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**STANDING COMMITTEE  
ON DEFENCE  
(2006-07)**

**FOURTEENTH LOK SABHA**

**MINISTRY OF DEFENCE**

*Review of Implementation Status of Group of Ministers (GoMs) Report on  
Reforming National Security System in Pursuance to Kargil Review  
Committee Report—A Special Reference to Management of Defence*

**TWENTY-SECOND REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*July, 2007/Asadha, 1929 (Saka)*

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Committee Report—A Special Reference to Management of Defence*

*Presented to Speaker, Lok Sabha/Chairman, Rajya Sabha on 20.7.2007  
Presented to Lok Sabha on .....  
Laid in Rajya Sabha on .....*



LOK SABHA SECRETARIAT  
NEW DELHI

*July, 2007/Asadha, 1929 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE  
ON DEFENCE (2006-07)

Shri Balasaheb Vikhe Patil — *Chairman*

MEMBERS

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3. Shri Milind Murli Deora
4. Shri Santosh Kumar Gangwar
5. Shri Ramesh C. Jigajinagi
6. Shri Suresh Kalmadi
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23. Smt. Shobhana Bharatia
24. Shri R.K. Dhawan

(iv)

25. Smt. N.P. Durga
26. Shri S.P.M. Syed Khan
27. Shri K.B. Shanappa
28. Shri Arun Shourie
29. Smt. Viplove Thakur

SECRETARIAT

1. Shri S.K. Sharma — *Additional Secretary*
2. Shri P.K. Bhandari — *Joint Secretary*
3. Shri Gopal Singh — *Director*
4. Shri D.R. Shekhar — *Deputy Secretary-II*
5. Smt. Jyochnamayi Sinha — *Under Secretary*
6. Shri Nilendu Kumar — *Sr. Executive Assistant*

## PREFACE

I, the Chairman, Standing Committee on Defence (2006-07) having been authorised by the Committee to submit the Report on their behalf, present this Twenty-Second Report on the subject 'Review of Implementation Status of Group of Ministers (GoMs) Report on Reforming National Security System-in pursuance of the Kargil Review Committee-A Special Reference to Management of Defence. The subject was selected for examination by the Standing Committee on Defence during the year 2006-07.

2. The Committee during their examination of the subject, took evidence of the representatives of the Ministry of Defence, Ministry of Home Affairs, National Security Council Secretariat and Dr. Madhav Godbole and Shri N.N. Vohra, Chairman of the Task Force related to Border Management and Internal Security respectively, for an in-depth analysis of the subject.

3. Based on the background note, written replies to the list of points furnished by the Ministry of Defence, Ministry of Home Affairs and National Security Council Secretariat on the subject and the feedback received during oral evidence of Dr. Godbole and Shri Vohra and the observations made by the members of the Committee during the study-visit, the Committee considered and adopted the draft report at their sitting held on 19th June, 2007.

4. Following the submission of the Kargil Review Committee Report, the Government set-up a Group of Ministers on 17th April, 2000 to review the National Security System in its entirety and in particular, to consider the recommendations of the Kargil Review Committee Report and formulate specific proposals for implementation. The GoM submitted the Report to the Government in February, 2001.

5. The Recommendations of the GoM are essentially contained in four chapters related to Intelligence Apparatus, Internal Security, Border Management and Management of Defence.

6. National Security is a function of a country's external environment and the internal situation, as well as their interplay with each other. The traditional concept of national security has undergone fundamental changes over the years. It is no longer synonymous with



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sufficient military strength to defend the nation and its interests. Both the external and internal environment are changing at an incredibly fast pace, with developments in nuclear weapons and missiles, increasing cross-border terrorism, the emergence of non-state actors, the growth of Islamic fundamentalism, the narcotics-arms nexus, illegal migration and left wing extremism, gravely impacting upon the security of the country. The rapid technological developments underway at the same time not only facilitate these events by reducing our reaction time but add entirely new dimensions of threats and challenges.

7. Amidst these dramatic developments, the traditional structures and processes for the management of national security are under considerable stress. Not only are most of them over 50 years old but their effectiveness has also, over time, been attenuated. These need to be suitably restructured and strengthened, to cope with the new and emerging challenges facing us in the areas of Intelligence, Internal Security, Border and Defence Management, so as to help develop a more efficient and cost-effective national security system for the 21st century.

8. In view of the foregoing, this report, in subsequent Chapters, deals with various issues concerning Management of Defence and examine the recommendations related thereto under the relevant Chapter of GoM Report. The Report also touches upon the recommendations of GoM relating to Border Management and Internal Security which are related to management of Defence and whose implementation is largely shared by the Ministry of Defence.

9. The Committee wish to express their thanks to the representatives of the Ministry of Defence, Ministry of Home Affairs, National Security Council Secretariat, Dr. Madhav Godbole and Shri N.N. Vohra for appearing before the Committee for evidence and for furnishing the material and information in a very short span of time which the Committee desired in connection with the examination of this subject.

10. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;  
17 July, 2007  

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26 Asadha, 1929 (Saka)

BALASAHEB VIKHE PATIL,  
Chairman,  
Standing Committee on Defence.

## CHAPTER I

### INTRODUCTION

1.1 In the wake of the Kargil conflict, a committee headed by Shri K. Subramanyam, commonly known as Kargil Review Committee (KRC), was appointed by the Government in July 1999, to review the events leading to Pakistan aggression in the Kargil district of Jammu & Kashmir and to recommend such measures as are considered necessary to safeguard National Security against such armed intrusions. The KRC report was submitted on 15 December 1999 and an unclassified version of the report with security-based deletions was tabled in both Houses of the Parliament on 28 February 2000.

1.2 The KRC Report brought to light several grave deficiencies in India's Security Management System, particularly in the areas of Intelligence, Border Management and Defence Management. It also drew attention to the fact that the original framework for Management of the Country's security formulated by the Britishers had yet been in place even after several years of independence. Since then, the country's security scenario has witnessed a sea-change and the country has faced a few wars and several internal and external threats. Despite these far-reaching developments, the original structure of India's National Security System has by and large remained unchanged. It is in this context that the KRC had urged for a thorough and expeditious review of the National Security System in its entirety.

1.3 Following the submission of the KRC Report, the Government set up a Group of Ministers (GoM) on 17 April 2000 to review the National Security System in its entirety and in particular, to consider the recommendations of the KRC and formulate specific proposals for implementation.

1.4 At the outset, the GoM noted that its mandate was substantially wider than that of the KRC. While the KRC had been required to review the events leading up to the Pakistani aggression in Kargil district and to recommend measures necessary to safeguard national security against such armed intrusions, the GoM was, *inter-alia*, required to review the national security system in its entirety and to formulate specific proposals for implementation. Conscious of the wider scope and extent of powers, the GoM reviewed all aspects of the national security system, impinging not only on external threats but also on internal threats.

### **Setting up of Task Forces**

1.5 To facilitate its work, the GoM set up four Task Forces, one each on Intelligence Apparatus, Internal Security, Border Management and Management of Defence. In view of its comparatively more limited scope, the KRC naturally did not address matters concerning internal security. The GoM, however, considered it necessary to do so in the light of the problems posed by insurgencies, narco-terrorism, collapse of law and order machinery in certain states, violence by left-wing extremists, degradation of the efficacy of the Central Para Military Forces (CPMFs) and the State police forces etc. Accordingly, the GoM set up a separate Task Force for issues concerning Internal Security.

1.6 The Task Forces took into account not only the KRC's observations and recommendations but also those made by several other relevant committees. Furthermore, as per the orders setting up the Task Forces, they also interacted with the concerned administrative ministries so as to keep in view, their perception of problems and issues, as well as the feasibility of the various recommendations that they may make. Each Task Force submitted its report to GoM. The Task Force Reports were referred to the concerned administrative ministries for their comments, so that these could be taken into account by the GoM. In the light of these comments, the recommendations of the Task Forces were processed in several Inter-Ministerial Group (IMG) meetings, chaired by the Cabinet Secretary, for the benefit of the GoM. The GoM also held detailed discussions on the subject with the three Services Chiefs to ascertain their views on the Task Force reports in general and issues concerning Defence Management, in particular. Similarly, the GoM had detailed discussions with the Scientific Advisor to Raksha Mantri, concerned DRDO officials and Secretary (DP&S) on issues impinging on Defence Research, relating to the recommendations of the Task Force on Defence Management.

1.7 The GoM, after considering the reports of the Task Forces, finalised its report on Reforming the National Security System and submitted it to the Government in February, 2001.

1.8 The report was classified as Secret. The report was considered by Cabinet Committee on Security (CCS) which, in May 2001, approved the GoM report and recommendations except those pertaining to institution of CDS on which it was decided that Government would take a view after consulting various political parties.

1.9 The report of GoM has 6 chapters in which first chapter highlights the approach and methodology adopted by the GoM and

the second chapter discusses the challenges to management of National Security. The recommendations of the GoM are essentially contained in succeeding four chapters related to Intelligence Apparatus, Internal Security, Border Management and Management of Defence. It was decided by the CCS that an implementation of these recommendations should be coordinated and monitored by the National Security Council Secretariat (NSCS).

1.10 Since the recommendations of the GoM included a large number of areas related to different Ministries, it was decided to have nodal Ministries for submission of Action Taken Reports on the recommendations contained in different chapters of the report as follows :-

Name of Chapter	Nodal Ministry
Intelligence Apparatus	National Security Council Secretariat (NSCS)
Internal Security	Ministry of Home Affairs
Border Management	Ministry of Home Affairs
Management of Defence	Ministry of Defence
Overall Monitoring	NSCS

1.11 National Security is a function of a country's external environment and the internal situation, as well as their interplay with each other. The traditional concept of national security has undergone fundamental changes over the years. It is no longer synonymous with sufficient military strength to defend the nation and its interests. Both the external and internal environment are changing at an incredibly fast pace, with developments in nuclear weapons and missiles, increasing cross-border terrorism, the emergence of non-state actors, the growth of Islamic fundamentalism, the narcotics-arms nexus, illegal migration and left wing extremism, gravely impacting upon the security of the country. The rapid technological developments underway at the same time not only facilitate these events by reducing our reaction time but add entirely new dimensions of threats and challenges.

1.12 Amidst these dramatic developments, the traditional structures and processes for the management of national security are under considerable stress. Not only are most of them over 50 years old but their effectiveness has also, over time, been attenuated. These need to be suitably restructured and strengthened, to cope with the new and

emerging challenges facing us in the areas of Intelligence, Internal Security, Border and Defence Management, so as to help develop a more efficient and cost-effective national security system for the 21st century.

1.13 In view of the foregoing, this report, in subsequent Chapters, deals with various issues concerning Management of Defence and examine the recommendations related thereto under the relevant Chapter of GoM Report. The Report also touches upon the recommendations of GoM relating to Border Management and Internal Security which are related to management of Defence and whose implementation is largely shared by the Ministry of Defence.

1.14 The Kargil Review Committee had observed that there was serious lack of synergy amongst the three Services of Armed Forces. Apart from that, there was also lack of coordination between the Armed Forces and Civil authorities. The lack of sharing of intelligence inputs between the three Services and Civil Intelligence agencies had further aggravated the situation. The Kargil Review Committee also had high expectations from the Government, Parliament and Public opinion to determine country security – Intelligence Development Shield to meet the challenges of 21st century. The Report therefore, also goes into these issues and propose some action plan to boost the synergy amongst the three Forces as well as between the Armed Forces and Civil authorities at various levels.

## CHAPTER II

### MANAGEMENT OF DEFENCE

#### **Actionable Recommendations culled out by Ministry of Defence and their implementation status**

2.1 The Chapter of GoM Report on Management of Defence contains 75 recommendations. The Ministry of Defence have completed action on 59 recommendations. Action on 6 recommendations is pending and ongoing on 2 recommendations. 8 recommendations of the chapter relate to institution of Chief of Defence Staff (CDS) which are pending for decision after consultation with political parties. The Standing Committee, in the subsequent paras, will take up those issues/ recommendations of GoM, which the Ministry of Defence have selected as actionable but have not shown sufficient progress. (Please see Annexure for the current implementation status of various recommendations of GoM on Management of Defence)

#### **(i) Delegation of Powers to the Service Headquarters**

2.2 In regard to delegation of financial and administrative powers to the Service Headquarters, the GoM had recommended as under:—

“Though the Service Headquarters have always been associated in the decision making process, the existing procedures involve multiplicity of levels/channels, which often lead to delays in decision-making. Given the size of the country’s defence apparatus and its substantial budget, there is a need to progressively decentralize decision-making and delegate powers to the Service Headquarters, wherever feasible. This process is expected to ensure greater speed, higher levels of efficiency and accountability. The delegation of financial and administrative powers to the individual Service Headquarters and lower formations has been attempted by the Government in the recent past and more particularly, during the last 2-3 years. Nonetheless, the process of enhancing the delegated financial and administrative powers of the Services needs to be further strengthened. At the same time, for efficacious exercise of delegated financial and administrative powers, the decision-making apparatus within the Services needs to be upgraded and strengthened.

In this context and with a view to strike the right balance between the exercise of delegated administrative and financial authority and accountability, it is proposed that the matter be examined in its totality by two committees headed respectively by Defence Secretary, on delegation of administrative powers (refer paragraphs 6.37, 6.44 and 6.70) and the Financial Adviser (Defence Services) (FA DS) on the delegation of financial powers. While finalizing their proposals for such delegation of administrative and financial powers, these committees may also carry out an appraisal of the processes/procedures currently in use in the services for exercise of the delegated powers and suggest amendments therein.”

**(GoM Report Para 6.15 )**

2.3 The Ministry of Defence, during presentation before the Committee have stated that reclassification of Revenue Expenditure has been completed by Def/Fin. Orders have been issued for substantial enhancement of delegated powers to provide more autonomy to the Service Headquarters. The Ministry have further stated that delegated Powers have been enhanced. The procedures are also reviewed from time to time. Defence Procurement Manual and Defence Procurement Procedure have also been reviewed and streamlined and this is a continuous process. The Defence procurement manual and Defence Procurement Procedure have been reviewed in the year 2002, 2004 and the latest one is in the year 2006. The Ministry of Defence is now following the procurement procedure for both Capital and Revenue as per the 2006 manual.

2.4 On being asked by the Committee about the major Policy formulation by the Ministry of Defence in past, where Service Headquarters were actively involved and delegation of financial and administrative powers to the Service Headquarters, the Ministry in their written reply furnished as under:-

“Following Policy initiatives have been taken since the Kargil war:-

- (a) Financial powers delegated to the Services were enhanced in 2002 and again in 2006.
- (b) Formulation of the Eleventh (2007-12) Defence Plan. Eleventh Plan is presently under reference to the Ministry of Finance.
- (c) Revision of the Defence Procurement Manual in 2005 and again in 2006.
- (d) Revision of the Defence Procurement Procedure (DPP) in 2005 and again in 2006. DPP-2006 is now under implementation for all procurements in defence.

The HQ IDS have been involved in planning and procurement process by the Ministry of Defence in the following manner:-

(a) **Planning.** The process of formulating a Long Term Integrated Perspective Plan (LTIPP) has been institutionalized. HQ IDS has been given the responsibility of preparing LTIPP with requisite inputs from the services. The five step approach for formulation of LTIPP which was prepared by HQ IDS has been approved by Defence Acquisition Council (DAC).

(b) **Procurement.** HQ IDS is responsible for conduct of Services Capital Acquisition Plan Coordination Committee (SCAPCC) and Services Capital Acquisition Plan Coordination Higher Committee (SCAPCHC) where in the aspects of acceptance of necessity, quantity vetting and categorization for make indigenously or import of the equipment/system/weapon platform are taken. HQ IDS also conducts the meeting of the Defence Acquisition Council (DAC) headed by the Hon'ble RM where decisions for all major capital acquisitions are taken. The decision taken by DAC are based on inputs of SCAPCHC.

- (a) Financial powers delegated to the Services were enhanced in 2002 and again in 2006.
- (b) Powers to incur expenditure under the Capital head up to Rs. 10 crores per item have been delegated to the Vice Chiefs for the first time in 2006.
- (c) In order to facilitate exercise of delegated financial powers by the Services, a Principal Integrated Financial Advisor (an Additional Secretary level officer) has been positioned in the Office of the Controller General of Defence Accounts and dedicated Integrated Financial Advisors have been posted in all the Service HQrs and Command Headquarters. Wherever it was not feasible to post a dedicated Integrated Financial Advisor (mostly in the field), officers of the Indian Defence Accounts Service have been given additional charge of providing IFA cover to the CFAs at the lower levels.
- (d) A large number of Standard Operating Procedures have been laid down by the Services to regulate exercise of delegated financial powers.

The delegated financial powers to Services were enhanced with effect from 1.4.2002 on the recommendations of the Committee set up under the Secretary (Defence Finance). Similarly, administrative



powers of the Services were enhanced *vide* MOD/IC/1027/32/AS(J)/6864/2006 dated 1.9.2006 based on recommendations of a Committee headed by Additional Secretary in Ministry of Defence.”

