with Probable Date of Completion (PDC) of 4 years. The scope of the project was to offer prototypes for User evaluation. These prototypes were Rifle, LMG, Carbine, their ammunition along with sighting system and accessories. After development, prototypes were offered for User trials in November, 1987. The User trials were concluded in April, 1988. Thereafter, additional requirements in Qualitative Requirements (QRs) were stated by the Army in August, 1988, March, 1990 and July, 1990. All these additional requirements led to additional R&D work and conduct of technical, re-user trials and evaluation. This took considerable time of 2 to 3 years. Further, Ordnance Factory Board (OFB) was sanctioned a project for setting up of a new plant for mass manufacture of INSAS in 1992. After commissioning of plant, production started in 1996.

Development of INSAS took 5 years (1982-1987) followed by User trials, implementation of additional requirements, trial and evaluation which took another 5 years (1987-1992) and further establishing mass manufacturing at OFs took 4 years (1992-1996). Based on suggestions made by users, DRDO, OFB & DGQA took initiatives to improve the weapon and Rifle 1B1 was introduced in 2001.

Post 1992, ARDE improved Rifle 5.56x45 mm as Mark 1B1. Further, to enhance fire power of INSAS and AK47 Rifles held by Indian Army, ARDE developed Under Barrel Grenade Launcher (UBGL). UBGL is inducted into Services. DRDO carried out study to develop state-of-the-art Rifle for future infantry soldier and prepared a roadmap for 'soldier as a platform'. A project proposal to that effect was submitted in February, 2007. However, no headway was made.”

53. The Committee had recommended as under:—

‘The Committee also note that at present Army uses in-service INSAS and AK-47 rifles in various situations, however, Indian Army is in the process of procuring Assault Rifles through a global tender

with Transfer of Technology to Ordnance Factory Board. Considering the track record of DRDO, the Committee recommend that a world class production after satisfying the requirement of user *i.e.* Army may be purchased out rightly for immediate use after trials are over and services of DRDO may be utilized to get Transfer of Technology to produce this item in the country.'

54. The Ministry in its Action Taken Reply has stated as under:—

“The recommendation of the Committee is already being implemented through a ‘Buy and Make’ case for Assault Rifle with transfer of technology to Ordnance Factories Board (OFB). DRDO can support the OFB in the ToT process.”

55. The Committee had recommended as under:—

‘After contemplating over the various issues involved in INSAS and Assault Rifles, the Committee feel that either Long Term Integrated Perspective Plan(LTIPP) and the five year Services Capital Acquisition Plan (SCAP) is not properly designed or there is some fault with the procurement procedures, otherwise, the problems of INSAS Rifle which were surfaced in 1996, almost 18 years ago, a Request for Proposal for new Rifle could be issued more than a decade later.’

56. The Ministry in its Action Taken Reply has stated as under:—

‘The INSAS Rifle introduced in 1996 under went a number of upgrades viz. INSAS Rifle 1A, 1A1,1 Band 1 B1. The Request for Proposal (RfP) for the procurement of new Assault Rifle was issued as the indigenous modifications did not cater to the user aspiration. Thus, the timing of the RfP was due to upgrades and not planning or procurement procedure issues.’

57. The Committee note that Ordnance Factory Board (OFB) was sanctioned a project for setting up of a new plant for mass manufacture of INSAS in 1992. After commissioning of plant, production started in 1996 and based on suggestions made by users, DRDO, OFB & DGQA took initiatives to improve the weapon and Rifle 1B1 was introduced in 2001. The Committee also note that post 1992, ARDE improved Rifle 5.56x45 mm as Mark 1B1. Further, to enhance fire power of INSAS and AK47 Rifles held by Indian Army, ARDE developed Under Barrel Grenade Launcher (UBGL) and it is inducted into Services. DRDO carried out study to develop state-of-the-art Rifle for future infantry soldier and prepared a roadmap for ‘soldier as a platform’. A project proposal to that effect was submitted

in February, 2007. However, no headway was made. The Committee desire that the reasons for not making any headway in developing 'soldier as a platform' should be conveyed to them at the earliest.

58. The Committee appreciate that their recommendation with regard to purchase of Assault Rifle with transfer of technology to Ordnance Factory Board (OFB) is being implemented. The Committee desire that action in this regard should be completed at the earliest.

59. From the reply submitted by the Ministry, the Committee understand that presently indigenous modifications did not cater to the user aspirations. Therefore, the Committee reiterate that their recommendation to procure a new rifle should be implemented at the earliest.

J. Conditions for Treating a Soldier as Martyr

Recommendation (Para No. 23)

60. The Committee had recommended as under:—

'The Committee note that 54 missing defence personnel of 1965 and 1971 wars are believed to be in custody in Pakistan and the Government has repeatedly been taking up the matter with the Pakistan Government. The Government of Pakistan does not acknowledge the presence of any such personnel in its custody. A delegation of 14 relatives of missing defence personnel also visited 10 jails in Pakistan during 1st June, 2007 - 14th June, 2007. The delegation, however, could not conclusively confirm the physical presence of any missing defence personnel.

The Committee also note that the families of the missing defence personnel (MDP) had been provided liberalized pensionary/ rehabilitation benefits as per extant rules. Subsequently, the Government accepted the judgement dated 23.12.2011 passed by the Hon'ble High Court of Gujarat for payment of services and retirement benefits to the next of kin (NoK) of the MDP believed to be in the custody in Pakistan, as if they had retired on superannuation. Necessary orders in this regard have been issued. However, as the reports are reaching to the Committee through various sources about non receipt of benefits, therefore, the Committee recommend that the Ministry should look into the matter afresh and issue orders for all the benefits in respect of these 54 missing defence personnel. The Committee also desire that the Ministry should show respect to defence personnel who without

worrying for their lives made or slated to make supreme sacrifice for the nation, and take *suo-motu* decision for providing benefits to them and their family members without waiting for the orders of a Court of Law. It is not desirable where a soldier or his family members has to approach a court of law for the service benefits.

61. The Ministry in its Action Taken Reply has stated as under:–

Government accepted the order dated 23.12.2011 passed by the Hon'ble High Court of Gujarat for payment of services and retirement benefits to the next of kin (NoK) of 54 missing defence personnel (MDP) believed to be in custody in Pakistan, as if they had retired on superannuation and accordingly necessary Government letter was issued on 29.06.2012 towards compliance of the *ibid* order dated 23.12.2011.

The status of implementation in respect of three Services viz. Army, Navy, Air Force and Border Security Force (BSF), MHA, is as under:

Army

- (a) Out of 24 MDP in respect of Army, dues have been paid to NoK of 16 MDP.
- (b) In case of 08 MDP, dues have been deposited in the High Court of Gujarat due to non-availability of NoK/legal heirs.

Navy

- (a) Out of 02 cases pertaining to Navy, dues have been paid to NoK in respect of 01 MDP.
- (b) In the second case, dues have been deposited with the High Court of Gujarat pending verification of legal heirship of claimant (brother).

Air Force

- (a) Out of 24 MDP pertaining to Air Force, dues have been paid to NoK/legal heir in respect of 20 MDP.
- (b) In case of remaining 04 MDP, dues have been deposited with the High Court of Gujarat due to non availability of NoK/legal heirs.

Border Security Force (BSF), Ministry of Home Affairs (MHA)

In one case of MDP belonging to BSF, it has been informed by BSF that the NoK are yet to submit the requisite heirship documents. They have further informed that all efforts are being made by them to get the financial benefits released to the NoK.

Details not known

Details of 03 MDPs (namely Captain Vashist Nath, Gunner Shyam Singh Sepoy Gian Chand) with respect to Service number, Unit and NoK are not known. High Court of Gujarat has already been apprised through an affidavit in August, 2012 regarding non-identification of these 03 MDPs.

62. The Committee appreciate the immediate measures taken by the Ministry after the Orders of the Hon'ble High Court of Gujarat for payment of services and retirement benefits to the Next of Kin (NoK) of all but three missing defence personnel. However, the Committee desire that the Ministry should not always depend on the Court of Law to guide it, and in such cases responsibilities of erring officers should be fixed. The Committee also desire that the Ministry should take all the possible measures before hand so that situation like this do not recur in future.

K. Ex-Servicemen Contributory Health Scheme (ECHS)**Recommendation (Para Nos. 24 & 25)**

63. The Committee had recommended as under:—

‘The Committee note that the Ex-Servicemen Contributory Health Scheme (ECHS) was launched with effect from 01 April, 2003, which provides Ex-Servicemen pensioners and their dependents treatment in specifically empanelled civil/private hospitals besides service hospitals. The scheme is financed by the Government of India. The Committee analysed the budget provided to ECHS for the last five years and found that in Revenue outlay from the year 2010-11; to 2014-15, the allocation got dwindled by Rs. 278.96 crore, Rs. 608.86 crore, Rs. 460 crore, Rs. 606.49 crore and Rs. 1068.63 crore respectively. The position in Capital Budget is no better, wherein ECHS is short of Rs. 30 crore this year.

The Committee were further enlightened by the Secretary, Ex-Servicemen Welfare during the oral evidence that low BE raises the issue of pending bills and the department get into arrears with the hospitals resulting in refusal by the hospitals to treat the patients. This issue was echoed by the Managing Director of ECHS also. The Committee are dismayed over the cut in the allocation and feel that is an instance of greatly misplaced priorities. The Committee are of the view that it is the responsibility of grateful nation to look after their veterans who have given best years of their lives to it. Therefore, the Committee recommend that the Ministry should take immediate necessary modification in their

planning processes so that ECHS get what it has projected for and our veterans and their family members do not suffer due to fault of others.’

