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**STANDING COMMITTEE ON DEFENCE
(2015-2016)**

(SIXTEENTH LOK SABHA)

MINISTRY OF DEFENCE

[Action taken by the Government on the observations / recommendations contained in the Seventh Report of the Committee (Sixteenth Lok Sabha) on Demands for Grants(2015-16) of the Ministry of Defence on Army (Demand No. 23)]

EIGHTEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

May, 2016/ Vaisakha, 1938 (Saka)

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Presented to Lok Sabha on 03.05.2016

Laid in Rajya Sabha on 03.05.2016



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COMPOSITION OF THE STANDING COMMITTEE ON DEFENCE (2015-16)

Maj Gen B C Khanduri, AVSM (Retd)

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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
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14. Dr. Mriganka Mahato
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16. Shri Ch. Malla Reddy
17. Shri Rajeev Satav
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19. Capt Amarinder Singh(Retd)
20. Shri A.P. Jithender Reddy
21. Smt. Pratyusha Rajeshwari Singh

Rajya Sabha

22. Shri K. R. Arjunan
23. *Shri Anand Sharma
24. Shri Rajeev Chandrasekhar
25. Shri A.U. Singh Deo
26. Shri Harivansh
27. Shri Vinay Katiyar
28. Shri Hishey Lachungpa
29. Shri Madhusudan Mistry
30. Smt. Ambika Soni
31. Shri Tarun Vijay

* Shri Anand Sharma resigned *vide* Notification No. RS 10/2016 - T dt. 07.03.2016.

SECRETARIAT

1. Smt. Kalpana Sharma - Joint Secretary
2. Shri T.G. Chandrasekhar - Director
3. Smt. Jyochanamayi Sinha - Additional Director
4. Shri Rahul Singh - Under Secretary

INTRODUCTION

I, the Chairperson of the Standing Committee on Defence (2015-16), having been authorised by the Committee to submit the report on their behalf, present this Eighteenth report on 'Action Taken by the Government on the Observations/Recommendations contained in the Seventh Report of the Standing Committee on Defence(16th Lok Sabha) on Demands for Grants of the Ministry of Defence for the year 2015-16 on Army (Demand No. 23)'.

2. The Seventh Report was presented to Lok Sabha and laid in Rajya Sabha on 27 April, 2015. It contained 43 Observations/Recommendations. The Ministry of Defence furnished Action Taken Replies on all the Observations/Recommendations in December, 2015.

3. The Report was considered and adopted by the Committee at their Sitting held on 29 April, 2016.

4. For facility of reference and convenience, Observations/Recommendations of the Committee have been printed in bold letters in the Report.

5. An analysis of action taken by the Government on the Observations/Recommendations contained in the Seventh Report of Standing Committee on Defence (16th Lok Sabha) is given in Appendix II.

**New Delhi;
29 April, 2016
09 Vaisakha, 1938 (Saka)**

**Maj Gen B C Khanduri, AVSM (Retd),
Chairperson,
Standing Committee on Defence**

REPORT

CHAPTER I

This report of the Standing Committee on Defence deals with action taken by the Government on the observations/recommendations contained in the Seventh Report (16th Lok Sabha) on `Demands for Grants of the Ministry of Defence for the year 2015-16 on Army (Demand No. 23)' which was presented to Lok Sabha and laid in Rajya Sabha on 27 April 2015.

2. The Committee's Seventh Report (16th Lok Sabha) contained Forty three observations/recommendations on the following aspects:-

Para No.	Subject
1, 2 & 3	Budget
4	Variance in Revenue and Capital Ratio
5	Under-utilisation of Funds
6	Non-availability of Funds for Ammunition under Revenue Head
7.	Land Acquisition and Environment Clearance
8, 9 & 10	Non-finalisation of 12th Plan Projects
11 & 12	Critical Shortages leading to Priority Procurement
13	Shortage of Ammunition
14 & 15	Bullet Proof Jackets (BPJs)
16	Procurement of Rifles
17	Main Battle Tank
18	War Wastage Reserves (WWR)
19 - 22	Modernisation of Army
23	Rashtriya Rifles
24	Mountain Strike Corps
25 & 26	Shortage of Officers
27 & 28	Recruitment Rallies
29 - 34	Ex-servicemen Contributory Health Scheme (ECHS)
35 & 36	Directorate General Quality Assurance
37 - 43	National Cadet Corps

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

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

Para Nos. 4 & 24

(02 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. 1, 2, 3, 5, 7, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 37, 38, 39, 40, 41, 42 & 43

(29 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. 35 & 36

(02 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. 6, 8, 9, 10, 11, 12, 13, 14, 15 & 16

(10 Recommendations)

This 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)

4. The Committee desire that the Ministry's response to the comments made in Chapter I of this Report 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 No. 1)

5. The Committee had recommended as under:

'The Committee note that during the year 2015-16, Army has been allocated Rs.1,30,658.33 crore, against the projection of Rs. 1,41,696.89 crore. Under the Revenue Head, the Army projected a demand of Rs. 1,09,758.22crore but only Rs. 1,03,315.91 crore were allocated. The Committee note that under the revenue segment, provision is first made for pay and allowances and other obligatory expenses and the balance allocation is distributed to meet the requirement of stores (including ordnance), transportation (of personnel and stores), revenue works and maintenance, etc. These areas are likely to be impacted when allocation is lower than projection, forcing the Army to cut in the expenditure of crucial ordnance stores, works and maintenance, which may affect the overall preparedness of the Army. The Committee are of the view that as the maintenance of the "Armed System" is a very important function of the Army, hence, the cut may prove expensive, in the long run, to the security of the Nation. Therefore, they desire that allocation as projected should be provided to Army under this Head.'

6. The Ministry in its action taken reply, has stated as under:

'The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. Nevertheless, additional requirement of funds, as required by the Services, will be projected for inclusion in the Supplementary Grants.'

7. The Committee are concerned to note that the Action Taken Reply furnished by the Ministry is routine in nature. What the Committee also find to be perturbing to note in this regard is the fact that funds are not being allocated to the Army as per the requirements projected on the plea that the allocations were not being received from the Ministry of Finance. The Committee are also pained to note that while the Ministry of Finance, in its Budget Circular (2016-2017) had asked the Ministries/Departments of the Government of India to convey their proposals for the Revised Estimates by 23rd October, 2015, the action taken reply furnished to the Committee on 28th December,

2015, merely states that "additional requirement of funds, as required by the Services, will be projected for inclusion in the Supplementary Grants". No care or botheration has been made for apprising the Committee of the actual allocations sought in the Supplementary Grants and the response of the Ministry of Finance thereon. Maintenance of the "Armed System" is a very important function of the Army, and no compromise can be made on issues relating to the security of the Nation. The Committee, therefore, reiterate the recommendation made in their earlier report for allocating funds projected to have been required by the Army. The Committee may also be apprised of the allocations as sought and actually made by the Ministry of Finance.

B. Budget-Consistent decline in Capital Budget

Recommendation (Para No. 2)

8. The Committee had recommended as under:

'Under the Capital Head, the Army was allocated only Rs. 27,342.42 crore, which is Rs. 4596.25 crore less than the projected amount of Rs. 31,938.67 crore. In the Capital segment, funds are first set aside to meet the projected Committed Liabilities likely to materialize during the year and then the remaining allocation is distributed to meet the projected requirement for other items. In comparison to the total Defence budget, the Committee note that the consistent decline in the Capital Budget of Army from 11.71% in the year 2010-11 to 11.08% this year. This will delay initiation of new projects, which is not desirable.'

9. The Ministry in its action taken reply, has stated as under:

'The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. It may also be pointed out that though the percentage share of the Army in the total capital budget may have fallen negligibly from 11.71% in 2010-11 to 11.08% in the current year, it has grown significantly from Rs. 17,250.84 cr. in 2010-11 to Rs. 27,342.42 cr. in 2015-16 which is an increase of 58.5%.

All efforts will be made to ensure that no new scheme approved is delayed for want of funds. Additional funds will be sought, if required.'

10. The Action Taken Reply of the Ministry is evasive in nature. By citing the actual figures relating to the capital outlays made for the Army during the years 2010-11 to 2015-16 and not indicating the allocations in percentage terms, the

Ministry of Defence appears to have made an attempt to show that there is a substantial increase in the allocations for the Army on year-on-year basis. This is indicative of a casual approach of the Ministry in dealing with an important recommendation of the Committee pertaining to the Capital Budget of the Army. Also, while it has been stated that all efforts would be made to ensure that no new scheme that is approved would be delayed for want of funds and additional funds sought, if required, no details of the actual fund requirement projected or the efforts made for convincing the Ministry of Finance of the requirement have been detailed in the Action Taken Reply. The Committee, therefore, reiterate their recommendation for providing the projected allocations for the Army so that initiation of new projects is not hampered. The Committee also desire to be apprised of the additional funds sought under the Capital head and the funds actually provided at the stage of supplementary demands for grants.

C. Budget-cut in the budget of New Schemes, part of Capital Budget

Recommendation (Para No. 3)

11. The Committee had recommended as under:

'The Committee are baffled to note that for New Schemes, which is a part of Capital Budget, the Army projected an allocation of Rs. 5,665.49 crore. However, only 27% of the projection, an amount of Rs. 1,541.06 crore, was allocated. It is beyond imagination of the Committee, how the big ticket projects of Army, which are at an advanced stage of procurement like 2 x Pinaka Regiments, Brahmos 4th Regiment, Weapon Locating Radar, Milan 2T Missiles, 3rd Generation Anti-Tank Guided Missiles, Hand Held Thermal Imager with Laser Range Finder, Ammunition for 84mm Rocket Launchers Mark-III, Medium Range Surface to Air Missiles, Advanced Light Helicopters Maintenance Reserve and Strike Off Wastage (MR&SOW), 155mm/52 Calibre Tracked Self Propelled Guns, Close Quarter Battle Carbines, etc. will fructify with meagre amount of Rs. 1,541.06 crore. Therefore, the Committee recommend that the Ministry of Defence (including with Ministry of Finance) should seriously look into this aspect and provide sufficient allocation at the time of revised estimate stage under Capital Head and New Schemes.'

12. The Ministry in its action taken reply, has stated as under:

'This observation of the Committee was conveyed to the Ministry of Finance vide D.O. No. 3(7)/Bud-I/61/DefSecy/2015 dated 18th May, 2015. Response has been received from Ministry of Finance vide D.O. letter No. 2(30)-B(AC)/2014 dated 22nd June, 2015 (copy enclosed). In their reply Ministry of Finance has stated that the

observations/recommendations of the Standing Committee on Defence are mostly relating to inadequate allocation of funds for different Services with specific reference to important schemes/projects. Ministry of Finance recognize these commitments and at the time of formulation of budget/revised estimates, resources are allocated on the basis of trend of expenditure, the absorptive capacity in the financial year and the fiscal space available to Government.'

13. The concern expressed by the Committee while examining the Demands for Grants of the previous year, 2015-16 was on the fact that the amount allocated for new schemes, which is a part of the Capital Budget was only to the extent of 27 percent of the projection made by the Army viz., Rs. 1,541.06 crore as against the projection of Rs. 5,665.49 crore. The Committee note from the Action Taken Reply that the Ministry of Finance has stated that the 'observations/recommendations of the Standing Committee on Defence are mostly relating to inadequate allocation of funds for different Services with specific reference to important schemes/projects'. It has also been pointed out that the Ministry of Finance recognize the commitments and at the time of formulation of budget/revised estimates, 'resources are allocated on the basis of trend of expenditure, the absorptive capacity in the financial year and the fiscal space available to Government'. The Committee are of the view in this regard that had the Ministry of Finance allocated the funds desired for by the Ministry of Defence, it would not have been compelled to impose any cuts on the Budget/outlays projected as required by the Army.

The Committee also urge upon the Ministry of Finance in particular for considering the security of the Nation to be of paramount importance, in regard to which no compromises should be made. Thus, the budgetary allocations should be broadly on the basis of the projections made by the Ministry of Defence. The Committee also desire to be apprised of the allocations made to the Army for New Schemes at the stage of Revised Estimates/ supplementary grants. The Committee would further like to be briefed of the extent to which the huge variation in the projections and allocations actually made has affected implementation of the New Schemes of the Army.

D. Budget-cut in the budget of New Schemes, part of Capital Budget

Recommendation (Para No. 5)

14. The Committee had recommended as under:

'The Committee note from the submission made by the Ministry that during the year 2014-15, Rs. 7,874 crore under the Capital Head could not be utilised due to several reasons like cut by Ministry of Finance, slippages in Committed Liabilities, Non fructification of 14 Schemes at Competent Financial Authority (CFA) stage, under utilisation by Director-General Ordnance Factory (DGOF) etc. It is beyond comprehension of the Committee that slippages were allowed to happen in the Committed liabilities also, which is an obligatory expense. The Committee are of the view that since the allocation in the Capital Head is already less than the projection thereby, making availability of monetary resources scarce, therefore, the Committee desire that due care should be taken by the Ministry to avoid such under utilizations.

The Committee feel that there should be proper coordination between Civilian Bureaucracy in the Ministry of Defence and the Armed Forces Personnel. In view of such happenings, as well as in the greater interest of the Nation, the Committee feel that the decision making process may be expedited.'

15. The Ministry in its action taken reply, has stated as under:

'As explained earlier, the utilisation of the capital budget must be viewed in its entirety to get an accurate picture. There has been near full utilisation of available funds under the Capital budget during 2014-15 as brought out by the data below:

(Rs. in cr.)

Year	BE	RE	Actuals	% age utilisation
2014-15	94,587.95	81,965.24	81,887.42	99.91

It may be seen from above that the extent of saving has been Rs. 77.82 cr. only.'

16. The Committee, while examining the Demands for Grants (2015-16) noted that the surrender of funds during 2014-15 under the Capital Head was to the tune of Rs. 7,874 crore. However, as per the Action Taken Reply now furnished, the utilisation of the Capital Budget has been to the extent of 99.91 percent. The Committee wish to be apprised of the reasons for the difference/variation in the information furnished in this regard at different stages; as well as the cut made by the Army or the Ministry at the stage of Revised Estimates, which is to the tune of Rs. 12,622.71 crore.

E. Non-availability of fund for ammunition under Revenue Head

Recommendation (Para No. 6)

17. The Committee had recommended as under:

'The Committee are surprised to find that DGOF allocation was short of Rs. 1420 crore for ammunition and funds were not available within Army Revenue Budget allocation for buying ammunition! The Committee also ponder over one of the views expressed by a representative of Army that sanction may be given to procure ammunition for capability building from Capital Head as well as additional allocations should be provided based on the progress of expenditure. The Committee feel that items of vital importance such as ammunition, which serve as the most fundamental requirement and play a crucial role in conventional warfare, are not made available through Ordnance Factories due to non-availability of funds under the Revenue Head. Keeping in view, the crucial importance of ammunition, the Committee recommend that perspective planning for Revenue allocations should be done in such a way that little scope left in re-prioritizing the allocations from another head.'

18. The Ministry in its action taken reply, has stated as under:

'Allocation for different element of the revenue budget of the Army is made by the Army itself within the overall ceilings prescribed by the Ministry. However, it is ensured that the Army reserves adequate budget to pay for DGOF Supplies as per targets jointly fixed between the Army and DGOF. Re-prioritisation of allocations may sometimes be necessary in the event of contingent requirement of additional funds for some particular purpose or imposition of cut in the budget.

The allocations to the Army and DGOF are constrained by the overall allocation made by the Ministry of Finance which has been lower than the projected requirement.'

19. The Committee had, while noting that the cut in allocation for buying ammunition by the DGOF was to the tune of Rs.1420 crore, recommended that perspective planning for Revenue allocations should be done, in a manner that would leave little scope for re-prioritizing the allocations under different heads of account. The Committee are surprised with the reply furnished to their recommendation, which is vague and states that 're-prioritisation of allocations may sometimes be necessary in the event of contingent requirement of additional funds for some particular purpose or imposition of cut in the budget'. The Committee, in this regard desire to be furnished with a list of top priority items for the last three years, which would enable in identifying the items that may have been deemed to have become more important than ammunition for the Army. The Committee would once again wish to stress on ensuring that the basic item needed for fighting a war viz., ammunition should not be denied to the Army on account of shortfalls in allocations.

F. Land Acquisition and Environment Clearance

Recommendation (Para No. 7)

20. The Committee had recommended as under:

'The Committee note that the 11th Plan Projects of Army in respect of infrastructure and roads were being expedited. However, as per the information submitted by the representatives of Army, the Committee learn that land acquisition and environmental clearances still remained a problem. The Committee note that Army faces lots of difficulty in the field due to land acquisition and environmental clearances' issues hampering the progress of work to development of roads and infrastructure along the border. The Committee, therefore, recommended that the Ministry should look into the matter and resolve the issues at highest level in different Ministries and with the State Governments and the Action Taken Report be furnished to the Committee within three months. The Committee desire that the projects which involve National Security, should be given concessions from the stringent measures taken by the Environment Ministry.'

21. The Ministry in its action taken reply, has stated as under:

'1. The construction/development of certain strategic roads/Infra-structure projects cannot be progressed on time due to delays caused in obtaining Wildlife and Forest Clearance within Reserve Forests, Wild Life Sanctuaries, Protected Areas, and protracted procedures involved in Land Acquisition.

2. In regard to Army, the following is submitted.

(a) Govt. of Arunachal Pradesh has been requested to fix a multiplication factor to enable calculation of land compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (LARR Act 2013), to notify Unclassified State Forest (USF) and fixing compensation in such cases. The Government of Arunachal Pradesh has fixed multiplication factor as 1 in respect of Acquisition of land for defence projects. On the requests made by Ministry of Defence, the Ministry of Rural Development *vide* their letter dated 24.02.2015 has intimated to move individual cases for acquisition of land for defence projects to Ministry of Rural Development for notifying the Ministry of Defence as appropriate Government.