#### **Financial Delegation to Defence Minister and Finance Minister**

“In accordance with the existing delegated powers, acquisition/ procurement proposals upto Rs. 20 crores are approved at the level of the Defence Minister and proposals upto Rs. 50 crores are cleared by the Finance Minister, Proposals beyond this limit are required to be approved by the Cabinet Committee on security (CCS). These powers were delegated almost a decade ago. In this meantime, inflation and the growing sophistication of equipment has considerably enhanced the cost of refurbishing the Armed Forces. For expeditious decision making, higher financial powers need to be delegated to the Defence Minister and the Finance Minister for proposed that the existing limits be revised to Rs. 50 crores and Rs. 100 crores for the Defence Minister and the Finance Minister, respectively. Order in this regard would need to be issued by the Ministry of Finance (MoF).”

**(GoM Report Para 6.17)**

2.5 During presentation before the Committee, the representatives of the Ministry of Defence stated:

“Delegated Powers had been enhanced accordingly. The delegated powers of Raksha Mantri are now Rs. 100 crores for non-scaled items and upto Rs. 200 crores with concurrence of Finance Minister.”

#### **Recommendation No. 1**

##### **(ii) Delegation of powers to Service Headquarters**

2.6 The Committee note that the Group of Ministers (GoM) had recommended that there was a need to progressively decentralize decision making and delegate powers to the Service Headquarters, wherever feasible. This process was expected to ensure greater speed, higher levels of efficiency and accountability. The Committee are informed that the Ministry had taken a number of steps to involve Service Headquarters actively in decision making and had delegated financial and administrative powers to them. The Committee have been informed that financial powers delegated to the Services were enhanced in 2002 and again in 2006. The powers to incur expenditure under the capital head upto Rs. 10 crores have been delegated to the Vice-Chiefs for the first time in 2006.

2.7 The Committee feel that the amount of financial power delegated to the Service Headquarters is of a meagre amount and will hardly serve any meaningful purpose in the context of purchase of arms and armaments. The Committee feel that delegation of financial and administrative powers to Service Headquarters should be suitably enhanced keeping in view their higher cost and present rate of inflation etc. The Committee also wish to reiterate their earlier recommendations given in their Sixteenth Report on Demands for Grants (2007-08) to give appropriate financial delegation of power to the Defence Secretary to further speed up and facilitate the acquisition process.

2.8 The Committee also feel that there is no real delegation of powers at the lower formations. For example, a Brigadier level officer has been given power upto Rs. 1 lakh which is learnt to be revised recently upto Rs. 10 lakh. Now, he is required to examine and sign all cases whether those are for Rs. 1 lakh or Rs. 1 only. This is because there is no delegation of power down below. The Committee desire that there should be suitable delegation of powers to the lower level officers also at the earliest. To ensure accountability, the Committee recommend that if sanctions to incur expenditure are not made within the specified time, the proposals for expenditures may be treated as deemed to be approved by the competent authority. The Committee strongly feel that this delegation of power to the lower level officer will reduce the burden of the senior officers and that will further facilitate them to concentrate on their primary responsibilities. The Committee recommend that for procurement of day-to-day civil items, the Ministry of Defence should follow the procurement methods being followed by other Ministries.

2.9 The Committee, during their visit to Andaman & Nicobar Island and some of the North Eastern States, had observed that in case of casualties/death of the soldiers, the body is sent to their native place by flights but the family members of the soldiers are not allowed to travel in the same flight because this is not mentioned in Guidelines. This is a sorry state of affairs. Therefore, the Committee strongly feel that appropriate financial delegation at the lower level should be given to incur travelling expenditure of the family members along with the body of the deceased soldiers.

The Committee during the study visit to Guwahati, had observed that for specialized medical treatment which is not available in Armed Force Medical Hospital, if the officer/jawan is referred to private hospital for treatment, he has to pay cash deposit before

getting prescribed treatment. Later on claim is reimbursed to the servicemen. In the other hand retired person is availing empanelled private hospital facilities without paying anything, as the Government is paying the required amount to the hospital directly on behalf of the retired personnel.

The Committee, therefore, desire that medical facility, as is given to Ex-Servicemen may also be extended to the Servicemen, who has been performing more responsibility than the Ex-Servicemen.

#### Recommendation No. 2

##### Financial powers to Defence Minister/Finance Minister

2.10 In accordance with the existing delegated powers, acquisition/procurement proposals upto Rs. 20 crores are approved at the level of Defence Minister and proposals upto Rs. 50 crores are cleared by the Finance Minister. Proposals beyond this limit are required to be approved by the Cabinet Committee on Security (CCS). These powers were delegated almost a decade ago. In the meantime, inflation has grown, sophistication of equipment has considerably enhanced the cost of equipping the armed forces. Accordingly, the Group of Ministers suggested that the existing limits be revised to Rs. 50 crores and Rs. 100 crores for the Defence Minister and Finance Minister respectively.

2.11 The Ministry of Defence, in their Action Taken Replies, intimated that the delegated powers had been enhanced accordingly. The delegated powers of Raksha Mantri are now Rs. 100 crores for non-scaled items and upto Rs. 200 crores with concurrence of Finance Minister.

2.12 The Committee, however, feel that the Defence Minister should be further delayed financial powers upto Rs. 200 crore in case of non-scaled items without the concurrence of the Finance Minister, if the purchase proposal is within the allocated amount of Ministry of Defence, as the Finance Minister may not have that knowledge of importance of the purchases to be made as the Defence Minister is likely to have.

2.13 On the other hand, if the purchases are to be made over and above the allocations of the Ministry of Defence, the Finance Minister may have higher power than the Defence Minister. This will reduce the bureaucratic delays in acquisition of Defence equipment and will be cost-effective.

**(iii) Synergy among the three Services of Armed Forces**

2.14 The Kargil Review Committee, in their report, have given the following recommendations related to National Security Management and apex decision making.

“India is perhaps the only major democracy where the Armed Forces Headquarters are outside the apex governmental structure. The Chiefs of Staff have assumed the role of operational commanders of their respective forces rather than that of Chiefs of Staffs to the Prime Minister and Defence Minister. They simultaneously discharge the roles of operational commanders and national security planners/managers, especially in relation to future equipment and force postures. Most of their time, is, however, devoted to the operational role, as is bound to happen. This has led to a number of negative results. Future-oriented long term planning suffers. Army Headquarters have developed a command rather than a staff culture. Higher decisions on equipment, force levels and strategy are not collegiate but command-oriented. The Prime Minister and Defence Minister do not have the benefit of the views and expertise of the Army Commanders and their equivalents in the Navy and Air Force so that higher level defence management decision are more consensual and broadbased. The present obsolete system has perpetuated the continuation of the culture of the British Imperial theatre system of an Indian Command whereas what is required is a National Defence Headquarter. Most opposition to change comes from inadequate knowledge of the national security decision-making process elsewhere in the world and a reluctance to change the *status quo* and move away from considerations of parochial interest. The *status quo* is often mistakenly defended as embodying civilian ascendancy over the armed forces, which is not a real issue. In fact, locating the Services’ Headquarters in the Government will further enhance civilian supremacy.”

**(Kargil Review Committee Report Para 14.19)**

“Structural reforms could bring about a much closer and more constructive interaction between the Civil Government and the Services. The Committee is of the view that the present obsolete system, bequeathed to India by Lord Ismay, merits re-examination. An effective and appropriate national security planning and decision-making structure for India in the nuclear age is overdue, taking account of the revolution in military affairs and threats of

proxy war and terrorism and the imperative of modernizing the Armed Forces. An objective assessment of the last 52 years will show that the country is lucky to have scraped through various national security threats without too much damage, except in 1962. The country can no longer afford such *ad hoc* functioning. The Committee, therefore, recommends that the entire gamut of national security management and apex decision-making and the structure and interface between the Ministry of Defence and the Armed Forces Headquarters be comprehensively studied and reorganized.”

**(Kargil Review Committee Report Para 14.20)**

2.15 The GoM had observed serious deficiencies in coordination among the three Services of Armed Forces as under:

‘There is a marked difference in the perception of civil and military officials regarding their respective roles and functions. There has also been, on occasions, a visible lack of synchronization among and between the three departments in the MoD, including the relevant elements of Defence Finance. The concept of “attached offices” as applied to Services Headquarters; problems of *inter-se* relativities; multiple duplicated and complex procedures governing the exercise of administrative and financial powers; and the concept of ‘advice’ to the Minister, have all contributed to problems in the management of Defence. This situation requires to be rectified, to promote improved understanding and efficient functioning of the Ministry.

The functioning of the Chiefs of Staff Committee (COSC) has, to date, revealed serious weaknesses in its ability to provide single point military advice to the Government, and resolve substantive inter-Service doctrinal, planning, policy and operational issues adequately. This institution needs to be appropriately revamped to discharge its responsibilities efficiently and effectively, including the facilitation of “jointness” and synergy among the Defence Services.”

**(GoM Report Paras 6.4 & 6.5)**

“The currently envisaged institution of the CDS is likely to be the first step in a series of structural reforms to be implemented incrementally. As this institution is absorbed and evolves, further refinements and changes in concepts and structures will follow.”

**(GoM Report Para 6.20)**

2.16 The Ministry of Defence, during presentation, briefed the Committee that the decision on institution of CDS will be taken after consultations with political parties for which process has been initiated.

2.17 The Ministry of Defence, in their Action Taken Replies to the Eleventh Report on Demands for Grants (2006-2007), had informed that:

“The process of consultation with political parties has been initiated by issuing letters to National and State level political parties by the Raksha Mantri on March 2, 2006, eliciting their views on the establishment of Chief of Defence Staff. A reminder has been issued by the Raksha Mantri on June 12, 2006 and again on 11 January 2007. Replies from four political parties only have been received so far and replies from the majority of the political parties are still awaited. The decision in the matter will depend on a larger consensus on the issue.”

2.18 Regarding the views of the Ministry of Defence for handing over the task of CDS for joint planning, joint training, joint operation, implementation and joint doctrine to Chief of Staff Committee till the matter is finally decided, the Ministry of Defence in their written reply stated :—

“Pending decision on setting up the institution of CDS, Headquarters, Integrated Defence Staff has been set up under the Chief of Integrated Defence Staff to the Chairman, Chiefs of Staff Committee (CISC) in 2001 to support the Chiefs of Staff Committee and its Chairman in the optimum performance of its roles and functions, bringing together and coordinating several functions common to the Services. Planning functions, including the formulation of Long Term and Five Year Plans have been brought under the Integrated Defence Staff and Strategic Force Command. Tri-Service command, the Andaman and Nicobar ‘theatre’ Command has been set up to promote jointness and synergy in operations. Defence Intelligence agency coordinates intelligence inputs from the Service intelligence directorates and also provides interface with the other intelligence agencies like RAW, NTRO, IB etc. In the field of training several tri-service institutions like National Defence Academy, Defence Services Staff College and College of Defence Management (CDM) have been brought under the Joint Training Committee of HQ IDS. Raksha Mantri has also recently released the Joint Doctrine for the three Services.”

Therefore, it may be stated that pending creation of CDS the COSC with assistance of CISC and HQ IDS is performing the functions of CDS to a large extent.

### Recommendation No. 3

2.19 The Committee note that it was the lack of synergy among the three Services which caused difficulties to the Armed Forces during the Kargil War. The Chief of Staff assumed the role of operational Commander to the respective forces rather than that of Chief of Staff to the Prime Minister and Defence Minister. This led to a number of negative results and protocol problems. The Committee understand that in pursuance of the observations and recommendations of Kargil Review Committee as cited above, the GoM had felt seriously the need for creation of the post of Chief of Defence Staff in order to boost synergy among the three Services of Armed Forces and to provide a single point military advice to Prime Minister and Defence Minister. The Committee also note the observation of GoM that the functioning of Chief of Staff Committee has revealed serious weaknesses in its ability to provide single point military advice to the Government. The Committee, in their earlier report have recommended for the creation of the post of CDS. In view of this, the Committee, therefore, reiterate that the Government should take the GoM's recommendations as well as this Committee's concern in this matter seriously and take the final decision on CDS at the earliest and till the final decision on CDS taken, the functioning of COSC should be seriously streamlined and positively made effective.

2.20 The Committee also desire that the Government should set up a high level Committee to demarcate clear cut roles and functions of Civil and Military officials so that duplication of work can be avoided to check delays and responsibility may also be fixed in their respective field. As regards the easement of complex procedure governing the exercise of administrative and financial powers and concept of 'advice' to the Minister are concerned, the Committee are of the view that post of Defence Secretary should be upgraded to the level of Cabinet Secretary or equivalent to the Chief of Service in order to enable him to synergise the functioning of the Ministry of Defence and Armed Forces and to promote improved understanding and efficient functioning of the Ministry as a whole.

2.21 The Committee note that the Government have taken a number of steps to bring synergy amongst the three Services like



planning and formulation of Long Term and Five Year Plans, Tri-Service Commands like the Andaman and Nicobar theatre command etc. The Committee, however, during their recent visit to the Islands, found that the desired level of synergy in such commands is missing. The Committee understand that the senior officers of the Command can issue orders to the personnel belonging to their respective forces only. There is no jointness of Command and Control. The Committee feel that this is a very serious lacuna and earnest efforts should be taken to correct it immediately. The Committee further wish to stress that Coast Guard Services may also be inter-connected with the jointness of Command and Control of the three Services.

**(iv) Upgradation of the post of Defence Secretary**

2.22 The Kargil Review Committee, in their report, had recommended that:

“The Committee, therefore, recommends that the entire gamut of national security management and apex decision-making and the structure and interface between the Ministry of Defence and the Armed Forces Headquarters be comprehensively studied and reorganized.”

2.23 The GoM had seriously observed the role and responsibilities of Defence Secretary as under:

“It is extremely important that there is no dilution in the role of the Defence Secretary as the “Principal Defence Adviser” to the Defence Minister. Accordingly, it is felt that:

- (a) The Defence Secretary should be officially designated in standing orders as the “Principal Defence Adviser” and rank *primus inter pares* among the secretaries in the MoD. This measure is intended to reinforce the view that this individual, irrespective of pay scale or inter-service status, is a vital element in the higher management of Defence and should be so recognized unequivocally in civilian and military hierarchies.
- (b) Standing orders need to be promulgated specifying that the Defence Secretary has the primary responsibility for advising the Defence Minister on all policy matters and for the management of the Department, including financial management. As the Chief Accounting Officer for the Ministry, he is accountable to the Parliament for the expenditure of public money as budgeted by Parliament.



- (c) The Defence Secretary should be responsible to the Defence Minister for the following :
- (i) Policy Advice,
  - (ii) Supervising the Department of Defence,
  - (iii) Co-ordinating the functioning of all departments in the Ministry,
  - (iv) Co-ordinating the finalisation of the complete MoD Long Term Defence Perspective Plan (LTDPP), 5 year Plan, and the annual budget for approval by the Defence Minister,
  - (v) Advising the Defence Minister on all matters relating to Parliament, Central Government and State Governments, in addition to advice generated by individual departments, and
  - (vi) Co-ordinating all matters relating to personnel policies, terms and conditions of service, foreign postings and the like, with cadre controlling authorities in the MoD and with the Department of Personnel and Training (DoP&T) when required.

The Defence Secretary will function as “Principal Defence Adviser” to the Defence Minister in a manner similar to the role to be performed by the CDS as the “Principal Military Adviser” and both will enjoy an equivalent status in terms of their working relationship as distinct from the Warrant of Precedence. Similarly, the Defence Secretary must enjoy an equivalent status *vis-a-vis* the Chiefs of Staff, in so far as their functional relationship is concerned. Meetings convened by the Defence Secretary on issues concerning him shall be attended by the CDS as necessary and *vice versa*. The Chiefs of Staff will also attend the meetings convened by the Defence Secretary, if required and *vice versa*. The purpose of this arrangement is to ensure that the aspect of Warrant of Precedence does not vitiate the working environment of the Ministry.”

**(GoM Report Paras 6.26 & 6.27)**

2.24 The Ministry of Defence have noted the observations of GoM but have not taken any action in the matter so far and nor have they furnished detailed action plan in this regard.

#### **Recommendation No. 4**

**2.25 The Committee understand that the decision on the post of CDS is, at present, pending for political consultations. The Committee**

note the observation of GoM that the CDS, after its creation, will enjoy an equivalent status with Defence Secretary in terms of their working relationship as distinct from the Warrant of Precedence. The GoM had further observed that the Defence Secretary should enjoy equivalent status *vis-a-vis* the Chiefs of Staff in so far as their functional relationship is concerned. The Committee note that at present the three Service Chiefs enjoy the status of the Cabinet Secretary whereas the Defence Secretary is only in the rank of 'Secretary' *i.e.* a step junior. The Committee further note that the recommendations of GoM *i.e.* 'the Defence Secretary will function as Principle Defence Advisor to the Defence Minister in a manner similar to the role to be performed by the CDS as the Principle Military Advisor and both will enjoy an equivalent status in terms of their working relationship as distinct from the Warrant of Precedence' and also that the Chiefs of Staff will also attend the meetings convened by the Defence Secretary, if required and *vice versa* are not being implemented.

