



रक्षा मंत्रालय
MINISTRY OF
DEFENCE



DEFENCE REFORMS

TRANSFORMATION TODAY
FOR A BETTER TOMORROW

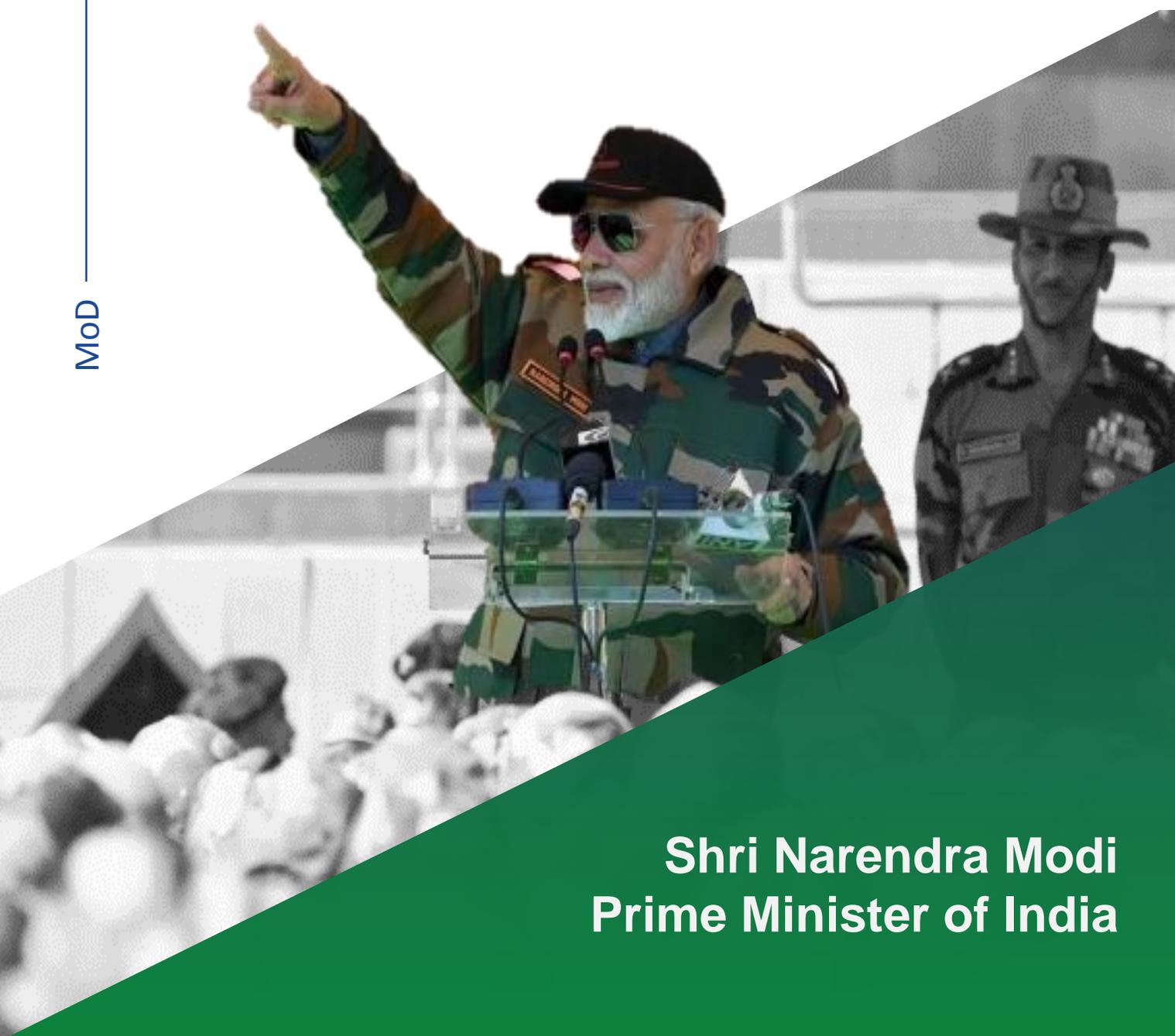


Reforms in

2020



Shramena Sarvam Sadhyam



**Shri Narendra Modi
Prime Minister of India**



“

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

”