(b) The Director-General (Forest), Ministry of Environment & Forests has been requested to accord relaxation in compensatory Afforestation, exemption from obtaining environmental clearances at the time of acquisition of land as this can be done only after building plans have been prepared and to prepare conservation plan for wildlife State Forest Authorities and charge the user agencies for the same.

3. The following measures have been taken by the Government to expedite the various clearances for BRO :

(a) The Chief Secretaries of State of Arunachal Pradesh, Assam, J&K, Himachal Pradesh, Manipur, Nagaland, Sikkim, Tripura and Uttarakhand have been requested to constitute an Empowered Committee under their Chairmanship with Principal Secretaries of Revenue, Forest, Mining, PWD and Power Departments along with the Principal Chief Conservator of Forests (PCCF) and Chief Engineers of BRO as members to resolve issues.

(b) A working group has been constituted on 03 June 2013 by Ministry of Environment & Forest under the Chairmanship of Secretary MoEF to review the forest clearance cases.

(c) Regular monitoring of forest clearance cases, establishment of Single window system at District, State, and Ministry of Environment & Forests (MoEF) levels and simplification of forms.

(d) MoEF *vide* their letter No 11-246/2014-FC dated 4th July 2014, to the States of Arunachal Pradesh, Himachal Pradesh, Uttarakhand and Sikkim, has accorded general approval under Section (2) of the Forest (Conservation) Act 1980 for diversion of forest land in the State of Arunachal Pradesh, Himachal Pradesh, Uttarakhand & Sikkim for following :-

(i) Construction and widening of two lane roads by the BRO and other road construction agencies entrusted with the job by the Ministry of Defence, in the area falling within 100 kilometers aerial distance from the LAC and

(ii) Widening of road (by the BRO and other road construction agencies) which are identified by the Ministry of Defence as link roads between Border Roads in the area within 100 kilometer aerial distance from the LAC and National Highways/State Highways/other State Roads, subject to fulfillment of the conditions.

(e) MoEF vide their letter No.11-246/2014-FC dated 4th July 2014 for the States of Arunachal Pradesh, Himachal Pradesh, Uttarakhand and Sikkim has decided to extend the said relaxation to strategic defence projects (including infra-structure and road projects) being taken up in the area falling within 100 km aerial distance from the Line of Actual Control by any user agency identified by the Ministry of Defence which provides that compensatory afforestation in lieu of the forest land diverted for compensatory afforestation may be raised on degraded forest land twice in extent of forest area being diverted, without insisting of certificate of Chief Secretary regarding non –availability of non- forest for compensatory afforestation, inter –alia it was informed that the compensatory afforestation will be raised and maintained at the cost of the user agency over degraded forest land equal in extent to the area of forest land diverted.

- MoEF vide their letter dated 8th Aug 2014 has intimated that for projects involving linear diversion of forest land in-principle approval under the Forest (Conservation) Act 1980 may be deemed as the working permission for tree cutting and commencement of work, if the required funds for compensatory afforestation, NPV, wildlife conservation plan, plantation of dwarf species of medicinal plants, and all such other compensatory levies specified in the in–principle approval are realized from the user agency.

- An Interlocutory Application (IA) has been filed before the Hon'ble Supreme Court on 9th Jan 2015 praying for the following in respect of strategic road projects of BRO required by the Army;

- permit to construct and develop strategic border roads after obtaining the clearances from Standing Committee of State Wildlife Board/National Wildlife Board and after obtaining prior approval from Ministry of Environment & Forests under the Forest Conversation Act; and
- exempt from filing the Interlocutory Applications on case to case basis for the road projects being undertaken by Border Road Organisation which are strategically important as notified by Ministry of Defence; and
- permit to place and operate stone crushers., wet mix plants, hot mix plants & other construction machinery including accommodation for BRO personnel & labourers., within/around National Parks and Wildlife Sanctuaries for construction and development of strategic border roads; and
- permit to carry out topographical surveys within/around protected areas falling in National Parks and Wildlife Sanctuaries for finalizing alignments of strategic border roads and dispense seeking case to case permission from NBWL.'

22. The Committee take note of the varied measures initiated by the Government for expediting clearances for BRO, which include, setting up of a working group under the Chairmanship of Secretary, Ministry of Environment and Forests (MoEF) for reviewing forest clearance cases, regular monitoring of forest clearance cases, establishment of Single window system at District, State, and Ministry of Environment & Forests (MoEF) levels, simplification of forms etc. The Committee further note that the MoEF, vide their letter dated 8th August 2014 has intimated that for projects involving linear diversion of forest land, in-principle approval under the Forest (Conservation) Act 1980 and an Interlocutory Application (IA) has been filed before the Hon'ble Supreme Court on 9 January 2015, praying for a gamut of measures in regard to strategic road projects of BRO. The Committee, while appreciating the measures taken by the Government in this regard, however, wish to emphasise that they are more interested in the end results of the initiatives taken. The Committee, therefore, desire that they may be apprised of the end results achieved in expediting clearances. The Committee may also be informed of the status of the Interlocutory Application (IA) filed before the Hon'ble Supreme Court.

G. Non-finalization of 12th Plan projects - Placing of ITBP under the operational control of Army

Recommendation (Para No. 8, 9 & 10)

23. The Committee had recommended as under:

'The Committee note that the 12th Plan projects were still awaiting Government approval even after a lapse of substantial period of time. It also came to the notice of the Committee that operational control of Indo-Tibetan Border Police (ITBP) should rest with Army for cohesion in operation. The Committee desire that these projects should be given approval at the earliest. The Committee also desire that the reasons for non approval of the 12th Plan projects, should be submitted for their perusal.'

24. The Ministry in its action taken reply, has stated as under:

'The 12th Defence Five Year Plan remained under correspondence with the Ministry of Finance till November, 2014. With the finalisation of the BE for 2015-16 it was felt that there was no further purpose in pursuing approval of the Plan for 2012-17 given that budget for four out of five years of the Plan period was fixed. Under the circumstances, it was decided not to pursue the case for government approval of the Plan further.

However, annual budget projections and individual schemes continue to be processed by the Ministry as envisaged in the Plan.'

25. The Committee had recommended as under:

'The Committee are of the view that the Ministry should give a serious thought in consultation with the Ministry of Home Affairs to make Indo-Tibetan Border Police under the operational control of Army to facilitate joint operations to resolve the problems related to incursions etc.'

26. The Ministry in its action taken reply, has stated as under:

'The Group of Ministers (GoM) formed after Kargil War, in its Report in 2001, had recommended adoption of the principle of 'One Border One Force'. They had recommended that borders which are operationally active should be the responsibility of the Army and ITBP should be placed under the operational control of Army till the boundary between India and China is demarcated.

Ministry of Defence has taken up this issue with the Ministry of Home Affairs.'

27. The Committee had recommended as under:

'The Committee also desire that slippages of 11th Plan should be made up in the 12th Plan and desired level of improvement in capability vis-à-vis neighbouring nations, upgradation of infrastructure along Northern Borders, modernisation of Armour, Firepower, Infantry, Air Defence, Aviation, Engineers, Night Vision Devices and enhancement of aviation assets, should be achieved. Necessary steps must be taken so that the 12th Plan period does not meet the same fate as that of the 11th Plan.'

28. The Ministry in its action taken reply, has stated as under:

'Modernization during 11th Army Plan was focused on developing capabilities to attain military objectives across the entire spectrum of conflict. 11th Plan had succeeded in making a beginning towards addressing our priority areas. However, paucity of funds and the prolonged procurement cycles resulted in slippages. 12th Army Plan which was approved by the Defence Acquisition Council (DAC) on 02 April 12 and is in execution since then, has taken into account the critical

slippages of 11th Army Plan. There have been delays in Infrastructure Development for 11th Plan Accretions being undertaken as part of Cabinet Committee on Security (CCS) Note for Infrastructure Development in Eastern Command. This is primarily due to delays in land acquisition, preparation of Detailed Project Reports (DPR) by consultants and delay in sanction of Military Engineering Services (MES) accretions. Efforts are being made to complete the planned development at the earliest.

The Indian Army's improvement in capability is in place in the form of Long Term Integrated Perspective Plan 2012-2027, the 12th Five Year Plan (2012-17) and Annual Acquisition Plans. In the extant 12th Army Plan the procurement of Infantry weapon systems, Artillery guns, Tanks and Infantry combat vehicles, Air Defence weapon system, Reconnaissance and Surveillance helicopters, Engineer equipment, Tactical communication system and Ammunition procurement has been prioritized. Besides, Night Enablement of the Indian Army is also being given adequate stress.

In addition to strict compliance of procedures laid out in Defence Procurement Procedure (DPP) 2013, Standing Operating Procedures of the Army and regular monitoring at all levels, a number of in house steps have been instituted in the Indian Army to speed up the acquisition process.

The modernization of the Armed Forces is a continuous process based on threat perception, operational necessity, technological changes and available resources. The Recast 12th Army Plan has a total of 719 capital acquisition schemes and provides for Key Capability enhancements including Fire Power, Battle Field Transparency, Maneuverability, Mobility, Command and Control and Electronic Warfare.

Action Plans have been formulated and are being implemented to overcome the shortages in ammunition and missiles. A holistic review and prioritization of all the schemes has been carried out with a view to removing shortages and for fast track capability building. 26 important schemes have been identified as Chief of the Army Staff (COAS) priority procurement schemes considering the operational capability requirements and are being progressed on priority both by the service headquarters as also MoD. A Higher Forum has been constituted under the aegis of the Vice Chief of the Army Staff which meets on monthly basis to monitor the progress of the operational preparedness. '

29. The Committee find it surprising to note that although 14 years have elapsed since the recommendation made in their Report in 2001 by the Group of Ministers (GoM) formed after Kargil War, for adopting the principle of 'One Border One Force', placing the borders which are operationally active under the responsibility of the Army and the ITBP under the operational control of Army till the boundary between India and China is demarcated, no action has been taken for implementing the same. The Committee are of the perception that the issue of operational control of ITBP is being

shuttled between the two Ministries. The Committee, in this regard emphasise on ensuring that the matter is decided upon at the earliest and they be apprised of the same within two months of the presentation of this Report.

30. The Committee note that the 12th Army Plan, as recast, has a total of 719 capital acquisition schemes which provide for Key Capability enhancements including Fire Power, Battle Field Transparency, Maneuverability, Mobility, Command and Control and Electronic Warfare. The Ministry has also formulated action plans for overcoming shortages of ammunition and missiles. The Committee further note that a holistic review and prioritization of all the schemes has been carried out with a view to removing shortages and for fast tracking capability building. The Committee also note that 26 important schemes have been identified as Chief of the Army Staff (COAS) priority procurement schemes in consideration of the operational capability requirements and are being progressed with on priority both by the Service headquarters as also Ministry of Defence. A Higher Forum has been constituted under the aegis of the Vice Chief of the Army Staff which meets on monthly basis to monitor the progress of the operational preparedness.

The Committee find the information furnished in this regard to be encouraging. Nevertheless, they desire that the 719 capital acquisition schemes and 26 schemes of importance, which have been identified as Chief of the Army Staff (COAS) priority procurement schemes be concluded urgently and progress of each case be shared with the Committee at periodic intervals.

H. Critical shortages leading to priority procurement

Recommendation (Para No. 11 & 12)

31. The Committee had recommended as under:

'The Committee note that some of the critical shortages and vintage of equipment include Artillery, Guns, Infantry Weapons, Sights and Fire Control Equipment, Engineer Equipment, Air Defence Equipment and Armoured Recovery Vehicles (ARVs). The reasons given by the Ministry for the shortages are inadequate production capacities of Ordnance Factories, Defence Public Sector Undertakings as well as procurement process delays. The Committee are of the view that delay in procurement process has adversely impacted Operational Preparedness of the Services and resulted in substantial cost overruns of various projects. The delay has also proved

disadvantageous to the interests of the Forces, which ultimately lead to obsolescence of equipment in the Army.'

32. The Ministry in its action taken reply, has stated as under:

'Government constantly reviews the security scenario and accordingly decides to induct appropriate defence equipment to keep the armed forces in a state of readiness and remaining equipped with modern weapon systems.

The Capital procurement of defence equipment is carried out as per provisions of Defence Procurement Procedure (DPP) which inter-alia provides for constitution of Contract Negotiation Committee (CNC). Once the price is fixed by the CNC, in a case there is no increase in the cost of the project thereafter.

Aging of equipment is a natural process and is dealt with through proper maintenance, obsolescence management, upgrades and acquisition of new equipment.

In financial year 2014-15 a number of important contracts viz High Zone Modules of Bi Modular Charge System (BMCS) for 155mm Guns, Component Level Repair Facility for Tank T-90, Rockets for Smerch, L-70 Gun Upgrades, HMV GS 6x6 with Mechanical Handling Crane (MHC), P-7 Platform System and Extended Range Rockets for GRAD BM-21 MBRL were signed.'

33. The Committee had recommended as under:

'The Committee fail to understand the reason of holding vintage equipment with the Forces for such a long time, as with each passing year vintage equipment degenerates. This makes availability of ammunition as well as spares, difficult to find from the Original Equipment Manufacturer (OEM) sources. Thus non-accessibility to ammunition and spares may sometimes lead to dangerous situation at the time of urgent necessity like war. The Committee recommend that critical shortages should be made up at the earliest and proclivity of passing the buck to Ordnance Factories / DPSUs / procurement process should be stopped. An action plan for capital acquisition should also be drawn to make the Army a fighting fit force.'

34. The Ministry in its action taken reply, has stated as under:

'Being a large organisation, the Army has a wide range of equipment and therefore has more number of ongoing procurement cases as well as proposals for future acquisitions. The Army needs equipment which can be deployed over the entire operational spectrum in extreme climatic conditions from the Siachen glacier to the Thar Desert and humid conditions of island territories, with related complexities. The Army is constantly absorbing new technology and is re-aligning existing systems to the modern battlefield environment. The Army's inventory consists of a mix of modern, current and equipment approaching obsolescence. As the numbers are

very large, even with the changeover to more modern systems, the inventory will have a similar mix at all times.

The modernisation plan of the Army is in place in form of the Long Term Perspective Plan 2012-2027 and the 12th Five Year Plan. Annual Acquisition Plans are evolved each year.'

35. The Committee find the Action Taken Reply of the Ministry to be vague and incomplete. The Ministry has not furnished any response in regard to the steps taken for addressing the issue of inadequacy of production capacities of Ordnance Factories and Defence Public Sector Undertakings as well as delays in procurement process. The Committee feel it to be necessary that the reasons for inadequate production capacity of units under the Ministry of Defence should be addressed in a holistic manner so as to ensure that these units adhere to 'Make in India' initiative and produce the equipment indigenously so as to meet the requirements of the Forces.

36. The Committee desire that High Zone Modules of Bi Modular Charge System (BMCS) for 155mm Guns, Component Level Repair Facility for Tank T-90, Rockets for Smerch, L-70 Gun Upgrades, HMTV GS 6x6 with Mechanical Handling Crane (MHC), P-7 Platform System and Extended Range Rockets for GRAD BM-21 MBRL which were signed during 2014-15 be concluded at the earliest and progress of each case be intimated to the Committee within two months of the presentation of this Report. Further, the Committee, while expressing concern over the holding of a large quantity of vintage/obsolete equipment for a long time leading to consequential complications of not getting the spare parts of the OEM etc, desire that the Ministry chalk out an action plan for capital acquisition so as to make the army a fighting fit force. However, the Ministry has stated that the Army's modernisation plan is being carried out in the form of LTIPP 2012-2027, 12th Five Year Plan and Annual Acquisition Plan. The Committee are perturbed to note that even after the lapse of precious four years following the commencement of the 12th Defence Five year plan, the plan has not been approved by the Ministry of Finance. As a result, the long-term modernization program has been squeezed to be an annual affair. The sorry state of affairs does not end here. The Annual Acquisition Plan also suffers due to financial scarcity and budget cuts applied by the Ministry of Finance. In view of the above, the Committee wish to reiterate their earlier recommendation for chalking out an effective action plan for modernisation of the Army.

I. Shortage of ammunition

Recommendation (Para No. 13)

37. The Committee had recommended as under:

'The Committee have been informed about the shortage of ammunition with Army over the last three-four years. Although the ammunition are available with the Army but the quantity is not enough as per the requirements which have been projected by it. The Committee also note that the ammunition availability and ordering is being reviewed on a monthly basis by the Ministry alongwith Army. The Committee are surprised to know that despite a joint review, the shortages have remained with Army since a long time, indicating that something went wrong somewhere and procurement of ammunition was not done as envisaged. The Committee, therefore, recommend that immediate steps should be taken for procurement of ammunition from sources within or outside the country.'

38. The Ministry in its action taken reply, has stated as under:

'A system of five years roll on indents has been introduced and a road map on ammunition has been approved which envisages procurement ex-import and ex-trade to build up adequate targeted stocks along with three years training requirement. An institutionalized mechanism in the form of Working Group to review critical items of ammunitions and issues of spares, barrels, overhaul programme of infantry and mechanized forces have also been set up.

Second Five Year Ammunition Roll on indent for the period 2014-19 amounting to Rs 26,378.47 Crs has been placed on OFB. 29 capital procurement projects amounting to Rs 28621.70 Crs with likely cash outgo of Rs 3619.51 Crs are at advanced stages of approval. Ammunition with recurring large annual training requirement and high cost has been informed to Defence Research and Development Organisation (DRDO) and Ordnance Factory Board(OFB) for indigenous development.'