2.26 The Committee feel that the unequal status being enjoyed by the Chiefs of Staff *vis-a-vis* the Defence Secretary at present has been causing lack of coordination and synergy in the functional relationship between the Ministry of Defence and the Service Headquarters. The Committee, therefore, desire that the Government should take immediate steps in regard to upgradation in the rank of Defence Secretary equivalent to the status of Cabinet Secretary or in the rank of Chief of Service and upgrade the functions of Defence Secretary as the 'Principle Defence Advisor' so that the working relations amongst the Chiefs and the Defence Secretary are brought on equal footing. The Committee strongly recommend that the GoM recommendation with regard to attending the meetings convened by the Defence Secretary by the 'Chiefs of Staff' and *vice-versa* should be made operational at the earliest. These functional arrangements should be done at the earliest to bring about effective synergy amongst the three Services and the Ministry of Defence and provide unified advice to the Prime Minister and Defence Minister.

**(v) Restructuring of MoD and Service Headquarters**

2.27 The GoM had felt the need for restructuring of Ministry of Defence and Service Headquarters as under:

"Consequent upon the creation of the CDS/VCDS/Defence Staff and the Procurement Board related structures, the organizational structure of the Department of Defence (DoD), Service Headquarters

and Inter-Service Organisations (ISO) will need to be reviewed. The Committee headed by the Defence Secretary, looking into the delegation of administrative powers (refer paragraphs 6.16, 6.37 and 6.70), may also finalise the details of such restructuring. To fine-tune the details of restructuring of the Service Headquarters, Defence Secretary may appoint such sub-groups as considered necessary. All new posts to be created as a result of these structural changes may be funded through matching savings.

Services Headquarters will also require proper restructuring to take account of the changes being introduced. These examinations should be carried out by the respective Chiefs of Staff keeping in view all relevant aspects of the matter. Service Headquarters recommendations may thereafter be placed before the Defence Minister for his approval. All new posts to be created should be funded through matching savings."

**(GoM Report Paras 6.44 & 6.45)**

2.28 The Ministry of Defence, during presentation, stated that all new structures have been created by matching savings and need based restructuring within the Ministry and Services Headquarters has been completed.

2.29 When asked by the Committee in pursuance of the recommendations of GoM what steps were taken by the Ministry of Defence to bring about restructuring within the Ministry of Defence and Service Headquarters, they submitted reply as under:—

"(i) In pursuance to the recommendations of GoM a number of institutions like Integrated Defence Staff, Tri-Service bodies like the Defence Intelligence Agency (DIA), the Strategic Forces Command and the Andaman & Nicobar Theatre Command have been established.

In addition to the above, Defence Acquisition Council (DAC), Defence Procurement Board (DPB), Defence Production Board and Defence Research and Development Board, have also been established.

(ii) The officers (including civilian officers) and support staff (including civilian support staff) have been provided by the three services. The cost of entire HQ IDS have been met by re-appropriation, matching savings and permanently suppressing the post in the original entity and transferring to HQ IDS."

**Recommendation No. 5**

2.30 The Committee note that the Group of Ministers (GoM) have recommended for restructuring of Ministry of Defence and Service Headquarters. The Group of Ministers desired that a Committee headed by the Defence Secretary should look into the delegation of administrative powers and also finalise the details of such restructuring.

2.31 The Ministry of Defence, in their reply, have stated that in pursuance of these recommendations, a number of institutions like Integrated Defence Staff, Tri-Service bodies like the Defence Intelligence Agency, the Strategic Forces Command and Andaman & Nicobar Theatre Command have been established. In addition to the above, Defence Acquisition Council, Defence Procurement Board, Defence Production Board and Defence Research and Development Board have also been established.

2.32 The Committee, feel that there is an urgent need to review the working of all these organisations set up by the Ministry of Defence on the basis of recommendations made by GoM. The Committee desire that a team of experts should examine the actual working of each and every organisation to ensure their efficient working and also to have synergy. The Committee may be informed of the results thereof. The Committee also desire that these organizations should be given adequate flexibility in order to perform well or to meet any eventualities as per the changed circumstances.

**(vi) Defence Planning and Budgeting**

2.33 The Kargil Review Committee, in their report, have observed the following points pertaining to Security Implications of the present trends in India's Defence Expenditure:

"Some questions have been raised about the impact of declining defence expenditure on the nation's capacity to counter effectively the Kargil intrusion and, in particular, the preparedness of the jawans for high altitude conflicts. The evidence available to the Committee does not show that a paucity of resources was *per se* responsible for any lack of preparedness for the Kargil conflict. The prioritization of threats among external intelligence agency and the Army did not provide for Kargil-type intrusions and consequently their policies in regard to appropriate efforts for space and aerial surveillance as well as reserves to be maintained were influenced by it. The harsh mountain terrain of the Kargil sector

was considered virtually impregnable in winter. Nonetheless, when the intrusions were detected, the required clothing, equipment and other stores were provided from reserves; some shortage of special clothing was made up by extreme cold clothing and part worn special (glacial) clothing of troops which had returned from Siachen. However, there was some shortage of sleeping bags and boots. Most items needed for the Kargil War were affordable within the available outlays. Such operational voids as did indeed exist are attributable primarily to procurement procedures and cycle (which includes exploration of indigenous options before imports, finalisation of technical specifications, vendor identification, trials, etc.), prioritization and the element of surprise in Kargil.

An issue which requires special mention here is the lot of India's infantrymen. The brunt of the Kargil War had to be borne by the foot soldiers. They had to climb high mountains under extreme cold in pitch darkness. They had to carry heavy loads of weapons, ammunition, rations and other requirements which made their task even more arduous. The Committee feels that there is need to give a high priority to properly equipping infantrymen with weapons, equipment and clothing, suitable for the threats they are required to face in the region. Attention needs to be given to reducing the weight of weapons and stores they have to carry.

It is obvious, however, that over the past years, actual defence expenditure has been below the amount required by the defence forces to perform efficiently the tasks allotted to them. A major victim of the decline in Defence Expenditure has been Defence Modernisation and replacement of obsolete/obsolescent equipment and weapons systems. This process was particularly vulnerable to fluctuations in currency exchange ratios. This has affected the process of modernisation and also created some unacceptable operational voids. Given the country's resource constraints the scope for enhancing defence outlays is somewhat limited without tightening up fiscal discipline elsewhere and ensuring a high growth rate of 6-7% for the economy. It would be pertinent to mention, however that some part of revenue expenditure also covers capital items contributing replacement or modernisation. A significant part of Defence PSUs production and R&D expenditure which also assist a modernisation is reflected under the revenue head. With the rising cost of equipment and weapon systems, this reduction eroded the resources available both for modernisation and replacement. Hence, the defence Services must seek to extract the maximum value from each defence rupee. This will call for

some drastic measures like restructuring of the defence forces, improving cost-effectiveness of manpower, retraining and redeployment, dispensing with avoidable and unnecessary expenditure, rigorous prioritization, and focusing resources in area likely to enhance the effectiveness of the defence forces in meeting the emerging challenges to the country's security. In other words a total reform of defence structure, its interface with civil government, defence production and procurement is called for."

**(a) Defence Planning**

2.34 In pursuance of the above observations of Kargil Committee Report, the GoM had made the following observations in regard to Defence Planning:

"In the past, the individual Services have prepared their long term perspective plans. However, with the induction of the CDS and other related structures, there would be a need to prepare a holistic and integrated defence perspective plan for 15-20 years through a rigorous process of Inter-Service prioritization. The Five Year Defence Plans by the Services should be prepared on the basis of the LTIPP. These are to be followed up by analysis and preparations of the Joint Services Plan by the VCDS, which may be finalised through consultation between the CDS and the Defence Secretary. The defence planning process incorporating the long term defence plan, 5 year plan and annual budget should be revised at the earliest.

The MoD and the CDS may be directed to ensure timely completion of the LTIPP and five yearly/annual defence plans, apart from introducing all suggested measures to bring about efficiency in defence expenditure. The MoF while deciding on annual budgets must keep in view the requirements of defence plans.

To ensure the effectiveness of the planning exercise, the Defence Minister's directive should be issued at least 12 months before the commencement of the next Five Year Plan. This will form the conceptual basis for the Defence Plan. The MoF should give a firm indication of the availability of financial resources, for a period of 5 years, at least 6 months before the commencement of the ensuing Five Year Plan.

To obtain the maximum value for money, the formulation of Services Equipment Policy Statements (SEPS) is required to be co-ordinated with the perspective planning and Services futuristic requirements."

**(GoM Report Para 6.46 - 6.49)**

2.35 The Ministry of Defence, during presentation, stated that the matter is being coordinated by IDS Headquarters, 11th Plan paper has also been coordinated by IDS Headquarters and has been prepared well in time. Formulation of Services Equipment Policy Statements (SEPS) are also being coordinated by IDS Headquarters as part of the planning process.

2.36 In response to a specific query of the Committee regarding status of Eleventh Defence Plan and Long Term Integrated Perspective Plan (LTIPP) for the three Services, the Ministry replied as under:

“LTIPP for the period 2002-17 is already in place. The same is being reviewed and revised to cover the period 2007-22.

As regards Eleventh Defence Plan, it was formulated in consultation with the Services and other Departments and forwarded to the Finance Minister by the Raksha Mantri in July 2006. Since then the matter is under consideration between the two Ministries”

#### **Recommendation No. 6**

2.37 The Committee note that GoM have recommended for preparing a holistic and integrated Defence Perspective Plan for 15 to 20 years through a process of inter-service prioritisation. The Five Year Defence Plans by the Services should be prepared on the basis of LTIPP. MoD may be directed to ensure timely completion of LTIPP, five yearly/annual Defence Plans apart from introducing all suggested measures to bring about efficiency in defence expenditure.

2.38 The Committee note that Subramanyam Committee, in their report, had observed that over the past years, actual defence expenditure had been below the amount required by the Defence Services to perform efficiently the tasks allotted to them.

2.39 The Ministry of Defence have informed the Committee that LTIPP for the period 2002-17 is already in place. The same is being reviewed and revised covering the period 2007-22. The Committee have been further informed that the 11th Defence Plan has been formulated in consultation with the Services and forwarded to the Finance Minister in July, 2006. Since then the matter is under consideration between the two Ministries. The Committee are deeply concerned that with the creation of new bodies, there is a need to clearly lay down the field of responsibility between the Ministry of Defence and the three Services. While the Ministry of Defence have to lay down the Defence policies to draw up Long Term Integrated



Perspective Plans as well as Five year Plans and lay down different targets for the three Services and provide funds for the same, on the other hand, the three services have to prepare Long Term Plan and Five Year Plan for their respective forces. Actual implementation of the policies and achievement of targets have to be the part of the three Services themselves. This should be examined in depth in consultation with the three Service Headquarters to avoid duplicacy, etc.

2.40 The Committee note that the 11th Defence Plan is yet to be cleared by the Ministry of Finance even though it was submitted to them about a year back. The Committee take a serious view of non finalisation of 11th Defence Plan inspite of the fact that the implementation period of the same has begun from April, 2007. The Committee, therefore, desire that the Plan should be finalised at the earliest and should be implemented in the right earnest. The Committee also hope and trust that the annual Plan for the year 2007-08 is based on the targets set by the Ministry of Defence for the 11th Five Year Plan. The Committee also desire that the LTIPP should be periodically reviewed in the light of the new developments and should be kept updated.

**(b) Defence Budgeting**

2.41 In regard to Defence Budgeting, the GoM had observed as given in the following paras :

“To begin with, the joint time bound scrutiny of the 10th Defence Plan (2002-07) and introduction of zero based budgeting approach for all on-going schemes may be undertaken in a time bound manner.

Optimal utilization of resources cannot be achieved unless greater emphasis and attention is given to the process of budget formulation and implementation, including forecasting, monitoring and control. In this context, it is felt that capital schemes in Service Headquarters’ budgets should be included only if reasonable assurances of contract conclusion and some payment within the financial year exist. Similarly, only those capital schemes should be included in the Service Headquarters’ Priority Procurement Plan and annual budget, where there is adequate evidence that technical and commercial evaluation, leading to contracting and initial payment, can be completed in the relevant financial year. There is also a need for rigorous prioritisation and the order of charge on the budget being established with reference to the plan objectives.



The monitoring of inter-Service and intra-Service prioritisation of capital schemes by the VCDS/CDS needs to be institutionalized for ensuring time bound action and the best value for money.

A need has been felt for review of the form and content of the Defence Service Estimates and the expansion of budgetary classification to promote programme based budgeting, while ensuring compliance with security requirements. As such, a Study Group, headed by a senior official from the Finance Division and including representatives from Service Headquarters and the Controller General of Defence Accounts (CGDA), should be constituted to make recommendations on budgetary reforms.”

**(GoM Report Para 6.50 - 6.52)**

2.42 The Ministry of Defence have stated that 11th Plan schemes were reviewed based on actual performance which is in the spirit of zero based budgeting. The Ministry have further submitted that monitoring of Inter-Service and Intra-Service prioritisation of capital schemes is being done by IDS Headquarters under CISC to ensure best returns for the money spent. Regarding Defence Services Estimates the Ministry have stated that the same are being prepared as per new classification.

2.43 Elaborating the concept of Zero-Based Budgeting in regard to evaluation of various projects, the Ministry have furnished the following note :-

- “1. Zero-based budgeting (ZBB) is a technique of planning and decision-making. It reverses the working process of traditional budgeting. In traditional budgeting, departmental managers need to justify only increases over the previous year’s budget. This means what has already been spent is automatically sanctioned. In case of ZBB, no reference is made to the previous level of expenditure. Every departmental function is reviewed comprehensively and all expenditures, rather than only increases, are approved. ZBB is a technique by which the budget request has to be justified in complete detail by each division manager starting from the Zero-base. The Zero-base is indifferent to whether the total budget is increasing or decreasing.
2. Zero-based budgeting is a concept that lays stress on not only the need for every new scheme/programme to be examined and justified before provision for that scheme/

programme is made in the budget but also for a similar exercise to be carried out in respect of every on-going scheme/programme. For achieving this objective, every Ministry/Department is expected to develop its own methodology.

3. A significant proportion of defence expenditure is not structured around schemes and programmes. Nevertheless, the broad objectives of the zero-based budgeting have been achieved by preparing Long-term Integrated Perspective Plan (2002-17), which is now being reviewed with emphasis on capability building. These Plans take a holistic view of the requirement of the defence services and form the basis of the Defence Five-year and Annual Plans, which, in turn, provide the basis for working out the annual budgetary requirement.
4. Based on the objectives set out in the Long-term Integrated Perspective Plan of the Services (2002-17), an extensive exercise was carried out while finalising the Eleventh Defence Plan (2007-12) in 2006. The entire range of defence expenditure, from pay & allowances to capital outlay, was subjected to close scrutiny in tune with some of the basic zero-based budgeting principles."

2.44 In regard to the Committee, constituted to make recommendations on budgetary reforms and the new classification system proposed by the Committee, the Ministry have stated as under :-

- (i) A Study Group was constituted by the Defence Secretary in June 2001 under the Chairmanship of the Secretary (Defence Finance) with the following as the members of the Group:

Member (Finance), OFB	Addl Secretary (T)
Addl DG FP AHQ	ACNS (P&P) NHQ
ACAS (Fin-P), Air HQ	CCR&D (Resources), DRDO
Addl FA (A) & Joint Secretary	Jt CGDA (EDPS), O/o the CGDA
Director (Fin/Budget)	Member Secretary

The terms of reference of the Committee were as follows:

- (a) To review the form and contents of Defence Services Estimates.

- (b) To examine the expansion of budgetary classification to promote programme based budgeting, while ensuring compliance with security requirements.
- (c) To review the present classification of expenditure between Revenue and Capital in respect of Defence Services/Deptts.

The Committee submitted its Report in 2002.

- (ii) The recommendations of the Committee regarding classification system were as follows:
  - (a) That the then existing twin-criteria of classifying the expenditure as 'Capital' if (i) the item purchased had a life of seven years or more and (ii) the cost of item was more than Rs. 2 crores, may continue subject to the cost of item being increased to Rs. 10 lakhs for being considered as 'Capital'.
  - (b) That the classification between Revenue and Capital based on life/cost criteria should apply equally to supplies to ex-DGOF also. Accordingly, Armoured Vehicles (Tanks, Armoured Personnel Carriers, etc.), Guns and Other Equipment etc. meeting the life-cost criteria should be booked to 'Capital'.
  - (c) That the same criteria should be applicable to Stores of DRDO, which are in the nature of Plant & Machinery and other equipment meant for setting up facilities, which could be viewed as Capital assets, as distinct from other material used in research & development.
  - (d) That expenditure on refits/upgradation of ships, aircrafts, other equipments, which has the effect of enhancing the capability of the relevant item or has the effect of addition of New Systems/New equipments, etc. should be treated as 'Capital' expenditure depending upon the life-cost criteria. The component of normal repair/refit/overhaul in such cases should, however, continue to be treated as Revenue expenditure.