64. The Ministry in its Action Taken Reply has stated as under:—

‘(i) Stage-wise budgetary allocation for the FY 2014-15 upto RE stage is as given below:

(Rs. in crore)

Heads	Projection	BE	Amended BE	RE
Salary	170.00	170.00	170.00	170.00
Medicines	621.00	320.00	370.00	510.00
Medical Treatment	1600.00	854.58	1254.58	1714.58
Others	98.21	76.00	76.00	76.00
Total	2489.21	1420.58	1870.58	2470.58

(ii) Projection for the next FY 2015-16 is:

(Rs. in crore)

Heads	Projection
Salary	200.00
Medicines	670.00
Medical Treatment	2544.12
Others	118.00
Total	3532.12

(iii) If financial allocation is granted at the BE stage as projected during the deliberation, financial planning can be undertaken more deliberately and financial liabilities can be avoided.’

65. The Committee had recommended as under:—

‘The Committee note that the sanction for going on-line for all 28 polyclinics is available since 1st April, 2014, however, he admitted a glitch in terms of the agreement to be done with them in terms of the bugs in the software. However, out of those 28 polyclinics,

18 were not on-line and the specialists in hospitals have stopped accepting the patients. The Committee feel that software updates and making hospital billing on-line is not highly technical affair now a days, therefore, it should be done in a time-bound manner and the Committee may be informed accordingly. The Committee also desire that the effective steps should be taken to stop malpractices prevailing in ECHS.

Keeping in view wide spread population of veterans, the Committee recommend that ECHS should increase its reach in far flung areas so that aged veteran may not travel long distances to get medical facilities.'

66. The Ministry in its Action Taken Reply has stated as under:—

'On-line billing came into effect in April, 2012 in five Regional Centres. On receiving a positive response from environment and ESM fraternity the process was further extended to five more Regional Centre in April, 2013 and making it to a total of 10 'On-line' Regional Centres. Government formal clearance to go on-line for all Regional Centres was received *vide* GOI MoD letter No. 22A(10)/2010/US(WE)/D(Res)/Vol-VIII dt 14 February, 2014. Presently a total of 24 Regional Centres out of 28 have gone 'on-line'. The balance four (04) are likely to be on-line by 31 March, 2015. The complete scheme will have 'on-line billing' w.e.f. 01 April, 2015. Consolidation and expansion of the scheme is under progress.'

67. The Committee agree to the views expressed by the Ministry that if financial allocation is granted at the BE Stage as projected during the deliberation, financial planning can be undertaken more deliberately and financial liabilities can be avoided. Therefore, the Committee desire that full allocation should be provided to ECHS as projected at BE stage to make the lives of veterans and their family members comfortable.

68. In the Action Taken Reply, the Ministry has stated that presently a total of 24 Regional Centres out of 28 have gone 'on-line'. The balance four (04) are likely to be on-line by 31 March, 2015. The complete scheme will have 'on-line billing' w.e.f. 01 April, 2015 and the consolidation and expansion of the scheme is under progress. However, the reply from the Ministry was received on 11 June, 2015, wherein the Ministry has not mentioned whether the balance Regional Centres have become online or not. The Committee, therefore, desire that they should be updated on the consolidation, expansion and online billing aspect at the earliest.

69. The Committee also reiterate their earlier recommendation keeping in view wide spread population of veterans, ECHS should increase its reach in far flung areas so that aged veteran may not have to travel long distances to get medical facilities.

L. Directorate General Quality Assurance (DGQA)

Recommendation (Para Nos. 26 & 27)

70. The Committee had recommended as under:—

‘After contemplating over the various issues involved in INSAS and Assault Rifles, the Committee feel that either Long Term Integrated Perspective Plan(LTIPP) and the five year Services Capital Acquisition Plan (SCAP) is not properly designed or there is some fault with the procurement procedures, otherwise, the problems of INSAS Rifle which were surfaced in 1996, almost 18 years ago, a Request for Proposal for new Rifle could be issued more than a decade later.’

71. The Ministry in its Action Taken Reply has stated as under:—

‘The INSAS Rifle introduced in 1996 underwent a number of upgrades viz. INSAS Rifle 1A, 1A1,1 Band 1 B1. The Request for Proposal (RFP) for the procurement of new Assault Rifle was issued as the indigenous modifications did not cater to the user aspiration. Thus, the timing of the RFP was due to upgrades and not planning or procurement procedure issues.’

72. The Committee had recommended as under:-

‘The Committee also desire that DGQA should be more vigilant in inspections carried out by it so army personnel are sure of what they are getting. Moreover, the DGQA is there to instill confidence in the forces and not to scare them. The improvement in procedure so done may be informed to the Committee at the earliest.’

73. The Ministry in its Action Taken Reply has stated as under:—

‘The steps initiated by DGQA to improve the quality of stores supplied by OFB are enumerated below:—

- (a) To ensure consistency in the quality of equipment/stores manufactured and supplied to the Defence Forces by the OFB, regular feedback from the Users is being taken. Based on the defects noticed during the production, Final Acceptance Inspection and defects noticed during the exploitation by the

Users, the processes and the products to be addressed are identified. These processes and products are audited by team of officers, specialized in the field. The aim of these audits is to initiate corrective action/improvement in the processes to ensure consistency/improvement in the quality of products manufactured by the OFB. The recommendations of these audits are conveyed to the Ordnance Factories for implementation to improve the process/products.

- (b) In order to ensure the quality, ammunition store is subjected to stringent static and dynamic tests. Series of test firings at DGQA and DRDO Firing Ranges are carried out.
- (c) The laboratories of DGQA are being continuously upgraded with the latest test equipment. The test equipment is well maintained and calibrated for getting accurate results. 39 laboratories of DGQA have been accredited by National Accreditation Board of Labs (NABL).
- (d) The specifications, product drawings, Quality Assurance Instructions are continuously revised in line with the latest standards for these products, in order to improve the testing methods for ensuring quality.'

74. The Committee find the reply is routine in nature and it does not speak of the results it has achieved to supply flawless products to the Army. Instead DGQA mentioned only steps it follows while performing its duties. As mentioned by DGQA that it is a second party inspecting organization, the Committee feel that even if it is true but it has failed to do justice to its mandate and substandard products are reaching to the Forces. The Ministry of Defence has not given reply to review of procedures in vogue and only specified what existing procedures are. The Committee are of the view that in the current scenario where a small fault gets a widespread coverage, DGQA should be careful about its role or handover its responsibilities to third party private sector firms who have capabilities to test and inspect stores.

M. National Cadet Corps

Recommendation (Para Nos. 28, 29, 30 & 31)

75. The Committee had recommended as under:—

‘The Committee note that NCC aims at creating a pool of organized trained and motivated youth with leadership qualities in all walks

of life, who will serve the Nation regardless of which career they choose. It also provides an environment conducive to motivate young Indian to join the armed forces.

The Committee also note that during the year 2010-11 NCC was allocated Rs. 970.37 crore, however, the actuals were Rs. 707.67 crore, during the year 2011-12 NCC were allocated Rs. 984.01 crore, however, the actuals were Rs. 713.81 crore, during the year 2012-13 NCC were allocated Rs. 1128.80 crore, however, the actuals were Rs. 791.87 crore, during the year 2013-14 NCC was allocated Rs. 887.12 crore, however, the actuals were Rs. 874.03 crore. During the year 2014-15 NCC has been allocated Rs. 1025.17 crore, however, till Jul 2014 it has spent just Rs. 362.44 crore. It can be analyzed from the data that even after the Revised Estimates, there has been under spending every year. The Committee desire that NCC Directorate must be guided by the Finance Division of the Ministry of Defence in the financial planning process to avoid this under spending.'

76. The Ministry in its Action Taken Reply has stated as under:—

'The underutilization of funds allotted to the NCC has been mainly in the Sub Heads relating to Stores, Training, Information Technology, Revenue/Capital Works and procurement of Microlites. The reasons attributable to the said under utilization are:—

(a) Stores	Due to failure of rate contract and resultant non-materialization of supply orders in respect of procurement of uniforms, ban on procurement of vehicles as part of the economy measures, delay in delivery of 0.22 Rifles and ammunition by Rifle Factory and Ammunition Depot respectively.
(b) Training	Lesser number of camps were conducted in North Eastern Region, Andhra Pradesh, Uttarakhand and J&K because of inclement weather conditions and local disturbances. Due to these reasons some of the Treks also had to be cancelled.
(c) Information Technology	Lesser expenditure incurred by 17 State NCC Directorates under Local Purchase.
(d) Revenue Works/ Capital Works (New/Carry over)	Slow progress of sanctioned Works and non-submission of final bills by MES.