39. The Ministry has not given any time lines for replacing the vintage/obsolete equipment and has also treated the equipment as an essential mix with the modern weapon systems, which is improper and incorrect. The Committee desire that the Ministry should have a clearly laid out plan for phasing out old weapon systems and procurement of modern systems keeping in view the changing security scenario. The Committee also desire that the Ministry ensures adequate allocations for the same.

J. Bullet Proof Jackets (BPJs)

Recommendations (Para No. 14 & 15)

40. The Committee had recommended as under

'The Committee are perturbed to find that procurement of 1,86,138 Bullet Proof Jackets (BPJs), for which the approval of Defence Acquisition Council was obtained on 19.10.2009 and a Request for Proposal (RFP) through Capital route was issued on 07 December, 2012 are still not procured! The Committee are not at all satisfied with reply of the Ministry that efforts are on to complete the acquisition process as early as possible! 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 procure after the approval of Defence Acquisition Council.

It is unpleasant surprise for the Committee that in spite of critical shortages of BPJs being high-lighted in the previous report of the Committee also, no improvement in the situation has taken place, which is alarming. It needs an explanation.

During the deliberations also the matter regarding shortage of BPJs came up and Committee were shocked to learn that shelf life of existing BPJs was going to expire next 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 is also a fact that after 2009, no new procurement proposal was made other than 1.86,138 BPJs, for which assessment for requirement was done prior to 2009.

The Committee are of the view that this is a "man made", "very serious" and not a major issue from planning and execution point of view. The Ministry should not play with the lives of Army personnel and not drag them in avoidable dangers, just by not providing them BPJs. It is the duty of the Government to provide proper gear to their soldiers before sending them to counter insurgency or war-like situations. Therefore, it is earnest desire of the Committee that procurement of BPJs should be done in fast track mode to make up present and near future shortages so as to save lives of thousands of soldiers. Action on this be intimated to the Committee within two months.'

41. The Ministry in its action taken reply, has stated as under:

'To expedite availability of BPJs, an RFP for procurement through capital route for 1,86,138 qty. of BPJs was issued on 07 December, 2012 to 39 vendors out of which six vendors have responded, The case is at trial stage. Efforts are afoot to complete the acquisition process as early as possible. Procurement of quantity 50,000 BPJs through Revenue route is also in progress for which the RFP has been issued on 15 Apr 2015.'

42. The reply of the Ministry is incomplete and is lacking in seriousness in addressing the issue. As stated in the earlier report also, it is inexplicable that, the Ministry could not find a source for procuring 1,86,138 Bullet Proof Jackets

(BPJs) all these years. It is also a fact that subsequent to 2009, no new procurement proposal was made. It is a revealing as well as shocking fact that while on the one hand, the indigenous private sector is exporting BPJs to several countries, on the other, the Ministry of Defence has been unable to find a suitable vendor for supplying the requisite quantity of BPJs which are crucial for protecting the lives of our soldiers.

43. The Committee strongly deplore the lackadaisical attitude of the Ministry over the issue of procurement of BPJs. They desire that immediate measures be taken by the Ministry for procuring the requisite number of BPJs, be it through the Capital or Revenue Account route. It would also be pertinent to point out here that the DRDO lab has reportedly developed BPJs which meet the specifications/requirements of the Army. Also, the Ministry can, for the time being, consider buying the BPJs off the shelf from Indian or Foreign markets.

K. Procurement of Rifles

Recommendation (Para No. 16)

44. The Committee had recommended as under:

'The Committee note that the first consignment of INSAS Rifle was provided to Army in 1994 and four versions of the same have also been introduced with improvements in each variant. The Committee have learnt that the Services are not happy with the present version. However, in its reply the Ministry avoided the question posed to them about the problems being faced by the Army in handling INSAS and other weapons. The Committee also note that the design of the INSAS was long approved, well before 1994 and at present there is no change in the design per se in the existing version. The Committee understand that better, lethal and compact rifles in comparison to INSAS, are available in the world over. Therefore, the Committee desire that DRDO should make improvements in the existing model or all together develop a new rifle for the satisfaction of forces in a "very early" "time frame". For the immediate requirement, the Ministry may also think of procuring the rifle from the foreign sources to suit the requirements of the Forces.'

45. The Ministry in its action taken reply, has stated as under:

'In the year 2006, DRDO proposed to undertake a Project '**Design & Development of Soldier as System**' to meet the futuristic requirements of Army and emulate world standards of Small Arms. The project proposal was made with incorporation the following aspects:-

- Multi Calibre Weapon for enhanced lethality.
- Sighting systems integrated with fire control system for all weather detection, aiming and firing.
- Helmet mounted display for situational awareness.
- C 41 based communication system.
- Protective clothing and Anti mine Boot.
- Physiological monitoring vest for online health monitoring.
- Human engineering issues involving assessment of physical and cognitive load on Soldier.

After going through the proposal in 2007, Infantry Directorate intimated DRDO to wait before proceeding with any R&D activity till finalization of GSQR.

Notwithstanding the above, DRDO undertook a Technology Demonstration project '**Design & Development of Multi Caliber Individual Weapon System (MCIWS)**' in 2008 for Design and Development of Rifle capable of firing 5.56×39 mm Ammunitions by changing some components. Limited No. of Rifles are realized and design trials are under progress. The MCIWS meets all the physical parameters (length, mass, ambidextrous features. Provision of Picatinny rails, etc.) of the GSQR No. 1379 of Assault Rifle. The operational parameters, like reliability and accuracy, etc. will be confirmed after conduct of extensive trials. Demonstration to Army can be given in Jan 2016.

As a part of MCIWS project, DRDO is also developing a new 6.8×43 mm Ammunition, which has capability to replace 5.56 mm and 7.62×39 mm calibre Ammunitions. Limited No. of rounds have been realized and the design validation trials are under progress. Demonstration of this Ammunition can also be given in Jan 2016.

It may be noted that DRDO developed more lethal Ammunition for 5.56 mm INSAS Rifle in association with Ammunition Factory Kirkee and successful User trials were also conducted. However, Army has not place Bulk procurement order for this Ammunition.

As far as making the improved version of INSAS Rifle is concerned, it is intimated that DRDO & OFB had interaction with DG Infantry. It is decided to carry out the improvements in INSAS Rifle. The improvements jointly approved are being incorporated in Rifle 5.56mm INSAS for validation. The first Collegiate Meeting held on 21st May, 2015 at Army HQ. The improvements will be carried out 'very early' on priority in time framed manner to the satisfaction of the Forces.'

46. The Committee note that after going through the proposal for undertaking a Project, 'Design & Development of Soldier as System' so as to meet the future requirements of the Army and emulate world standards of Small Arms, in 2007, Infantry Directorate had intimated DRDO to wait before proceeding with any R&D activity till finalization of GSQR. Notwithstanding the above, DRDO undertook a Technology Demonstration project, 'Design & Development of Multi Caliber Individual Weapon System (MCIWS)' in 2008 for Design and Development of a Rifle capable of firing 5.56×39 mm Ammunitions which involved change of some components. As per the information furnished in the Action Taken Reply, the MCIWS meets all the physical parameters of the GSQR No. 1379 pertaining to Assault Rifle and was expected to be demonstrated before the Army in January, 2016. The Committee would like to be apprised of the outcome of the demonstration of the Rifle, particularly with reference in regard to the suitability of the Rifle for the Army in terms of reliability, accuracy, etc.

47. The Committee also note that as a part of MCIWS project, DRDO is also developing a new 6.8×43 mm Ammunition, which has capability to replace 5.56 mm and 7.62×39 mm calibre Ammunition. As per information furnished, limited number of rounds has been realized and the design validation trials are under progress.

It is beyond the comprehension of the Committee as to how a product which was conceptualized in 2006 could not be developed because GSQR was not finalised by the Infantry Directorate. This is a matter of concern, which requires an explanation as to what prompted the Infantry Directorate for not sharing the GSQR with DRDO.

The Committee desire that information on the concerns of the Committee, as stated above, as well as improvements made so far, especially following the collegiate meeting on 21 May, 2015 be informed to the Committee within 2 months of the presentation of this Report.

L. Main Battle Tank (MBT)

Recommendation (Para No. 17)

48. The Committee had recommended as under:

'The Committee note that Defence Research and Development Organisation (DRDO) has been developing Arjun Main Battle Tank (MBT) Mark-II, which has about 75 tank fittable improvements over and above Arjun MBT Mark-I. These improvements have been arrived in mutual consultation with all the stakeholders. The Committee are of the view that Arjun Mark-II should be provided at the earliest to the Forces and after its user evaluation report, the large scale production of the same should be started. The Committee also desire that constant improvements may be made in the existing Mark-II and thereafter, each and every model should be improved and after a certain period of time it should be sent for production, without making Army wait perpetually for the so called perfect tank.'

49. The Ministry in its action taken reply, has stated as under:

'DRDO took up the design & development of Arjun MBT Mk-II during the year of 2010 as per DGMF requirement with various improvements, with due involvement of all the stakeholders including Users, and successfully fielded the first prototype for the User trials within 2 year of time.

User trials have been planned in five phases. The first three phases comprises extensive field evaluation of all the improvements regressively at Pokharan Field Firing Ranges (PFFR) and Mahajan Field Firing Ranges (MFFR). Fourth phase of trial was planned at Avadi. Fifth phase of trial consists of DGQA evaluation and Maintenance Evaluation Trials (MET).

As of now, all the first three phases [Phase 1 to 3] of field intensive User trials have been successfully completed. Part of Phase IV User trials at Avadi related to Step Climbing, Trench crossing and improvement specific medium fording exercise were also successfully accomplished. DGQA evaluation for the successful improvements have already been commenced from Feb 2014 and actions have also been initiated for the MET evaluation.

At present, Arjun MBT Mk-II Prototype-I has successfully covered around 5,660 km of automotive trials and also commendable accomplishment of firing of various type of tank ammunitions, including firing of 22 missiles.

DRDO conceived & incorporated LAser Homing Anti-Tank (LAHAT) Guided Missile, in association with M/s Israeli Aerospace Industries, in order to facilitate the tank to support the futuristic network based warfare scenario. As such, the Laser Target Designator integrated to the Gunner's Main Sight for the firing of missiles has been successfully incorporated and the LAHAT missiles were also successfully fired from Arjun MBT Mk-II-main gun.

User has been insisting for performance of missiles at lower ranges of 1200-1500 m for accepting LAHAT missile. However, OEM for missiles M/s IAI had intimated that accuracy can be guaranteed for ranges of 1500 m and above only. The required performances at lower ranges are technically difficult to achieve due to the basic design of the missile.

As on date, 53 improvements, out of total finalized 73 tank fitable improvements, have already been declared successful by the User based on the trials feedback. DRDO is planning to field the Arjun MBT Mk II for final phase of User trials after incorporating various suggestions made by the Users on balance tank fitable improvements. All the improvements will be demonstrated except the performance of the LAHAT missile.

DRDO is working on development of indigenous missile with a timeframe of four years. User has been requested to consider acceptance of LAHAT missile with modified Acceptance Test Procedure considering the assured performance of the missiles for 1500 m and above, till such time the indigenous missile is developed.

The missile firing capability is retrofit-able and, hence, can be fitted on to the Arjun MBT Mk II during production itself. Hence, DRDO is requesting User to place the indent for minimum two regiments as per DAC approval, which has already been accorded for Acceptance of Necessity [AoN] for 118 Nos. of Arjun MBT Mk-II. As indicated above, the missile can be retro-fitted at an appropriate time during productionisation.

With respect to Non-tank fitable improvements, they are being separately developed and evaluated. Many of the major non-tank fitable improvements, such as increased penetration, are in advanced stages of completion and evaluation. Resin Based Combustible Cartridge Case (CCC) and improved primer were already recommended for induction.

DRDO and User are interacting towards taking the Arjun Mk-II for production after successful completion of trials with various options for missiles. However, the productionisation can commence at HVF/OFB, only after receipt of the firm indent from the date of indent for completion of first batch of Arjun MBT –II by HVF/OFB.

As stated above, the DAC has already approved the AoN for 118 Nos. of Arjun MBT Mk-II, which is valid upto 28 Aug 2015. Further, the placement of formal indent on HVF/OFB for the productionisation is the responsibility of the User. In view of the above, DRDO is of the view that the Army may please consider early release of the Indent, so that the production activities can commence at HVF/OFB. Technical observation, if any, on the improvements can be addressed and resolved by DRDO in the mean time before roll out of first production vehicle.'

50. The Committee find the information furnished in the Action Taken Reply on MBT Arjun to be of a routine nature. No concrete solution seems to have been found for the problems of HVF/ OFB and the user i.e. Army. The reply also does not indicate the efforts that may have made for addressing and resolving the bottlenecks by DRDO / OFB. Also, the reasons as to why the Army has not been placing the indent for further production of

tanks so as to enable DRDO/HVF to plan the production accordingly has not been explained.

51. The Committee desire that the Ministry and the DRDO in consultation with OFB should look into the matter with due seriousness so as to find out a solution so that the assembly lines do not become idle and the Army also gets to use a world-class tank on time. The Committee wish to be apprised of the developments made in this regard within two months of the presentation of this Report to Parliament.

M. War Wastage Reserves (WWR)

Recommendation (Para No. 18)

52. The Committee had recommended as under:

'The Committee note that War Wastage Reserves (WWR) in respect of equipment and ammunition are reserves that a Nation sets apart to cater for the anticipated expenditure of ammunition for the anticipated duration of War and the "Threat Perception" and, at the end of which, the Armed Forces should continue to remain operationally equipped and 100% fit for war. However, they are surprised to learn that there are very serious deficiencies in WWR in respect of some of weapon systems / equipment and ammunitions held at various levels. This is an extremely worrying aspect.

The Committee desire that TOP MOST priority should be given to maintain WWR in respect of weapon, ammunition and supporting system as per the war scenario, worked out by the Government. The Committee are highly concerned and desire that making up to the shortages – both the weapons and ammunitions, be made up at the earliest. The Committee should be apprised about the action taken in this regard at the earliest. '

53. The Ministry in its action taken reply, has stated as under:

'The Government has taken into consideration the deficiencies in some of the critical ammunitions on priority and has also taken effective steps to mitigate the deficiencies to ensure desired level of Op-preparedness commensurate to threat perception in a dynamic strategic scenario. Some steps are as below:

- (a) Annual Priority Procurement Plan (PPP) has been formalized and being closely monitored.
- (b) Financial Powers of Service HQ enhanced for procurement of ordnance items. This will expedite the procurement cycle and making up deficiencies of equipment and ammunition of ordnance origin.
- (c) A system of long term five years roll on indents has been introduced and a road map on ammunition has been approved which envisages procurement ex-import and ex-trade to build up adequate targeted stocks along with three years training requirement. An institutionalized mechanism in the form of Working Group to review critical items of ammunitions and issues of spares, barrels, overhaul programme of infantry and mechanized forces have also been set up.'

54. While expressing concern over serious deficiencies in War Wastage Reserves (WWR) in respect of some weapon systems/equipment and ammunitions held at various levels, the Committee had, in their earlier Report, desired that top most priority be accorded to maintain WWR in regard to weapons, ammunition and supporting systems as per the war scenario worked out by the Government. The Committee note that an institutionalized mechanism in the form of a Working Group has also been set up for reviewing critical items of ammunition and issues pertaining to spares, barrels, overhaul programme of infantry and mechanized forces. The Committee are, however, concerned to note that the Ministry's reply is silent with regard to equipping WWR in regard to weapons, ammunition and other supporting systems as per the war scenario worked out by the Government. The Committee desire that the Ministry undertake appropriate measures for equipping the WWR within a specific time period under intimation to them. They also desire that WWR should be treated as being 'reserved' and not touched for raising a Force.

N. Modernisation of Army

Recommendation (Para No. 19, 20, 21 & 22)

55. The Committee had recommended as under:

'From the information supplied by the Ministry, the Committee note that Modernisation of the Army is a continuous process based on "Threat Perception" as decided by the

Government, operational challenges, technological changes etc. the Government constantly reviews the security scenario and accordingly decides to induct appropriate Defence equipment and ammunition to keep the Armed forces in a state of readiness and equipped with modern weapon systems. The process is based on a 15 year Long Term Integrated Perspective Plan (LTIPP), 5 year Service Capital Acquisition Plan (SCAP) and an Annual Acquisition Plan (AAP). Procurement of equipment and weapon systems is carried out as per the AAP.'

'The Committee also note that the current LTIPP spells out the capability desired to be achieved by the Armed Forces over 15 years duration (2012-17). The LTIPP is translated into the SCAP, covering a five year period. The AAP for each Service is a two year roll on plan for capital acquisitions and consists of the schemes from approved five year SCAP. Thus, the Long Term Plan (LTIPP) gets finally translated to Short Term Plans (AAP) and the cases included in the AAP are progressed for acquisition as per Defence Procurement Procedure.'

56. The Ministry in its action taken reply, has stated as under:

'Submissions of the Government have been noted by the committee. No further action on part of the Government.'

57. The Committee had recommended as under:

'The Committee further note that despite having the LTIPP, SCAP and AAP, several modernisation projects of Army, during the eleventh and twelfth plan, are pending, indicating the fact that all is not well with the planning process of Army. The Committee find that the reasons given such as 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 indigenisation, design and development projects etc. are not convincing. Therefore, the Committee desire that the Ministry should make an Action Plan to resolve the issues i.e. stakeholder consultation complexities in contract negotiations etc. at its end and promptly take effective steps to modernise the Army.'

58. The Ministry in its action taken reply, has stated as under:

'Wherever possible, collegiate system is being resorted to in order to speed up processing of procurement cases. Efforts are constantly made to refine and improve the defence procurement process with an aim to expedite the procurement process as a whole.