PM Shri Narendra Modi's address to the nation - 15th August 2019

“

Our Government's priorities in Defence Sector are very clear. Our Armed Forces, along with other uniformed forces are the backbone of security architecture of the Nation – both Internal Security as well as security on the borders.

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

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

”



Shri Rajnath Singh
Defence Minister of India

“

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

”



MoD

Shri Shripad Y. Naik
Minister of State for Defence



Tejas



MoD

20 Reforms

Across the Defence sector, through policy changes, innovation and digital transformation

2020

LANDMARK ACHIEVEMENT

India gets its first Chief of Defence Staff

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

ACHIEVEMENT TIMELINE

Feb 2000

Kargil Review Committee recommended creation of CDS



For greater cooperation between various wings of Indian forces

20 Years

After a wait of two decades, CDS finally appointed

Gen. Bipin Rawat

For Improved Civil-Military Integration

DEPARTMENT OF MILITARY AFFAIRS (DMA) CREATED

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



DMA Allocation of Business
approved



DMA to have both **civil** and
military officers on its roll



DMA created on 1.1.2020. About **170 civil posts** transferred to DMA to **enable immediate functioning**. Officiating Additional Secretary, Joint Secretary and other officers posted from **Armed Forces** to ensure immediate functioning

27


भारत का राजपत्र
The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 4

PART II—Section 4

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 13] नई दिल्ली, सोमवार, दिसम्बर 30, 2019/पौष 9, 1941
No. 13] NEW DELHI, MONDAY, DECEMBER 30, 2019/PAUSHA 9, 1941

CABINET SECRETARIAT NOTIFICATION

S.O. 4710(E).—In exercise of the powers conferred by clause (3) of article 77 of the Constitution, the President hereby makes the following rules further to amend the Government of India (Allocation of Business) Rules, 1961, namely:-

1. (1) These rules may be called the Government of India (Allocation of Business) Three Hundred and Fifty Third Amendment Rules, 2019.
(2) They shall come into force at once.
2. In the Government of India (Allocation of Business) Rules, 1961,-
(A) in THE FIRST SCHEDULE, under the heading “9. Ministry of Defence (Raksha Mantralaya)”, for the existing sub-headings, the following sub-headings shall be substituted, namely,—
“(i) Department of Defence (Raksha Vibhag)
(ii) Department of Military Affairs (Sainya Karya Vibhag)
(iii) Department of Defence Production (Raksha Utpadan Vibhag)
(iv) Department of Defence Research and Development (Raksha Anusandhanaur VikasVibh
(v) Department of Ex-Servicemen Welfare (PoorvaSenani Kalyan Vibhag)”;

“AA. DEPARTMENT OF MILITARY AFFAIRS
(SAINYA KARYA VIBHAG)

1. The Armed Forces of the Union, namely, Army, Navy and AirForce.
2. Integrated Headquarters of the Ministry of Defence comprising of Army Headquarters, Naval Headquarters, Air Headquarters and Defence Staff Headquarters.
3. The Territorial Army.
4. Works relating to Army, Navy and AirForce.
5. Procurement exclusive to the Services except capital acquisitions, as per prevalent rules and procedures.
6. Promoting jointness in procurement, training and staffing for the Services through joint planning and integration of their requirements.
7. Facilitation of restructuring of Military Commands for optimal utilisation of resources by bringing about jointness in operations, including through establishment of joint/theatre commands.
8. Promoting use of indigenous equipment by the Services.”.