(e) Procurement of Microlites	Procurement of Microlites by Indian Air Force did not materialize which led to non-utilization of budgetary provision of Rs. 19.39 crore during 2010-11, Rs. 20 crore during 2011-12 and Rs. 39 crore during 2012-13. No budgetary provision was made during 2013-14 and 2014-15. Procurement of Microlites by Indian Air Force is being expedited.
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2. As regards current financial year *i.e.* 2014-15, as compared to the expenditure of Rs. 362.44 crore till July 2014, the expenditure till December 2014 has increased to Rs. 849.05 crore which is 82.82% of the budgetary allocation. Procurement of stores, based on Annual Provision Review, are done in accordance with laid down procedures. Department of Defence (Finance) is always a part of the procurement process. Further, a proposal for delegation of financial powers to NCC is under consideration in consultation with Department of Defence (Finance).’

77. The Committee had recommended as under:—

The Committee further note that total sanctioned strength of NCC cadets is 15 lakh. At present the actual strength of NCC cadets is 11,73,029. Out of it, the Girl cadets are 3, 04,661, consisting of 26%. The NCC has covered 10,174 Schools 5,548 Colleges and 670 Districts. However, it has 4790 Schools and 2549 Colleges in the waiting list. However, NCC is taking initiative for expansion in five phases. In addition, the Government has recently approved a self-financing scheme in which the Government does not have to pay, but the institution, if it wants to join, can join after paying approximately Rs. 6,500 per cadet per year and 153 minor units which will be upgraded may take care of the major part of the waiting list.

The Committee recommends that to have wider reach of NCC in schools and colleges, the Ministry of Defence should look into the possibility of coordinating with the Ministry of Human Resource Development. The Committee also desire the Ministry of Human Resource Development to make NCC as a part of the education policy so as to create organized, trained, disciplined, selfless and motivated future generation. The steps should be taken to encourage girls to join NCC to correct ratio of Girl vs Boy Cadets.

78. The Ministry in its Action Taken Reply has stated as under:—

2 Group Head Quarters and 24 units have been raised in the 1st and 2nd phases of the 2 lakh Additional Cadet Strength Implementation Process. The proposal for raising 1 Group Head Quarters and 14 units in the 3rd Phase is under progress. A tentative Plan for raising 2 Group Head Quarters and 23 NCC Units in the 4th & 5th Phases of the 2 lakh Additional Cadet Strength Implementation Process has been formulated. A study Group has been constituted to draw up a Comprehensive Plan considering aspects of up-gradation, amalgamation/merger, relocation and concentration of waitlisted institutions in totality, as also keeping in view the priority areas, including coastal, border areas and Left Wing Extremism affected regions.

Ministry of Human Resource Development has been requested to issue advisory to the various Educational Boards, Central Board of Secondary Education, Kendriya Vidyalaya Sangathan and Navodaya Vidyalaya Sangathan for implementation of the Central Advisory Committee proposal of including the best practices of NCC in school curriculum.

There is a plan to increase girls' representation in NCC to 33% in the coming years @ 1.5% per training year for which necessary directions have been issued.

79. The Committee had recommended as under:—

‘As the information is not available in public domain regarding a provision, wherein an individual from any school, whether that is enrolled or not can apply to be trained as an NCC cadet, the Committee desire that this information should be made available on public domain for larger benefit to the aspiring NCC cadets.’

80. The Ministry in its Action Taken Reply has stated as under:—

‘Policy guidelines on relevant subjects that would be of interest to individuals/institutions have been hosted in the NCC Website. Details of enrolment in NCC, even for students of educational institutions not enrolled for NCC training, has been uploaded on the NCC Website under “Cadets Corner”.’

81. The Committee had recommended as under:—

‘The Committee further note that NCC is having Youth Exchange Programme with 10 countries e.g. Russia, Singapore, Kazakhstan, Vietnam, Turkmenistan, Sri Lanka, Maldives, Bangladesh, Nepal and

Bhutan. The Committee desire that youth exchange programme should be spread to other countries also where similar organizations exist.

The NCC cadets are given training in Mountaineering Courses, Mountaineering Expeditions (Boys and Girls), Para Basic Courses, Para Sailing, Snow Skiing, Trekking, White Water Rafting, Sailing Expeditions, Yachting Regatta and Desert Camel Safari. The Committee recommend that NCC cadets should also be encouraged and facilitated to participate in international adventure sports also.'

82. The Ministry in its Action Taken Reply has stated as under:—

'Seven Commonwealth of Independent States countries with whom Youth Exchange Programme does not exist were contacted for giving their views with respect to starting the programme. The response is awaited from the following seven countries:—

- (i) Armenia
- (ii) Azerbaijan
- (iii) Belarus
- (iv) Kyrgyzstan
- (v) Moldova
- (vi) Tajikistan
- (vii) Uzbekistan

Indian Defence attaches of the countries with whom Youth Exchange Programme exists have been contacted to see the feasibility of adventure activity during the visit to these countries. The present status is:—

- (i) Nepal has agreed to the proposal.
- (ii) Sri Lanka adventure activities are conducted during CAC camp in which 1 Officer and 6 cadets (3 Senior Division & 3 Senior Wing) participated.
- (iii) Confirmation from other countries is still awaited.

83. The Committee note that a tentative Plan for raising 2 Group Head Quarters and 23 NCC Units in the 4th and 5th Phases of the 2 lakh Additional Cadet Strength Implementation Process has been formulated and also a Study Group has been constituted to draw up

a Comprehensive Plan considering aspects of up-gradation, amalgamation/merger, relocation and concentration of waitlisted institutions in totality, as also keeping in view the priority areas, including coastal, border areas and Left Wing Extremism affected regions. The Committee desire that the Committee should be apprised of the Additional Cadet Strength Implementation Process and Comprehensive Plan considering aspects of up-gradation, amalgamation/merger, relocation outcome at the earliest.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS, WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Critical Shortage with Army Tanks

Recommendation (Para No. 6)

The Committee had recommended as under:—

The Committee analysed from the information supplied to them that availability of tank is very low and requirement of tank is also being filed with the MBT Arjun. The Committee note that improved MBT Arjun Mk II has been offered by DRDO. The information regarding the performance and satisfaction level of MBT Arjun with Army was not supplied by the Ministry. As various categories of tanks are available with friendly countries, world market and Ordnance Factories, it is in the fitness of things that Army should be given a free hand in choosing class of tank as per their requirement and nothing should be forced on them. The Committee desire that the Ministry should make all out efforts to match authorized and held strength at the earliest and for the purpose additional amount should be provided to them.

The Ministry in its Action Taken Reply has stated as under:—

While giving replies to the points for Examination of Demand for Grants for the year 2014-15, it was *inter-alia* informed to the Parliament Standing Committee that the availability of tanks with the Army is about 85% of the tank authorized. Subsequently, the supplementary information about various characteristics of tanks was provided to the Chairperson of Parliament Standing Committee in a sealed cover as the information was secret in nature.

The Capital Acquisition of defence equipment is based on Services Qualitative Requirements (SQRs) which express the user's requirements in terms of capability desired with minimum required verifiable functional characteristics. The SQRs are drafted by the User Directorate at Service Headquarter following a consultative process provided in the Defence Procurement Procedure (DPP).

The Tank fleet is being supplemented through Ordnance Factory Board (OFB).

Force Level of Army

Recommendation (Para Nos. 18 & 19)

The Committee had recommended as under:—

The Committee note from the manpower part that held strength of Officers in Army is 39,585, while the authorised strength is 47,574, therefore, shortage of Officers in Army is 7989, which is about 17 per cent of the authorised strength of the Officers. In the Other Ranks, the position is somewhat satisfactory where authorised strength is 11,50,463, while the held strength is 11,33,866 leaving a gap of 16,597, which is approximately 1.5 per cent of the authorised strength.

The Committee note that the Government has taken a number of measures to encourage the youth to join the Armed Forces, including conduct of recruitment rallies, media campaign, implementation of the recommendation of the VI Central Pay Commission with improved pay structure, additional family accommodation through Married Accommodation Project and improvement in promotion prospects in the Armed Forces. The Committee appreciate the steps so taken by the Ministry to attract the youth but they also desire that the Ministry should find out the reasons as to why today's youth is not considering armed forces as a fit profession and what more it can do to make it more attractive. In this task, the Ministry can take the help of Defence Institute of Psychological Research (DIPR) of Defence Research and Development Organisation (DRDO). Besides, the Ministry should make all out efforts to bridge the gap in both the categories.

The Ministry in its Action Taken Reply has stated as under:—

The updated position relating to authorized strength, held strength and shortage in respect of Officers and Other Ranks (excluding Army Medical Corps, Army Dental Corps and Military Nursing Service), as on 01.01.2015 is as under:—

	Authorized strength	Held strength	Shortage/ deficiency
Officers	49737	40095	9642*
Other Ranks	11,69,854	11,45,498	24,356**

* Increase in the figure of shortage is due to increase in authorized strength owing to 12th Plan Accretions.

** There is no problem of shortage in Other Ranks in Army as 66,502 recruits are under training against this deficiency.

Defence Institute of Psychological Research (DIPR) under Defence Research and Development Organisation (DRDO) have carried out a study to identify the job trajectory of Indian youth, their propensity to join Armed Forces and to explore the perceived appeals and apprehensions in joining Armed Forces. In their findings, DIPR have *inter alia*, observed that the inherent problems perceived by the students include separation from family, frequent transfers, transfer to remote areas, less holidays, hard training/physical labour etc. It has also been noticed that today's students are not inclined to the traditional jobs, they see beyond the boundaries, work hard to get the best opportunities and prefer well-paid jobs followed by respect/status and facilities attached to those jobs.