These recommendations were accepted and implemented."

#### **Recommendation No. 7**

**2.45 The Committee note the recommendations made by Group of Ministers that Defence Plan should be on zero-based budgeting**

approach and all on-going schemes may be examined on the same concept in a time-bound manner. The Group of Ministers also recommended for constitution of a Study Group by the Ministry of Defence.

2.46 The Committee note that the Ministry of Defence have reviewed all the 11th Plan schemes on actual performance which is in the spirit of zero based budgeting. The Ministry had also constituted a Study Group to make recommendations on budgetary reforms. This Study Group has submitted its recommendations, which have been accepted and implemented by the Government.

2.47 The Committee desire that budgetary allocation to the Ministry of Defence should be based on various schemes to be taken up during the period of Five Year Plans. The Ministry should have the authority to spend that sanctioned amount within that Five Year Plan period and not in a particular financial year only. The Committee observe that due to long gestation of procurement procedure and non-fructification of some contractual liabilities, every year the Ministry have been surrendering huge amount of their budgetary allocation. Therefore, the Committee had been recommending from time-to-time the operation of Non-lapsable Fund so that whatever money has been sanctioned by the Parliament for Ministry of Defence, that should remain with them till the completion of the scheme for which the money had been sanctioned and the Ministry of Defence should not be asked to surrender the unutilized funds on year-to-year basis. The Committee strongly feel that the Ministry of Defence need reforms and procedural changes to implement the principle of zero based budgeting. Therefore, the Committee strongly recommend that the Ministry of Defence should carry out the necessary reforms and make concerted efforts to utilize the sanctioned amount within the particular financial year itself so that there is no need to surrender the amount and till the time the Ministry of Defence must create the non-lapsable fund so that defence modernisation programme does not face any financial crunch.

(vii) Service-related matters of Defence Personnel

(a) Optimal Age Profile

2.48 In regard to age profile of the Armed Forces, the GoM had observed as under :

“The GoM has noted that there are problems relating to aspects of retirement age and command profiles in the armed forces. A group

of officers chaired by the VCDS with representatives from Service Headquarters, DoD, FA(DS) should be established to examine all aspects of these problems and submit its recommendations before the COSC. Thereafter, the final recommendations of the COSC should be placed before the Defence Minister for his consideration.”

**(GoM Report Para 6.68)**

2.50 The Ministry of Defence have stated that Ajay Vikram Singh Committee (AVSC) with representatives from Ministry of Defence and Service Headquarters report is being implemented. Phase I has been implemented upto the rank of Lt Col/eq. Phase II for Brig/Eq and above is under scrutiny at the Ministry of Defence.

2.51 On being asked by the Committee about the status of A.V. Singh Committee's recommendations and procedure for filling up vacancies created, the Ministry in their reply stated:

“Subsequent to the submission of the report and based on the recommendations contained therein regarding restructuring of the officers' cadre of the Indian Army, the following recommendations have been implemented:-

a. Non Select Ranks

- (i) Reduction in service for substantive promotion to the rank of Captain to 2 years and Major to 6 years service.
- (ii) Time based promotion to the rank of Lt. Col. At 13 years of service.
- (iii) Introduction of the rank of Col. (Time Scale) at 26 years of service and upgradation of 750 posts of Lieutenant Colonel in a phased manner.

No vacancies were created due to AVSC-I. However, it is relevant to state that 750 posts of Lt Col were upgraded to Col on implementation of AVSC-I within the overall officers' cadre strength.

No special relaxation has been given to the officers who have been promoted with implementation of Phase I of AVSC. The officers who meet the laid down criteria are only being given time-based substantive ranks.

The reduced reckonable qualifying service period for promotion to the rank of Capt, and Lt Col is now applicable as per revised Government instructions, provided officers meet the other selection criteria.

Implementation of the Phase I relating to non-select ranks has since been completed. For select rank, Phase II of the report is under examination in consultation with the Ministry of Finance and the VI Pay Commission."

2.52 They further stated as under:

"The balancing of organizational requirement and service aspirations as recommended in the Phase II implementation necessitated inter-departmental and inter-ministerial consultation, which have been progressed with the concerned Department and Ministries, but have not yet been resolved. In the course of consultations with Internal Finance, aspects of functional justification of posts, cost neutrality through matching saving and role of the 6th CPC emerged as areas which needed to be carefully addressed. The matter is accordingly being pursued for early resolution. To expedite the matter a D.O. letter has been written to Member Secretary, VI Pay Commission, at the level of SS(J), on 30.4.2007."

#### **Recommendation No. 8**

2.53 The Committee note that the Ministry had constituted A.V. Singh Committee with the representatives from Ministry of Defence and Service Headquarters to look into all aspects of the Service conditions of Defence personnel and make recommendations for implementation. The Committee further note that the Ministry have put efforts for Phase-wise implementation of some recommendations of the A.V. Singh Committee. The Phase-I is complete and the Phase-II is under scrutiny at the Ministry of Defence. The Committee desire that the Ministry should furnish detailed Action Plan at the earliest for the Phase-II implementation of the recommendations of A.V. Singh Committee which is under scrutiny of the Ministry of Defence. The Committee note that as per A.V. Singh Committee's recommendation, an officer shall get the rank of Colonel or equivalent after putting in 26 years of service. After the post of Colonel, there are four more ranks available for promotion. If an officer puts in minimum of three years of service in each rank, he will reach the age of 60 years and it would be difficult to maintain young profile in the armed forces and shall also result in dearth of officers to lead the Armed Forces. The Committee, therefore, strongly recommend that the need of the hour is to examine the whole scheme of promotions.

2.54 The Committee desire that the practice followed by neighbouring countries for keeping young profile at the senior levels

**of the armed forces should be examined to take a decision in the matter and the Committee should be apprised in this regard.**

**(b) Upgradation of Quality of Personnel in the Armed Forces**

2.55 The GoM had felt the need for upgradation of quality of personnel as under:

“In view of the increasingly complex requirements of modern-day warfare, the need to attract quality personnel and nurture leadership in the Armed Forces is paramount. Therefore, ways and means of attracting and retaining people with the best talent in the Armed Forces should be evolved. There is also a need to upgrade the National Defence Academy (NDA) and at other Service training institutions. To ensure such quality upgradation, in addition to all other measures, an Air Force College of Engineering and a Defence Services Software Institute, should be set up at the earliest possible time.”

**(GoM Report Para 6.71)**

2.56 The Ministry of Defence have stated that case for Air Force College of Engineering (AFCE) is under deliberations with Ministry of Finance.

2.57 When asked to furnish the latest position of the establishment of the Air Force College of Engineering and Defence Services Software Institute, the Ministry have stated as under:

“The proposal to establish Air Force College of Engineering has not yet been concurred to by the Ministry of Finance.

2. The process of engaging a Consultant for working out the blueprint of the proposed software Institute including human resource related issues have been initiated.”

2.58 During examination of Demands for Grants (2007-2008), the Defence Secretary informed the Committee about the reasons for declining trend of recruitment to Short Service Commission and National Defence Academy as under:

“Regarding recruitment to the Short Service Commission, it is true that it is a difficult entry to manage because we are competing with whatever are the avenues in the rest of the country. Certainly, it appears that with the present service conditions that the Defence



Services are able to offer, we are not able to attract best of the youth. It is a problem. We are trying our best in terms of publicity campaigns and we send teams to colleges. In fact, in one of the earlier meetings of the Standing Committee, one hon. Member had mentioned about greater focus on coastal States. That has been done. We have actually tasked our Command Headquarters to do that because it is true that from the coastal States, the intake rate was dropping. That should not be due to the reason of lack of awareness. That action is also being taken. As far as Cadet careers are concerned, by and large, the vacancies that we have are fully subscribed to. We have not had any problem in that end.”

2.59 Defence Secretary further added :—

“Actually, the number of people or interviewees who are coming through either NDA or UPSC or through other sources are continuously increasing. Where we find it difficult is that we cannot lower down the selection criteria. So, the number of people who are selected is less. There is a continuous sort of attrition also on those who are in the Services, especially when they have certain type of skills which are higher in demand. So, the areas where we have big concerns are, say, pilots where there is a tremendous demand outside in the open market and we are not able to let the pilots of the Air Force or the Navy go till they have completed some minimum service which they are required to do. Similarly, there is a big draw on the doctors because doctors outside are in great demand, so we cannot leave them. Now, similar pressures are also coming in some of the more technical branches because there is a big demand outside, but that pressure is lesser than what we are facing in respect of pilots. The strategy is two-pronged. The arguments that we are placing before the Pay Commission will include all these because we want to have greater facilities or greater attractiveness in the Services created and that we are taking up with the Pay Commission. On the other hand, what can be done within the Ministry or with the Ministry of Finance, we are also taking it up. There are about more than a dozen issues which if we are able to get proper solutions with the Ministry of Finance, will make some difference in the quality of facilities which are available. There are some other things where we have problems, say of the serving soldiers and their families which we are also trying to sort out in conjunction with the concerned State Governments. The Defence Minister and I have written to the State Governments in this regard. At different levels, we are working, but it is a fact that there is a certain drawal of trained manpower



required by the private sector because our economy is growing and there is a strain on the Defence Forces where, perhaps, we will have to make things much more attractive than what it is now."

2.60 Dr. Vijay L. Kelkar who was the Chairman of the Committee set up by the Government, "Towards Strengthening Self-Reliance in Defence Preparedness" appeared before the Committee in Dec. 2006 and had *inter-alia* in reply to the query of the Committee suggested following for higher education and study for Services to attain the best technological knowledge:

"We also made other recommendation regarding giving scholarship to our Army officers for higher education in technological studies because tomorrow's war is technological. Our officers of Army, Navy and Air Force are just not being technological advanced. We should send officers to IITs and if necessary send them abroad to give best knowledge. The reason why Navy is better than the other two Services is because Navy is more technologically advanced. So, we should have really 50 per cent scholarship to the officers of our Services because tomorrow's war is technological. Our personnel of Navy are well trained in technology. It does not cost that much because for giving 50 per cent scholarship, it will cost a couple of crores of rupees only but the kind of human capital it will create in our Defence services which will improve the entire capability of Defence. So, Navy is doing better because they design themselves and they know what exactly they need which the other two Services do not know. I would be personally grateful to you and the Committee if you could endorse this recommendation of giving our Service officers access to best possible technological knowledge."

#### Recommendation No. 9

**2.61 The Committee note that GoM in their report have rightly pointed out the need to attract qualitative Human Resources and nurture leadership in the Armed Forces to meet the complex requirement of modern day's warfare because tomorrow's war will be a technological war. Therefore, ways and means of attracting and retaining the best talent in the Armed Forces need to be evolved. In pursuance of the very spirit of this recommendation of GoM, the Committee strongly desire that the senior officers from the Armed Forces should be sent to IITs and other such institutions for higher studies/research activities, etc. to widen their knowledge in the**

various fields of operation to be undertaken by the Services to improve the entire capability of Defence.

2.62 The Committee, in their report on Demands for Grants (2007-08), noted that there had been a declining trend of youth joining Armed Forces and the service conditions of the Armed Forces are not such as to attract best talent. As a result thereof, a substantial number of Pilots, Doctors, Technicians, Scientists in Armed Forces and from other Defence organizations left the Services as they were in big demand outside the Services. The Committee feel that this is one of the reason for shortage of personnel in forces.

2.63 The Committee therefore opined that in order to attract the talented and best youth to the Armed Forces and to retain the existing strength, there was an imperative need to approach the Sixth Central Pay Commission to make the salary structure, facilities and working Service conditions of the personnel of Armed Force Services more attractive *vis-a-vis* private sector which pay them handsomely. The Committee desire that in case of meritorious service, all the award winners should be given the attractive one time monetary benefits in order to further motivate the Armed Forces Personnel. The Committee had also opined that there was need to introduce pre-selection training by the Ministry of Defence for the youth which may include lodging, boarding and transport etc. The aim of the training should be to attract youth to Defence Services and equip them for final selection. The Committee reiterate the above recommendation for expeditious implementation.

2.64 The Committee further desire that to avoid stress, the Jawans and officers posted in the forward and border areas should be allowed to avail leave during peace time.

2.65 The Committee note that the GoM had recommended for setting up of an Air Force College of Engineering (AFCE) and a Defence Services Software Institute (DSSI) for the Armed Forces. The Committee are, however, unhappy to see little progress in this regard. Even though some efforts have been put in regard to the setting up of AFCE but nothing has yet been done for DSSI. The Committee, therefore, recommend that the Ministry should take immediate steps in this matter and apprise the Committee about the progress from time-to-time. The Committee also reiterate their earlier recommendation for setting up of Air Force Pilot College at Nasik.

**(c) Reduction in Colour Service of the Armed Forces**

2.66 The Kargil Review Committee, in their report, have given the following observations/recommendations:

“The Army must be young and fit at all times. Therefore, instead of the present practice of having 17 years of colour service (as has been the policy since 1976), it would be advisable to reduce the colour service to a period of seven to ten years and, thereafter, release these officers and men for service in the country’s para-military formations. After an appropriate period of service here, older cadres might be further streamed into the regular police forces or absorbed in a Nainital Service Corps (or a National Conservation Corps), as provided for under Article 51A(d) of the Constitution, to spearhead a range of land and water conservation and physical and social infrastructure development on the model of some eco-development battalions that have been raised with a fair measure of success. This would reduce the age profile of the Army and the para-military forces, and also reduce pension costs and other entitlements such as married quarters and educational facilities. The Army pension bill has risen exponentially since the 1960s and is becoming an increasing burden on the national exchequer. Army pensions rose from Rs. 1,568 crore in 1990-91 to Rs. 6,932 crore (budgeted) in 1999-2000, the equivalent of almost two-thirds of the current Army salary bill.”

**(Kargil Review Committee Report Para No. 14.14)**

2.67 About the reduction in Colour Service of the Armed Forces, the GoM had observed as under:

“In order to ensure that the Armed Forces are at their fighting best at all times, there is a need to ensure a younger profile of the Services. However, this is a highly complex matter. While the Army desires a younger age profile, so do the Central Para-Military Forces (CPMFs). The GoM recommends that the Cabinet Secretary, COAS, Defence Secretary, Home Secretary, and Secretary Expenditure may look into the terms of engagement of soldiers, lateral entry into other organisations and resettlement policies. The recommendations in the matter could be submitted for the Government’s consideration.”

**(GoM Report Para No. 6.71)**

2.68 The Ministry of Defence have stated that this issue is under discussion with the Ministry of Home Affairs.

2.69 During oral evidence, on being asked by the Committee, the Defence Secretary expressed constraints in regard to lateral entry of Armed Forces personnel into Para Military forces as under:

“The basic thing is that the army Jawans retire earlier. They can go to Central Paramilitary forces like BSF or CRPF. On what rank they will go? This is the question. At what stage they will go? That is the question. There are already people who are in the border security force or CRPF or ITBP at the age of 18-19 years. At what rank these people will go in the lateral level? Those people in the services also want younger people. Each service wants to have a field command of its own personnel.”

2.70 Regarding lateral entry into the Civil Services, he further informed the Committee as under:

“They also have similar problems. You would understand that there is very less recruitment in most of the services. In fact, recruitment is higher in the security services. In none of the civil administration, you will find that there is very large scale recruitment. So, we have a physical problem of finding places. One of the major activities that is happening is to integrate them to be trained in vocations so that they can find self-employment.”

2.71 On the same issue, Ministry of Defence, in their reply on implementation status of GoM recommendation in regard to lateral entry of the soldiers into other organisations, stated as under:—

“The Group of Ministers (GoM), appointed to consider the Kargil Review Committee Report, had in their report on ‘Reforming the National Security System’ recommended lateral transfer of Army personnel to Central Para Military Forces (CPMF) with the primary aim of keeping a young profile of the Army in peak combat effective state capable of meeting challenges of future conflict. As a follow up action to the GOM recommendations, a Working Group under the Chairmanship of Adjutant General in the Army and comprising Joint Secretary (Police) in Ministry of Home Affairs (MHA), representatives of Border Security Force, Central Reserve Police Force, Central Industrial Security Force and National Security Council Secretariat as Members was constituted to carry out a detailed study of various issues involved and work out modalities for implementing the recommendation.

The report submitted by the Working Group in March, 2002 was not unanimous. There are concerns on the part of MHA. The matter

continues to be under active consideration of the Government and a series of meetings between the representatives of MHA & Central Para Military Forces (CPMFs) and Ministry of Defence & Army have been held at various levels including meetings at the level of Cabinet Secretary and Home Secretary to evolve and approach that would address the concerns of both the Ministries.

Subsequently, a meeting was taken by the Home Secretary on 2nd November, 2006. As per the decision taken in the meeting, a Committee under the Chairmanship of Director General, Border Security Force has been constituted to work out the modalities. Home Minister has informed that further action in this matter will be taken after receiving the report of the Committee."