BRINGING ATMANIRBHARTA TO DEFENCE

An era of "Make in India" equipment for our Armed Forces

37

Import Stopped

 101 defence equipment items

Aug²⁰₂₀



FDI IN DEFENCE

74%

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

GLOBAL MANUFACTURING HUB

87%

of all defence acquisition approvals from domestic vendors during 2020

Policy Initiatives

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



DAP 2020 Promotes Make in India

Corporatization of OFB approved in May 2020



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



**DAP 2020 Promotes Indigenous
Materials**

Separate Budgetary Allocation for Domestic
Capital Acquisition



Incentives for use of indigenous
materials in defence/aerospace
platforms

Rs. 52,000 Cr. budget earmarked for
Domestically made defence equipment
in 2020-21.



**Transfer of Technology (TOT) for
materials through offset**

UNPRECEDENTED PUSH TOWARDS NEW TECHNOLOGY DEVELOPMENTS WITHIN INDIA

- BEL makes Indian Ventilator in record time to meet Covid-19 requirements May 2020.

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

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

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



- iDEX Challenge 4



- iDEX4Fauji launched in September 2020

DIGITAL TRANSFORMATION

Bringing Digital India to the Ministry of Defence (MoD)



MoD sets up its LAN covering all officers of the Ministry

Improved Security



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

MOD organisations go digital

For the first time



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

Defence estates go online

Ease of Access



17.5 lakh acres of defence land on GIS based platform

Ease of doing business with defence

Facilitative framework for business



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

Canteen Stores Department goes online

Ease of Access



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

Cantonment services go online

Improved Access



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

MoD pension goes online

Ease of Use



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

NCC goes online

A Digital First Approach



- NCC Mobile app launched in August 2020
- 65 Online Camps of Ek Bharat Shrestha Bharat held in 2020 till December 2020. Over 5,700 cadets participate
- Online enrolment, online training of ANOs
- Digital Forum for NCC cadets to share experience being launched in December 2020
- Use of simulators in NCC training expanded

MODERNISATION & INCREASED TRANSPARENCY

New Era of Speed & Transparency in Defence Acquisition

5



Highest ever
thrust
towards
modernization
in the last

10
years

Highest in last 10 years

10%

budget increase in
2020-21 over
previous year

POLICY REFORMS 2020

Sep

Defence Acquisition
Procedure 2020
approved

Oct

DRDO Procurement
Manual revised

- Provision for procurement from startup as Buy Indian- IDDM
- Legal recognition to iDEX process



Boost for
Startups

- Procurements up to INR 100 crores reserved for MSMEs



Boost to
MSME

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



Boost for
Electronics and
Software Industry

- Leasing for non-mission critical requirements



For the
First Time

TRIAL & TESTING

Transformed & Simplified

6



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

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

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

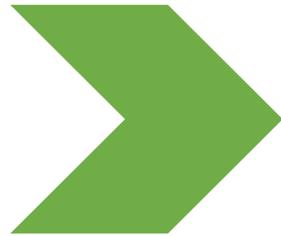


Reducing time
and cost of trials

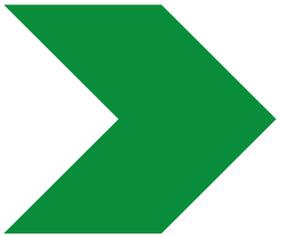
Boost to Startups

CONNECTING BORDER AREAS

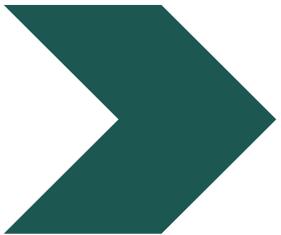
*For Better Development And Security
Like Never Before*



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



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



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



Hon'ble Prime Minister
inaugurating the Atal Tunnel



BRO Activity Timeline



Zojila pass opened almost a month ahead of schedule.

APRIL 12, 2020

Link road between Dharchula and Lipulekh inaugurated



MAY 2020



6 bridges inaugurated in J&K

July 2020



44 bridges built by BRO. Simultaneous launch.