In the study, DIPR have made several suggestions to attract the talented youth to join the Armed Forces which include giving wide publicity through print and electronic media and other sources about the career opportunities in the Armed Forces alongwith the real picture of all military related general duties, conducting seminar/lectures in schools and colleges to spread awareness about the military jobs, to give wide publicity in a realistic manner about the pay package and other facilities in the Armed Forces, regular military camps for the students to get first hand information about the military, improvisations in the Service Selection Board (SSB) process, providing National Cadet Corps (NCC) training etc.

In this connection, it is stated that Armed Forces have been making continuous efforts and have taken a number of measures including giving wide publicity to the attractive careers in Army to attract talented youth to join the force. The above measures have resulted in gradual reduction of shortage in officers in Indian Army as evident from the following table showing the details of shortage of officers in Army (excluding AMC, ADC and MNS) during the last three years and the current year are as under:—

Year (as on 01 January every year)	Authorized strength	Held strength	Shortage
2012	47762	37662	10100
2013	47762	38172	9590
2014	47574	39119	8455
2015	49737	40095	9642*

*Increase in the figure of shortage is due to increase in authorized strength owing to 12th Plan Accretions.

Condition for treating a soldier as martyr**Recommendation (Para No. 23)**

The Committee had recommended as under:—

The Committee note that 54 missing defence personnel of 1965 and 1971 wars are believed to be in custody in Pakistan and the Government has repeatedly been taking up the matter with the Pakistan Government. The Government of Pakistan does not acknowledge the presence of any such personnel in its custody. A delegation of 14 relatives of missing defence personnel also visited 10 jails in Pakistan during 1st June, 2007 - 14th June, 2007. The delegation, however, could not conclusively confirm the physical presence of any missing defence personnel.

The Committee also note that the families of the Missing Defence Personnel (MDP) had been provided liberalized pensionary/rehabilitation benefits as per extant rules. Subsequently, the Government accepted the judgement dated 23.12.2011 passed by the Hon'ble High Court of Gujarat for payment of services and retirement benefits to the Next of Kin (NoK) of the MDP believed to be in the custody in Pakistan, as if they had retired on superannuation. Necessary orders in this regard have been issued. However, as the reports are reaching to the Committee through various sources about non receipt of benefits, therefore, the Committee recommend that the Ministry should look into the matter afresh and issue orders for all the benefits in respect of these 54 missing defence personnel. The Committee also desire that the Ministry should show respect to defence personnel who without worrying for their lives made or slated to make supreme sacrifice for the nation, and take *suo moto* decision for providing benefits to them and their family members without waiting for the orders of a Court of Law. It is not desirable where a soldier or his family members has to approach a Court of Law for the service benefits.

The Ministry in its Action Taken Reply has stated as under:—

Government accepted the order dated 23.12.2011 passed by the Hon'ble High Court of Gujarat for payment of services and retirement benefits to the Next of Kin (NoK) of 54 Missing Defence Personnel (MDP) believed to be in custody in Pakistan, as if they had retired on superannuation and accordingly necessary Government letter was issued on 29.06.2012 towards compliance of the *ibid* order dated 23.12.2011.

The status of implementation in respect of three Services viz. Army, Navy, Air Force and Border Security Force (BSF), MHA, is as under:—

Army

- (a) Out of 24 MDP in respect of Army, dues have been paid to NoK of 16 MDP.
- (b) In case of 08 MDP, dues have been deposited in the High Court of Gujarat due to non-availability of NoK/legal heirs.

Navy

- (a) Out of 02 cases pertaining to Navy, dues have been paid to NoK in respect of 01 MDP.
- (b) In the second case, dues have been deposited with the High Court of Gujarat pending verification of legal heirship of claimant (brother).

Air Force

- (a) Out of 24 MDP pertaining to Air Force, dues have been paid to NoK/legal heir in respect of 20 MDP.
- (b) In case of remaining 04 MDP, dues have been deposited with the High Court of Gujarat due to non-availability of NoK/legal heirs.

Border Security Force (BSF), Ministry of Home Affairs (MHA)

In one case of MDP belonging to BSF, it has been informed by BSF that the NoK are yet to submit the requisite heirship documents. They have further informed that all efforts are being made by them to get the financial benefits released to the NoK.

Details not known

Details of 03 MDPs (namely Captain Vashist Nath, Gunner Shyam Singh Sepoy Gian Chand) with respect to Service number, Unit and NoK are not known. High Court of Gujarat has already been apprised through an affidavit in August, 2012 regarding non-identification of these 03 MDPs.

Ex-Servicemen Contributory Health Scheme

Recommendation (Para No. 24)

The Committee had recommended as under:—

The Committee note that the Ex-Servicemen Contributory Health Scheme (ECHS) was launched with effect from 01 April 2003, which provides Ex-Servicemen pensioners and their dependents treatment in specifically empanelled civil/private hospitals besides service hospitals.

The scheme is financed by the Government of India. The Committee analysed the budget provided to ECHS for the last five years and found that in Revenue outlay from the year 2010-11 to 2014-15, the allocation got dwindled by Rs. 278.96 crore, Rs. 608.86 crore, Rs. 460 crore, Rs. 606.49 crore and Rs. 1068.63 crore respectively. The position in Capital Budget is no better, wherein ECHS is short of Rs. 30 crore this year.

The Committee were further enlightened by the Secretary, Ex-Servicemen Welfare during the oral evidence that low BE raises the issue of pending bills and the department get into arrears with the hospitals resulting in refusal by the hospitals to treat the patients. This issue was echoed by the Managing Director of ECHS also. The Committee are dismayed over the cut in the allocation and feel that is an instance of greatly misplaced priorities. The Committee are of the view that it is the responsibility of grateful nation to look after their veterans who have given best years of their lives to it. Therefore, the Committee recommend that the Ministry should take immediate necessary modification in their planning processes so that ECHS get what it has projected for and our veterans and their family members do not suffer due to fault of others.

The Ministry in its Action Taken Reply has stated as under:—

(i) Stage-wise budgetary allocation for the FY 2014-15 upto RE stage is as given below:—

Heads	Projection (Rs. in cr.)	BE (Rs. in cr.)	Amended BE (Rs. in cr.)	RE (Rs. in cr.)
Salary	170.00	170.00	170.00	170.00
Medicines	621.00	320.00	370.00	510.00
Medical Treatment	1600.00	854.58	1254.58	1714.58
Others	98.21	76.00	76.00	76.00
Total	2489.21	1420.58	1870.58	2470.58

(ii) Projection for the next FY 2015-16 is

Heads	Projection (in cr.)
Salary	200.00
Medicines	670.00
Medical Treatment	2544.12
Others	118.00
Total	3532.12

(iii) If financial allocation is granted at the BE stage as projected during the deliberation, financial planning can be undertaken more deliberately and financial liabilities can be avoided.

Recommendation (Para No. 25)

The Committee had recommended as under:—

The Committee note that the sanction for going on-line for all 28 polyclinics is available since 1st April, 2014, however, he admitted a glitch in terms of the agreement to be done with them in terms of the bugs in the software. However, out of those 28 polyclinics, 18 were not on-line and the specialists in hospitals have stopped accepting the patients. The Committee feel that software updates and making hospital billing on-line is not highly technical affair now a days, therefore, it should be done in a timebound manner and the Committee may be informed accordingly. The Committee also desire that the effective steps should be taken to stop malpractices prevailing in ECHS.

Keeping in view wide spread population of veterans, the Committee recommend that ECHS should increase its reach in far flung areas so that aged veteran may not travel long distances to get medical facilities.

The Ministry in its Action Taken Reply has stated as under:—

On-line billing came into effect in Apr. 2012 in five Regional Centres. On receiving a positive response from environment and ESM fraternity the process was further extended to five more Regional Centre in Apr. 2013 and making it to a total of 10 'On-line' Regional Centres. Government formal clearance to go on-line for all Regional Centres was received *vide* Gol MoD letter No. 22A(10)/2010/US(WE)/D(Res.)/Vol.-VIII dt. 14 Feb 2014. Presently a total of 24 Regional Centres out of 28 have gone 'on-line'. The balance four (04) are likely to be on-line by 31 Mar. 2015. The complete scheme will have 'on-line billing' *w.e.f.* 01 Apr. 2015. Consolidation and expansion of the scheme is under progress.

National Cadet Corps

Recommendation (Para No. 28)

The Committee had recommended as under:—

The Committee note that NCC aims at creating a pool of organized trained and motivated youth with leadership qualities in all walks of life, who will serve the Nation regardless of which career they choose. It also provides an environment conducive to motivate young Indian to join the armed forces.

The Committee also note that during the year 2010-11 NCC was allocated Rs. 970.37 crore, however, the actuals were Rs. 707.67 crore, during the year 2011-12 NCC were allocated Rs. 984.01 crore, however, the actuals were Rs. 713.81 crore, during the year 2012-13 NCC were allocated Rs. 1128.80 crore, however, the actuals were Rs. 791.87 crore, during the year 2013-14 NCC was allocated Rs. 887.12 crore, however, the actuals were Rs. 874.03 crore. During the year 2014-15 NCC has been allocated Rs. 1025.17 crore, however, till July 2014 it has spent just Rs. 362.44 crore. It can be analyzed from the data that even after the Revised Estimates, there has been under spending every year. The Committee desire that NCC Directorate must be guided by the Finance Division of the Ministry of Defence in the financial planning process to avoid this under spending.