Some of the major issues which may cause delay in the procurement process are being addressed.'

59. The Committee had recommended as under:

'The Committee also note the candid admission of a representative of Army that they are behind modernization and procurement schedule. One of the reasons that came up for the consideration of the Committee is shortage of funds at the procurement stage, as money lapses after a certain period of time. The Committee are strongly of the view that for modernization of Army's including "Capital Head" should be made "Non-Lapsable" and "Roll-on" so that the Army and other Services do not end up buying second or third priority items as the allocated fund is lapsing'.

60. The Ministry in its action taken reply, has stated as under:

'During the last few years there has been full utilisation of funds available under the capital budget. This is brought out in the data tabulated below:

(inRs.crores)

Year	BE	RE	Actuals	Utilisation(in %)
2010-11	60,000.00	60,833.26	62,056.00	102.01
2011-12	69,198.81	66,143.81	67,902.38	102.65
2012-13	79,578.63	69,578.63	70,499.12	101.32
2013-14	86,740.71	78,872.23	79,125.05	100.32
2014-15	94,578.95	81,965.24	81,887.42	99.91

In view of the above, it is felt that no purpose is served by delineating the capital budget as "non-lapsable and roll-on" as no surplus funds are generally available for rollover.'

61. The Committee note that in reply to the concerns expressed on the delays in modernisation of the Army despite having Long Term Integrated Perspective Plan (LTIPP), SCAP and AAP, the Ministry has merely stated that wherever possible, collegiate system is being resorted to in order to speed up processing of procurement cases. Efforts are constantly made for refining and improving the defence procurement process with the aim of expediting the procurement process as a whole. Also, some of the major issues which may cause delay in the procurement process are being addressed.

62. The intention behind the recommendation made was to emphasise on the need on the part of the Ministry for speeding up the process of modernisation and sharing the related information with the Committee. The Committee desire that the specific steps taken towards modernizing the Army and the major issues which are causing delays should be addressed and the Committee intimated of the details thereof at the earliest.

O. Rashtriya Rifles

Recommendation (Para No. 23)

63. The Committee had recommended as under:

'The Committee note that there was a decrease in the capital budget of Rashtriya Rifles for the year 2015-16 which will affect estimated expenditure on committed liabilities and new schemes resulting in obstruction of modernization of Rashtriya Rifles. Considering the importance of Rashtriya Rifles, the Committee desire that projected allocation should be provided to them.'

64. The Ministry in its action taken reply, has stated as under:

'The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. Any additional requirement of funds will be projected to the Ministry of Finance.'

65. The Committee find that the reply of the Ministry to be of a routine nature wherein the Ministry of Finance has been blamed for lower allocations. Considering the fact that the committed liabilities and new schemes of Rashtriya Rifles have, in particular, been affected/hampered owing to the inadequate allocation, the Committee reiterate their recommendation for providing the required funds/allocation to the Rashtriya Rifles and the Army.

P. Shortage of Officers

Recommendation (Para No. 25 & 26)

66. The Committee had recommended as under:

'The Committee note that at present a shortage of 9642 officers, excluding Army Medical Corps, Army Dental Corps and Military Nursing Services, exist despite undertaking sustained image projection and publicity campaign to create awareness among the youth on the advantages of taking up this challenging and satisfying career. The Committee are of the view that the Ministry should devise innovative methods other than the existing one to attract the young minds to join the Forces. The Committee also desire that in this aspect help of Defence Institute of Psychological Research (DIPR) may be taken.'

67. The Ministry in its action taken reply, has stated as under:

'The Government has been constantly taking measures to reduce shortage of officers in Army. In this regard, 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 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, lesser number of holidays, hard training/physical labour etc. It has also been noticed that today's students are not inclined to the traditional jobs. Further, 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 to attract talented youth to join the armed forces. The above measures have resulted in gradual reduction of shortage of 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.'

68. The Committee had recommended as under:

'The Committee also desire that the Ministry should give a serious thought to the idea of providing five years compulsory military service to those aspirants who want to directly

join Gazetted Central and State Government service in order to overcome the shortage of officers in Armed Forces.'

69. The Ministry in its action taken reply, has stated as under:

'The Government has been constantly taking measures to reduce shortage of officers in Armed Forces. These include making serving more attractive by way of reduction in time required for promotions, introduction of Colonel (Time Scale) rank, enhancing promotional avenues by way of upgradation of posts in Select Ranks, additional family accommodation through Married Accommodation Project, implementation of the VI Central Pay Commission with substantial improvement in the pay structure and other allowances of Armed Forces.

Further, it has also been the constant endeavour of the Government to make SSC attractive so as to attract youth towards Short Service Commission in the Defence Forces. These include extending time based promotion to the substantive rank of Captain, major and Lieutenant Colonel after 2, 6 and 13 years of reckonable service respectively to SSC officers, increase in maximum tenure for SSC Officers to 14 years. Additional proposals for making SSC more attractive have also been taken up for inter-departmental consultations.

As regards the recommendation regarding the idea of providing five years compulsory military service to those aspirants who want to directly join Gazetted Central and State Government service in order to overcome the shortage of officers in Armed Forces, the same has been noted. Since this will need a major policy decision the matter will need careful examination and deliberation in consultation with all concerned.'

70. The Committee take note of the various measures initiated by the Ministry for overcoming the shortage of Officers. The Ministry, in its Action Taken Reply has also stated that it has taken note of the recommendation of the Committee for providing compulsory military service of five years for aspirants wanting to directly join the gazetted cadres so as to enable in overcoming the shortage of officers in the Army. As per the information furnished, the matter involves a major policy decision and therefore, needs careful examination and deliberation in consultation with all concerned. The Committee are very keen on finding a viable solution to the problem of shortage of Officers in the Army as well as other issues relating to civilian authorities not paying attention to the difficulties being faced by Service Officers in their daily life. The Committee, therefore, desire that their recommendation be considered with due seriousness and the committee be informed of the outcome at the earliest.

Q. Recruitment Rallies

Recommendation (Para No. 27 & 28)

71. The Committee had recommended as under:

'The Committee note that Recruitment rallies are conducted in different parts of the country to recruit jawans in Army and in conducting rallies, Army undertakes recruitment, whereas, the crowd control and management is the responsibility of civil administration and police. Such incidents have occurred mainly on account of overcrowding and inadequate police arrangements for crowd management. The Committee also note that the Ministry has taken number of steps to prevent mishap such as, holding smaller rallies covering select number of tehsils, spreading the rallies over a longer duration to reduce overcrowding; ensuring timely dispersal of candidates on daily basis; a pilot project for online registration and filtering applications is planned.

The Committee are not fully satisfied with the measures taken by the Ministry as the incidents are recurring. Therefore, they desire that effective crowd management should be given priority or candidates may be called directly to the permanent centres of recruitment every alternate day.'

72. The Ministry in its action taken reply, has stated as under:

'As apprised earlier, Recruitment rallies are conducted after due deliberation, planning and detailed coordination with civil administration after ensuring that all basic amenities such as infrastructure and adequate police arrangements are made available by the civil administration. During the rallies, Army undertakes recruitment whereas the crowd control and management is the responsibility of civil administration and police. Such incidents have occurred mainly on account of overcrowding and inadequate police arrangements for crowd management.

The issue of recurrence of incidents of violence during recruitment rallies has been reviewed by the Ministry. Army Headquarters have taken a number of measures to obviate recurrence of such incidents, which include holding smaller rallies covering select number of tehsils; spreading the rallies over a longer duration to reduce overcrowding; ensuring timely dispersal of candidates on daily basis. Besides above, a pilot project for online registration and filtering of applications is planned, which will ensure smooth conduct of rallies and will reduce crowding to obviate recurrence of such incidents. Additional measures for effective crowd management are also under consideration.'

73. The Committee had recommended as under:

'The Committee also desire that a strict watch and related tests should be conducted to know whether candidates are taking performance enhancing drugs before appearing in recruitment rallies.'

74. The Ministry in its action taken reply, has stated as under:

'Open Recruitment Rally System does not include testing of candidates for performance enhancing drugs. However, Field Testing Kits are available at Rally Site to check the candidates suspected of using drugs. The selected candidates, who are suspected of using any performance enhancing drugs, during physical checking for pupil dilation, reaction to light etc., are administered with Field Drug Test Kit which are available at Rally Site. Further, additional measures for checking of candidates for use of performance enhancing drugs are under consideration.'

75. The Committee appreciate the fact that a number of steps have been taken by the Ministry for mitigating incidents of violence during recruitment drives which include, holding smaller rallies covering select number of tehsils; spreading the rallies over a longer duration so as to reduce overcrowding; ensuring timely dispersal of candidates on daily basis, etc. The Ministry has also reportedly taken up a pilot project for online registration and filtering of applications for ensuring smooth conduct of rallies and reducing crowding so as to obviate recurrence of incidents of violence. In this regard, the Committee feel it to be appropriate on the part of the Ministry to concentrate on-online registration as an implementable proposition at the earliest so that it will not only ease the recruitment process but also help in maintaining a data base of the candidates.

76 With regard to the Committee's recommendation for ensuring a strict watch over conduct of recruitment-related tests to know whether the candidates take performance enhancing drugs before appearing in recruitment rallies, the Ministry is reportedly considering the matter. The Committee, in this regard, desire that prior to commencement of Open Recruitment Rallies, enough number of recruiting personnel should be deployed so as to keep an eye over the candidates and thereby a check on usage of performance enhancing drugs. A medical test, especially to check for presence of drugs before participation in such rallies will not only help in catching the offenders, but also deter others from indulging such practices.

R. Ex-servicemen Contributory Health Scheme (ECHS)

Recommendation (Para No. 29 - 34)

77. The Committee had recommended as under:

'The Committee note from the data supplied by the Ministry that only Rs. 2639 crore are allocated against the projection of Rs. 3532.12 crore in the Revenue Head of ECHS for the year 2015-16. The difference in the projection and allocation is substantial amount of Rs. 893.12 crore, which would affect the overall working of ECHS in the field of Transportation, Stores, Information Technology, Medical Treatment Related Expenditure and Revenue works etc.'

78. The Ministry in its action taken reply, has stated as under:

'There is an apparent shortfall of Rs.893.12 Crore in the Revenue Head of ECHS for the year 2015-16. The projection for FY 2015-16 were made on 10th July 2014 keeping in view the requirement of funds for medical treatment. However, an additional amount of Rs. 600 Crore was allotted at extended BE/RE stage.'

79. The Committee had recommended as under:

'The Committee also note that in the Capital Head, Rs. 20.41 were, allocated during the year 2014-15 against the projection of Rs. 50 crore, however, ECHS could able to spend only Rs. 4.80 crore till 28February, 2015. The Committee would like to know the reason for not spending the allocated amount under this head. This year also, against the projection of Rs. 50 crore, ECHS is given only Rs. 30 crore. But gleaning through the last financial year projection, the Committee do not want to comment at this stage on the lower allocation.'

80. The Ministry in its action taken reply, has stated as under:

'Funds under Capital Code Heads, relevant to Major Head-4076, Minor Head-107 (Capital) had been projected based on demands received from concerned spending agencies (i.e. DGDE, DGAFMS & all Comd HQs of Army) for acquisition of land in progress at 156 ECHS Polyclinics locations, requirements for construction of buildings at 55 ECHS Polyclinics and purchase of major medical equipments for 182 polyclinics, so as to operate these ECHS Polyclinics as envisaged. During the financial year 2014-15, Rs.15.30 crore was surrendered at various stages against total allotment of Rs.20.41 crores based on confirmation of requirements of funds received from various spending agencies. The details of final allotment and expenditure under Capital Code Heads in the financial year 2014-15 are appended below :

FY	Total allotment (Rs. In Crore)	Expenditure (Rs. In Crore)	Remarks
2014-15	5.11	*6.61	*An amount of Rs.1.52 Crore was incorrectly booked by concerned O/o Comptrollers of Defence Accounts (CsDA). Request for rectification of this error has been submitted to O/o CGDA under intimation to DGFP-2. Hence the actual expenditure by ECHS is Rs.5.09 Crore.

Purchase of land, construction of building & procurement of medical equipments involve lengthy and time consuming procedures. Hence the amount envisaged could not be spent within the same financial year.'

81. The Committee had recommended as under:

'The Committee note that ECHS faces difficulties in giving medical facilities to its subscribers due to irregular allotment of funds, time consuming procurement procedures and not having additional power of local purchase by non-military polyclinics. The Committee desire that the funds should be provided to ECHS to mitigate the problem of the subscribers of ECHS. '

82. The Ministry in its action taken reply, has stated as under:

'The observations of the committee have been noted for compliance on priority.'

83. The Committee had recommended as under:

'The Committee also note that 178 polyclinics do not have an empanelled facility/ Armed Forces Medical Services hospitals near their vicinity, therefore, the Committee desire that empanelment of hospitals in difficult areas like North-East, Sikkim, Uttarakhand, Himachal etc. should be given priority and other cases relating to empanelment of hospitals pending with ECHS should be cleared at the earliest and intimated to the Committee.'

84. The Ministry in its action taken reply, has stated as under:

'Against the 178 Polyclinics not having an empanelled facility/ Armed Forces Medical Services Hospital near their vicinity, 136 private Hospitals/ Diagnostic Centres and Nursing Homes covering the 107 polyclinics have been empanelled with ECHS on 15th April 2015. This has resulted in reducing the number of polyclinic without empanelled Hospitals/ Nursing Homes/ Diagnostic Centres to 71. These polyclinics refer patients to empanelled facilities under Regional Centre, which may be located in adjoining districts.'

85. The Committee had recommended as under:

'The Committee further note that at some of the ECHS polyclinics doctors are not available to treat the patients. The Committee desire that necessary steps be taken to appoint doctors at each and every polyclinic. They also feel that a panel of retired doctors from the Army Medical Corps (AMC) could be created and they may be requested to offer their services in such areas.'

86. The Ministry in its action taken reply, has stated as under:

'The point noted by the committee is under consideration. Presently to overcome the shortfall of medical officers, the patients are being referred by OIC Polyclinics to the empanelled facilities directly and also patients can directly report to empanelled facilities in case of emergency. In addition, places where patient load on Polyclinic is high, additional doctors have been provisioned by rationalization from locations with low patient load. As far as creation of panel of retired AMC doctor, the issue has been taken up with O/o DGAFMS for initiating necessary action on the subject.'

87. The Committee had recommended as under:

'The Committee are surprised to note that 124452 bills of empanelled hospitals are pending amounting to Rs. 273.40 crore in respect of various Commands of Army, Navy and Air Force. The Committee take a serious view of this laxity and desire that these bills should be cleared at the earliest so that the empanelled hospitals take due care in treating ECHS beneficiaries and sure of getting reimbursement. The progress on this be intimated to the Committee within three months. '

88. The Ministry in its action taken reply, has stated as under:

'Instructions have been issued to the all concerned to expedite claims at the earliest. There has been a progress towards reduction of manual claims and it is being ensured that daily uploading of claims takes place for on-line billing. Presently, MoA between UTI-ITSL (Bill processing Agency) and ECHS is in the final stages of approval. Once the MoA comes into execution, the issue of pendency of bills will be reduced. Feedback will be given to the committee as directed.'

89. The Committee are happy to note that for overcoming the shortfall of medical officers, patients are being referred by the Officers-In-charge of Polyclinics to empanelled facilities directly. Also, patients are entitled to directly report to empanelled facilities in case of emergency. In addition, in places where patient load in Polyclinics is high, additional doctors have been posted/stationed by a rationalizing the Doctors strength from locations with low patient load. The Ministry has also informed that the issue of creation of panel of retired AMC doctors, has been taken up with O/o Director General, Armed Forces Medical Services (DGAFMS) for initiating necessary action on the subject. The Committee desire that this issue be addressed and sorted out in a fixed time frame so that the veterans are not faced with difficulty in their aging years.

90. The Committee are also happy to note that instructions have been issued to all the concerned for expediting claims and there has been progress towards reducing manual claims and uploading of claims has been taking place daily for on-line billing. Presently, a Memorandum of Association (MoA) between UTI-ITSL (Bill processing Agency) and ECHS is said to be in the final stages of approval. The Committee desire that formalities relating to MoA be completed at the earliest so that there will be no criticism of the Ministry on account of long pendency of bills, reimbursement takes place smoothly and ECHS beneficiaries are not faced with any problem.

T. National Cadet Corps

Recommendation (Paras No. 37 - 43)

91. 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 Indians to join the Armed Forces.'

92. The Ministry in its action taken reply, has stated as under:

'Being a factual statement, no comments are offered.'

93. The Committee had recommended as under:

'The Committee also note that during the year 2011-12, NCC were allocated Rs.984.01 crore, however, the actual were Rs.713.81 crore; during the year 2012-13, NCC was allocated Rs.1128.80 crore, however, the actual were Rs.791.87 crore, during the year 2013-14 NCC was allocated Rs.887.12 crore, however, the actual was Rs.874.03 crore. During the year 2014-15 NCC has been allocated Rs.1025.17 crore, however, actual were 927.42 crore till February 2015. This year NCC was allocated only Rs.1021.39 crore, which is approximately Rs.4 crore less than last year's allocation.'

94. The Ministry in its action taken reply, has stated as under:

'Being a factual statement, no specific comments are offered except that the actual expenditure for the financial year 2014-15 was Rs.965.84 crore.'

95. The Committee had recommended as under:

'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 which has become consistent in nature.'