#### **Recommendation No. 10**

**2.72 The Committee endorse the view of Group of Ministers that the armed forces need to maintain a younger age profile so that they are at their fighting best at all times.**

**2.73 The Committee also note that the Ministry of Home Affairs also desired the younger age profile in the Central Para Military Forces. Therefore, there is a need to lay down the terms of engagement of soldiers and their lateral induction into other organisations.**

**2.74 The Ministry of Defence have informed the Committee that there are a number of problems in lateral induction of soldiers into the Central Para Military Forces like BSF or CRPF.**

**2.75 The Committee, however, are of the firm view that there is a need to maintain younger profile with the armed forces. As a result, a large number of ex-servicemen shall have to be re-settled in other professions. At present, this responsibility is being catered to by the Director General of Resettlement. However, there are not many opportunities for these ex-servicemen available on the civil side. The Committee feel that it is the responsibility of the Government to ensure proper re-settlement of these ex-servicemen if it is decided to maintain younger profile in the armed forces. The Committee, therefore, desire that these ex-servicemen must be given lateral entry into various Para Military Border Security Force, Central Police Forces as well as in State Police Forces and other such forces. The Committee feel that ex-servicemen are fully trained in handling arms and ammunitions and they have the first hand experience of handling infiltrators and insurgents etc. in the border areas. The**

Committee feel that their expertise can be gainfully utilised in the Central Police Forces. The Committee also feel that these ex-servicemen should also be absorbed in State Police Services as they are disciplined and fully trained personnel having experience in arms and ammunitions. The Committee suggest that the State Governments can be asked to absorb at least those ex-servicemen in their State Police Force which belong to their respective States. The Committee feel that induction of ex-servicemen into the para-military and other such forces would lead to huge reduction in pension and other retirement benefits bill of the Government. The Committee, therefore, desire that Ministry of Defence and Ministry of Home Affairs should jointly work out the modalities for lateral entry of ex-servicemen into Central Para Military Forces and in the State Reserve Police Forces by making statutory provisions in this regard. To begin with, the Committee recommend that 10 per cent reservation for ex-servicemen should be made. The Committee should be kept informed of the action taken in the matter.

**(viii) Civil-Military Interface**

2.76 The Kargil Review Committee, in their report, have made the following recommendations related to Civil Military Liaison.

“The establishment of a civil-military liaison mechanism at various levels, from the ranking Command HQ to the operational formations on the ground, Division, Brigade or Battalion, is most necessary to smoothen relationships during times of emergency and stress, like war and proxy war, and to ensure that there is no room for friction and alienation of the local population. Situation of no-war-no-peace call for norms and procedures that avoid delay and endless red tape.”

**(Kargil Review Committee Report Para 14.28)**

2.77 The GoM had felt the need for strong synergy and jointness between civil authorities and Armed Forces as under :

“The establishment of a civil-military liaison mechanism at various levels from Command Headquarters to operative formations at the ground level, is essential to smoothen the relationship during times of stress and to prevent friction and alienation of the local population. In this respect, the GoM has decided the following :—

- (a) In the States of the North East and Jammu and Kashmir (J&K) the Unified Headquarters are presently in existence.

These mechanisms are geared primarily to deal with insurgency situations in the relevant States. There is need to further streamline them [.....].

- (b) There is need for a mechanism that caters for the entire spectrum from peace passing through precautionary and preparatory stages and finally to war. At the State level, a Core Group of existing civil-military liaison forum may be set up to identify the problem areas and evolve a system of smooth mobilisation and thereafter, to meet the logistic needs of the Army. The group may meet twice a year and the Home Department may function as the convening department on behalf of the State Government concerned. At the district level also, a group may be set up from the mobilisation stage onwards comprising representatives of the district administration and the Army, if available.
- (c) The above civil-military liaison mechanism may not be essential for all States, but can be institutionalised in the States of Gujarat, Rajasthan, Punjab, J&K, Haryana, Delhi, Uttar Pradesh, Sikkim, West Bengal, Assam and Arunachal Pradesh. The districts also need to be identified by the State Governments in consultation with the Army commands where the suggested mechanism may be put in place. This Core Group may meet at least twice a year.
- (d) Although in some States formal structures already exist, problems of lack of communication, co-ordination and even misunderstandings between the civilian and the military officials on the one hand and the military and the civilian populace on the other, persist. In this context, *inter alia*, the following measures may be considered for implementation :—
  - (i) The earlier tradition of military and civil officials posted in the field making social calls on the occasion of their joining the station should be strictly enforced.
  - (ii) Special care should be taken by DoP&T to post officers with appropriate background to Ministries like Defence, Home Affairs and other security agencies.
  - (iii) Upon their posting, the civilian officials must be put through a mandatory briefing and orientation of two to four weeks, in which they should visit certain military establishments like Siachen, training establishments etc., to secure a better understanding of the problems of the Armed Forces.



- (iv) The military officials posted at the Headquarters should also be sensitised to the role and responsibilities of the civilian officials and the manner in which Government functions. They should be appropriately sensitised to procedures followed in staff organisations, as distinct from command organisations.
- (v) A conscious effort must be made by the Services and MoD to promote active social interaction between the civilians and the Armed Forces.
- (vi) A civilian in the MoD should be provided certain facilities available to the Armed Forces, like membership of clubs, medical facilities etc., so that they develop a sense of belonging to the Defence establishments and vice versa.
- (vii) A composite group of representatives of the Ministries of Home, Defence, and the Defence Forces may be set up to undertake an in-depth examination of the civil-military interaction problems and bring out a manual on civil-military interface, incorporating practical measures for implementation, not only at the formal but also at the informal level. The manual should give the civilian officers an idea about the ethos and problems of work among the Armed Forces, and provide to the military officials information about the obligations and constraints on the civilian side."

**(GoM Report Para 6.82)**

2.78 The Ministry of Defence have furnished the following detailed note on the institutionalized procedures to smoothen the Civil-Military liaison at the ground level;

"(i) Civil Military liaison mechanism have been institutionalized at various levels. Regular conferences are held at the level of Headquarters Commands, Areas/Sub Areas with appropriate representation from the Army and State Governments with a view to foster mutual trust and understanding as also to address specific issues such as those pertaining to fine tuning response to internal security deployment, disaster situations, welfare of serving personnel and their wards, ESM etc. Regular liaison is being maintained between Field Formations and corresponding officials from the civil administration.



### Training

- (a) Two types of programmes are being subscribed by Army at Lal Bahadur Shastri National Academy of Administration (LBSNAA), Mussoorie. These are :—
- (i) Joint Civil Military Training Programme on National Security.
  - (ii) Training of Army Officers for Civil Military Interface during Phase-II IAS Orientation Course.
- (b) **Training of Army Officers for civil Military Interface during Phase-II IAS Orientation Course:**—Army HQ had approached LBSNAA for training of Army officers (Maj/Lt. Colonel) alongwith IAS officers for civil military interface during Phase-II of IAS Orientation course for one week. The course curriculum would cater for practical aspects of civil administration at the district level with activities of high training value to include case studies, experience sharing of peculiarities of various states and guest lectures by reputed speakers. The first such participation by two Army officers is scheduled from 23 July to 27 July 2007.
- (c) Moreover, officers from the civil services have over the past few years, attended a variety of courses in Armed forces institutions like National Defence College (NDC), New Delhi, Higher Defence Management Course (HDMC), College of Defence Management (CDM), Secunderabad and Defence Services Staff College (DSSC), Wellington. Army Officers have also attended courses like Advance Professional Programme in Public Administration (APPPA) at Indian Institute of Public Administration, New Delhi.

Training of Army Officers for civil Military Interface during Phase-II IAS Orientation Course.

**Civil Military Training Programme on National Security** :—This training programme commenced in Feb 03 at LBSNAA and since then seven such programmes have been conducted (the last one being conducted from 19 Nov to 01 Dec 2006). In these seven programmes 21 officers from the Army have been trained. Consolidated list of attendees of all Services may please be obtained from HQ IDS. These courses have provided officers to compare notes about the functioning of respective organizations leading to greater synergy in an overall context.

2.79 For maintaining cordial relationship with the people in Jammu & Kashmir and North Eastern States, the Army has undertaken a large number of Civic Action Programmes as part of a strategy for conflict prevention. In Jammu & Kashmir and North East, these projects are being implemented under operation SADBHAVNA and in the North East under OPERATION GOOD SAMARITAN. The Standing Committee on Defence during their visit to J&K have taken note of the efforts being made by the Army for spreading harmony and healthy relation between Army and Civilian. The Committee also noticed the good work being done by the Army in the field of education and upbringing the children of terrorists who died during Army operations. Keeping in view the noble cause of the Civic Action Programme of Army, the Committee, in their Sixteenth Report on Demands for Grants, had recommended to allocate more funds to the above mentioned operation.

#### **Recommendation No. 11**

2.80 The Committee note that the GoM had felt the need for a strong jointness and synergy between the Armed Forces and Civil authorities at various levels from Command headquarters to operative formations and therefore suggested several measures for implementation. The Committee note that some institutionalised mechanism have been evolved in this regard.

2.81 The Committee note that the GoM had recommended for setting up a Core Group of existing Civil-Military Liaison Forum to identify the problem areas and evolve a system of smooth mobilisation and thereafter to meet the logistic needs of the Army. The Committee note that no action in this recommendation appears to have been taken by the Government. The Committee, therefore, desire that this Core Group should be set up at the earliest and may be asked to furnish their recommendation in a time-bound manner. These recommendations should be implemented without any further loss of time.

2.82 The Committee also feel that various Joint Training Programmes outlined by the Government for Military and Civil Officers are meant only for various military and civil officers. There does not seem to be any proposals for interaction by military personnel with the public at large. We read in Newspapers frequently about the military personnel involved in tiffs and brawns with the civilians in the railways and buses. The Committee feel that there is an urgent need to bring synergy between the two at the earliest.

The Committee had also an experience to know that in cantonment area run by the cantonment board, civilian dispensaries are not provided with the same facilities as were available for the military personnel in their hospitals.

2.83 The Committee, therefore, desire that Armed Forces personnel, particularly combat forces, be trained by the Ministry in order to develop rich culture and passion to facilitate the amicable relation with the Civilians.

2.84 The Committee also noticed the good work being done by the Army in the field of education and upbringing the children of terrorists who died during Army operations. Keeping in view the noble cause of the civic action programme of Army, the Committee strongly recommend that the Ministry should allocate more funds to Operation Sadbhavana and Good Samaritan and other similar new programmes. The Committee also desire that for this purpose, funds should be collected from different heads of various ministries like Health, Human Resource Development, Rural Development and Road Transport, etc. so that money may not be a constraint for this novel cause and army should continue to be the nodal organisation for their effective implementation.

2.85 The Committee further desire that the Ministry should furnish implementation status of every measure suggested by the GoM to strengthen Civil-Military synergy in times of war and peace.

#### **(ix) Intelligence Apparatus**

##### **(a) Inputs received – Kargil Experience**

2.86 It has been pointed out in Kargil Review Committee Report that the Kargil invasion was the first regular war fought by India since 1971 and it has evoked much controversy and the extent of intelligence available and the action taken thereon. The Kargil Review Committee had made a number of observations regarding intelligence gathering, analysis sharing and taking of follow-up actions in this regard. Some of these are quoted as under;

##### **(b) Intelligence Gathering**

“It is not quietly appreciated in India that the primary responsibility for collecting external intelligence including that relating to a potential adversaries, military deployment is vested in R&AW. The Directorate General of Defence Intelligence (DGMI's) capability for

intelligence collection is limited. It is essentially restricted to the collection of tactical military intelligence and some amount of signal intelligence and its main role is to make strategic and tactical military assessment and disseminate them within the Army. Like many other countries India does not have a separate Defence Intelligence Agency with adequate resources and equipment to play a substantive role in intelligence collection. Unfortunately, the RAW facility in the Kargil area did not receive adequate attention in terms of staff or technological capability. The Indian threat assessment has largely single track process dominated by RAW. In most advanced countries the Armed Forces have a Defence Intelligence Agency with a significant intelligence collection capability. This ensures that there are two stream of intelligence which enables governments to check one against the other.”

**(Kargil Review Committee Report Para 13.31 & 13.40)**

2.87 For effective Intelligence gathering, the Kargil Review Committee had given the following recommendations:

“Kargil highlighted the gross inadequacies in the nation’s surveillance capability, particularly through satellite imagery. The Committee notes with satisfaction that steps have been initiated to acquire this capability. Every effort must be made and adequate funds provided to ensure that a capability of world standards is developed indigenously and put in place in the shortest possible time. It is for consideration whether a two-stream approach-civil and military-in regard to the downloading and interpretation of the imagery may not be better alternative than depending on a single agency. Some countries have created a national surveillance command. Since the Indian system is still in the initial stages, decisions taken at this juncture will have long term implications.”

**(Kargil Review Committee Report Para 14.5)**

“Unmanned Aerial Vehicles (UAVs) also known as remotely Piloted Vehicles (RPVs), are extremely useful and effective in surveillance, especially if they have night vision and thermal imaging capabilities. UAVs have just been inducted and are operating in the plains under the charge of the Army. Similar efforts should be made for the acquisition of high altitude UAVs. Institutionalised arrangements should be made to ensure that the UAV imagery generated is disseminated to the concerned intelligence agencies as quickly as possible. UAVs could also prove effective in counter-insurgency operations. They may replace WASO patrols in the long

run. However, in the interim, the possibility of using more stable WASO platforms than Cheetah helicopters and equipping them with thermal imaging sensors should be explored.”

**(Kargil Review Committee Report Para 14.6)**

“The most spectacular intelligence coup of the Kargil operations was the interception of a series of high level Islamabad-Beijing telephone conversations. This highlights the capabilities of communication intelligence which in India is fragmented among a number of agencies and is not adequately funded. The equipment needs to be modernised in keeping with the advances made by Pakistan in inducting advanced communication technologies. There has also been a gross shortage of direction-finding equipment which could contribute significantly to counter-insurgency operations.”

**(Kargil Review Committee Report Para 14.7)**

“The United States has grouped all its communication and electronic intelligence efforts within a single organisation, the National Security Agency (NSA). The desirability of setting up a similar organisation in India with adequate resources for this extremely important and non-intrusive method of gathering technological intelligence calls for examination. Adequate attention has not been paid to developing encryption and decryption skills. The centralised communication and electronic intelligence agency should feed all the information it generates to the country’s premier national intelligence agency which should in turn disseminate this material to all concerned users. The problems and purposes of monitoring communications within the country and the effort devoted to listen in on external communications are different. Increasingly, organised crime and anti-national elements are using encrypted communications. While the effort to build up adequate communication and electronic intelligence capability should be tailored to suit India’s particular needs, parochial departmental interests should be effectively countered.”

**(Kargil Review Committee Report Para 14.8)**

“In many advanced countries, technological intelligence collection is undertaken by an integrated Defence Intelligence Agency with adequate resources. In India, the defence intelligence effort is limited in relation to the role assigned to the external intelligence agency (R&AW) except for limited tactical and signal intelligence. The resources made available to the Defence Services for intelligence

collection are not commensurate with the responsibility assigned to them. There are distinct advantages in having two line of intelligence collection and reporting, with a rational division of functions, responsibilities and areas of specialisation. The Committee is of the view that the issue of setting up an integrated defence intelligence agency needs examination.”

**(Kargil Review Committee Report Para 14.9)**

“The Committee has drawn attention to deficiencies in the present system of collection, reporting, collation and assessment of intelligence. There is no institutionalised mechanism for coordination or objective-oriented interaction between the agencies and consumers at different levels. Similarly, there is no mechanism for tasking the agencies, monitoring their performance and reviewing the overall functioning of the agencies. These are all standard features elsewhere in the world. In the absence of such procedures, the value for money. While taking note of recent steps to entrust the NSCS with some of these responsibilities the Committee recommends a thorough examination of the working of the intelligence system with a view to remedying these deficiencies.”

**(Kargil Review Committee Report Para 14.10)**

“All major countries have a mechanism at the national and often at lower levels to assess the intelligence inputs received from different agencies and sources. After the 1962 debacle, the then existing JIC under the Chiefs of Staff Committee was upgraded and transferred to the Cabinet Secretariat. It was further upgraded in 1985 with the Chairman being raised to the rank of Secretary to the Government. The Committee finds that for various reasons cited in the Report, the JIC was devalued. Its efficacy has increased since it became part of the National Security Council Secretariat. However, its role and place in the national intelligence framework should be evaluated in the context of overall reform of the system.”

**(Kargil Review Committee Report Para 14.11)**

“Pakistan’s action at Kargil was not rational. Its behaviour patterns require to be carefully studied in order to gain a better understanding of the psyche of its leadership. In other countries, intelligence agencies have developed large “White Wings” of high quality analysts for in-house analysis. They also contract studies

with university departments and think tanks with area specialisation. This is sadly neglected in India. The development of such country/region specialisation along with associated language skills is a time consuming process and should not be further delayed. A generalist administration culture would appear to permeate the intelligence field. It is necessary to establish think tanks, encourage country specialisation in university departments and to organise regular exchanges of personnel between them and the intelligence community."