The Ministry in its Action Taken Reply has stated as under:—

The underutilization of funds allotted to the NCC has been mainly in the Sub-Heads relating to Stores, Training, Information Technology, Revenue/Capital Works and procurement of Microlites. The reasons attributable to the said under utilization are:—

(a) Stores	Due to failure of rate contract and resultant non-materialization of supply orders in respect of procurement of uniforms, ban on procurement of vehicles as part of the economy measures, delay in delivery of 0.22 Rifles and ammunition by Rifle Factory and Ammunition Depot respectively.
(b) Training	Lesser number of camps were conducted in North-Eastern Region, Andhra Pradesh, Uttarakhand and J&K because of inclement weather conditions and local disturbances. Due to these reasons some of the Treks also had to be cancelled.
(c) Information Technology	Lesser expenditure incurred by 17 State NCC Directorates under Local Purchase.
(d) Revenue Works/ Capital Works (New/Carry over)	Slow progress of sanctioned Works and non-submission of final bills by MES.
(e) Procurement of Microlites	Procurement of Microlites by Indian Air Force did not materialize which led to non-utilization of budgetary provision of Rs. 19.39 crores during 2010-11, Rs. 20 crores during 2011-12 and Rs. 39 crores during 2012-13. No budgetary provision was made during 2013-14 and 2014-15. Procurement of Microlites by Indian Air Force is being expedited.

2. As regards current financial year *i.e.* 2014-15, as compared to the expenditure of Rs. 362.44 crores till July 2014, the expenditure till December 2014 has increased to Rs. 849.05 crores which is 82.82% of the budgetary allocation. Procurement of stores, based on Annual Provision Review, are done in accordance with laid down procedures. Department of Defence (Finance) is always a part of the procurement process. Further, a proposal for delegation of financial powers to NCC is under consideration in consultation with Department of Defence (Finance).

Recommendation (Para No. 29)

The Committee had recommended as under:—

The Committee further note that total sanctioned strength of NCC cadets is 15 lakh. At present the actual strength of NCC cadets is 11,73,029. Out of it, the Girl cadets are 3, 04,661, consisting of 26%. The NCC has covered 10,174 Schools 5,548 Colleges and 670 Districts. However, it has 4790 Schools and 2549 Colleges in the waiting list. However, NCC is taking initiative for expansion in five phases. In addition, the Government has recently approved a self-financing scheme in which the Government does not have to pay, but the institution, if it wants to join, can join after paying approximately Rs. 6,500 per cadet per year and 153 minor units which will be upgraded may take care of the major part of the waiting list.

The Committee recommends that to have wider reach of NCC in schools and colleges, the Ministry of Defence should look into the possibility of coordinating with the Ministry of Human Resource Development. The Committee also desire the Ministry of Human Resource Development to make NCC as a part of the education policy so as to create organized, trained, disciplined, selfless and motivated future generation. The steps should be taken to encourage girls to join NCC to correct ratio of Girl vs Boy Cadets.

The Ministry in its Action Taken Reply has stated as under:—

2 Group Head Quarters and 24 units have been raised in the 1st and 2nd phases of the 2 lakh Additional Cadet Strength Implementation Process. The proposal for raising 1 Group Head Quarter and 14 units in the 3rd Phase is under progress. A tentative Plan for raising 2 Group Head Quarters and 23 NCC Units in the 4th & 5th Phases of the 2 lakh Additional Cadet Strength Implementation Process has been formulated. A study Group has been constituted to draw up a Comprehensive Plan considering aspects of up-gradation, amalgamation/merger, relocation

and concentration of waitlisted institutions in totality, as also keeping in view the priority areas, including coastal border areas and Left Wing Extremism affected regions.

Ministry of Human Resource Development has been requested to issue advisory to the various Educational Boards, Central Board of Secondary Education, Kendriya Vidyalaya Sangathan and Navodaya Vidyalaya Sangathan for implementation of the Central Advisory Committee proposal of including the best practices of NCC in school curriculum.

There is a plan to increase girls' representation in NCC to 33% in the coming years @ 1.5% per training year for which necessary directions have been issued.

Recommendation (Para No. 30)

The Committee had recommended as under:—

As the information is not available in public domain regarding a provision, wherein an individual from any school, whether that is enrolled or not can apply to be trained as an NCC cadet, the Committee desire that this information should be made available on public domain for larger benefit to the aspiring NCC cadets.

The Ministry in its Action Taken Reply has stated as under:—

Policy guidelines on relevant subjects that would be of interest to individuals/institutions have been hosted in the NCC Website. Details of enrolment in NCC, even for students of educational institutions not enrolled for NCC training, has been uploaded on the NCC Website under "Cadets Corner".

Recommendation (Para No. 31)

The Committee had recommended as under:—

The Committee further note that NCC is having Youth Exchange Programme with 10 countries e.g. Russia, Singapore, Kazakhstan, Vietnam, Turkmenistan, Sri Lanka, Maldives, Bangladesh, Nepal and Bhutan. The Committee desire that youth exchange programme should be spread to other countries also where similar organizations exist.

The NCC cadets are given training in Mountaineering Courses, Mountaineering Expeditions (Boys and Girls), Para Basic Courses, Para Sailing, Snow Skiing, Trekking, White Water Rafting, Sailing Expeditions,

Yachting Regatta and Desert Camel Safari. The Committee recommend that NCC cadets should also be encouraged and facilitated to participate in international adventure sports also.

The Ministry in its Action Taken Reply has stated as under:—

Seven Commonwealth of Independent States countries with whom Youth Exchange Programme does not exist were contacted for giving their views with respect to starting the programme. The response is awaited from the following seven Countries:—

- (i) Armenia
- (ii) Azerbaijan
- (iii) Belarus
- (iv) Kyrgyzstan
- (v) Moldova
- (vi) Tajikistan
- (vii) Uzbekistan

Indian Defence attaches of the countries with whom Youth Exchange Programme exists have been contacted to see the feasibility of adventure activity during the visit to these countries. The present status is:—

- (i) Nepal has agreed to the proposal.
- (ii) Sri Lanka adventure activities are conducted during CAC camp in which 1 Officer and 6 cadets (3 Senior Division & 3 Senior Wing) participated.
- (iii) Confirmation from other countries is still awaited.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS, WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT

Para No. 8, 9, 11 & 17

The Ministry has stated that the replies to above paras are classified in nature, hence the same have been directly sent to the Chairperson, Standing Committee on Defence.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Budget

Recommendation (Para No. 1)

The Committee had recommended as under:—

The Committee are surprised to see the continuous gap between the projected requirement of the Army and the allocations made to it. In the Revenue side, the Committee noted that during the year 2010-11, the gap between the projected amount and allocated amount is Rs. 5465.49 crore which has been increased to Rs. 13740.69 crore in 2011-12, whereas, during the year 2012-13, it has been decreased to Rs. 6534.59 crore but again increased to Rs. 12236.18 crore during the year 2013-14. During the current year also, the Committee see the gap of Rs. 12993.86 crore between the projected and allocated amount. In the capital side, it has been noted that there has been huge gap between the projected and allocated amount of Rs. 4382.20 crore, Rs. 6400.99 crore, Rs. 8996.80 crore, Rs. 7644.25 crore and Rs. 15402.55 crore for the years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively.

The Ministry in its Action Taken Reply has stated as under:—

The allocations made to the Services are based upon the ceilings conveyed by the Ministry of Finance. In view of the shortfall in the allocations made by the Ministry of Finance as compared to the overall requirements projected by this Ministry, shortfalls are bound to arise in the allocations made to individual Services.

This observation of the Committee was conveyed to the Ministry of Finance *vide* D.O. No. 3(4)/Bud.-I/2013/06/DefSecy/2015 dated 14.01.15.

(Please see Para Nos. 11 to 15 of Chapter 1 of the Report)

Recommendation (Para No. 2)

The Committee had recommended as under:—

The Committee are of the view that the Army has projected its demand after careful consideration of its various ongoing and proposed schemes. Since the pay and allowances and other obligatory expenses

are of recurring nature, the gap between projected and allocated amount forced the Army to reduce its requirement of stores including ordnance stores, transportation, revenue works and maintenance, etc. affecting the upkeep of equipment, maintenance of existing infrastructure and bringing deficiencies in overall preparedness of the forces.

The Ministry in its Action Taken Reply has stated as under:—

It may be noted that the Ministry of Defence is bound by the overall budgetary ceiling provided by the Ministry of Finance. Of the available limited resources, funds are allocated to the services depending on their requirements. While allocating funds it is ensured that all the genuine requirements are met and shortfall of funds does not come in the way of security of the country, which is the top-most priority.

This observation of the Committee was conveyed to the Ministry of Finance *vide* D.O. No. 3(4)/Bud-I/2013/06/Def. Secy./2015 dated 14.01.15.

(Please see Para Nos. 11 to 15 of Chapter 1 of the Report)

Recommendation (Para No. 3)

The Committee had recommended as under:—

The Committee are not able to understand the reduction of Rs. 15402.55 crore in the capital budget, during the current year and foresee the difficulties likely to be faced by the Army for its new projects and infrastructure as most part of the budget would go for the committed liabilities.