96. The Ministry in its action taken reply, has stated as under:

'It is a fact that for the last 4 years, there has been under spending by DGNCC vis-à-vis the budget allotted to them. However, non-utilization of full budget by HQ DGNCC has been due to variety of reasons such as non-finalization of rate contracts for procurement of clothing items for use by NCC cadets, failure of rate contracts, ban on purchase of new vehicles as also due to the time taken in sanction of works and procurement of microlites not materializing. As regards Directive of the Committee regarding guidance by MoD (Finance) in financial planning, it is submitted that all the budgetary projections made by NCC are evaluated by Defence (Finance) and through a process of mutual consultation, the final figures are projected to Ministry of Finance. Further, as suggested by the Standing Committee, NCC has been directed to take full advantage of expertise of Defence Finance in their financial planning process.'

97. The Committee had recommended as under:

'The Committee also desire that additional allocation of Rs.175.44 crore under the Revenue Head for procurement of clothing, vehicle, equipment, IT hardware and revenue works may also be provided at RE stage.'

98. The Ministry in its action taken reply, has stated as under:

'NCC was allotted Rs.1021.39 crore at Budget Estimates (BE) stage for the financial year 2015-16. Out of this, an amount of Rs.1016.39 crore was allocated under Revenue Head of expenditure (including an amount of Rs.183.63 crore under Revenue Non-Salary Head) and Rs.5 crore under the Capital Head of expenditure.

As this allocation of Budget was considered inadequate to meet the committed liabilities under the heads clothing, vehicles, information technology, revenue works and the anticipated expenditure on account of International Yoga Day, the Committee had observed that additional allocation of Rs.175.44 crore under the Revenue Head may be provided at Revised Estimates (RE) stage.

In the meantime, out of extreme urgency, an additional budget of Rs.25 crore has been provided to DG NCC under Revenue Head, through re-appropriation thereby increasing the allocation to Rs.1041.39 crore under Revenue Head of expenditure. Further, based on reassessment of fund requirements, NCC has projected an amount of Rs.1141.18 crore under Revenue Head in RE 2015-16, on 21st October, 2015. This is Rs.124.79 crore higher than BE 2015-16 under Revenue Account.'

99. The Committee had recommended as under:

'The Committee further note that total sanctioned strength of NCC cadets is 15 lakh. The Committee glanced through last year's data wherein the actual strength of NCC cadets was given 11,73,029. Out of it, the Girl cadets were 3,04,661, consisting of 26%. The NCC covered 10,174 Schools, 5,548 Colleges and 670 Districts. However, it had 4790 Schools and 2549 Colleges in the waiting list. As per this year's data, the strength of NCC cadets is going down and at present the actual strength of NCC cadets is 11,31,083. Out of it, the Girl cadets are 2,90,420, consisting of 26%. The NCC covered 10,397 Schools, 5,511 Colleges. However, it has 4892 Schools and 2955 colleges in the waiting list. The Committee desire to know the reason for depletion of strength of cadets since the last one year and the action taken by the Ministry to arrest the fall. The Committee also desire that necessary steps must be taken to cover maximum schools and colleges from the waiting list.'

100. The Ministry in its action taken reply, has stated as under:

'The enrolment period for Senior Division / Senior Wing (SD/SW) in NCC has been revised from 2 years to 3 years during the year 2013-14. The reason behind depletion of cadet strength is the fact that during the transition period of SD/SW enrolment period from 2 years to 3 years, the annual intake of 50% cadets every year (in 2-year enrolment cycle) has got reduced to 33% cadets every year (in 3-year enrolment cycle). The transition period would be completed by the year 2015-16. It is expected that from 2016-17 onward there would be no such technical deficiency. However, there could still be some deficiency in enrolment of cadets due to other reasons, such as, placing of educational institutions in suspended animation and inadequate response to NCC training in certain institutions.

The sanctioned strength of NCC cadets is being increased from 13 lakh to 15 lakh in 5 phases at the rate of 40,000 cadets per phase. Two phases have been implemented increasing the cadet strength to 13.80 lakh and 3rd phase is under implementation. Necessary steps are being taken to cover more schools and colleges from the waiting list. The 4th and 5th phases of the current Expansion Plan of NCC would enable partial liquidation of the current waiting list.'

101. The Committee had recommended as under:

'The Committee also recommend 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.'

102. The Ministry in its action taken reply, has stated as under:

'A case each for incorporating best practices of NCC in the curriculum of schools as also making NCC as a part of education policy so as to create an organized, trained, disciplined, selfless and motivated future generation has been taken up with the Ministry of Human Resource Development. In the current expansion Plan of NCC for increase in sanctioned NCC cadet strength by 2 Lakh Cadets in 5 phases, 8 NCC Girls Units have already been raised as a part of implementation of 1st and 2nd phases. One more Girl Unit is included in the 3rd phase of implementation. The 4th and 5th phases of implementation would also include Girls Units.'

103. The Committee had recommended as under:

'The Committee note that the perspective plan of NCC include raising of NCC units, increase in the ratio of girl cadets, selection of cadets in Armed Forces, setting up of NCC Academies, etc. The Committee desire that all out efforts must be made to turn its perspective plan into reality.'

104. The Ministry in its action taken reply, has stated as under:

- Raising of NCC units: Revised Plan of new raisings and its phase wise progress is given in the Annexure for ready reference.

(b) Increase in the ratio of Girl Cadets: NCC Girls battalions are being raised in the 3rd phase of expansion plan. In addition, regular NCC Battalions are planned to be converted to Mixed Battalions, which would also have 33% girl cadets. This would contribute towards increasing the girls representation in NCC.

(c) Selection of Cadets in Armed Forces: With a view to enhancing utilization of vacancies in Armed Forces, personality development capsules, lecture on induction into Armed Forces and familiarization with the methodology to apply for Armed Forces are being carried out in each NCC camp. Further, NCC is giving impetus to coaching potential cadets to join Defence Forces. Cadets are being motivated, coached and prepared for Service Selection Boards (SSBs).

(d) Setting up of NCC Academies: As regards setting up of NCC Academies, presently four NCC Academies in Vadodara, Ropar, Malaut and Nagrota are fully functional. Establishment of an Academy each at Rohini (Delhi), Bangalore and Raipur are in progress.

Appendix

Revised Plan of New Raising

(To increase Cadet strength from 13 Lakh to 15 Lakh)

Group HQ		05
Army	Battalion	40
	R&V	03
Naval		13
Air		05
Total:		66

Phase-wise progress of Revised Plan of New Raising

		Raised / Sanctioned			To be Sanctioned	Total
		1 st Phase	2 nd Phase	3 rd Phase	4 th & 5 th Phase	
Group HQ		1	1	1	2	5
Army	Battalion	8	10	6	16	40
	R&V	1	1	1	0	3
Naval		1	1	7	4	13
Air		2	0	0	3	5
Total:		13	13	15	25	66

105. The Committee, in their original report had desired that additional allocation of Rs.175.44 crore may be provided at RE stage under the Revenue Head for procurement of clothing, vehicle equipment, IT hardware etc. However, in its reply the Ministry has stated that in the meantime, out of extreme urgency, an additional budget of Rs.25 crore has been provided to DG, NCC under Revenue Head, through re-appropriation thereby increasing the allocation to Rs.1041.39 crore under

Revenue Head of expenditure. Further, based on reassessment of fund requirements, NCC has projected an amount of Rs.1141.18 crore under Revenue Head in RE 2015-16, on 21st October, 2015. This is Rs.124.79 crore higher than BE 2015-16 under Revenue Account. In this regard, the Committee would desire to know the total allocations provided for the NCC in the financial year 2015-16 as well as the manner of utilization of the allocation.

Chapter II

(A) OBSERVATIONS/RECOMMENDATIONS, WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 4)

The Committee also note that the Revenue and Capital allocation ratio is also going down from 73:27 in 2008-09 to 79:21 in 2015-16, clearly indicating that no new Capital procurements have been made in the recent years or expenditure on this point has been very low. This shows that the system is not attentive enough to correct this imbalance. The Committee desire that immediate and urgent measures must be taken to correct the Revenue and Capital Ratio in the favour of Capital expenditure for overall modernization and preparedness of the Army.

Reply of the Government

The implementation of the recommendations of the Sixth Central Pay Commission has brought a significant shift in the revenue-capital ratio of the Army increasing the revenue component from 74% in 2008-09 pushing it beyond 80% thereafter.

However, a glance at the following data on actual capital expenditure would show that, barring some years, there has been regular increase in the Army's Capital expenditure during this time:

(Rs. in cr.)

Year	Capital
2008-09	10,623.10
2009-10	14,803.20
2010-11	15,856.08
2011-12	14,947.82
2012-13	14,760.69
2013-14	14,433.29
2014-15	18,576.62

Recommendation (Para No. 24)

The Committee note that raising of a Mountain Strike Corps has already been sanctioned by the Government in 2013. The sanctioned corps has commenced with effect from Dec 2013 and is progressing as per schedule. All actions as per laid down procedures have been initiated and concomitant processes have been set into motion. The raisings are planned over eight years and will be completed by 2021. The Committee also note that the Government had indicated Rs. 3934 crores from within the existing budget of FY 2014-15 under Capital Head. No additional allocation under 'Revenue Head' was made for raising of Mountain Strike Corps.

The Committee desire that Rs. 3934 crore which comes from the budget of Army should not be the part of this budget. Instead, a separate allocation be made for raising of this Corps so that projects of Army are not hampered by non availability of money.

Reply of the Government

Requirement of revenue funds for raising the Mountain Strike Corps exists under various heads including Salaries, Stores, Works, Transportation and Miscellaneous expenditure. Internal allocations for these purposes are made by the Army from within the budget ceiling conveyed to them. Allocation to various formations is also decided by the Army. The structure of the Defence budget is based on functional classification by nature of expenditure rather than formation-wise.

The raising of the Mountain Strike Corps will not be allowed to suffer for want of funds.

(B) OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT AND TO BE COMMENTED UPON:

Recommendation (Para No. 1)

The Committee note that during the year 2015-16, Army has been allocated Rs. 1,30,658.33crore, against the projection of Rs. 1,41,696.89 crore. Under the Revenue Head, the Army projected a demand of Rs. 1,09,758.22crore but only Rs. 1,03,315.91 crore were allocated. The Committee note that under the revenue segment, provision is first made for pay and allowances and other obligatory expenses and the balance allocation is distributed to meet the requirement of stores (including ordnance), transportation (of personnel and stores), revenue works and maintenance, etc. These areas are likely to be impacted when allocation is lower than projection, forcing the Army to cut in the expenditure of crucial ordnance stores, works and maintenance, which may affect the overall preparedness of the Army. The Committee are of the view that as the maintenance of the "Armed System" is a very important function of the Army, hence, the cut may prove expensive, in the long run, to the security of the Nation. Therefore, they desire that allocation as projected should be provided to Army under this Head.

Reply of the Government

The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. Nevertheless, additional requirement of funds, as required by the Services, will be projected for inclusion in the Supplementary Grants.

(Please see Para No. 7 of Chapter-I of the Report)

Recommendation (Para No. 2)

Under the Capital Head, the Army was allocated only Rs. 27,342.42 crore, which is Rs. 4596.25 crore less than the projected amount of Rs. 31,938.67 crore. In the Capital segment, funds are first set aside to meet the projected Committed Liabilities likely to materialize during the year and then the remaining allocation is distributed to meet the projected requirement for other items. In comparison to the total Defence budget, the Committee note that the consistent decline in the Capital Budget of Army from 11.71% in the year 2010-11 to 11.08% this year. This will delay initiation of new projects, which is not desirable.

Reply of the Government

The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. It may also be pointed out that though the percentage share of the Army in the total capital budget may have fallen negligibly from 11.71% in 2010-11 to 11.08% in the current year, it has grown significantly from Rs. 17,250.84 cr. in 2010-11 to Rs. 27,342.42 cr. in 2015-16 which is an increase of 58.5%.

All efforts will be made to ensure that no new scheme approved is delayed for want of funds. Additional funds will be sought, if required.

(Please see Para No. 10 of Chapter-I of the Report)

Recommendation (Para No. 3)

The Committee are baffled to note that for New Schemes, which is a part of Capital Budget, the Army projected an allocation of Rs. 5,665.49 crore. However, only 27% of the projection, an amount of Rs. 1,541.06 crore, was allocated. It is beyond imagination of the Committee, how the big ticket projects of Army, which are at an advanced stage of procurement like 2 x Pinaka Regiments, Brahmos 4th Regiment, Weapon Locating Radar, Milan 2T Missiles, 3rd Generation Anti-Tank Guided Missiles, Hand Held Thermal Imager with Laser Range Finder, Ammunition for 84mm Rocket Launchers Mark-III, Medium Range Surface to Air Missiles, Advanced Light Helicopters Maintenance Reserve and Strike Off Wastage (MR&SOW), 155mm/52 Calibre Tracked Self Propelled Guns, Close Quarter Battle Carbines, etc. will fructify with meagre amount of Rs. 1,541.06 crore. Therefore, the Committee recommend that the Ministry of Defence (including with Ministry of Finance) should seriously look into this aspect and provide sufficient allocation at the time of revised estimate stage under Capital Head and New Schemes.

Reply of the Government

This observation of the Committee was conveyed to the Ministry of Finance vide D.O. No. 3(7)/Bud-I/61/DefSecy/2015 dated 18th May, 2015. Response has been received from Ministry of Finance vide D.O. letter No. 2(30)-B(AC)/2014 dated 22nd June, 2015 (copy enclosed). In their reply Ministry of Finance has stated that the observations/recommendations of the Standing Committee on Defence are mostly relating to inadequate allocation of funds for different Services with specific reference to important schemes/projects. Ministry of Finance recognize these commitments and at the time of formulation of budget/revised estimates, resources are allocated on the basis of trend of expenditure, the absorptive capacity in the financial year and the fiscal space available to Government.

(Please see Para No. 13 of Chapter-I of the Report)

Recommendation (Para No. 5)

The Committee note from the submission made by the Ministry that during the year 2014-15, Rs. 7,874 crore under the Capital Head could not be utilised due to several reasons like cut by Ministry of Finance, slippages in Committed Liabilities, Non fructification of 14 Schemes at Competent Financial Authority (CFA) stage, under utilisation by Director General Ordnance Factory (DGOF) etc. It is beyond comprehension of the Committee that slippages were allowed to happen in the Committed liabilities also, which is an obligatory expense. The Committee are of the view that since the allocation in the Capital Head is already less than the projection thereby, making availability of monetary resources scarce, therefore, the Committee desire that due care should be taken by the Ministry to avoid such under utilizations.

The Committee feel that there should be proper coordination between Civilian Bureaucracy in the Ministry of Defence and the Armed Forces Personnel. In view of such happenings, as well as in the greater interest of the Nation, the Committee feel that the decision making process may be expedited.

Reply of the Government

As explained earlier, the utilisation of the capital budget must be viewed in its entirety to get an accurate picture. There has been near full utilisation of available funds under the Capital budget during 2014-15 as brought out by the data below:

(Rs. in cr.)

Year	BE	RE	Actuals	% age utilisation
2014-15	94,587.95	81,965.24	81,887.42	99.91

It may be seen from above that the extent of saving has been Rs. 77.82 cr. only.

(Please see Para No. 16 of Chapter-I of the Report)

Recommendation (Para No. 7)

The Committee note that the 11th Plan Projects of Army in respect of infrastructure and roads were being expedited. However, as per the information submitted by the representatives of Army, the Committee learn that land acquisition and environmental clearances still remained a problem. The committees note that Army faces lots of difficulty in the field due to land acquisition and environmental clearances' issues hampering the progress of work to development roads and infrastructure along the border. The Committee, therefore, recommended that the Ministry should look into the matter and resolve the issues at highest level in different Ministries and with the State Governments and the Action Taken Report be furnished to the Committee within three months. The Committee desire that the projects which involves National Security, should be given concessions from the stringent measures taken by the Environment Ministry.

Reply of the Government

1. The construction/development of certain strategic roads/Infra- structure projects cannot be progressed on time due to delays caused in obtaining Wildlife and Forest Clearance within Reserve Forests, Wild Life Sanctuaries, Protected Areas, and protracted procedures involved in Land Acquisition.

2. In regard to Army, the following is submitted.

(a) Govt. of Arunachal Pradesh has been requested to fix a multiplication factor to enable calculation of land compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (LARR Act 2013), to notify Unclassified State Forest (USF) and fixing compensation in such cases. The Government of Arunachal Pradesh has fixed multiplication factor as 1 in respect of Acquisition of land for defence projects. On the requests made by Ministry of Defence, the Ministry of Rural Development vide their letter dated 24.02.2015 has intimated to move individual cases for acquisition of land for defence projects to Ministry of Rural Development for notifying the Ministry of Defence as appropriate Government.

(b) The Director General (Forest), Ministry of Environment & Forest has been requested to accord relaxation in compensatory Afforestation, exemption from obtaining environmental clearances at the time of acquisition of land as this can be done only after building plans have been prepared and to prepare conservation plan for wildlife State Forest Authorities and charge the user agencies for the same.

3. The following measures have been taken by the Government to expedite the various clearances for BRO :

(a)The Chief Secretaries of State of Arunachal Pradesh, Assam, J&K, Himachal Pradesh, Manipur, Nagaland, Sikkim, Tripura and Uttarakhand have been requested to constitute an Empowered Committee under their Chairmanship with Principal Secretaries of Revenue,

Forest, Mining, PWD and Power Departments along with the PCCF and Chief Engineers of BRO as members to resolve issues.

(b) A working group has been constituted on 03 June 2013 by Ministry of Environment & Forest under the chairmanship of Secretary MoEF to review the forest clearance cases.

(c) Regular monitoring of forest clearance cases, establishment of Single window system at District, State, and Ministry of Environment & Forest (MoEF) levels and simplification of forms.

