

MADE IN INDIA PINAKA GAINS POPULARITY WITH FOREIGN FORCES

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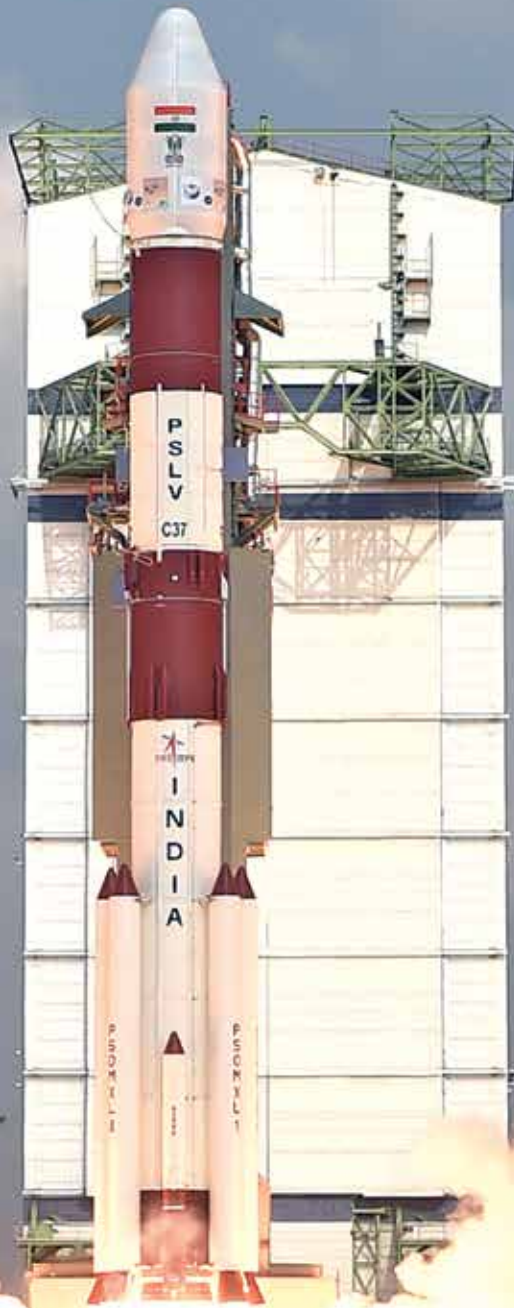
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BUZZ BUILDER EXTRAORDINARY

The Indian Space Research Organisation (ISRO) is truly a 'Made in India' organisation. It exemplifies all that is Indian: frugal, innovative, talented and a calculative risk taker. Over the last few years, it has shown the world that it is capable of doing anything that other developed space research nations do – but much better



INDIAN DEFENCE NEEDS LEAN MEAN FIGHTING MACHINE

Prime Minister Narendra Modi
with Naval officers on board
INS Vikramaditya



Some time ago, the Prime Minister expressed the view that our armed forces should be driven by technology and not by an increase in numbers.

LT GEN VINOD BHATIA points out where and how the numbers could be reduced to make our forces lean and mean

"At a time when major powers are reducing their forces and rely more on technology, we are still constantly seeking to expand the size of our forces. Modernisation and expansion of forces at the same time is a difficult and unnecessary goal. We need forces that are agile, mobile and driven by technology, not just human valour"

**Prime Minister Narendra Modi,
Combined Commanders Conference,
December 15, 2015**

While addressing the Combined Commanders Conference in December 2015 onboard INS Vikramaditya, Prime Minister Modi challenged senior military commanders to reform their "beliefs, doctrines, objectives and strategies". Prime Minister Modi identified five

broad areas for military reforms to include manpower rationalization, defence planning, restructuring higher defence organisation, joint warfare, and defence procurement. His directions challenged the established structures, systems and organisations of India's military and the mindset of senior military leaders. India is probably one of the two mega nations in the world which is adding to its military might by resorting to manpower accretions. The other nation being the US where the Trump administration has approved a 70,000 or 11 per cent accretion to the army and marines indicating a shift from the way they plan to meet future security challenges. On the other hand, post the September 4, 2015 military parade where China demonstrated its military might, President Xi Jinping surprised the PLA by declaring cuts of 300,000 troops.