The Committee find the entire scenario very discouraging and do not find any reason with the Ministry of Defence and the Ministry of Finance for curtailment in the budget of the Army. The Committee fully understand that capable, motivated and dedicated force cannot move and fight without fuel in the vehicles and fire in its weapons. Therefore, the Committee recommend that the Ministry of Defence should allocate the amount to the Army as per its projections to buy new weapon system and creating infrastructure for the Army so as to keep its fighting spirit high and ready to move in any eventuality.

The Ministry in its Action Taken Reply has stated as under:—

In view of the shortfall in the allocations made by the Ministry of Finance with reference to the requirements projected, there will be shortfall in allocations made to individual Services. It would be unfair

to allocate fully to any one Service, as this can only be done at the cost of other Services.

(Please see Para Nos. 11 to 15 of Chapter 1 of the Report)

Modernization of Army

Recommendation (Para No. 4)

The Committee had recommended as under:—

The Committee note from the reply of the Ministry that the modernization of the Armed Forces is a continuous process based on threat perception, operational necessity, technological changes and available resources and the process is based on a 15 year Long Term Integrated Perspective Plan (LTIPP), the five year Services Capital Acquisition Plan (SCAP) and the Annual Acquisition Plan (AAP) and the Armed Forces remain in a state of operational readiness to meet any eventuality. However, presentation by Army before the Committee belied the claim of the Ministry that all is well with the Army, as Army desired to acquire seven most critical procurement schemes to contribute for enhancement of their combat power in fast track mode. In this respect, the Committee are constrained to note that very little amount e.g. Rs. 8,521.10 crore, Rs. 10,176.07 crore, Rs. 13,153.95 crore, Rs. 12,383.36 crore, Rs. 14,252.49 crore, Rs. 13,724.14 crore and Rs. 13,327.04 crore was allocated to the Army for modernization during the years 2007-08 till 2013-14 respectively and that too for the last two years it is on the decrease. On the other hand the information supplied by the Ministry reveals that the Army could not utilize its modernization budget fully for the last six years in a row except for the year 2007-08. During the year 2008-09, it could not spend Rs. 2461.29 crore; in 2009-10, Rs. 1502.19 crore; in 2010-11, Rs. 666.27 crore; in 2011-12, Rs. 3386.56 crore; in 2012-13, Rs. 2852.35 crore; and in 2013-14 Rs. 2900.55 crore. Taking into account the above facts, the Committee are of the view that the Ministry has not planned spending of the Army properly otherwise surrendering of the funds could have been avoided. The Committee desires that a thorough review of LTIPP, SCAP and AAP should be undertaken for optimal utilization of funds. The Committee also desires that higher allocations should be provided for modernization of Army so as to make it a force to reckon with.

The Ministry in its Action Taken Reply has stated as under:—

The Committee has referred to the seven most critical procurements schemes identified by army. It is clarified that they are derived from

LTIPP, SCAP and AAP and the Army has flagged them additionally as priority items. The Budgetary Estimate for Financial Year 2015-16 is Rs. 22054.50 crore. The gaps between Budgetary allocation and actuals arise due to post contracts issues such as delayed supplies, supply consignments not being able to clear inspection and when progress of on-going procurements are affected by reasons such as insufficient and limited vendor base, non-conformity of the offers to the Request of Proposal (RFP) conditions, long field trials, complexities in contract negotiations, stakeholder consultations and long lead time for indigenization etc.

Recommendation of the Committee for Review of LTIPP, SCAP and AAP is already being implemented.

The current LTIPP is for 2012-27 and the next LTIPP (2017-32) is already under formulation. This exercise ensures that the 15 year Long Term Plan (2012-27) is reviewed every 3-5 years and the next LTIPP (2017-32) is prepared incorporating all the operational necessities.

In respect of SCAP, Review of 12th Five Year Plan (2012-17) has already been carried out. The Recast 12th Five Year Plan was approved in July 2014.

Annual Acquisition Plan(AAP) is renewed every year. AAP 2014-16 was approved in May 2014. AAP 2015-17 is already under formulation.

(Please see Para Nos. 18 & 19 of Chapter 1 of the Report)

Wheeled Guns

Recommendation (Para No. 5)

The Committee had recommended as under:—

The Committee note that as per the Artillery profile, adequate quantities of wheeled guns are proposed to be procured to make up for the existing void. An inference can easily be drawn from the existing situation that either there are problems in the course of procurement or with the planning process. The Committee are of the view that items of critical importance should be given priority in planning as well as in procurement so that wheeled guns are available to the Army in a given time.

The Ministry in its Action Taken Reply has stated as under:—

The procurement planning is based on the Long Term Integrated Perspective Plan (LTIPP), Services Capital Acquisition Plan (SCAP) and Annual Acquisition Plan (AAP) and arms and ammunitions are by and

large available in the army in adequate quantity. Mismatches between requirements and availability can sometimes occur which are continually addressed by the on-going procurement process.

The Army has identified a set of critical items which are to be given priority. The procurement of wheeled guns is currently under progress in the Regiment of Artillery as per the Artillery profile 2027.

(Please see Para Nos. 22 to 24 of Chapter 1 of the Report)

Critical Shortages with Army: Missiles

Recommendation (Para No. 7)

The Committee had recommended as under:—

The Committee note that some of the missile systems with Army are BrahMos, UBK, Milan and Konkurs Missiles. However, the Committee find that Army also have some deficiencies in holding of missiles. The Committee also note that in reply to a question on the availability of missile carrying vehicles and if any proposal from private sector to supply the same had been received, it has been stated that no concrete proposal for supply of these vehicles were received from the private sector. This means that some initiative was taken by the private sector to supply the same but it could not fructify due to some reasons. The Committee desire that as missiles are very crucial component in the arsenal of any modern force with a high deterrent value, it should be made available to the Army in required quantity. Missile carrying vehicle is an essential integral part of carrying missile from place of production to the user, therefore, the Committee recommends that if BEML is not able to supply the requisite quantities due to various controversies or some other reason, private sector should be given an opportunity for presenting their case.

The Ministry in its Action Taken Reply has stated as under:—

Missiles are being procured for the Army through on-going contracts and procurement cases in progress.

Department of Defence Production (DDP), Ministry of Defence has permitted M/s BEML to engage with and procure from M/s TATRA TRUCKS (Czech Republic) the aggregates, components & parts of TATRA vehicles for procurements which are justified and necessary on basis of operational urgency, national security and non-availability of other alternatives. Thus, BEML is in a position to resume supplies for such critical procurement cases.

(Please see Para No. 27 of Chapter 1 of the Report)

Bullet Proof Jackets

Recommendation (Para No. 10)

The Committee had recommended as under:—

The Committee note that the Acceptance of Necessity for procurement of 1,86,138 Bullet Proof Jackets was accorded by the Defence Acquisition Council (DAC) in Oct. 2009. The Request for Proposal (RFP) was retracted due to General Staff Qualitative Requirement (GSQR) related issues in Dec. 2011. The GSQR was subsequently amended and a fresh RFP was issued in Dec. 2012. After acceptance of Technical Evaluation Report and validation of the velocities achieved by the various types of ammunition at Terminal Ballistic Research Lab (TBRL) Chandigarh, the Trials of the Bullet Proof Jackets are to commence shortly.

The Committee also note that Bullet Proof Jackets (BPJ) are procured on the basis of the requirements of the Army and this is an ongoing process and the current procurement is on the basis of the revised GSQRs. Although the Ministry has mentioned that BPJs are procured on the basis of the requirements of the Army yet, the Committee could easily draw that the requirement must have arisen well before the approval of Defence Acquisition Council in Oct. 2009. The Committee believe that the figure of 1,86,138 lakh jackets must have soared in the last five years due to increase in number of new recruits and also wearing down of the old stock.

The Ministry in its Action Taken Reply has stated as under:—

Total authorisation of BPJs is 3,53,765 as per letter No B/82241/29/CCS/BPJ/MGO/EM(GS&C)/124/DO(CPS/D(O-I)/2004 dated 24 Mar. 2004. Quantity 1,22,624 BPJs are currently held with Indian Army. Technical Evaluation Committee (TEC) Report on 1,86,138 BPJs was approved by DG Acquisition on 27 Jan. 2014. Trial samples have been submitted to Terminal Ballistic Research Laboratory on 16 Feb. 2015 and **trials have commenced on 09 Mar. 2015**. In addition, the **immediate requirement of 50,000 BPJs based on old GSQR** is being made through Revenue Procurement.

(Please see Para Nos. 34 to 39 of Chapter 1 of the Report)

Bullet Proof Jackets

Recommendation (Para No. 12)

The Committee had recommended as under:—

The Committee are perturbed over the fact that such an important life saving device has not been purchased by the Ministry jeopardizing

the lives of thousands of soldiers. Therefore, the Committee recommend that in such cases where lives of soldiers are at stake, fast track procedures should be adopted to procure the items. They are not happy over the state of affairs in the Ministry where such an important purchase could not be materialized even after a lapse of five years. The Committee also recommend that the present purchase should be completed in short time frame after the evaluation trials are over at TBRL Chandigarh and delays, if any are due to callousness of a person, responsibility should be fixed for the same

The Ministry in its Action Taken Reply has stated as under:—

Technical Evaluation Committee (TEC) Report on 1,86,138 BPJs was approved by DG Acquisition on 27 Jan. 2014. Trial samples have been submitted to Terminal Ballistic Research Laboratory on 16 Feb. 2015 and trials have commenced on 09 Mar. 2015. In addition, the immediate requirement of 50,000 BPJs based on old GSQR is being made through Revenue Procurement.