(d) MoEF vide their letter No 11-246/2014-FC dated 4th July 2014, to the States of Arunachal Pradesh, Himachal Pradesh, Uttarakhand and Sikkim, has accorded general approval under Section (2) of the Forest (Conservation) Act 1980 for diversion of forest land in the state of Arunachal Pradesh, Himachal Pradesh, Uttarakhand & Sikkim for following :-

(i) Construction and widening of two lane roads by the BRO and other road construction agencies entrusted with the job by the Ministry of Defence, in the area falling within 100 kilometers aerial distance from the LAC and

(ii) Widening of road (by the BRO and other road construction agencies) which are identified by the Ministry of Defence as link roads between Border Roads in the area within 100 kilometer aerial distance from the LAC and National Highways/State Highways/other State Roads, subject to fulfillment of the conditions.

(e) MoEF vide their letter No.11-246/2014-FC dated 4th July 2014 for the States of Arunachal Pradesh, Himachal Pradesh, Uttarakhand and Sikkim has decided to extend the said relaxation to strategic defence projects (including infra-structure and road projects) being taken up in the area falling within 100 km aerial distance from the Line of Actual Control by any user agency identified by the Ministry of Defence which provides that compensatory afforestation in lieu of the forest land diverted for compensatory afforestation may be raised on degraded forest land twice in extent of forest area being diverted, without insisting of certificate of Chief Secretary regarding non –availability of non- forest for compensatory afforestation, inter –alia it was informed that the compensatory afforestation will be raised and maintained at the cost of the user agency over degraded forest land equal in extent to the area of forest land diverted.

(f) MoEF vide their letter dated 8th Aug 2014 has intimated that for projects involving linear diversion of forest land in-principle approval under the Forest (Conservation) Act 1980 may be deemed as the working permission for tree cutting and commencement of work, if the required funds for compensatory afforestation, NPV, wildlife conservation plan, plantation of dwarf species of medicinal plants, and all such other compensatory levies specified in the in–principle approval are realized from the user agency.

(g) An Interlocutory Application (IA) has been filed before the Hon'ble Supreme Court on 9th Jan 2015 praying for the following in respect of strategic road projects of BRO required by the Army;

- i) permit to construct and develop strategic border roads after obtaining the clearances from standing committee of State Wildlife Board/National Wildlife Board and after obtaining prior approval from Ministry of Environment & Forest under the Forest Conversation Act; and
- ii) exempt from filing the Interlocutory Applications on case to case basis for the road projects being undertaken by Border Road Organisation which are strategically important as notified by Ministry of Defence; and
- iii) permit to place and operate stone crushers., wet mix plants, hot mix plants & other construction machinery including accommodation for BRO personnel & labourers., within/around National Parks and Wildlife Sanctuaries for construction and development of strategic border roads; and
- iv) permit to carry out topographical surveys within/around protected areas falling in National Parks and Wildlife Sanctuaries for finalizing alignments of strategic border roads and dispense seeking case to case permission from NBWL.

(Please see Para No. 22 of Chapter-I of the Report)

Recommendation (Para No. 17)

The Committee note that Defence Research and Development Organisation (DRDO) has been developing Arjun Main Battle Tank (MBT) Mark-II, which has about 75 tank fittable improvements over and above Arjun MBT Mark-I. These improvements have been arrived in mutual consultation with all the stakeholders. The Committee are of the view that Arjun Mark-II should be provided at the earliest to the Forces and after its user evaluation report, the large scale production of the same should be started. The Committee also desire that constant improvements may be made in the existing Mark-II and thereafter, each and every model should be improved and after a certain period of time it should be sent for production, without making Army wait perpetually for the so called perfect tank.

Reply of the Government

DRDO took up the design & development of Arjun MBT Mk-II during the year of 2010 as per DGFM requirement with various improvements, with due involvement of all the stakeholders including Users, and successfully fielded the first prototype for the User trials within 2 year of time.

User trials have been planned in five phases. The first three phases comprises extensive field evaluation of all the improvements regressively at Pokharan Field Firing Ranges (PFFR) and Mahajan Field Firing Ranges (MFFR). Fourth phase of trial was planned at Avadi. Fifth phase of trial consists of DGQA evaluation and Maintenance Evaluation Trials (MET).

As of now, all the first three phases [Phase 1 to 3] of field intensive User trials have been successfully completed. Part of Phase IV User trials at Avadi related to Step Climbing, Trench crossing and improvement specific medium fording exercise were also successfully accomplished. DGQA evaluation for the successful improvements have already been commenced from Feb 2014 and actions have also been initiated for the MET evaluation.

At present, Arjun MBT Mk-II Prototype-I has successfully covered around 5,660 km of automotive trials and also commendable accomplishment of firing of various type of tank ammunitions, including firing of 22 missiles.

DRDO conceived & incorporated LAser Homing Anti-Tank (LAHAT) Guided Missile, in association with M/s Israeli Aerospace Industries, in order to facilitate the tank to support the futuristic network based warfare scenario. As such, the Laser Target Designator integrated to the Gunner's Main Sight for the firing of missiles has been successfully incorporated and the LAHAT missiles were also successfully fired from Arjun MBT Mk-II-main gun.

User has been insisting for performance of missiles at lower ranges of 1200-1500 m for accepting LAHAT missile. However, OEM for missiles M/s IAI had intimated that accuracy can be guaranteed for ranges of 1500 m and above only. The required performances at lower ranges are technically difficult to achieve due to the basic design of the missile.

As on date, 53 improvements, out of total finalized 73 tank fitable improvements, have already been declared successful by the User based on the trials feedback. DRDO is planning to field the Arjun MBT Mk II for final phase of User trials after incorporating various suggestions made by the Users on balance tank fitable improvements. All the improvements will be demonstrated except the performance of the LAHAT missile.

DRDO is working on development of indigenous missile with a timeframe of four years. User has been requested to consider acceptance of LAHAT missile with modified Acceptance Test Procedure considering the assured performance of the missiles for 1500 m and above, till such time the indigenous missile is developed.

The missile firing capability is retrofit-able and, hence, can be fitted on to the Arjun MBT Mk II during production itself. Hence, DRDO is requesting User to place the indent for minimum two regiments as per DAC approval, which has already been accorded for Acceptance of Necessity [AoN] for 118 Nos. of Arjun MBT Mk-II. As indicated above, the missile can be retro-fitted at an appropriate time during productionisation.

With respect to Non-tank fitable improvements, they are being separately developed and evaluated. Many of the major non-tank fitable improvements, such as increased penetration, are in advanced stages of completion and evaluation. Resin Based Combustible Cartridge Case (CCC) and improved primer were already recommended for induction.

DRDO and User are interacting towards taking the Arjun Mk-II for production after successful completion of trials with various options for missiles. However, the productionisation can commence at HVF/OFB, only after receipt of the firm indent from the date of indent for completion of first batch of Arjun MBT –II by HVF/OFB.

As stated above, the DAC has already approved the AoN for 118 Nos.of Arjun MBT Mk-II, which is valid upto 28 Aug 2015. Further, the placement of formal indent on HVF/OFB for the productionisation is the responsibility of the User. In view of the above, DRDO is of the view that the Army may please consider early release of the Indent, so that the production activities can commence at HVF/OFB. Technical observation, if any, on the improvements can be addressed and resolved by DRDO in the mean time before roll out of first production vehicle.

(Please see Para No. 50 of Chapter-I of the Report)

Recommendation (Para No. 18)

The Committee note that War Wastage Reserves (WWR) in respect of equipment and ammunition are reserves that a Nation sets apart to cater for the anticipated expenditure of ammunition for the anticipated duration of War and the “Threat Perception” and, at the end of which, the Armed Forces should continue to remain operationally equipped and 100% fit for war. However, they are surprised to learn that there are very serious deficiencies in WWR in respect of some of weapon systems / equipment and ammunitions held at various levels. This is an extremely worrying aspect.

The Committee desire that TOP MOST priority should be given to maintain WWR in respect of weapon, ammunition and supporting system as per the war scenario, worked out by the Government. The Committee are highly concerned and desire that making up to the shortages – both the weapons and ammunitions, be made up at the earliest. The Committee should be apprised about the action taken in this regard at the earliest.

Reply of the Government

The Government has taken into consideration the deficiencies in some of the critical ammunitions on priority and has also taken effective steps to mitigate the deficiencies to ensure desired level of Op-preparedness commensurate to threat perception in a dynamic strategic scenario. Some steps are as below:

- (a) Annual Priority Procurement Plan (PPP) has been formalized and being closely monitored.
- (b) Financial Powers of Service HQ enhanced for procurement of ordnance items. This will expedite the procurement cycle and making up deficiencies of equipment and ammunition of ordnance origin.

(c) A system of long term five years roll on indents has been introduced and a road map on ammunition has been approved which envisages procurement ex-import and ex-trade to build up adequate targeted stocks along with three years training requirement. An institutionalized mechanism in the form of Working Group to review critical items of ammunitions and issues of spares, barrels, overhaul programme of infantry and mechanized forces have also been set up.

(Please see Para No. 54 of Chapter-I of the Report)

Recommendation (Para No. 19)

From the information supplied by the Ministry, the Committee note that Modernisation of the Army is a continuous process based on “Threat Perception” as decided by the Government, operational challenges, technological changes etc. the Government constantly reviews the security scenario and accordingly decides to induct appropriate Defence equipment and ammunition to keep the Armed forces in a state of readiness and equipped with modern weapon systems. The process is based on a 15 year Long Term Integrated Perspective Plan (LTIPP), 5 year Service Capital Acquisition Plan (SCAP) and an Annual Acquisition Plan (AAP). Procurement of equipment and weapon systems is carried out as per the AAP.

Recommendation (Para No. 20)

The Committee also note that the current LTIPP spells out the capability desired to be achieved by the Armed Forces over 15 years duration (2012-17). The LTIPP is translated into the SCAP, covering a five year period. The AAP for each Service is a two year roll on plan for capital acquisitions and consists of the schemes from approved five year SCAP. Thus, the Long Term Plan (LTIPP) gets finally translated to Short Term Plans (AAP) and the cases included in the AAP are progressed for acquisition as per Defence Procurement Procedure.

Reply of the Government on Para no. 19 and 20

Submissions of the Government have been noted by the committee. No further action on part of the Government.

Recommendation (Para No. 21)

The Committee further note that despite having the LTIPP, SCAP and AAP, several modernisation projects of Army, during the eleventh and twelfth plan, are pending, indicating the fact that all is not well with the planning process of Army. The Committee find that the reasons given such as 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 indigenisation, design and development projects etc. are not convincing. Therefore, the Committee desire that the Ministry should make an Action Plan to resolve the issues i.e. stakeholder consultation complexities in contract negotiations etc. at its end and promptly take effective steps to modernise the Army.

Reply of the Government

Wherever possible, collegiate system is being resorted to in order to speed up processing of procurement cases. Efforts are constantly made to refine and improve the defence procurement process with an aim to expedite the procurement process as a whole.

Some of the major issues which may cause delay in the procurement process are being addressed.

Recommendation (Para No.22)

The Committee also note the candid admission of a representative of Army that they are behind modernization and procurement schedule. One of the reasons that came up for the consideration of the Committee is shortage of funds at the procurement stage, as money lapses after a certain period of time. The Committee are strongly of the view that for modernization of Army's including The Committee are also of strong view that for modernization of Army, "Capital Head" should be made "Non-Lapsable" and "Roll-on" so that the Army and other Services do not end up buying second or third priority items as the allocated fund is lapsing so that the Army and other Services do not end up buying second or third priority items as the allocated fund is lapsing.

Reply of the Government

During the last few years there has been full utilisation of funds available under the capital budget. This is brought out in the data tabulated below:

(inRs.crores)

Year	BE	RE	Actuals	% age utilisation
2010-11	60,000.00	60,833.26	62,056.00	102.01
2011-12	69,198.81	66,143.81	67,902.38	102.65
2012-13	79,578.63	69,,578.63	70,499.12	101.32
2013-14	86,740.71	78,872.23	79,125.05	100.32
2014-15	94,578.95	81,965.24	81,887.42	99.91

In view of the above, it is felt that no purpose is served by delineating the capital budget as "non-lapsable and roll-on" as no surplus funds are generally available for rollover.

(Please see Para Nos. 61 and 62 of Chapter-I of the Report)

Recommendation (Para No.23)

The Committee note that there was a decrease in the capital budget of Rashtriya Rifles for the year 2015-16 which will affect estimated expenditure on committed liabilities and new schemes resulting in obstruction of modernization of Rashtriya Rifles. Considering the importance of Rashtriya Rifles, the Committee desire that projected allocation should be provided to them.

Reply of the Government

The Ministry is constrained by the allocations made by the Ministry of Finance which are lower than the requirements projected by this Ministry. Any additional requirement of funds will be projected to the Ministry of Finance.

(Please see Para No. 65 of Chapter-I of the Report)

Recommendation (Para No. 25)

The Committee note that at present a shortage of 9642 officers, excluding Army Medical Corps, Army Dental Corps and Military Nursing Services, exist despite undertaking sustained image projection and publicity campaign to create awareness among the youth on the advantages of taking up this challenging and satisfying career. The Committee are of the view that the Ministry should devise innovative methods other than the existing one to attract the young minds to join the Forces. The Committee also desire that in this aspect help of Defence Institute of Psychological Research (DIPR) may be taken.

Reply of the Government

The Government has been constantly taking measures to reduce shortage of officers in Army. In this regard, 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 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, lesser number of holidays, hard training/physical labour etc. It has also been noticed that today's students are not inclined to the traditional jobs. Further, 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 to attract talented youth to join the armed forces. The above measures have resulted in gradual reduction of shortage of 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.

Recommendation (Para No. 26)

The Committee also desire that the Ministry should give a serious thought to the idea of providing five years compulsory military service to those aspirants who want to directly join Gazetted Central and State Government service in order to overcome the shortage of officers in Armed Forces.

Reply of the Government

The Government has been constantly taking measures to reduce shortage of officers in Armed Forces. These include making serving more attractive by way of reduction in time required for promotions, introduction of Colonel (Time Scale) rank, enhancing promotional avenues by way of upgradation of posts in Select Ranks, additional family accommodation through Married Accommodation Project, implementation of the VI Central Pay Commission with substantial improvement in the pay structure and other allowances of Armed Forces.

Further, it has also been the constant endeavour of the Government to make SSC attractive so as to attract youth towards Short Service Commission in the Defence Forces. These include extending time based promotion to the substantive rank of Captain, major and Lieutenant Colonel after 2, 6 and 13 years of reckonable service respectively to SSC officers, increase in

maximum tenure for SSC Officers to 14 years. Additional proposals for making SSC more attractive have also been taken up for inter-departmental consultations.

As regards the recommendation regarding the idea of providing five years compulsory military service to those aspirants who want to directly join Gazetted Central and State Government service in order to overcome the shortage of officers in Armed Forces, the same has been noted. Since this will need a major policy decision the matter will need careful examination and deliberation in consultation with all concerned.

(Please see Para No. 70 of Chapter-I of the Report)

Recommendation (Para No. 27)

The Committee note that Recruitment rallies are conducted in different parts of the country to recruit jawans in Army and in conducting rallies, Army undertakes recruitment, whereas, the crowd control and management is the responsibility of civil administration and police. Such incidents have occurred mainly on account of overcrowding and inadequate police arrangements for crowd management. The Committee also note that the Ministry has taken number of steps to prevent mishap such as, holding smaller rallies covering select number of tehsils, spreading the rallies over a longer duration to reduce overcrowding; ensuring timely dispersal of candidates on daily basis; a pilot project for online registration and filtering applications is planned.

The Committee are not fully satisfied with the measures taken by the Ministry as the incidents are recurring. Therefore, they desire that effective crowd management should be given priority or candidates may be called directly to the permanent centres of recruitment every alternate day.

Reply of the Government

As appraised earlier, Recruitment rallies are conducted after due deliberation, planning and detailed coordination with civil administration after ensuring that all basic amenities such as infrastructure and adequate police arrangements are made available by the civil administration. During the rallies, Army undertakes recruitment whereas the crowd control and management is the responsibility of civil administration and police. Such incidents have occurred mainly on account of overcrowding and inadequate police arrangements for crowd management.

The issue of recurrence of incidents of violence during recruitment rallies has been reviewed by the Ministry. Army Headquarters have taken a number of measures to obviate recurrence of such incidents, which include holding smaller rallies covering select number of tehsils; spreading the rallies over a longer duration to reduce overcrowding; ensuring timely dispersal of candidates on daily basis. Besides above, a pilot project for online registration and filtering of applications is planned, which will ensure smooth conduct of rallies and will reduce crowding to obviate recurrence of such incidents. Additional measures for effective crowd management are also under consideration.

Recommendation (Para No. 28)

The Committee also desire that a strict watch and related tests should be conducted to know whether candidates are taking performance enhancing drugs before appearing in recruitment rallies.

Reply of the Government

Open Recruitment Rally System does not include testing of candidates for performance enhancing drugs. However, Field Testing Kits are available at Rally Site to check the candidates suspected of using drugs. The selected candidates, who are suspected of using any performance enhancing drugs, during physical checking for pupil dilation, reaction to light etc., are administered with Field Drug Test Kit which are available at Rally Site. Further, additional measures for checking of candidates for use of performance enhancing drugs are under consideration.

(Please see Para No. 75 and 76 of Chapter-I of the Report)

Recommendation (Para No. 29)

The Committee note from the data supplied by the Ministry that only Rs. 2639 crore are allocated against the projection of Rs. 3532.12 crore in the Revenue Head of ECHS for the year 2015-16. The difference in the projection and allocation is substantial amount of Rs. 893.12 crore, which would affect the overall working of ECHS in the field of Transportation, Stores, Information Technology, Medical Treatment Related Expenditure and Revenue works etc.