**(Kargil Review Committee Report Para 14.12)**

**(c) Sharing of Intelligence inputs between the Armed Forces and Civil Authorities**

"The Intelligence Bureau (IB) is meant to collect intelligence within the country and is the premier agency for counter intelligence. This agency got certain inputs on activities in the Force Commander Northern Area (FCNA) region. The Director IB communicated this information over his signature on June 2, 1998 to the Prime Minister, Home Minister, Cabinet Secretary, Home Secretary and Director General Military Operations. This communication was not addressed to the three officials most concerned with this information, namely, Secretary (RAW) who is responsible for external intelligence, Chairman Joint Intelligence Committee (JIC), who would have taken such information into account in JIC assessment and Director General Military Intelligence. Director (IB) stated that he expected the information to filter down to these officials through the official hierarchy. However, this did not happen. The communication of this nature should have been directly addressed to all the officials concerned. This highlights the need for closer coordination among the intelligence agencies. Had RAW and the DGMI spotted the additional battalions in the FCNA region that were missing from the ORBAT, there might have been requests for ARC flights in winter and these might have been undertaken, weather permitting. As it happened, the last flight was in October 1998, long before the intrusion and the next in May 1999, after the intrusions had commenced. The intruders had by then come out in the open. The present structure and processes in intelligence gathering and reporting lead to an overload of background and unconfirmed information and inadequately assessed intelligence which requires to be further pursued. There is no institutionalised process whereby RAW, IB, BSF and Army intelligence officials interact periodically at levels



below the JIC. This lacuna is perhaps responsible for RAW reporting the presence of one additional unit in Gultari in September 1998 but not following it up with ARC flights on its own initiative. Nor did the Army press RAW specifically for more information on this report. The Army never shared its intelligence with the other agencies or with the JIC. There was no system of Army authorities at different levels from the DGMI downwards providing feedback to the agencies. There are no checks and balances in the Indian intelligence system to ensure that the consumer gets all the intelligence that is available and is his due. There is no system of regular, periodic and comprehensive intelligence briefings at the political level and to the Committee of Secretaries. In the absence of an overall, operational national security framework and objectives, each intelligence agency is diligent in preserving its own turf and departmental prerogatives. There is no evidence that the intelligence agencies have reviewed their role after India became a nuclear weapon state or in the context of the increasing problems posed by insurgencies and ethno-nationalist turbulences backed with sophisticated hi-tech equipment and external support. Nor has the Government felt the need to initiate any such move."

**(Kargil Review Committee Report Para 13.32)**

"There were many information about activities within the Force Commander Northern Area (FCNA) region. The enhanced threat perception of commander 121 Infantry Brigade, Brig. Surinder Singh also related to increase infiltration. In its half-yearly assessment ending September 1998, RAW had assessed the possibility of a limited swift offensive thrust with possible support of alliance partners, but no indicators substantiating this assessment. In its next sixth monthly report ending March 1999 this assessment was dropped keeping in view the financial constraints that would inhibit Pakistan from launching on any such adventure."

**(Kargil Review Committee Report Para 13.34)**

"In the year 1998 the Indian Army did not share information about the intensity and its effect of its past firing with other agencies. In the absence of this information, RAW could not correctly assess the significance of enemy activities in terms of ammunition storage or construction of underground bunkers. This provides another example of lack of inter agency coordination as well as lack of coordination between the Army and the agencies."

**(Kargil Review Committee Report Para 13.35)**



“The critical failure in intelligence was related to the absence of any information on the induction and de-induction of battalions and the lack of accurate data on the identity of battalions in the area opposite Kargil during 1998. The prisoners of war and Indian Army had assessed the presence of 5, 6 and 13 NLI battalions and 24 SIND in the FCNA region from October 1998 onwards. These units did not figure in the order of battle supplied by RAW to the DGMI dated April 1998 and June 1, 1999. This shows that there were in fact a number of changes in the ORBAT of Pakistani forces in the FCNA region during 1998/early 1999. In the Kargil Review Committee’s view, a significant gap in information prior to the detection of Kargil inclusion was the inability of RAW and to a much lesser extent that of the DGMI and other divisional level intelligence and Field Surveillance Unit.”

**(Kargil Review Committee Report Para 13.36)**

“The present structure and processes in intelligence gathering and reporting lead to an overload of background and unconfirmed information and inadequately assessed intelligence which requires to be further pursued. There is no institutionalised process whereby R&AW, IB, BSF and Army intelligence officials interact periodically at levels below the JIC. This lacuna is perhaps responsible for R&AW reporting the presence of one additional unit in Gultari in September 1998 but not following it up with ARC flights on its own initiative. Nor did the Army press R&AW specifically for more information on this report. The Army never shared its intelligence with the other agencies or with the JIC. There was no system of Army authorities at different levels from the DGMI downwards providing feedback to the agencies.”

**(Kargil Review Committee Report Para 13.42)**

“There are no checks and balances in the Indian intelligence system to ensure that the consumer gets all the intelligence that is available and is his due. There is no system of regular, periodic and comprehensive intelligence briefings at the political level and to the Committee of Secretaries. In the absence of an overall, operational national security framework and objectives, each intelligence agency is diligent in preserving its own turf and departmental prerogatives. There is no evidence that the intelligence agencies have reviewed their role after India became a nuclear weapon state or in the context of the increasing problems posed by insurgencies and ethno-nationalist turbulences backed with sophisticated hi-tech equipment and external support. Nor has the Government felt the need to initiate any such move”

**(Kargil Review Committee Report Para 13.44)**

2.88 In pursuance of the Kargil Review Committee Report, the Government of India had constituted a Group of Ministers to review the entire Security scenario. The GoM were assisted by four Task Forces. The Task Force, constituted to study and suggest improvement in the Intelligence Apparatus, had given various important recommendations which were of classified nature and these have since been deleted from the papers placed before this Committee. The National Security Council Secretariat is the nodal agency to deal with the monitoring of the recommendations of whole GoM report including Intelligence Apparatus. In this regard, the National Security Council Secretariat (NSCS) must have taken a number of remedial measures to ensure improvements and to strengthen the entire Intelligence network. However, what is happening in the country, in our daily life, due to naxalite activities, Bangladeshi infiltration, growing terrorist activities of ULFA and other religious groups as well as increase in Narcotic trade, etc. one is led to conclude that much more remains to be done in the field of intelligence gathering, analysing and sharing, etc. When asked about the steps taken by the NSCS and the actual impact of the GoM recommendations, the representatives of NSCS, during oral evidence, briefed the Committee as under:

“Intelligence collection agencies, whether it is RAW, IB or State agencies, they have been given more resources and they have been given posts as well. In the subsidiary Multi-Agency Centres, inputs collected by State Intelligence Agencies are evaluated and flagged for further development, perhaps at the local level. IB has been designated as the main agency for counter-intelligence and counter-terrorism. The IB officials remain continuously in touch with State agencies and they try to see that information obtained is developed. Then, there is a Unified Command in J&K and some of you are already aware of it. A Combined Operation Room, at Bhuj develops intelligence leads and coordinate action. One of the most important things was that for the first time, formal charters were given to all the intelligence agencies. Previously, there were no formal charters. So, the functions and the jurisdiction of all intelligence agencies have been defined. This also enhances their accountability. There are also areas which were not under focus like technical intelligence *i.e.* the intelligence collected through technical intelligence means. A new organisation called the ‘National Technical Research Organisation’ has been created for this purpose. Then, there is also an emphasis on open sources. Previously this was not receiving the kind of attention it should have got. The most important thing is that all source assessment was lacking, and for this, the Joint Intelligence Committee has been revised. This Committee gets

inputs from all the agencies, makes an overall assessment for the consideration of the Government and CCS. For the first time, an apex body has been created for performance evaluation of all Intelligence agencies. The Intelligence coordination group and also the National Intelligence Board have been created. The responsibility of the Joint Task Force on Intelligence is to identify the training requirement of a specialist nature for a particular type of threat in different States and then they train them. So, that mechanism functioning. After the Samjhauta blast and the Mumbai blast, a booklet was prepared. Then, training modules were organised in order to give training to those who are at sensitive places. So, that is also taking place. One thing is there. As I said, nobody can say that there is no room for improvement. There is sufficient room for improvement. As my colleague has just now pointed out, some of the successes are not taken into account. Actually, Intelligence is just like marriage. If everything goes well, nobody notices it. When something goes wrong, then, everybody comes to know about it. That is actually happening. But we are making improvements.

2.89 When asked to brief the Committee about bringing about accountability in case of Intelligence failure, the representatives of the National Security Council Secretariat stated:

“ I am saying that there are failures. There is always room for improvement. That is why, perhaps, this discussion is taking place. It must take place. I do not hold a brief for the Intelligence Agencies. I must bring it to your notice that terrorists are working overtime. They are also finding new methods and new ways to challenge our security.”

2.90 They further stated:

“In the last three years, because of Intelligence, 486 kgs. of RDX had been recovered. You can very well imagine that in the Mumbai blast, 21 or 23 kgs were used. You can imagine how many such incidents we have saved. So, the impact should be seen in that respect also. Then, I come to Hawala transactions. Last year, 18 modules were busted on the intelligence provided by various Intelligence Agencies. Out of these, we have found out that Delhi is emerging as one of the important centres. The fake Indian Currency notes are in circulation in Pakistan, Dubai, Kathmandu etc. Besides the Hawala transactions, even legal channels are being used. In three cases the Western Union was used. Then, ATM

cards were also used. They withdrew small amounts daily. Actually, it came to a very huge amount. All these things are happening. We have mechanisms to deal with these threats. FIU is there. They are taking some action. IB and RAW have been also tasked. Some improvement is taking place. Of course, some terrorist incidents are also taking place. You have asked about accountability, that is a very important point."

#### **Recommendation No. 12**

2.91 The Committee have noted the above mentioned instances quoted by Subramanyam Committee in their Report, which pertain to intelligence apparatus. Since not much record has been placed before the Committee regarding the action being taken by the Government on these cases, the Committee feel that there is an urgent need to strengthen the capabilities regarding the intelligence gathering, the intelligence analysing, intelligence sharing and taking follow-up action on those recommendations. The Committee note that in many advanced countries, technological intelligence collection is undertaken by an integrated Defence Intelligence Agency with adequate resources. In India, the resources made available to the Defence Services for intelligence collection are not commensurate with the responsibility assigned to them. The Committee, therefore, desire that sufficient funds should be made available to armed forces for the purpose as recommended by Subramanyam Committee.

2.92 The Subramanyam Committee have noted a number of instances in the intelligence gathering during Kargil war. The Report has pointed out that Kargil highlighted the gross inadequacy in the nation's surveillance capability, particularly through satellite imaging. They, therefore, recommended that Unmanned Aerial Vehicles (UAV), also known as Remotely Piloted Vehicles (RPV), are extremely useful and effective in surveillance, especially if they have a night vision and thermal imaging capability. The Committee, therefore, desire that the Government should take immediate steps to strengthen the intelligence apparatus on the lines indicated by the Subramanyam Committee.

#### **(x) Withdrawal of Army from internal-security duties**

2.93 The Kargil Review Committee, in their Report, had pointed out the following important points on the withdrawal of Army from Internal-Security duties.

"In going on alert to deter any Pakistani escalation and then focussing on eliminating the intrusion at Kargil, the Army had to

withdraw Government Security Deletion battalions deployed in J&K from their counter-insurgency role. This caused consternation in the State Government and some worry even to the Para-Military forces which were largely reliant on the Army in this regard. The heavy involvement of the Army in counter-insurgency operations cannot but affect its preparedness for its primary role, which is to defend the country against external aggression. This point has often been emphasised by Pakistani analysts. Such a situation has arisen because successive Governments have not developed a long term strategy to deal with insurgency. The Army's prolonged deployment in a counter-insurgency role adversely affects its training programmes leads to fatigue and the development of a mind-set that detracts from its primary role. However, the Ministry of Home Affairs, State Governments and para-military forces tend to assume that the Army will always be there to combat insurgency. This was vividly demonstrated when the Committee was referred to the Union Home Ministry's "Action Plan" for fighting militancy and the proxy war in J&K prepared in May 1998. This defined the role of the Army as being to ensure "zero infiltration" across the LOC."

**(Kargil Review Committee Report Para No. 13.62)**

"The Para-Military and Central Police Forces are not trained, raised and equipped to deal with trans-border terrorism by well-trained mercenaries armed with sophisticated equipment who are continuously infiltrating across the border/LOC. Over the years, the quality of these forces has not been appropriately upgraded effectively to deal with the challenge of the times and this has led to the increased dependence on the Army to fight insurgency. The net result has been to reduce the role of the Indian Army to the level of a para-military force and the para-military forces, in turn, to the level of an ordinary police force. Pakistan has ruthlessly employed terrorism in Punjab, J&K and the North-East to involve the Indian Army in counter-insurgency operations and neutralise its conventional superiority. Having partially achieved this objective, it has also persuaded itself that nuclear blackmail against India has succeeded on three occasions. A coherent counter-strategy to deal with Pakistan's terrorist-nuclear blackmail and the conventional threat has to be thought through."

**(Kargil Review Committee Report Para No. 13.63)**

"The Committee believes that a comprehensive manpower policy is required to deal with this problem. In the present international

security environment, proxy war and terrorism have become preferred means of hurting a neighbour's social, political and economic well-being. Given Pakistan's unrelenting hostility towards this country, it is necessary to evolve a long term strategy to reduce the involvement of the Army in counter-insurgency and devise more cost-effective means of dealing with the problem."

**(Kargil Review Committee Report Para No. 13.64)**

"There has also been criticism that redeployment of military units from CI duty in the Valley to the Kargil sector resulted in providing easy passage for a large number of hardened militants who were infiltrated by Pakistan across the Shamsabari Range into the Kupwara-Uri area and even south of the Pir Panjal."

**(Kargil Review Committee Report Para No. 13.65)**

2.94 In pursuance of the Kargil Review Committee Report, the Group of Ministers have given the following recommendations for modernisation of the Central Para Military Force and de-induct army from the duty of Internal Security and Counter Insurgencies:

"A phased programme of modernisation of the CPMFs and their enlargement/restructuring is already in hand. This must be executed in a time bound manner. Decisions with regard to the extent of enlargement of individual CPMFs should be based on a clearly spelt-out future role and responsibility of each force. The ultimate objective should be to entrust Internal Security (IS)/ Counter Insurgency (CI) duties entirely to CPMFs and the Rashtriya Rifles, thus de-inducting the Army from these duties, wherever possible."

2.95 In response to the above recommendation of GoM, the Government has taken a number of steps for enlargement and restructuring of Central Para Military Forces. The Government has assessed and approved the additional requirements of a significant number of battalions of Central Para Military Forces including IR & RR over a period of 5 years in a phased manner commencing from 2000-01 in order to entrust Internal Security/Counter Insurgency Duties entirely to Central Para Military Forces and RR so as to de-inducting the Army from these duties wherever possible.

**Recommendation No. 13**

**2.96 The Committee note the views expressed by Subramanyam Committee in their report regarding deployment of army in counter-**

insurgency operations to tackle terrorist problems in various parts of the country and other internal security problems. As pointed out by the Subramanyam Committee, army's prolonged deployment in counter-insurgency role adversely affects its training programme which leads to fatigue and the development of mind-set that detracts from its primary role. Also, the State Governments and Para Military Forces tend to assume that army will always be there to combat insurgency. The net result of all this has been to reduce the role of the Indian army to the level of Para Military Forces and the Para Military Forces in turn to the level of an ordinary Police Force. The view of the Subramanyam Committee is that the involvement of army in the counter-insurgency operations adversely affects its preparedness for its primary role, which is to defend the country against external aggression. The Committee, therefore, feel that army should be immediately withdrawn from internal security duties and this should be handled by Central Para Military Forces, Central Reserve Police Force and the State Police forces. The Committee desire that a fixed time schedule should be drawn up to withdraw army from counter-insurgency duties, etc. gradually.

2.97 However, the Committee have also noted the views of the Subramanyam Committee which state that the Para Military Forces are not trained and equipped to deal with border terrorism by well trained mercenaries armed with sophisticated equipment continuously infiltrating across the border/LoC. The Committee would, therefore, reiterate their recommendation that the ex-servicemen should be inducted into the Central Para Military Forces as well as State Police Forces to tackle all these problems as they are professionally qualified to handle all sorts of arms and ammunitions and have first hand experience of these problems at the border during their active service in the army. This would save the Government a lot of money in training Central Para Military Forces and Police Forces to handle the weapons and fire arms etc. The induction of ex-servicemen in Central Para Military Forces and the State Police Force will also save the Government's huge amount in pension and other liabilities. The Committee, therefore, desire that this suggestion of the Committee should be implemented in the right earnest at the earliest. The action taken in the matter should be intimated to the Committee.