The procurement of Bullet Proof Jacket through the Capital Route is a priority case and accordingly all efforts are being made to ensure speedy progress of the case. The primary cause of the delay was due to the requirement of conducting ballistic evaluations of the ammunition, prior to commencement of trails. The trials have since commenced from 09 Mar. 15 onwards and further progress would also be expedited.

(Please see Para Nos. 34 to 39 of Chapter 1 of the Report)

Bullet Proof Jackets

Recommendation (Para No. 13)

The Committee had recommended as under:—

The Committee also desire that they may be informed whether BPJs for future procurements other than the present one, are included in the long or short term plans e.g. LTIPP, SCAP, AAP or not.

The Ministry in its Action Taken Reply has stated as under:—

Based on LTIPP/SCAP/AAP, Capital Procurement of quantity 1,86,138 Bullet Proof Jackets caters for 12th Plan requirement. As and when the current procurement fructifies, the future requirement based on deficiencies will be addressed through Revenue Route.

(Please see Paras Nos. 34 to 39 of Chapter 1 of the Report)

Night Vision Devices

Recommendation (Para No. 14)

The Committee had recommended as under:—

The Committee came to know during deliberations about the shortage of Night Vision Devices (NVDs). The Committee also find seemingly inconsistency between the satisfaction level of the Ministry and Army. While the Ministry seems to be satisfied with what forces have on the other hand, the Army has altogether different view. It appears that Ministry is not taking Army in confidence while doing its perspective planning. The Committee feel that to have operational preparedness for all times to come perspective planning of Army as well as other forces should be visualized and strengthened. The Committee feel that delays in procurement may adversely impact operational preparedness of the services and also result in substantial cost overruns.

The Ministry in its Action Taken Reply has stated as under:—

In view of shortages in the availability of Night Vision Devices (NVDs) a road map for Night Enablement of Indian Army being prepared as per Empowered Committee directions of Oct. 2013. For this, enhancement of scales of Night Vision devices and weapon sights is in progress.

(Please see Para No. 42 of Chapter 1 of the Report)

Shortage of Basic Items for Army

Recommendation (Para No. 15)

The Committee had recommended as under:—

The Committee note that the Empowered Committee which looks into the procurement of 55 types of Special Clothing and Mountaineering Equipments (SCMEs) authorized to troops deployed in Super High Altitude Areas including Siachen has already been constituted in August 2007 as per the direction of the Raksha Mantri. The Committee also note from the initial reply that there are no significant deficiencies for these equipment, however, to make these items available in adequate quantities, contracts have already been awarded to firms. A total of approximately Rs. 500 crore has already been earmarked for the procurement of Ex-import SCME items from the current year budget.

From the reply to the supplementary question, the Committee conclude that the Ministry first tried to avoid the matter altogether and informed them that there were no significant deficiencies for these equipment, however, later on revealed that these exists shortfall of 2,17,388 number of High Ankle Boots, 13,09,092 Canvas brown rubber sole shoes with laces, 4,47,000 Cap Balclava, 65,978 Durrie IT OG and 1,26,270 number of Net Mosquito. The Committee are surprised over that fact that such deficiencies of basic items of regular use where no high-end technology is warranted, was allowed to exist. Therefore, the Committee desire that perspective planning should be done to foresee such deficiencies and pre-emptive action must be taken.

The Ministry in its Action Taken Reply has stated as under:—

Action is at hand to ensure that the requirements of high altitude clothing and equipment will be met by the procurement underway. A detailed plan has been worked to ensure that troops are inducted into the High Altitude Area only with the necessary clothing and equipment.

(Please see Para No. 45 of Chapter 1 of the Report)

Mountain Strike Corps

Recommendation (Para No. 16)

The Committee had recommended as under:—

The Committee note that Mountain Strike Corps which is needed to counter advances of neighbouring countries at high altitude areas has been sanctioned keeping in view the 15 year perspective plan. However, the Committee are surprised to note that for raising of this Corps, no separate allocation has been made in this year's budget. As informed, an amount of Rs. 5000.00 crore has been earmarked for it but it is not over and above the actual budget allocated and the Army has been asked to raise this Corps out of its own budget. The Committee also came to know that for raising this Corps only war wastage reserve are being utilised. It seems very impractical and incongruous that a new Corps is being raised with war wastage reserves. The Committee feel that the Ministry should do away with its proclivity of *ad-hoc* planning and provide adequate budgetary support commensurate with the requirement of Mountain Strike Corps.

The Ministry in its Action Taken Reply has stated as under:—

The proposal regarding 'Capability Development Plan along the Northern Borders' referred as 'Mountain Strike Corps' was approved by the CCS in Sept. 2013 and the sanction order was issued in Oct., 2013.

Since less time was left after the approval during the financial year 2013-14, no additional funds were provided during 2013-14. During the current financial year (2014-15), an amount of Rs. 1,44,481.00 crore was projected as overall budget which included Rs. 8118.00 crore (Capital + Revenue) for Mountain Strike Corps. Later a separate allocation of Rs. 3934.00 crore for Capital Acquisition was indicated for the scheme. In order to enable immediate capability enhancement for the Northern Borders, the raising of Mountain Strike Corps was commenced utilising existing manpower and weapons and stores from existing reserve stocks (WWR). Plans for replenishment of the WWR stocks already issued to the new units and formations raised as part of Mountain Strike Corps, have been formulated and are under implementation as per availability of budget.

(Please see Para Nos. 48 to 50 of Chapter 1 of the Report)

Need for new Rifle for Army

INSAS Rifle Vs Assault Rifle

Recommendation (Para No. 20)

The Committee had recommended as under:—

The Committee note that INSAS Rifle was designed and developed by DRDO based on Qualitative Requirements (QRs) set in 1982 and met all QR parameters and inducted into Service in 1996. The Rifle has been fully exploited since then including OP Vijay in 1999. Subsequent to OP Vijay, the problems started occurring e.g. loosening of flash eliminator, loosening of Piece guide, etc. The requirement was also felt for Upper Hand Guard, additional safety in firing mechanism, Grenade sight requirement, Improved Lever Locking Gas Cylinder. The Committee also note that DRDO and Ordnance Factory Board (OFB) jointly took up product improvement programme based on this feedback and introduced the Improved Rifle as Rifle Mark 1B1 in 2001. Later on, plastic magazine cracking problem was reported. Earlier, the magazines were procured ex-trade but now production has been established at Ordnance Factory Dum Dum and problems have been resolved.

From the information furnished, the Committee are dismayed to learn that DRDO started working on INSAS Rifle way back in 1982 but surprisingly it took 14 years in its development and could able to deliver the Rifle only in 1996. But just after 3 years, the quality of rifle tested in Operation Vijay revealed that product was not up to the mark and many improvements were needed. The Committee find it shocking

that even years of expertise has not evolved DRDO to develop a world class basic product like rifle.

The Ministry in its Action Taken Reply has stated as under:—

Armament Research & Development Establishment (ARDE), Pune started working on Indian National Small Arms System (INSAS) project in March 1982 with Probable Date of Completion (PDC) of 4 years. The scope of the project was to offer prototypes for User evaluation. These prototypes were Rifle, LMG, Carbine, their ammunition along with sighting system and accessories. After development, prototypes were offered for User trials in November 1987. The User trials were concluded in April 1988. Thereafter, additional requirements in Qualitative Requirements (QRs) were stated by the Army in August 1988, March 1990 and July 1990. All these additional requirements led to additional R&D work and conduct of technical, re-user trials and evaluation. This took considerable time of 2 to 3 years. Further, Ordnance Factory Board (OFB) was sanctioned a project for setting up of a new plant for mass manufacture of INSAS in 1992. After commissioning of plant, production started in 1996.

Development of INSAS took 5 years (1982-1987) followed by User trials, implementation of additional requirements, trial and evaluation which took another 5 years (1987-1992) and further establishing mass manufacturing at OFs took 4 years (1992-1996). Based on suggestions made by users, DRDO, OFB & DGQA took initiatives to improve the weapon and Rifle 1B1 was introduced in 2001.

Post 1992, ARDE improved Rifle 5.56x45 mm as Mark 1B1. Further, to enhance fire power of INSAS and AK-47 Rifles held by Indian Army, ARDE developed Under Barrel Grenade Launcher (UBGL). UBGL is inducted into Services. DRDO carried out study to develop state-of-the-art Rifle for future infantry soldier and prepared a roadmap for 'soldier as a platform'. A project proposal to that effect was submitted in Feb. 2007. However, no headway was made.

(Please see Para Nos. 57 to 59 of Chapter 1 of the Report)

Shortage of basic items for Army

Recommendation (Para No. 21)

The Committee had recommended as under:—

The Committee also note that at present Army uses in-service INSAS and AK-47 rifles in various situations, however, Indian Army is in the process of procuring Assault Rifles through a global tender with Transfer of Technology to Ordnance Factory Board.

Considering the track record of DRDO, the Committee recommends that a world class production after satisfying the requirement of user *i.e.* Army may be purchased out rightly for immediate use after trials are over and services of DRDO may be utilized to get Transfer of Technology to produce this item in the country.

The Ministry in its Action Taken Reply has stated as under:—

The recommendation of the Committee is already being implemented through a 'Buy and Make' case for Assault Rifle with transfer of technology to Ordnance Factories (OFB). DRDO can support the OFB in the ToT process.