It is an established fact that nations always prepare and fight the last war. To

assume that the Armed Forces are not prepared to combat future security challenges will be incorrect. However, the concepts, doctrines, capabilities and capacities required may not be adequate. The resistance to structural and systematic changes remains a major weakness. The armed forces are mandated to ensure the territorial integrity of our nation, which also implies securing our borders, 3488 km of the Line of Actual Control (LAC) along the India-China border, 772 km of the Line of control (LC) in J&K and 126 km of the Actual Ground Position Line (AGPL) in Siachen Glacier in addition to a 7516 km long coast line. India's unsettled and porous borders manned by the army lie at altitudes of 4500 meters and above with woefully inadequate infrastructure and extreme climatic conditions demanding *ab initio* deployment of a large number of troops. The continuing proxy war being waged by Pakistan, the ever increasing

Official Defence Budget, 2016-17 and 2017-18

	Revenue Expenditure (₹ in Crore)	Capital Expenditure (₹ in Crore)	Total (₹ in Crore)
2015-16	145937	79958	225895
2016-17 (BE)	162759	86340	249099
2016-17 (RE)	168635	79370	248005
2017-18 (BE)	175861	86529	262390

and omnipresent threat from terrorists, and the imperative to safeguard our national interests and assets in our areas of influence dictate that we enhance capacities and build capabilities. Given the multiplicity of threats to our national security across all domains, it is essential that a pragmatic and dispassionate analysis be carried out so as to derive desired military capabilities and enhance capacities, given that the defence budget is limited and will remain so, due to competitive and imperative national priorities of development and poverty alleviation. The security challenges also dictate a manpower centric deployment of troops for border defence along LAC, ensuring sanctity of the LC, an effective counter infiltration grid on the LC and counter terrorist operations.

The Ministry of Defence (MoD) and the armed forces need to review and rebalance force structures to optimise the combat power and synergise the assets to transform the armed forces from a 'Military Force to a Military Power' capable of securing the nation, the people and assets across the full spectrum of conflict. This can only be achieved by a pragmatic approach by reducing the "Teeth to Tail Ratio", revamping the logistics support systems by integrating civil infrastructure and resources, inducting 'Force Substitutors', as also a hard and dispassionate review of the effectiveness and efficiency of over six lakh non-combatants in various support organisations paid out of the defence budget.

The military needs change, it is time for reform to ensure a more effective, efficient, present relevant and future ready military to meet multiple security challenges across the full spectrum of conflict, given a pragmatic defence budget. Defence budget cannot be stretched beyond a point, which means the MoD and Armed Forces have a tough choice for resource deployment. Reducing revenue expenses and more spending for capital pose the biggest challenge for MoD.

Before analysing the rationale and requirement of the Armed Forces a look at the present manpower strengths and

the budget is a must. The total strength of the Army is approx 1.2 million, the Navy 80,000 and the Indian Air Force another 1,40,000 taking a total of the Armed Forces to 1.4 million, making it the world's fourth largest Armed Force after China, Russia and the US. In addition to the 1.4 million strong military, the Ministry of Defence also employs a little over 6,00,000 civilian employees of which 2,60,000 are embedded into the three services and the remaining 3,40,000 form part of the 30 old civil organisations of the MoD like Indian Ordnance Factories, DRDO, DPSUs, CGDA and the MES among others. How do these figures stack up. Against a fighting element of approx 9 Lac soldiers which includes Infantry, Mechanised Infantry, Armoured, Artillery, Engineers, Air Defence and Aviation, there are 4,50,000 uniformed personnel in the combat support services in addition to approximately 5 lac civilian employees, and hence the infamous and unaffordable teeth to tail ratio of 1:1. Given these statistics there can be no doubt that the Armed Forces need to right size specially so with increasing demands in the Special Operations, Cyber and Space domains.