## CHAPTER III

### BORDER MANAGEMENT

3.1 It is stated that pursuant to the recommendations made by the Kargil Review Committee in December, 1999 the Government appointed in April, 2000, a Group of Ministers (GoM) comprising the Home Minister, Raksha Mantri, External Affairs Minister and the Finance Minister was constituted to review the national security system in its entirety. The GoM set up four Task Forces on Internal Security, Border Management, Intelligence Apparatus and Management of Defence which submitted their reports to the GoM. The GoM after considering the reports of the Task Forces formulated a series of recommendations. The GoM report on "Reforming the National Security System" was submitted to the Government in February, 2001 and these recommendations were accepted by the Government in May, 2001.

3.2 It would be observed from the above that the reports of the four Task Forces referred to above were part of the consultation process the GoM had for formulation of its Report on Reforming the National Security System. As the reports of four Task Forces formed the basis for formulation of GoM's recommendations on reforming the national security system, no follow up action was required on these reports. These reports have also not been made public. However, the GoM recommendations as accepted by the Government in May, 2001 have been under implementation. Ministry of Home Affairs has been implementing the GoM recommendations on Internal Security and Border Management.

3.3 In respect of 130 actionable recommendations made by the GoM on Border Management, action has been completed with regard to 94 recommendations and action initiated but is an ongoing process in respect of 32 recommendations. The balance 4 recommendations are under implementation.

3.4 Border Management is a subject which comes under the purview of the Ministry of Home Affairs. However, keeping in view the fact that Border Management is inter-linked with the Defence Management and external security of the nation, the Committee took evidence of the National Security Council Secretariat and Ministry of Home Affairs and have given some recommendations in the succeeding paragraphs of this chapter.



3.5 Pertaining to Border Management, the Kargil Review Committee Report had given the following recommendations:

“Border management has become immensely more complex over the years. It is now handled by the Assam Rifles, the Border Security Force and the Indo-Tibetan Border Police. Border fencing in Punjab has produced positive results. Elsewhere, vested interests have come in the way of effective border management. The smuggling of narcotics, man-portable arms and explosives, illegal migration and the infiltration of trained mercenaries have all exacerbated border management. Narcotics is dealt with by the Finance Ministry while other aspects are handled by the home Ministry. If the country is to acquire increased capabilities for area surveillance and electronic fencing, the present structure and procedures for border patrolling must be reviewed. The Committee is therefore of the view that the entire issue needs detailed study in order to evolve force structures and procedures that ensure improved border management and a reduction, if not the elimination, in the inflow of narcotics, illegal migrants, terrorist and arms.”

**(Kargil Review Committee Report Para 14.16)**

3.6 The Group of Minister in Chapter-V of their Report had observed that proper management of borders is vitally important for National Security. Different portions of our extensive borders have a variety of problems specific to them, which have to be appropriately addressed. Some of the main problems currently afflicting the management of our borders may be listed as follows:

- (a) Some of our maritime boundaries are still undefined and much of our land borders is not demarcated on the ground. The disputed and unsettled nature of our boundaries has made them a source of tension and made their policing much more difficult.
- (b) Since many of our borders are man-made artificial boundaries and not based on natural features such as rivers, watersheds etc, they are extremely porous and easy to cross.
- (c) Multiplicity of forces on the same borders has inevitably led to the lack of accountability as well as problems of command and control.
- (d) Border Guarding Forces need to be distinguished from central police organisations. Being more akin to the Army

and different from central police organisations which are called in aid of civil power from time to time, they need to be appropriately strengthened both in terms of equipment and manpower.

- (e) The repeated withdrawal, in large numbers, of para-military forces from border guarding duties for internal security and counter insurgency duties has led to a neglect of the borders. These forces have also been unable to perform optimally due to cannibalization of battalions and even companies.
- (f) Lack of institutionalized arrangements for sharing and co-ordination of intelligence at various levels and particularly at the field level, is a primary weakness in proper management of borders. The present tendency on the part of each agency to guard its turf, even at the cost of compromising national security interests, needs to be deprecated and put down sternly.

3.7 Keeping in view the aforesaid problems and to improve the management of India's land boundaries as well as its coastal and airspace security, the GoM has made a series of recommendations. The Committee will examine the following recommendations of the GoM, since these are inter-connected with Management of Defence.

**(i) Creation of a Separate Department for Border Management in the Ministry of Home Affairs**

"In order to pay focused attention to the issues pertaining to border management, it would be desirable to create a separate Department of Border Management within the Ministry of Home Affairs (MHA) under the overall charge of the Home Secretary. The question of augmenting the strength of officers and staff would be taken up in the due course."

3.8 The Ministry of Home Affairs, in a written note submitted to the Committee, have stated that a separate Department of Border Management has been created in the Ministry in order to pay focused attention to these issues relating to Border Management.

**(ii) Implementation of 'one border one force'**

At present there are instances of more than one force working on the same border and questions of conflict in command and control have been raised frequently. Multiplicity of forces on the same border has also led to lack of accountability on the part of the forces. To enforce the accountability, the principle of '**one border one force**' may be adopted while considering deployment of forces at the border.

**(GoM Para No.5.12)**

3.9 Dr. Madhav Godbole, Chairman of the Task Force on 'Border Management', during briefing, informed the committee that:

"We also lay down great stress on the accountability of the Border Guarding Forces. There is a huge big force deployed on the Bangladesh border and inspite of that so much of illegal migration has taken place. So what is the criterion for judging whether the force is effective or not? Therefore, we said, lay down standards, accountability and one of the pre-conditions which we laid down was, because when we examined this question we found that on any given border at times there was more than one force operating. So, this means throwing responsibilities from one to another rather than anyone force being held responsible. Therefore, follow the principle of One Border One Force".

3.10 The representatives of the Ministry of Home Affairs, during oral evidence, stated:

"Regarding the issue of 'one border one force', action has been taken in this regard and, in fact, this is linked with the issue of distinction between border guarding forces and other Central Paramilitary Forces. Now, this has been implemented. The Indo-Pakistan border and the Indo-Bangladesh border are being manned by BSF; the Indo-Myanmar border is being manned by the Assam Rifles; the Indo-Nepal border is being manned by SSB; and the Indo-Chinese border is being manned by ITBP. So, this principle of 'one border one force' has been implemented, and each of these forces has also been designated as the lead intelligence agency for that particular border for sharing with the other paramilitary forces and the Army which may be in the hinterland and being able to coordinate all the operations. As a part of this exercise, it has also been decided that CRPF will be the major force which would be dealing with counter insurgency or internal security operations. In this context, all these paramilitary forces have also been considerably strengthened".

**(iii) Distinguishing Border Guarding Forces (BGF) from other Central Para Military Forces (CPMF)**

3.11 Border Guarding Forces need to be distinguished from other CPMF and the Central Police Organisations because of their distinctive functions. It is imperative that the Border Guarding Forces are not deployed in the States to deal with internal disturbances, law and order duties and counter insurgency operations. Withdrawal of Border Guarding Forces for such duties limits their capabilities to guard the

borders effectively. While there may be exceptional circumstances where it may be necessary to utilise the services of Border Guarding Forces for performing law and order/counter insurgency duties, as a rule, these forces should not be withdrawn from the borders.

**(GoM Para No. 5.13)**

3.12 Dr. Madhav Godbole, in this regard, stated:

“Let me now come to another major problem. What the committee tried to do was to distinguish between the border guarding force, which is the first new terminology we coined for the forces which are on the border, and the forces which are to deal with internal law and order like the CRPF or like the Rapid Action Force of the CRPF or like the RPF, etc.

Those which deal with Border, because peace time borders world over are not manned by the Army but by the paramilitary forces, therefore, BSF, ITBP, Assam Rifles, all of these are paramilitary forces. Instead of calling them paramilitary forces let their objectives be made clear in the name itself and call them Border Guarding Forces. Once you say that several things follow; how the recruitment should take place; how the training should take place and in what manner their accountability must be established. Then, under no circumstances the Border Guarding Forces should be called into manage internal security situation in the country. As it has happened time and again, in Punjab crisis, Jammu and Kashmir crisis, BSF was withdrawn from the Border and was put on the internal security duty. ITBP was withdrawn from the Chinese Border so also Assam Rifles was withdrawn. So, we said, you must lay down a time limit on the Government itself to say that it cannot be done overnight. We said, let it be done over a three or five year period and made a categorical announcement that at the end of three years or five years no Border Guarding Force will ever be called by the Government to deal with the internal security situation in the country. Once you make that policy announcement then some things will follow. You will have to take a total review of the availability of forces to manage internal security in the country. Then you will say how much police force does a State have; does it require supplementation; what kind of CRPC supplementation is required and then you will for once and all separate these two streams altogether”.

3.13 In a written report submitted to the Committee, Ministry of Home Affairs have stated that “the Government of India has approved

additional raising of various Central Para Military Forces. With these new raisings, it is anticipated that the services of Border Guarding Forces will be utilised only in exceptional circumstances for performing law and order/counter insurgency duties."

**(iv) Logistic support to Border Guarding Force at par with Army**

3.14 It is desirable to facilitate the integration of the Border Guarding Forces with the Army whenever the situation so demands. This would necessitate that the Border Guarding Forces should be equipped with weapons at par with the infantry or related units of the Army, when deployed on similar tasks. The MHA should take further action.

**(GoM Report Para No. 5.97)**

3.15 The Ministry of Home Affairs have informed the Committee that modernisation of Central Para Military Force has been approved by the Cabinet Committee on Security during February 2002.

3.16 Pertaining to training to the CPMF, the GoM in their report have further recommended:

"Effective vigilance machinery should be set up immediately in each of the Border Guarding Forces. The set up should be headed by an IPS officer in the rank of IG to be brought on deputation and he should report directly to the head of the force."

**(GoM Report Para No. 5.88)**

3.17 The Committee are informed by the Ministry of Home Affairs that suitable officers have been designated in Border Guarding Forces to have vigilance machinery in their organisations.

"There is a need to recruit more personnel from within the areas of deployment of the various forces, as they would be able to withstand weather and difficult living conditions better than the people from other parts of the country. The percentage of recruitment in the ITBP and the Assam Rifles from the areas of deployment should be higher than the present level. At the same time, increasing the percentage of recruitment beyond a reasonable limit would affect the national character of the Border Guarding Forces. The MHA may take a decision on the quantum of increase in percentage of recruitment of personnel from the areas of deployment, keeping this in view."

**(GoM Report Para No. 5.91)**

3.18 In a written note furnished to the Committee, the Ministry of Home Affairs stated:

“In accordance with the common recruitment scheme of constables in CPMFs, 10% of the vacancies in ITBP & Assam Rifles are allocated to States where these forces are deployed. Remaining 90% vacancies are allocated to all the States/UTs on the basis of their population ratio.”

“The directly recruited officers of the BSF and the ITBP are put through their basic training in their respective academies. After initial training, it would be advantageous if they are attached to the Army units in the field areas for a period of atleast two months for practical training before they are sent on posting. This will enable them to acquire additional skills necessary for their day to day working as well as help in integrating them with the Army whenever circumstances so require.”

**(GoM Report Para No. 5.92)**

3.19 The Ministry of Home Affairs, in their written note, informed the Committee as under:

“Instructions already exist for attachment of directly recruited officers of CPMFs with Army. The instructions have been reiterated and MOD has been requested on 6/6/01 to organize training and attachment of such officers for a period of three months including two months with Army’s field formations.”

“Proper training of personnel is very important. Special requirements of each Border Guarding Force based on its role, the terrain in which it is deployed and such other related factors will have to be built into the training facilities in each of them.”

**(GoM Report Para No. 5.94)**

3.20 Pertaining to the Action Taken in pursuance of the above recommendations of the GoM, the Ministry of Home Affairs stated that:

“The Ministry of Defence has been requested to allot seats every year in their training institutions for the training of CPMF personnel. The demand formulated by CPMFs for number of slots for their personnel in training institutions has been recommend to MOD for their consideration and necessary action”.

**(GoM Report Para No. 5.94)**

3.21 It has been observed that Border Security Force lacks equipment and squadrons like Army particularly in Jammu and Kashmir areas. When asked to consider creating an Air Wing for the Border Security Force, the representatives of the Ministry of Home Affairs during oral evidence stated:

“We are seized of this matter and the BSF has been provided with six helicopters to begin with. We have a larger programme of the air wing type things which has been mentioned in which there are small choppers. Our difficulty with the choppers is that they are all military registered aircraft and we then become dependent on pilots who would be only from the air force. Air Force may or may not, at any given point of time, be able to give us that kind of support. So, we are planning to go in for civil registered aircraft which can perform the same functions. Our ability to operate them would be much more. In fact, the day before yesterday, I have had a detailed discussion with the Chief of Air Staff to see how at the present moment whatever we have we can utilize it in the optimum way. We are seized of the matter. Some steps have been taken and some steps are in the pipeline”.

3.22 For strengthening of Border Security Force, the Group of Ministers also recommended as under:

“The directly recruited officers of the BSF and the ITBP are put through their basic training in their respective academies. After initial training, it would be advantageous if they are attached to the Army units in the field areas for a period of atleast two months for practical training before they are sent on posting. This will enable them to acquire additional skills necessary for their day to day working as well as help in integrating them with the Army whenever circumstances so require”.

**(GoM Report Para No. 5.92)**

3.23 When asked about the quality, training and knowledge of Border Security Force to fight against terrorists who are using latest weapons and technology, Dr. Madhav Godbole, during briefing, stated:

“There are a number of recommendations in the Task Force pertaining to recruitment, pertaining to training, pertaining to manpower, particularly to deal with the newer threats, and on the technology upgradation and the kinds of equipment which need to be provided to them. So, a series of recommendations are there.”



**Border Management****Recommendation No. 14**

3.24 The Committee note that Group of Ministers, in their report, had observed that proper management of borders is vital for national security. But there were instances of more than one force working on the same border and question of conflicts in command and control had been raised frequently. Multiplicity of forces on the same border also led to lack of accountability on the part of the officers. The Group of Ministers, therefore, suggested the principle of "One Border One Force". The Ministry of Home Affairs, during the oral evidence, informed that the action on the issue of "One border One Force" has been taken and implemented. Different forces have been named to man different borders.

3.25 The Committee also note that the Central Para Military Forces have been assigned different borders and as a result they are now supposed to deal with different problems at the border which earlier used to be handled by different departments.

3.26 The Committee, therefore, feel that there is an urgent need to sensitize these forces with different aspects of the border management and they need detailed training for the same. The Committee, therefore, desire a time bound training programme of the personnel manning these borders should be finalised to give them detailed training about different aspects of border management like smuggling of narcotics, illegal migration, etc. At the same time, they may be manning the border from where people shall be coming legally also from the neighbouring countries. They, therefore, also need elaborate training in dealing with legal migration cases where they must be very polite and courteous to the immigrants and present an affable face of the country to visitors, etc.

3.27 The Committee also note that the Government have decided to raise a very large number of additional battalions of Central Para Military Forces which need to be deployed for internal security duty, to maintain law and order, to deal with counter insurgency and terrorist activities, etc.

3.28 The Committee feel that this is the right time when the ex-servicemen can be given lateral entry into these forces as these units are being raised at present. This will solve a lot of resettlement problems of our ex-servicemen and also save money of the Government in training the new recruits to the battalions. The



Committee desire that this aspect should be seriously considered and the rules should be framed to give some percentage of the posts to ex-servicemen in these services regularly.

The Committee should be kept informed of the action taken in this regard.

NEW DELHI;  
19 June, 2007  

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29 Jyaistha, 1929 (Saka)

BALASAHEB VIKHE PATIL,  
Chairman,  
Standing Committee on Defence.

MINUTES OF THE NINTH SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-07)

The Committee sat on Wednesday, the 6th December 2006 from 1500 hrs. to 1600 hrs. in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Balasaheb Vikhe Patil — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri S. Bangarappa
3. Shri Santosh Kumar Gangwar
4. Shri Suresh Kalmadi
5. Shri C. Kuppusami
6. Dr. K.S. Manoj
7. Shri Asaduddin Owaisi
8. Shri Shriniwas Patil
9. Dr. H.T. Sangliana
10. Shri Mahadeorao Shiwankar
11. Shri Manvendra Singh

*Rajya Sabha*

12. Shri R.K. Dhawan
13. Smt. N.P. Durga
14. Shri K.B. Shanappa
15. Smt. Viplove Thakur

SECRETARIAT

1. Shri R.C. Kakkar — *Deputy Secretary*
2. Shri D.R. Shekhar — *Under Secretary*

## NON-OFFICIAL EXPERT

Shri N.N. Vohra — Former Defence Secretary

2. At the outset, Hon'ble Chairman welcomed the non-official expert Shri N.N. Vohra, Former Defence Secretary to the sitting of the Committee. The Chairman then requested him to brief the Committee on the subject 'Status of the Task Force Report on Kargil War' and drew his attention to Direction 58 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the deliberations of the sitting.

3. The witness informed the Committee that out of four Task Forces constituted by the Government of India on Kargil war, he headed one of those task forces *i.e.* Task Force on Internal Security.