(Please see Para Nos. 57 to 59 of Chapter 1 of the Report)

Recommendation (Para No. 22)

The Committee had recommended as under:—

After contemplating over the various issues involved in INSAS and Assault Rifles, the Committee feel that either Long Term Integrated Perspective Plan(LTIPP) and the five year Services Capital Acquisition Plan (SCAP) is not properly designed or there is some fault with the procurement procedures, otherwise, the problems of INSAS Rifle which were surfaced in 1996, almost 18 years ago, a Request for Proposal for new Rifle could be issued more than a decade later.

The Ministry in its Action Taken Reply has stated as under:—

The INSAS Rifle introduced in 1996 underwent a number of upgrades *viz.* INSAS Rifle 1A, 1A1,1 Band 1 B1. The Request for Proposal (RFP) for the procurement of new Assault Rifle was issued as the indigenous modifications did not cater to the user aspiration. Thus, the timing of the RFP was due to upgrades and not planning or procurement procedure issues.

(Please see Para Nos. 57 to 59 of Chapter 1 of the Report)

Directorate General Quality Assurance

Recommendation (Para No. 26)

The Committee had recommended as under:—

The Committee note that Directorate General Quality Assurance (DGQA) is responsible for Quality Assurance of Defence Stores produced

by Ordnance Factories, public, private sectors and ex-import and it takes all the actions necessary to ensure that the Defence forces of the country get the entire range of arms, ammunition, equipment and stores of the desired quality that will enhance the combat efficiency and effectiveness of the fighting forces and they are able to easily maintain and fully exploit the equipment and stores.

During oral evidence, the committee was informed by the Director General DGQA that it provides quality assurance to all the stores which are supplied by the Ordnance factories, Defence PSUs and trade firms. The Committee note the establishments of DGQA are co-located with the ordnance factories and they provide intimate quality assurance cover to the products which are being manufactured by the ordnance factories.

The Committee also note the elaborate system of inspection by DGQA before inducting a weapon system into the force has essential features like Formulation of General Staff Qualitative Requirement (GSQR), Technical Evaluation Committee (TEC), User Trials, DGQA Technical Trials and Environmental Testing, Finalization of Specification out and Pre Dispatch Inspection (PDI)

However, during deliberations many issues have raised about quality problems including long fuse of grenades, barrel bursts of guns, poor quality ammunition reaching the forces etc. The Committee are indeed surprised over the fact that despite having seemingly elaborate and foolproof procedures to examine the stores as mentioned by DGQA, why and how such incidents are taking place. The committee fail to understand that if DGQA is inspecting the stores in the Ordnance Factories itself, how defective stores are reaching the forces. The Committee are of the view that something very serious has plagued the organization otherwise accidents do not recur, therefore, the Committee recommend that thorough review of procedures already in vogue should be undertaken to make it infallible.

The Ministry in its Action Taken Reply has stated as under:—

DGQA is providing second party Quality Assurance cover on behalf of defence services for products manufactured by the Ordnance factories/DPSUs/Trade firms. To fulfil this role, Quality Audit & Surveillance and Final Acceptance Inspection is carried out by DGQA. The manufacturer is responsible for the quality control as well as the first party Quality Assurance of the product during the manufacturing stage. The steps initiated by DGQA to improve the quality of stores supplied by OFB are enumerated below:—

- (a) To ensure consistency in the quality of equipment/stores manufactured and supplied to the Defence Forces by the

OFB, regular feedback from the Users is being taken. Based on the defects noticed during the production, Final Acceptance Inspection and defects noticed during the exploitation by the Users, the processes and the products to be addressed are identified. These processes and products are audited by team of officers, specialised in the field. The aim of these audits is to initiate corrective action/improvement in the processes to ensure consistency/improvement in the quality of products manufactured by the OFB. The recommendations of these audits are conveyed to the Ordnance Factories for implementation to improve the process/products.

- (b) In order to ensure the quality, ammunition store is subjected to stringent static and dynamic tests. Series of test firings at DGQA and DRDO Firing Ranges are carried out.
- (c) The laboratories of DGQA are being continuously upgraded with the latest test equipment. The test equipment is well maintained and calibrated for getting accurate results. 39 laboratories of DGQA have been accredited by National Accreditation Board of Labs(NABL).
- (d) The specifications, product drawings, Quality Assurance Instructions are continuously revised in line with the latest standards for these products, in order to improve the testing methods for ensuring quality.

(Please see Para No. 74 of Chapter 1 of the Report)

Recommendation (Para No. 27)

The Committee had recommended as under:—

The Committee also desire that DGQA should be more vigilant in inspections carried out by it so army personnel are sure of what they are getting. Moreover, the DGQA is there to instill confidence in the forces and not to scare them. The improvement in procedure so done may be informed to the Committee at the earliest.

The Ministry in its Action Taken Reply has stated as under:—

The steps initiated by DGQA to improve the quality of stores supplied by OFB are enumerated below:—

- (a) To ensure consistency in the quality of equipment/stores manufactured and supplied to the Defence Forces by the OFB, regular feedback from the Users is being taken. Based

on the defects noticed during the production, Final Acceptance Inspection, and defects noticed during the exploitation by the Users, the processes and the products to be addressed are identified. These processes and products are audited by team of officers, specialised in the field. The aim of these audits is to initiate corrective action/improvement in the processes to ensure consistency/improvement in the quality of products manufactured by the OFB. The recommendations of these audits are conveyed to the Ordnance Factories for implementation to improve the process/products.

- (b) In order to ensure the quality, ammunition store is subjected to stringent static and dynamic tests. Series of test firings at DGQA and DRDO Firing Ranges are carried out.
- (c) The laboratories of DGQA are being continuously upgraded with the latest test equipment. The test equipment is well maintained and calibrated for getting accurate results. 39 laboratories of DGQA have been accredited by National Accreditation Board of Labs. (NABL).
- (d) The specifications, product drawings, Quality Assurance Instructions are continuously revised in line with the latest standards for these products, in order to improve the testing methods for ensuring quality.

(Please see Para No. 74 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL
REPLIES OF THE GOVERNMENT ARE STILL AWAITED

-Nil-

NEW DELHI;
10 August, 2015

19 Shravana, 1937 (Saka)

MAJ GEN B C KHANDURI, AVSM (RETD),
Chairperson,
Standing Committee on Defence.

APPENDIX I

MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON DEFENCE (2014-15)

The Committee sat on Monday, the 10th August, 2015 from 1000 hrs. to 1045 hrs. in Room No. '62', Parliament House, New Delhi.

PRESENT

Maj Gen B C Khanduri AVSM (Retd)—*Chairperson*

MEMBERS

Lok Sabha

2. Shri Suresh C Angadi
3. Shri Dharambir
4. Shri Thupstan Chhewang
5. Col Sonaram Choudhary (Retd)
6. Smt Pratyusha Rajeshwari Singh
7. Shri G Hari
8. Km Shobha Karandlaje
9. Shri Tapas Paul
10. Shri Malla Reddy
11. Smt Mala Rajya Laxmi Shah
12. Shri A P Jithender Reddy

Rajya Sabha

13. Shri K R Arjunan
14. Shri Rajeev Chandrasekhar

SECRETARIAT

1. Smt Kalpana Sharma — *Joint Secretary*
2. Shri D S Malha — *Director*
3. Shri A K Srivastava — *Additional Director*
4. Shri Rahul Singh — *Under Secretary*

2. At the outset, the Chairperson welcomed the members to the sitting of the Committee and briefed about the reports.

3. The Committee then took up for consideration and adoption of the draft Report on 'Action Taken by the Government on the recommendations/observations contained in the Twenty-Second Report (15th Lok Sabha) on Threat Perception and preparedness of the Forces including incursion on borders, coordination mechanism with the Central Armed Police Forces and Border connectivity through Road, Air and Rail'.

4. Thereafter, the Committee took up for consideration and adoption of the draft Report on 'Action taken by the Government on the recommendations/observations contained in the Third Report of the Standing Committee on Defence (16th Lok Sabha) on Demands for Grants of the Ministry of Defence for the year 2014-15 on Army (Demand No. 22)'.

5. The Committee, then, adopted the above Reports and authorized the Chairperson to finalize the Reports in the light of the suggestions received from the Members.

The Committee then adjourned.

APPENDIX II

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE THIRD REPORT OF THE STANDING COMMITTEE ON DEFENCE (16TH LOK SABHA) ON DEMANDS FOR GRANTS OF THE MINISTRY OF DEFENCE FOR THE YEAR 2014-15 ON ARMY (DEMAND NO. 22)'

- (i) Total number of recommendations: 31
- (ii) Observations/Recommendations which have been accepted by the Government:
Para Nos. 6, 18, 19, 23, 24, 25, 28, 29, 30, and 31
Total : 10
Percentage : 32%
- (iii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:
Para Nos. 8, 9, 11 and 17
Total : 04
Percentage : 13%
- (iv) Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee:
Para Nos. 1, 2, 3, 4, 5, 7, 10, 12, 13, 14, 15, 16, 20, 21, 22, 26 and 27
Total : 17
Percentage : 55%
- (v) Observations/Recommendations in respect of which final replies of the Government are still awaited:
Para No. Nil
Total : Nil
Percentage : 0