Reply of the Government

There is an apparent shortfall of Rs.893.12 Crore in the Revenue Head of ECHS for the year 2015-16. The projection for FY 2015-16 were made on 10th July 2014 keeping in view the requirement of funds for medical treatment. However, an additional amount of Rs. 600 Crore was allotted at extended BE/RE stage.

Recommendation (Para No. 30)

The Committee also note that in the Capital Head, Rs. 20.41 were, allocated during the year 2014-15 against the projection of Rs. 50 crore, however, ECHS could able to spend only Rs. 4.80 crore till 28February, 2015. The Committee would like to know the reason for not spending the allocated amount under this head. This year also, against the projection of Rs. 50 crore, ECHS is given only Rs. 30 crore. But gleaning through the last financial year projection, the Committee do not want to comment at this stage on the lower allocation.

Reply of the Government

Funds under Capital Code Heads, relevant to Major Head-4076, Minor Head-107 (Capital) had been projected based on demands received from concerned spending agencies (i.e. DGDE, DGAFMS & all Comd HQs of Army) for acquisition of land in progress at 156 ECHS Polyclinics locations, requirements for construction of buildings at 55 ECHS Polyclinics and purchase of major medical equipments for 182 polyclinics, so as to operate these ECHS Polyclinics as envisaged. During the financial year 2014-15, Rs.15.30 crore was surrendered at various stages against total allotment of Rs.20.41 crores based on confirmation of requirements of funds received from various spending agencies. The details of final allotment and expenditure under Capital Code Heads in the financial year 2014-15 are appended below :

FY	Total allotment (Rs. In Crore)	Expenditure (Rs. In Crore)	Remarks
2014-15	5.11	*6.61	*An amount of Rs.1.52 Crore was incorrectly booked by concerned O/o Comptrollers of Defence Accounts (CsDA). Request for rectification of this error has been submitted to O/o CGDA under intimation to DGFP-2. Hence the actual expenditure by ECHS is Rs.5.09 Crore.

Purchase of land, construction of building & procurement of medical equipments involve lengthy and time consuming procedures. Hence, the amount envisaged could not be spent within the same financial year.

Recommendation (Para No. 31)

The Committee note that ECHS faces difficulties in giving medical facilities to its subscribers due to irregular allotment of funds, time consuming procurement procedures and not having additional power of local purchase by non-military polyclinics. The Committee desire that the funds should be provided to ECHS to mitigate the problem of the subscribers of ECHS.

Reply of the Government

The observations of the committee have been noted for compliance on priority.

Recommendation (Para No. 32)

The Committee also note that 178 polyclinics do not have an empanelled facility/ Armed Forces Medical Services hospitals near their vicinity, therefore, the Committee desire that

empanelment of hospitals in difficult areas like North-East, Sikkim, Uttarakhand, Himachal etc. should be given priority and other cases relating to empanelment of hospitals pending with ECHS should be cleared at the earliest and intimated to the Committee.

Reply of the Government

Against the 178 Polyclinics not having an empanelled facility/ Armed Forces Medical Services Hospital near their vicinity, 136 private Hospitals/ Diagnostic Centres and Nursing Homes covering the 107 polyclinics have been empanelled with ECHS on 15th April 2015. This has resulted in reducing the number of polyclinic without empanelled Hospitals/ Nursing Homes/ Diagnostic Centres to 71. These polyclinics refer patients to empanelled facilities under Regional Centre, which may be located in adjoining districts.

Recommendation (Para No.33)

The Committee further note that at some of the ECHS polyclinics doctors are not available to treat the patients. The Committee desire that necessary steps be taken to appoint doctors at each and every polyclinic. They also feel that a panel of retired doctors from the Army Medical Corps (AMC) could be created and they may be requested to offer their services in such areas.

Reply of the Government

The point noted by the committee is under consideration. Presently to overcome the shortfall of medical officers, the patients are being referred by OIC Polyclinics to the empanelled facilities directly and also patients can directly report to empanelled facilities in case of emergency. In addition, places where patient load on Polyclinic is high, additional doctors have been provisioned by rationalization from locations with low patient load. As far as creation of panel of retired AMC doctor, the issue has been taken up with O/o DGAFMS for initiating necessary action on the subject.

Recommendation (Para No. 34)

The Committee are surprised to note that 124452 bills of empanelled hospitals are pending amounting to Rs. 273.40 crore in respect of various Commands of Army, Navy and Air Force. The Committee take a serious view of this laxity and desire that these bills should be cleared at the earliest so that the empanelled hospitals take due care in treating ECHS beneficiaries and sure of getting reimbursement. The progress on this be intimated to the Committee within three months.

Reply of the Government

Instructions have been issued to the all concerned to expedite claims at the earliest. There has been a progress towards reduction of manual claims and it is being ensured that daily uploading of claims takes place for on-line billing. Presently, MoA between UTI-ITSL (Bill processing Agency) and ECHS is in the final stages of approval. Once the MoA comes into execution, the issue of pendency of bills will be reduced. Feedback will be given to the committee as directed.

(Please see Para Nos. 89 and 90 of Chapter-I of the Report)

Recommendation (Para No. 37)

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 Indians to join the Armed Forces.

Reply of the Government

Being a factual statement, no comments are offered.

Recommendation (Para No. 38)

The Committee also note that during the year 2011-12, NCC were allocated Rs.984.01 crore, however, the actual were Rs.713.81 crore; during the year 2012-13, NCC was allocated Rs.1128.80 crore, however, the actual were Rs.791.87 crore, during the year 2013-14 NCC was allocated Rs.887.12 crore, however, the actual was Rs.874.03 crore. During the year 2014-15 NCC has been allocated Rs.1025.17 crore, however, actual were 927.42 crore till February 2015. This year NCC was allocated only Rs.1021.39 crore, which is approximately Rs.4 crore less than last year's allocation.

Reply of the Government

Being a factual statement, no specific comments are offered except that the actual expenditure for the financial year 2014-15 was Rs.965.84 crore.

Recommendation (Para No. 39)

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 which has become consistent in nature.

Reply of the Government

It is a fact that for the last 4 years, there has been under spending by DGNCC vis-à-vis the budget allotted to them. However, non-utilization of full budget by HQ DGNCC has been due to variety of reasons such as non-finalization of rate contracts for procurement of clothing items for use by NCC cadets, failure of rate contracts, ban on purchase of new vehicles as also due to the time taken in sanction of works and procurement of microlites not materializing. As regards Directive of the Committee regarding guidance by MoD (Finance) in financial planning, it is submitted that all the budgetary projections made by NCC are evaluated by Defence (Finance) and through a process of mutual consultation, the final figures are projected to Ministry of Finance. Further, as suggested by the Standing Committee, NCC has been directed to take full advantage of expertise of Defence Finance in their financial planning process.

Recommendation (Para No. 40)

The Committee also desire that additional allocation of Rs.175.44 crore under the Revenue Head for procurement of clothing, vehicle, equipment, IT hardware and revenue works may also be provided at RE stage.

Reply of the Government

NCC was allotted Rs.1021.39 crore at Budget Estimates (BE) stage for the financial year 2015-16. Out of this, an amount of Rs.1016.39 crore was allocated under Revenue Head of expenditure (including an amount of Rs.183.63 crore under Revenue Non-Salary Head) and Rs.5 crore under the Capital Head of expenditure.

As this allocation of Budget was considered inadequate to meet the committed liabilities under the heads clothing, vehicles, information technology, revenue works and the anticipated expenditure on account of International Yoga Day, the Committee had observed that additional allocation of Rs.175.44 crore under the Revenue Head may be provided at Revised Estimates (RE) stage.

In the meantime, out of extreme urgency, an additional budget of Rs.25 crore has been provided to DG NCC under Revenue Head, through re-appropriation thereby increasing the allocation to Rs.1041.39 crore under Revenue Head of expenditure. Further, based on reassessment of fund requirements, NCC has projected an amount of Rs.1141.18 crore under Revenue Head in RE 2015-16, on 21st October, 2015. This is Rs.124.79 crore higher than BE 2015-16 under Revenue Account.

Recommendation (Para No. 41)

The Committee further note that total sanctioned strength of NCC cadets is 15 lakh. The Committee glanced through last year's data wherein the actual strength of NCC cadets was given 11,73,029. Out of it, the Girl cadets were 3,04,661, consisting of 26%. The NCC covered 10,174 Schools, 5,548 Colleges and 670 Districts. However, it had 4790 Schools and 2549 Colleges in the waiting list. As per this year's data, the strength of NCC cadets is going down and at present the actual strength of NCC cadets is 11,31,083. Out of it, the Girl cadets are 2,90,420, consisting of 26%. The NCC covered 10,397 Schools, 5,511 Colleges. However, it has 4892 Schools and 2955 colleges in the waiting list. The Committee desire to know the reason for depletion of strength of cadets since the last one year and the action taken by the Ministry to arrest the fall. The Committee also desire that necessary steps must be taken to cover maximum schools and colleges from the waiting list.

Reply of the Government

The enrolment period for Senior Division / Senior Wing (SD/SW) in NCC has been revised from 2 years to 3 years during the year 2013-14. The reason behind depletion of cadet strength is the fact that during the transition period of SD/SW enrolment period from 2 years to 3 years, the annual intake of 50% cadets every year (in 2-year enrolment cycle) has got reduced to 33% cadets every year (in 3-year enrolment cycle). The transition period would be completed by the year 2015-16. It is expected that from 2016-17 onward there would be no such technical deficiency. However, there could still be some deficiency in enrolment of cadets due to other reasons, such as, placing of educational institutions in suspended animation and inadequate response to NCC training in certain institutions.

The sanctioned strength of NCC cadets is being increased from 13 lakh to 15 lakh in 5 phases at the rate of 40,000 cadets per phase. Two phases have been implemented increasing the cadet strength to 13.80 lakh and 3rd phase is under implementation. Necessary steps are being taken to cover more schools and colleges from the waiting list. The 4th and 5th phases of the current Expansion Plan of NCC would enable partial liquidation of the current waiting list.

Recommendation (Para No. 42)

The Committee also recommend 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.

Reply of the Government

A case each for incorporating best practices of NCC in the curriculum of schools as also making NCC as a part of education policy so as to create an organized, trained, disciplined, selfless and motivated future generation has been taken up with the Ministry of Human Resource Development. In the current expansion Plan of NCC for increase in sanctioned NCC cadet strength by 2 Lakh Cadets in 5 phases, 8 NCC Girls Units have already been raised as a part of implementation of 1st and 2nd phases. One more Girl Unit is included in the 3rd phase of implementation. The 4th and 5th phases of implementation would also include Girls Units.

Recommendation (Para No. 43)

The Committee note that the perspective plan of NCC include raising of NCC units, increase in the ratio of girl cadets, selection of cadets in Armed Forces, setting up of NCC Academies, etc. The Committee desire that all out efforts must be made to turn its perspective plan into reality.

Reply of the Government

(a) **Raising of NCC units**: Revised Plan of new raisings and its phase wise progress is given in the Appendix for ready reference.

(b) **Increase in the ratio of Girl Cadets**: NCC Girls battalions are being raised in the 3rd phase of expansion plan. In addition, regular NCC Battalions are planned to be converted to Mixed Battalions, which would also have 33% girl cadets. This would contribute towards increasing the girls representation in NCC.

(c) **Selection of Cadets in Armed Forces**: With a view to enhancing utilization of vacancies in Armed Forces, personality development capsules, lecture on induction into Armed Forces and familiarization with the methodology to apply for Armed Forces are being carried out in each NCC camp. Further, NCC is giving impetus to coaching potential cadets to join Defence Forces. Cadets are being motivated, coached and prepared for Service Selection Boards (SSBs).

(d) **Setting up of NCC Academies**: As regards setting up of NCC Academies, presently four NCC Academies in Vadodara, Ropar, Malaut and Nagrota are fully functional. Establishment of an Academy each at Rohini (Delhi), Bangalore and Raipur are in progress.

(Please see Para No. 105 of Chapter-I of the Report)

Chapter III

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

Recommendation (Para No. 35)

The Committee note that Directorate General Quality Assurance (DGQA) is responsible for Quality Assurance of Defence Stores produced by Ordnance Factories, Public and Private sector organisations and imported. DGQA 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.

The Committee also note that one of the responsibility of Organisation is to manage the configuration of all products by control of specifications and drawings, incorporating changes/modifications necessitated for improved performance and Quality improvement and consistency is ensured by regular process and products audits. This Organization also carries out tests for Shelf Life Extension of ammunition, missiles and NBC protective stores. Based on feedback from users DGQA carries out defect investigation to take remedial measures for future and suggest improvements in design post production and post procurement stage as well.

Reply of the Government

The Committee is kind enough to take note of the key functions being performed by the DGQA Organisation and is appreciative of the role being performed by DGQA in ensuring the quality of products being supplied to the Armed Forces. Further amplification of the functions, which the Committee has made a mention of, is given in the succeeding paragraphs.

2. Configuration management gives greater freedom to the manufacturers to continually improve their products based on the needs of the Users and adoption of superior technology.
3. DGQA supports and encourages the ethos of continual product improvement. A mechanism of Alteration Committees, headed by GM, with reps from DGQA, User and DRDO is already in place at all Ordnance factories. These committees meet regularly to deliberate on Product Improvement. On identification of stores for product improvement, DGQA gets involved in quality assurance and final acceptance. On successful development, the drawings are accordingly amended / updated.
4. Periodic review of shelf life of ammunition, missiles and Nuclear, Biological and Chemical (NBC) protective stores is also being undertaken by DGQA and advice is being rendered to Directorate General of Ordnance Stores (DGOS) regarding Depot Proof.
5. The Authorities Holding Sealed Particulars (AsHSP) of DGQA carry out defect investigation to pin point the nature of defect and ascertain whether the defect is new or the same has been reported earlier also. Defects are analysed by the AsHSP to conclude probable/exact cause of defect and suggest remedial / improvement measures.

Recommendation (Para No. 36)

The Committee appreciate the system of inspection by DGQA before inducting a weapon system, at production stage and also post production stage. But it is surprising for the Committee to know that despite this, how products of inferior quality are passed out from the Ordnance Factories belying the claim of elaborate system of inspecting! The Committee are of the view that taking such stringent inspection existing procedures should be further fine tuned to make them feel-safe so our Armed Forces are sure of quality of products they are getting.

Reply of the Government

1. DGQA carries out Quality Assurance (QA) on behalf of the Users i.e the Armed Forces, of stores being produced by Ordnance Factories. During the process of QA checks, all steps are taken to ensure strict compliance of the stores with the laid down specifications. Only after a product is found adhering to the quality standards, it is cleared for issue to the Users. In case of arms and ammunition, proof firing of randomly drawn samples is also carried out.

2. All efforts are made to ensure that no store of inferior quality is permitted to pass out from Ordnance Factories wherever Quality Assurance cover is provided by DGQA. For stores which are manufactured in large quantity, the inspection is carried out on a sampling basis as per the laid down standards. Sampling inspection is done in accordance with internationally acceptable norms and practices. Acceptance of a batch / lot of manufactured stores, from the quality point of view, depends on the Acceptance Quality Level (AQL) specified. AQL denotes the acceptable percentage of non conformities per hundred items and is defined as per IS 2500 (Part-I): 2000 {ISO 2859-1: 1999}. The said Standard also lays down the concept of Consumer's & Producer's risks which is intended to ensure Consumer protection while simultaneously assuring the Producer that the acceptance of stores will occur if quality is better than AQL.

3. To further strengthen and fine tune the system and to minimize such instances, the following measures are being ensured by DGQA, in addition to regular Quality Audit of products:

- (a) Encouraging the Ordnance Factories to ensure transparency and accountability through their Network Quality Data Base Management System (NQDBMS).
- (b) Regular advice to Manufacturers on Quality issues.
- (c) Based on the feedback from the Users and analysis of defect investigations, manufacturing processes which require improvements are identified and detailed audit is carried out. Improvements are recommended to the manufacturer for implementation to ensure improvement and consistency in the quality of products.
- (d) Product improvement through Alteration Committees.

CHAPTER IV

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

Recommendation (Para No. 6)

The Committee are surprised to find that DGOF allocation was short of Rs. 1420 crore for ammunition and funds were not available within Army Revenue Budget allocation for buying ammunition! The Committee also ponder over one of the views expressed by a representative of Army that sanction may be given to procure ammunition for capability building from Capital Head as well as additional allocations should be provided based on the progress of expenditure. The Committee feel that items of vital importance such as ammunition, which serve as the most fundamental requirement and play a crucial role in conventional warfare, are not made available through Ordnance Factories due to non-availability of funds under the Revenue Head. Keeping in view, the crucial importance of ammunition, the Committee recommend that perspective planning for Revenue allocations should be done in such a way that little scope left in re-prioritizing the allocations from another head.

Reply of the Government

Allocation for different element of the revenue budget of the Army is made by the Army itself within the overall ceilings prescribed by the Ministry. However, it is ensured that the Army reserves adequate budget to pay for DGOF Supplies as per targets jointly fixed between the Army and DGOF. Re-prioritisation of allocations may sometimes be necessary in the event of contingent requirement of additional funds for some particular purpose or imposition of cut in the budget.

The allocations to the Army and DGOF are constrained by the overall allocation made by the Ministry of Finance which has been lower than the projected requirement.

(Please see Para No. 19 of Chapter-I of the Report)

Recommendation (Para No. 8)

The Committee note that the 12th Plan projects were still awaiting Government approval even after a lapse of substantial period of time. It also came to the notice of the Committee that operational control of Indo-Tibetan Border Police (ITBP) should rest with Army for cohesion in operation. The Committee desire that these projects should be given approval at the earliest. The Committee also desire that the reasons for non approval of the 12th Plan projects, should be submitted for their perusal.