4. In regard to internal as well as external security environment of the country, he informed the Committee that in accordance with the provisions of Constitution of India, these were the responsibility of the State Governments and Union of India respectively. Therefore, the constitution itself laid down that police & law and order would be in the jurisdiction of the States and to protect the country against war, external aggression and to protect the states against internal disturbance would also be the duty of Union of India.

5. He apprised the Committee regarding prevailing problems of naxalism, politisational appointment of DG in the States, State-wise internal security problems, role of ISI, Mafia in internal disturbances and role of Public, Government agencies, Police Force, Army to reduce internal disturbances.

6. In over all, for strengthening of Internal Security, he stated that Defence and Home Affairs Services should not work in isolated manner rather they should be coordinated and integrated in working with each other. Therefore, he impressed that police system must be improved and enlarged in terms of non-politicised, professionalism at organisational and intelligence level and it must be integrated and coordinated with military intelligence and external intelligence from the point of view of external defence.

7. The Committee also desired to be apprised of his perception and suggestions relating to Kargil War. He informed the Committee that it happened due to certain failures like lack of surveillance, intelligence and coordinated action whether internal or external.

8. The Members raised certain queries which were resolved by the expert one after another.

*Witness then withdrew.*

9. The record of verbatim proceedings was kept.

*The Committee then adjourned.*

MINUTES OF THE TENTH SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-07)

The Committee sat on Thursday the 07th December, 2006 from 1500 hrs. to 1700 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Balasaheb Vikhe Patil — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Milind Deora
3. Shri Santosh Kumar Gangwar
4. Dr. K.S. Manoj
5. Ms. Ingrid Mcleod
6. Dr. H.T. Sangliana
7. Shri Mahadeorao Shiwankar
8. Shri Manvendra Singh

*Rajya Sabha*

9. Shri Jai Parkash Aggarwal
10. Shri K.B. Shanappa
11. Smt. Viplove Thakur

SECRETARIAT

1. Shri S. Bal Shekar — *Joint Secretary*
2. Shri R.C. Kakkar — *Deputy Secretary*
3. Shri. D.R. Shekhar — *Under Secretary*

NAME OF NON-OFFICIAL WITNESS

1. Dr. Madhav Godbole — *Former Home Secretary*

LIST OF REPRESENTATIVES FROM MINISTRY OF DEFENCE

1. Shri Shekhar Dutt — *Defence Secretary*
2. Shri K.P. Singh — *Secretary (DP)*

3. Shri S. Banerjee	— DG (ACQ)
4. Shri V.K. Misra	— Secretary (Def. Fin.)
5. Smt. Rekha Bhargava	— Addl. Secy. (B)
6. Shri A.K. Jain	— Addl. Secy. (J)
7. Shri K.P. Lakshmana Rao	— FA (ACQ)
8. Dr. A.S. Pillai	— CCR&D (ACE &NS) & DS
9. Shri N. Sitaram	— CCR&D (ECS) & DS
10. Shri Bimal Julka	— JS (G/Air)
11. Shri Gautam Chatterjee	— JS (O/N)
12. Shri Binoy Kumar	— JS (E)
13. Shri Jatinderbir Singh	— JS(T) & CAO
14. Shri Harcharnjit Singh	— JS (ESW)
15. Smt. Kiran Chadha	— JS(X)
16. Shri Amit Cowshish	— Addl. FA (A)
17. Shri S.N. Misra	— Addl. FA (M)
18. Shri Sitanshu Kar	— Addl. PIO

#### **Armed Forces Headquarters**

1. Lt. Gen. H.S. Lidder	— CISC
2. Lt. Gen. S. Pattabhiraman	— VCOAS
3. V. Adml. Nirmal Verma	— VCNS
4. Air Mshl. B.N. Gokhale	— VCAS
5. Surg. V. Adml. V.K. Singh	— DGAFMS
6. Lt. Gen. Z.U. Shah	— DCOAS (P&S)
7. Maj. Gen. Mukesh Sabharwal	— ADG MO (A)
8. Brig. Rahul Kumar	— DDG PP
9. Air V. Mshl. D.C. Kumaria	— ACAS Ops (Space)
10. Air Cmde. S.S. Roman	— VM PD Ops (Space)
11. Cmde. V.S. Batra	— PDOA, D (IC)

2. At the outset, Hon'ble Chairman welcomed the non-official expert Dr. Madhav Godbole, Former Home Secretary to the sitting of the Committee. The Chairman then requested him to brief the Committee on the subject 'Status of the Task Force Reports on Kargil War' and drew his attention to the Direction 58 of the Directions by the Speaker, Lok Sabha regarding maintaining confidentiality of the deliberations of the sitting.

3. Dr. Godbole informed the Committee that out of four Task Forces constituted by the Government of India on Kargil War, he headed the task force on Border Management. The Report was submitted to the Government of India in August 2000. He also informed the Committee that one of the recommendation of the Committee was to make the report public for general education and understanding of people. He further informed the Committee in a record period of five months, the Group of Ministers had submitted their report, however even after passing of six years of the submission of report, the same has not been implemented properly.

4. He apprised the Committee about some serious problem of management of the border *viz.* the illegal migration of people into India, demarcation of borders, issuing of identity cards for credible identification.

5. He also informed the Committee about the important recommendations of 'The Task Force Report on Border Management' *i.e.* recruitment, training, manpower, deal with newer threats, technology upgradation and the equipments which need to be provided to the forces and for coastal security. He further stated that the task force made a set of recommendations to establish coastal police and manned them properly in terms of equipment, stations, wireless equipment and communications etc.

7. The Members raised certain queries which were resolved by Dr. Godbole one after another.

*Witness then withdrew.*

8. The Committee then invited the representatives of the Ministry of Defence to brief the Committee on the subject 'Status of the Task Force Reports on Kargil War' relating to management Defence and drew the attention to Direction 58 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the deliberations of the sitting. The representatives of the Ministry then requested to give a power point presentation on the aspects relating to the implementation status of the recommendations given in the Task Force Report on the Management of Defence.

9. Thereafter, the Member raised certain queries out of the presentation which were resolved by the representatives of the Ministry of Defence. The Chairman also directed the representative of the Ministry to furnish the replies to the queries on the points raised by the Members during the sitting for which the replies were not readily available with them.

*Witnesses then withdrew.*

10. The record of the verbatim proceeding was kept.

*The Committee then adjourned.*

MINUTES OF THE NINETEENTH SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-07)

The Committee sat on Monday the 05th February 2007 from 1100 hrs. to 1245 hrs. in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Balasaheb Vikhe Patil—*Chairman*

MEMBERS

*Lok Sabha*

2. Shri Santosh Kumar Gangwar
3. Shri Asaduddin Owaisi
4. Shri Shriniwas Patil
5. Shri Raju Rana
6. Dr. H.T. Sangliana

*Rajya Sabha*

7. Dr. Farooq Abdullah
8. Shri Abu Asim Azmi
9. Shri R.K. Dhawan
10. Shri K.B. Shanappa
11. Shri Arun Shourie

SECRETARIAT

1. Shri P.K. Bhandari — *Joint Secretary*
2. Shri Gopal Singh — *Director*

REPRESENTATIVES OF NATIONAL SECURITY COUNCIL  
SECRETARIAT (NSCS)

1. Dr. S.D. Pradhan, Chairman, JIC
2. Shri Arvind Gupta, Joint Secretary
3. Shri Rohit Khera, Joint Secretary
4. Shri Ravi Shastri, Director



5. Shri H.S. Bawa, Director
6. Group Capt. (Retd.) Rejesh Mohan, Senior Defence Specialist.

REPRESENTATIVES OF THE MINISTRY OF HOME AFFAIRS

1. Shri U.N. Panigar, Secretary (BM)
2. Shri L.C. Goyal, Joint Secretary
3. Shri V.N. Gaur, Joint Secretary
4. Shri G.S. Patnaik, Joint Secretary

REPRESENTATIVES OF THE MINISTRY OF DEFENCE

1. Lt. Gen. H.S. Lidder, UYSM, CISC
2. Shri Bimal Julka, Joint Secretary
3. Cmde. V.S. Batra, Member (IC)
4. Lt. Col. D.P.K. Pillay, SC POL (Def.)

2. At the outset, Hon'ble Chairman welcomed the representatives of the National Security Council Secretariat(NSCS), Ministry of Home Affairs and Ministry of Defence who appeared before the Committee to brief on the implementation status of the recommendations contained in the task force reports and the whole Group of Ministers(GoM) Report on Kargil War and invited their attention to Direction 58 of the Directions by the Speaker regarding maintaining confidentiality of the deliberations of the sitting of the Committee.

3. The representatives of NSCS briefed the Committee about the status of implementation of the recommendations of the Kargil Review Committee in the areas of intelligence, border management, defence management and internal security. The Members putforth certain queries regarding the recommendations of the Kargil Review Committee which were replied to by the representatives of NSCS and on certain points they assured the Committee to furnish written replies later on.

*The witnesses then withdrew.*

5. A verbatim record of proceedings was kept.

*The Committee then adjourned.*

MINUTES OF THIRTY-FIRST SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-2007)

The Committee sat on Thursday, the 17th May 2007 from 1500 hrs. to 1630 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Balasaheb Vikhe Patil — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Milind Deora
3. Shri Santosh Kumar Gangwar
4. Shri C. Kuppusami
5. Shri Rajendrasinh Ghanshyamsinh Rana (Raju Rana)
6. Dr. H. T. Sangliana
7. Shri Arjun Charan Sethi
8. Shri Mahadeorao Shiwankar

*Rajya Sabha*

9. Dr. Farooq Abdullah
10. Smt. N.P. Durga
11. Shri S.P.M. Syed Khan
12. Shri K.B. Shanappa

SECRETARIAT

1. Shri P.K. Bhandari — *Joint Secretary*
2. Shri Gopal Singh — *Director*
3. Shri D.R. Shekhar — *Deputy Secretary-II*
4. Smt. J.M. Sinha — *Under Secretary*

REPRESENTATIVES OF MINISTRY OF HOME AFFAIRS

1. Shri Madhukar Gupta, Home Secretary, MHA
2. Shri U.N. Panjiar, Secretary(BM), MHA
3. Shri M.L. Kumawat, Special Secretary (IS), MHA
4. Shri A.E. Ahmed, Addl. Secretary (BM), MHA

5. Shri A.K. Srivastava, Joint Secretary (PM), MHA
6. Shri G.S. Patnaik, Joint Secretary (BM), MHA
7. Shri V.N. Gaur, Joint Secretary (P), MHA
8. Shri K. Skandan, Joint Secretary (CS), MHA
9. Shri Ashim Khurana, Joint Secretary (F), MHA
10. Shri P.K. Mishra, Director (IS-II), MHA
11. Shri Rakesh Nayal, Section Officer, MHA
12. Shri S.K. Chakarabarti, Dy. Director General, O/O RGI
13. Shri V.K. Mall, Director, NSCS
14. Col. C. Mathson, Senior Defence Specialist

2. At the outset, Hon'ble Chairman welcomed the representatives of the Ministry of Home Affairs to the sitting of the Committee and requested them to brief the Committee about the status of implementation of the recommendations contained in the Group of Ministers (GoM) Report pertaining to Border Management and Internal Security and also drew their attention to the Direction 58 of the Directions by the Speaker, Lok Sabha regarding maintaining confidentiality of the deliberations of the sitting.

3. The representatives of the Ministry then briefed the Committee about the stages of implementation of the recommendations contained in the GoM report and apprised the Committee that action on most of the recommendations has been completed. The representatives further apprised the Committee about the various issues relating to institutionalised arrangements for sharing of intelligence inputs at various levels, the issue of one border one force, distinction between border guarding forces and other central para-military forces, strengthening the state Governments for counter insurgency operations, police modernisation programme, equipping CISF and BSF to deal with counter insurgency or internal security requirements etc. The representatives of the Ministry then shared with the Committee the implementation status of recommendations concerning demarcation of land boundaries and maritime borders. The issues of Indo-Bangladesh Border and India-Bhutan Border were discussed at length.

4. The Members of the Committee then put forth related queries which were responded to by the representatives of the Ministry. On certain issues, the representatives of the Ministry assured the Committee to furnish information later on.

*The witnesses then withdrew*

5. The verbatim record of the proceedings was kept.

*The Committee then adjourned.*

MINUTES OF THIRTY-SECOND SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-2007)

The Committee sat on Monday, the 21st May 2007 from 1500 to 1630 hrs. in Committee Room No. 139, Parliament House Annexe, New Delhi.

PRESENT

Shri Balasaheb Vikhe Patil — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Santosh Kumar Gangwar
3. Shri Shriniwas Patil
4. Shri Rajendrasinh Ghanshyamsinh Rana (Raju Rana)
5. Dr. H. T. Sangliana
6. Shri Manvendra Singh

*Rajya Sabha*

7. Smt. Shobhana Bhartia
8. Shri R.K. Dhawan

SECRETARIAT

1. Shri P.K. Bhandari — *Joint Secretary*
2. Shri Gopal Singh — *Director*
3. Shri D.R. Shekhar — *Deputy Secretary-II*

REPRESENTATIVES OF NATIONAL SECURITY COUNCIL  
SECRETARIAT

1. Smt. Leela K. Ponappa, Dy. NSA
2. Dr. S.D. Pradhan, Chairman, JIC
3. Shri Arvind Gupta, Joint Secretary, NSCS
4. Shri Rohit Khera, Joint Secretary, NSCS
5. Shri Mukesh Mittal, Director, NSCS

6. Shri Ravi Shastri, Director, NSCS
7. Shri V.K. Mall, Director, NSCS
8. Shri J.S. Bhalla, Director, NSCS
9. Col. C. Mathson, Sr. Defence Specialist
10. Shri Anil Choudhary, IAS (Retd.) Advisor, NTRO
11. Dr. M.S. Vijay Raghvan, Advisor, NTRO

2. At the outset, Hon'ble Chairman welcomed the representatives of the National Security Council Secretariat (NSCS) to the sitting of the Committee and requested them to brief the Committee about the overall implementation status of the recommendations contained in the entire Group of Ministers (GoM) Report on 'Reforming the National Security System' and drew their attention to the Direction 58 of the Directions by the Speaker, Lok Sabha regarding maintaining confidentiality of the deliberations of the sitting.

3. The representatives of the NSCS then briefed the Committee about the stages of implementation of the recommendations contained in the GoM report pertaining to the various nodal Ministries entrusted to implement the same. The representatives then apprised the Committee about the intelligence gathering capabilities of various intelligence agencies and efforts of NSCS in pooling different agencies together in the implementation of the decisions taken out of the intelligence inputs. The Committee were briefed about the role of Joint Intelligence Committee (JIC) in reconciling the data gathered from various Intelligence Agencies, the new mechanism in the form of Joint Intelligence Task Force in identification of training requirements of specialist nature for a particular type of threat in different states and training modules devised to give training at sensitive places. The representatives further briefed the Committee on the effectiveness of intelligence system during the last few years and the new challenges *viz.* cyber security and critical infrastructure, role of communication at all levels within all organisations as a vital part of the exercise of national security, the setting up of integrated check posts along the international borders, etc.

4. The Members of the Committee then put forth related queries which were responded to by the representatives of the Secretariat. On certain issues, the representatives of the NSCS assured the Committee to furnish information later on.

*The witnesses then withdrew*

5. The verbatim record of the proceedings was kept.

*The Committee then adjourned.*

MINUTES OF THIRTY-FIFTH SITTING OF THE STANDING  
COMMITTEE ON DEFENCE (2006-2007)

The Committee sat on Tuesday, the 19th June 2007 from 1100 hrs. to 1140 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri. Balasaheb Vikhe Patil — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri. Santosh Kumar Gangwar
3. Shri Suresh Kalmadi
4. Dr. K.S. Manoj
5. Shri Shriniwas Patil
6. Shri. Raju Rana

*Rajya Sabha*

7. Shri Jai Parkash Aggarwal
8. Smt. Shobhana Bharatia
9. Smt. N.P. Durga
10. Shri. K.B. Shanappa
11. Smt. Viplove Thakur

SECRETARIAT

1. Shri P.K. Bhandari — *Joint Secretary*
2. Shri Gopal Singh — *Director*
3. Shri D.R. Shekhar — *Deputy Secretary-II*
4. Smt. J.M. Sinha — *Under Secretary*

2. At the outset, Hon'ble Chairman welcomed the members to the sitting of the committee. Then, the Chairman proposed to change title of the subject 'Status of the Task Reports on Kargil War', which was notified in Lok Sabha Secretariat Bulletin Part-II and suggested the new title as 'Review of implementation status of Group of Ministers

(GoMs) Report on Reforming National Security System in pursuance of Kargil Review Committee Report – Special Reference to Management of Defence’. The new title of the Report was unanimously approved by the Committee.

2. The Committee, thereafter, considered the draft report on the above subject and adopted the same with some additions/modifications as suggested by the members.

3. The Committee then authorised the Hon’ble Chairman to finalise the report and present the same to the Parliament.

*The Committee then adjourned.*