October 2020

FORTIFYING THE DEFENCE

Adding firepower to the IAF arsenal



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

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

Timely delivery and induction despite Covid-19 challenge

STREE SHAKTHI IN ARMED FORCES

Unity in diversity

9



Ten streams of Indian Army opened for giving permanent Commission for SSC Women officers.

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

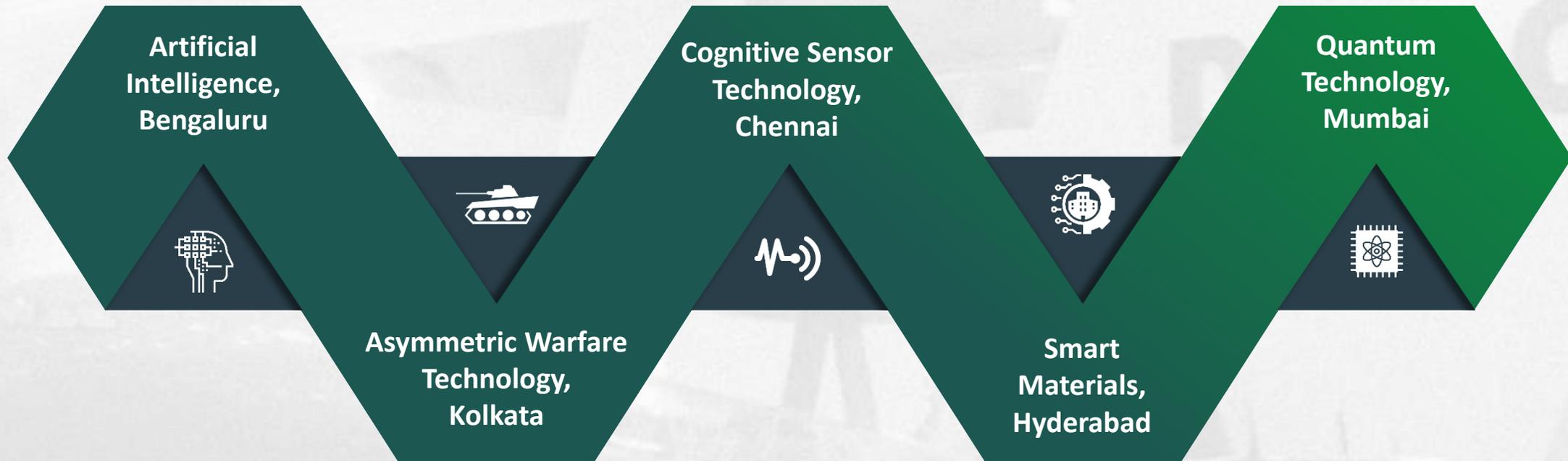
All Sainik Schools thrown open for girl students from academic session 2020-21.

REFORMING DEFENCE R&D

To boost innovation and instill a scientific temper

10⁷

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



DRDO partnering with industry in **design** and **development**

DRDO identifies 108 Systems and Subsystems for industry to design, develop and manufacture in August 2020

REFORMS IN DEFENCE LAND MANAGEMENT

To enhance efficiency and speed in the land management process

11



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



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



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



Equal Value Infrastructure in lieu of Defence Land | New policy framework to facilitate defence land for development projects including roads, highways, metros and other public utility projects | Policy approved in October 2020 | Completed process of 5 cases in 2 months; many more in the pipeline

REFORMS IN CANTONMENT ADMINISTRATION

Digital Transformation to improve access, efficiency and organisation

12

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



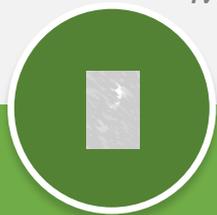
All 62 Cantonments moved to Accrual based accounting (in lieu of legacy cash-based accounting) w.e.f April 1, 2020