Reply of the Government

The 12th Defence Five Year Plan remained under correspondence with the Ministry of Finance till November, 2014. With the finalisation of the BE for 2015-16 it was felt that there was no further purpose in pursuing approval of the Plan for 2012-17 given that budget for four out of five years of the Plan period was fixed. Under the circumstances, it was decided not to pursue the case for government approval of the Plan further.

However, annual budget projections and individual schemes continue to be processed by the Ministry as envisaged in the Plan.

Recommendation (Para No. 9)

The Committee are of the view that the Ministry should give a serious thought in consultation with the Ministry of Home Affairs to make Indo-Tibetan Border Police under the operational control of Army to facilitate joint operations to resolve the problems related to incursions etc.

Reply of the Government

The Group of Ministers (GoM) formed after Kargil War, in its Report in 2001, had recommended adoption of the principle of 'One Border One Force'. They had recommended that borders which are operationally active should be the responsibility of the Army and ITBP should be placed under the operational control of Army till the boundary between India and China is demarcated.

Ministry of Defence has taken up this issue with the Ministry of Home Affairs.

Recommendation (Para No. 10)

The Committee also desire that slippages of 11th Plan should be made up in the 12th Plan and desired level of improvement in capability vis-à-vis neighbouring nations, upgradation of infrastructure along Northern Borders, modernisation of Armour, Firepower, Infantry, Air Defence, Aviation, Engineers, Night Vision Devices and enhancement of aviation assets, should be achieved. Necessary steps must be taken so that the 12th Plan period does not meet the same fate as that of the 11th Plan.

Reply of the Government

Modernization during 11th Army Plan was focused on developing capabilities to attain military objectives across the entire spectrum of conflict. 11th Plan had succeeded in making a beginning towards addressing our priority areas. However, paucity of funds and the prolonged procurement cycles resulted in slippages. 12th Army Plan which was approved by the Defence Acquisition Council (DAC) on 02 Apr 12 and is in execution since then, has taken into account the critical slippages of 11th Army Plan. There have been delays in Infrastructure Development for 11th Plan Accretions being undertaken as part of Cabinet Committee on Security (CCS) Note for Infrastructure Development in Eastern Command. This is primarily due to delays in land acquisition, preparation of Detailed Project Reports (DPR) by consultants and delay in sanction of Military Engineering Services (MES) accretions. Efforts are being made to complete the planned development at the earliest.

The Indian Army's improvement in capability is in place in the form of Long Term Integrated Perspective Plan 2012-2027, the 12th Five Year Plan (2012-17) and Annual Acquisition Plans. In the extant 12th Army Plan the procurement of Infantry weapon systems, Artillery guns, Tanks and Infantry combat vehicles, Air Defence weapon system, Reconnaissance and Surveillance helicopters, Engineer equipment, Tactical communication system and Ammunition procurement has been prioritized. Besides, Night Enablement of the Indian Army is also being given adequate stress.

In addition to strict compliance of procedures laid out in Defence Procurement Procedure (DPP) 2013, Standing Operating Procedures of the Army and regular monitoring at all levels, a number of in house steps have been instituted in the Indian Army to speed up the acquisition process.

The modernization of the Armed Forces is a continuous process based on threat perception, operational necessity, technological changes and available resources. The Recast 12th Army Plan has a total of 719 capital acquisition schemes and provides for Key Capability enhancements including Fire Power, Battle Field Transparency, Maneuverability, Mobility, Command and Control and Electronic Warfare.

Action Plans have been formulated and are being implemented to overcome the shortages in ammunition and missiles. A holistic review and prioritization of all the schemes has been carried out with a view to removing shortages and for fast track capability building. 26 important schemes have been identified as Chief of the Army Staff (COAS) priority procurement schemes considering the operational capability requirements and are being progressed on priority both by the service headquarters as also MoD. A Higher Forum has been constituted under the aegis of the Vice Chief of the Army Staff which meets on monthly basis to monitor the progress of the operational preparedness.

(Please see Para Nos. 29 and 30 of Chapter-I of the Report)

Recommendation (Para No. 11)

The Committee note that some of the critical shortages and vintage of equipment include Artillery, Guns, Infantry Weapons, Sights and Fire Control Equipment, Engineer Equipment, Air Defence Equipment and Armoured Recovery Vehicles (ARVs). The reasons given by the Ministry for the shortages are inadequate production capacities of Ordnance Factories, Defence Public Sector Undertakings as well as procurement process delays. The Committee are of the view that delay in procurement process has adversely impacted Operational Preparedness of the Services and resulted in substantial cost overruns of various projects. The delay has also proved disadvantageous to the interests of the Forces, which ultimately lead to obsolescence of equipment in the Army.

Reply of the Government

Government constantly reviews the security scenario and accordingly decides to induct appropriate defence equipment to keep the armed forces in a state of readiness and remaining equipped with modern weapon systems.

The Capital procurement of defence equipment is carried out as per provisions of Defence Procurement Procedure (DPP) which inter-alia provides for constitution of Contract Negotiation Committee (CNC). Once the price is fixed by the CNC, in a case there is no increase in the cost of the project thereafter.

Aging of equipment is a natural process and is dealt with through proper maintenance, obsolescence management, upgrades and acquisition of new equipment.

In financial year 2014-15 a number of important contracts viz High Zone Modules of Bi Modular Charge System (BMCS) for 155mm Guns, Component Level Repair Facility for Tank T-90, Rockets for Smerch, L-70 Gun Upgrades, HMV GS 6x6 with Mechanical Handling Crane (MHC), P-7 Platform System and Extended Range Rockets for GRAD BM-21 MBRL were signed.

Recommendation (Para No. 12)

The Committee fail to understand the reason of holding vintage equipment with the Forces for such a long time, as with each passing year vintage equipment degenerates. This makes availability of ammunition as well as spares, difficult to find from the Original Equipment Manufacturer (OEM) sources. Thus non- accessibility to ammunition and spares may sometimes lead to dangerous situation at the time of urgent necessity like war. The Committee recommend that critical shortages should be made up at the earliest and proclivity of passing the buck to Ordnance Factories / DPSUs / procurement process should be stopped. An action plan for capital acquisition should also be drawn to make the Army a fighting fit force.

Reply of the Government

Being a large organisation, the Army has a wide range of equipment and therefore has more number of ongoing procurement cases as well as proposals for future acquisitions. The Army needs equipment which can be deployed over the entire operational spectrum in extreme climatic conditions from the Siachen glacier to the Thar Desert and humid conditions of island territories, with related complexities. The Army is constantly absorbing new technology and is re-aligning existing systems to the modern battlefield environment. The Army's inventory consists of a mix of modern, current and equipment approaching obsolescence. As the numbers are very large, even with the changeover to more modern systems, the inventory will have a similar mix at all times.

The modernisation plan of the Army is in place in form of the Long Term Perspective Plan 2012-2027 and the 12th Five Year Plan. Annual Acquisition Plans are evolved each year.

(Please see Para Nos. 35 & 36 of Chapter-I of the Report)

Recommendation (Para No. 13)

The Committee have been informed about the shortage of ammunition with Army over the last three-four years. Although the ammunition are available with the Army but the quantity is not enough as per the requirements which have been projected by it. The Committee also note that the ammunition availability and ordering is being reviewed on a monthly basis by the Ministry alongwith Army. The Committee are surprised to know that despite a joint review, the shortages have remained with Army since a long time, indicating that something went wrong somewhere and procurement of ammunition was not done as envisaged. The Committee, therefore, recommend that immediate steps should be taken for procurement of ammunition from sources within or outside the country.

Reply of the Government

A system of five years roll on indents has been introduced and a road map on ammunition has been approved which envisages procurement ex-import and ex-trade to build up adequate targeted stocks along with three years training requirement. An institutionalized mechanism in the form of Working Group to review critical items of ammunitions and issues of spares, barrels, overhaul programme of infantry and mechanized forces have also been set up.

Second Five Year Ammunition Roll on indent for the period 2014-19 amounting to Rs 26,378.47 Crs has been placed on OFB. 29 capital procurement projects amounting to Rs 28621.70 Crs with likely cash outgo of Rs 3619.51 Crs are at advanced stages of approval. Ammunition with recurring large annual training requirement and high cost has been informed to Defence Research and Development Organisation(DRDO) and Ordnance Factory Board(OFB) for indigenous development.

(Please see Para No. 39 of Chapter-I of the Report)

Recommendation (Para No. 14)

The Committee are perturbed to find that procurement of 1,86,138 Bullet Proof Jackets (BPJs), for which the approval of Defence Acquisition Council was obtained on 19.10.2009 and a Request for Proposal (RFP) through Capital route was issued on 07 December, 2012 are still not procured! The Committee are not at all satisfied with reply of the Ministry that efforts are on to complete the acquisition process as early as possible! 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 procure after the approval of Defence Acquisition Council.

It is unpleasant surprise for the Committee that in spite of critical shortages of BPJs being high-lighted in the previous report of the Committee also, no improvement in the situation has taken place, which is alarming. It needs an explanations.

During the deliberations also the matter regarding shortage of BPJs came up and Committee were shocked to learn that shelf life of existing BPJs was going to expire next 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 is also a fact that after 2009, no new procurement proposal was made other than 1.86,138 BPJs, for which assessment for requirement was done prior to 2009.

Recommendation (Para No. 15)

The Committee are of the view that this is a “man made”, “very serious” and not a major issue from planning and execution point of view. The Ministry should not play with the lives of Army personnel and not drag them in avoidable dangers, just by not providing them BPJs. It is the duty of the Government to provide proper gear to their soldiers before sending them to counter insurgency or war-like situations. Therefore, it is earnest desire of the Committee that procurement of BPJs should be done in fast track mode to make up present and near future shortages so as to save lives of thousands of soldiers. Action on this be intimated to the Committee within two months.

Reply of the Government on Para No. 14 and 15

To expedite availability of BPJs, an RFP for procurement through capital route for 1,86,138 qty. of BPJs was issued on 07 December, 2012 to 39 vendors out of which six vendors have responded, The case is at trial stage. Efforts are afoot to complete the acquisition process as early as possible. Procurement of quantity 50,000 BPJs through Revenue route is also in progress for which the RFP has been issued on 15 Apr 2015.

(Please see Para Nos. 42 and 43 of Chapter-I of the Report)

Recommendation (Para No. 16)

The Committee note that the first consignment of INSAS Rifle was provided to Army in 1994 and four versions of the same have also been introduced with improvements in each variant. The Committee have learnt that the Services are not happy with the present version. However, in its reply the Ministry avoided the question posed to them about the problems being faced by the Army in handling INSAS and other weapons. The Committee also note that the design of the INSAS was long approved, well before 1994 and at present there is no change in the design per se in the existing version. The Committee understand that better, lethal and compact rifles in comparison to INSAS, are available in the world over. Therefore, the Committee desire that DRDO should make improvements in the existing model or all together develop a new rifle for the satisfaction of forces in a “very early” “time frame”. For the immediate requirement, the Ministry may also think of procuring the rifle from the foreign sources to suit the requirements of the Forces.

Reply of the Government

In the year 2006, DRDO proposed to undertake a Project ‘Design & Development of Soldier as System’ to meet the futuristic requirements of Army and emulate world standards of Small Arms. The project proposal was made with incorporation the following aspects:-

- Multi Calibre Weapon for enhanced lethality.
- Sighting systems integrated with fire control system for all weather detection, aiming and firing.
- Helmet mounted display for situational awareness.
- C 41 based communication system.
- Protective clothing and Anti mine Boot.
- Physiological monitoring vest for online health monitoring.
- Human engineering issues involving assessment of physical and cognitive load on Soldier.

After going through the proposal in 2007, Infantry Directorate intimated DRDO to wait before proceeding with any R&D activity till finalization of GSQR.

Notwithstanding the above, DRDO undertook a Technology Demonstration project ‘Design& Development of Multi Caliber Individual Weapon System (MCIWS)’ in 2008 for Design and Development of Rifle capable of firing 5.56×39 mm Ammunitions by changing some components. Limited No. of Rifles are realized and design trials are under progress. The MCIWS meets all the physical parameters (length, mass, ambidextrous features. Provision of Picatinny rails, etc.)of the GSQR No. 1379 of Assault Rifle. The operational parameters, like reliability and accuracy, etc. will be confirmed after conduct of extensive trials. Demonstration to Army can be given in Jan 2016.

As a part of MCIWS project, DRDO is also developing a new 6.8×43 mm Ammunition, which has capability to replace 5.56 mm and 7.62×39 mm calibre Ammunitions. Limited No. of rounds have been realized and the design validation trials are under progress. Demonstration of this Ammunition can also be given in Jan 2016.

It may be noted that DRDO developed more lethal Ammunition for 5.56 mm INSAS Rifle in association with Ammunition Factory Kirkee and successful User trials were also conducted. However, Army has not place Bulk procurement order for this Ammunition.

As far as making the improved version of INSAS Rifle is concerned, it is intimated that DRDO & OFB had interaction with DG Infantry. It is decided to carry out the improvements in INSAS Rifle. The improvements jointly approved are being incorporated in Rifle 5.56mm INSAS for validation. The first Collegiate Meeting held on 21st May, 2015 at Army HQ. The improvements will be carried out 'very early' on priority in time framed manner to the satisfaction of the Forces.

(Please see Para Nos. 46 and 47 of Chapter-I of the Report)

CHAPTER V
OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH GOVERNMENT
HAVE FURNISHED INTERIM REPLIES

Nil

NEW DELHI;
29 April, 2016
09 Vaisakha, 1938 (Saka)

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

Revised Plan of New Raising

(To increase Cadet strength from 13 Lakh to 15 Lakh)

Group HQ		05
Army	Battalion	40
	R&V	03
Naval		13
Air		05
Total:		66

Phase-wise progress of Revised Plan of New Raising

		Raised / Sanctioned			To be Sanctioned	Total
		1 st Phase	2 nd Phase	3 rd Phase	4 th & 5 th Phase	
Group HQ		1	1	1	2	5
Army	Battalion	8	10	6	16	40
	R&V	1	1	1	0	3
Naval		1	1	7	4	13
Air		2	0	0	3	5
Total:		13	13	15	25	66

STANDING COMMITTEE ON DEFENCE

**MINUTES OF THE TWELFTH SITTING OF THE STANDING COMMITTEE ON
DEFENCE (2015-16)**

The Committee sat on Friday , the 29 April, 2016 from 1000 hrs. to 1030 hrs. in Committee Room `62', Parliament House, New Delhi.

PRESENT

Maj Gen B C Khanduri, AVSM (Retd) - Chairperson

Lok Sabha

2	<u>Shri Suresh C Angadi</u>
3	Shri Shirang Appa Barne
4	Shri Dharambir
5	Col Sonaram Choudhary(Retd)
6	Shri Sher Singh Ghubaya
7	Shri Ramesh Jigajinagi
8	Km Shobha Karandlaje
9	Dr Mriganka Mahato
10	<u>Shri Ch Malla Reddy</u>
11	Smt Mala Rajya Lakshmi Shah
12	Shri A P Jithender Reddy

Rajya Sabha

13	Shri A U Singh Deo
14	Shri Harivansh
15	Shri Hishey Lachungpa
16	Shri Tarun Vijay

SECRETARIAT

1.	Smt. Kalpana Sharma	-	Joint Secretary
2.	Shri T.G. Chandrasekhar	-	Director
3.	Smt. Jyochanmayi Sinha	-	Additional Director
4.	Shri Rahul Singh	-	Under Secretary

2. At the outset, the Chairperson welcomed the Members of the Committee and informed them about the agenda for the sitting. The Committee then took up for consideration the following draft Reports:-

- (i) Report on Action Taken by the Government on the recommendations/observations contained in the seventh report (16th Lok Sabha) on Demands for Grants (2015-16) of the Ministry of Defence on Army (Demand No. 23).
- (ii) Demands for Grants of the Ministry of Defence (2016-17) on General Defence Budget, Civil Expenditure of Ministry of Defence (Demand No. 20) and Defence Pension(Demand No. 21).
- (iii) Demands for Grants of the Ministry of Defence (2016-17) on Army, Navy and Air Force (Demand No. 22).
- (iv) Demands for Grants of the Ministry of Defence (2016-17) on Ministry of Defence (Miscellaneous) (Demand No. 20).
- (v) Demands for Grants of the Ministry of Defence (2016-17) on Capital Outlay on Defence Services, Procurement Policy and Defence Planning (Demand No. 23).

3. After deliberations the Committee adopted the above reports with slight modifications in respect of recommendations.

4. The Committee, then, authorized the Chairperson to finalise the above draft Reports and present the same to the House on a date convenient to him.

The Committee then adjourned.

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ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE SEVENTH REPORT OF STANDING COMMITTEE ON DEFENCE (SIXTEENTH LOK SABHA) ON 'DEMANDS FOR GRANTS OF THE MINISTRY OF DEFENCE FOR THE YEAR 2015-16 ON ARMY (DEMAND NO. 23)'

1. Total number of recommendations 43

2. Recommendations/Observations which have been accepted by the Government (please see Chapter II):

Para Nos. 1, 2, 3, 4, 5, 7, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 37, 38, 39, 40, 41, 42 & 43

Total : 31
Percentage: 72.09%

3. Recommendations/Observations which the Committee do not desire to pursue in view of the replies received from the Government (please see Chapter III):

Para Nos. 35 & 36

Total : 02
Percentage: 4.65%

4. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee which require reiteration and commented upon (please see Chapter IV):

Para Nos. 6, 8, 9, 10, 11, 12, 13, 14, 15 & 16

Total : 10
Percentage: 23.26%

5. Recommendations/Observations in respect of which Government have furnished interim replies (please see Chapter V):

-Nil-

Total : Nil
Percentage: 0%