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

More powers to elected representatives on Cantonment Boards

3 New Committees Formed



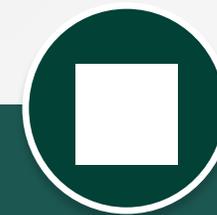
1

Finance Committee



2

Education Committee



3

Health & Environment Committee

UNPRECEDENTED WELFARE

We Take Care of Our Own

13



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

*For persons permanently
incapacitated during
military service.*



Special Clothing
to BRO personnel

*GREF personnel working
above 12,000 ft granted
Special Cold Weather
Clothing. Order issued in
April 2020.*

UNPARALLELED REFORMS IN NCC

Expanding reach to remote locations

14



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

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

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

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

Prime Minister announces **NCC in Border & Coastal Areas** from ramparts of Red Fort on August 15, 2020

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

Help beyond the boundaries

Defence Diplomacy in a new helpful Avatar

15

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

01

INS mounted 8 relief missions during 2020-21

02

Under Vande Bharat Mission the navy evacuated 3992 stranded Indians from Iran, Sri Lanka and Maldives.

03

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

04

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

05

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

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



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

Training facilities for friendly foreign countries enhanced.

Training facilities for friendly foreign countries enhanced.

IAF mounted over 800 relief missions during 2020-21

01

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

01

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

01

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

02

Basic Exchange & Cooperation Agreement signed with US in October 2020

02

First such expansion after 2009

02

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

03

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

03

IAF Operation Sanjeevani in face of Covid-19, takes medicines & supplies to Maldives in April 2020

04

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

05

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

GALVANIZING STRATEGIC THINKING

Building a research-oriented approach

16

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

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

November 11, 2020

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

**MoU with IIT Kanpur and
MoD signed in August
2020**

*to develop Artificial
Intelligence based solution
for finding root cause
resulting in
grievances/complaints
against MoD*

OFFSET REFORMS

New Offset Policy Approved in September 2020

17



Offset provisions to apply on Capital Acquisitions of Rs. 2000 Cr or more



Quantum of offset to be 30% of the estimated acquisition cost



*Offset/obligation to be discharged through Indian Offset Partner (IOP)
– Pvt. industry/DPSUs/OFB/DRDO*



Vendors free to select their IOP



Streamlined list of eligible products



Higher preference for purchase of defence product as compared to components



Canteen Stores Department Reform

Vocal for Local

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

Soft launch in November 2020.
Formal launch in Jan 2021 

3  Ban on sale of foreign made
goods in CSD canteen with
effect from 19 Oct 2020

INCREASED DEFENCE EXPORTS

New Vision, Explosive Growth

19

Explosive growth in Defence (2016-2020 – eight times growth)

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

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

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

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

	2014-2015	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total Export (in Rs. Crs)	1941	2059	1522	4682	10746	9116	5711
No. of Authorizations issued	42	241	254	288	668	829	633

* The value mentioned includes actual export by DPSUs and value as per authorisations issued by DDP (EPC) to private firms and SCOMET (other than Cat.6).

LEVERAGING MEDICAL CAPABILITIES

We Treat, We Lead



AFMS was used extensively during fight against Corona. Provided all emergency needs

Synergising Armed Forces and local Medical Colleges for greater win-win

20



First to make ready quarantine facility for 3,500 persons at 14 locations throughout the country



Created three exclusive Covid-19 hospitals with 2,000 beds



Earmarked 9,000 Beds for Covid-19



DRDO sets up DRDO hospitals in record time.

Delhi 1000 beds, Patna 500 beds, Muzaffarpur 500 beds



20 AFMS Hospitals to work in partnership with 21 Medical Colleges in 11 States/UTs. Post doc students available for Armed Forces Medical Hospitals



AFMS doctors to teach in partner Medical Colleges

Nabha Sparsham Deeptam





MINISTRY OF **DEFENCE**

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