The overall ratio of Revenue and Capital expenditure is 64.67 per cent: 35.33 per cent. For the Army alone the ratio of revenue versus capital is 81 per cent: 19 per cent of which 73 per cent goes for pay and allowances, which seem rather disproportionate, hampering modernisation. The Armed Forces for far too long have looked for transformation and reforms within their own service. Effective reforms cannot take place without will and synergy at the MoD. In sync with the PMs directions, former Raksha Mantri Manohar Parrikar constituted Lt Gen Shekatkar Committee, which in itself was a positive and path breaking initiative as it aimed to enhance combat capabilities by rebalancing the defence expenditure, scrutinizing all organisations and every person paid out of the defence budget. The committee has submitted its report which is believed to be all encompassing and doable, and also includes transi-

tion management. Implementation of the Shekatkar Committee recommendations in totality, will be a major contributory factor in transforming the Indian military force to a military power. The MoD under Arun Jaitley should implement the report in totality at the earliest. Despite the designation of Integrated Headquarters of the MoD (Army/Air Force/Navy), the three services continue to be attached offices with inadequate say in policy formation. There is an urgent and immediate need to correct this by ensuring integration of the services with not only the MoD but with all structures of the MoD, to include DRDO, OFB and DPSUs, which as of now continue to function in a stand alone, suboptimal mode as a separate vertical of MoD. For effective functioning of these organisations there is a need for meaningful integration by posting service officers both at the apex and functional level to these organisations. A DRDO lab will be more responsive if it is headed jointly by a scientist and a service officer of equivalent rank, similarly a General manager of select Ordnance factories should be service officers. The shipyards and dockyards are headed by Naval Officers and their effectiveness and response to the Navy is well known. This needs to be replicated for Ordnance Factories.

India is a 'Risen and Responsible' power, however there is a need to achieve 'Strategic Autonomy', at present India continues to be one of the largest exporter of arms and equipment. The DRDO established in 1958 has a network of 51 laboratories with a 30,000 workforce which unfortunately comprises of only about 7,000 scientists, spending nearly 6 per cent of the defence budget. The DRDO has achieved success in strategic defence systems and some cutting edge technologies but falls far short in meeting the defence needs and soldiers aspirations of tactical defence systems including small arms in the low-medium technological domain. The DRDO needs to cut manpower costs as each scientist cannot be supported by four administrative persons: a teeth to tail ratio of 1:4. Similarly there is a requirement to revamp the Indian Ordnance factories which have a huge strength of nearly 90,000 personnel, with most of the factories not being cost effective, forcing the captive armed forces to procure Ordnance factory produced products at exorbitant costs adding to the skewed defence revenue budget. The Indian Ordnance Factories need to be cost efficient and competitive or the armed forces be allowed to source their non critical needs from the growing private sector. Similar

is the case with the various DPSUs, with possibly a marginal better cost effectiveness.

DGAQ again functions directly under the MoD Defence Production, with a total manpower of approx 11,000, the technical staff which is the core competencies of the QA and OC is only about 3500, the rest being administrative support staff, a ratio of 1:2. The MoD needs to take a hard look at the teeth to tail ratios of the various organisations functioning directly under its control in addition to the Armed Forces. A scrutiny of flab among the Armed Forces alone will not achieve the desired budgetary rebalance as is commonly believed. The Army which is held guilty of excessive manpower with a major expenditure on manpower costs, in effect is allotted only 52 per cent of the defence budget, with 1.2 million soldiers. It is a well known fact that the Indian army soldier costs minimum and delivers the maximum.

The defence accounts department of the MoD in itself is an unproductive drain on the defence budget. Instead of being a watchdog and contributing to financial efficiency, the Armed forces often are frustrated on account of the financial delays as a result of archaic regulations, procedures and processes. The Armed Forces are subjected to both pre-audit and post audit leading to cost and time overruns in execution of various projects and contracts with little or no value addition. It is only twice in the last two decades that the capital budget has been fully spent. The capital budget should be a roll on budget wherein the unspent funds are carried forward to the next year. The 20,000 strong workforce of auditors on an average have raised approx 65,000 audit objections annually over the last five years, which translates to less than four per auditor per annum. This workforce can be reduced by about 85 per cent, without any adverse impact and the CGDA adopt "e-auditing"/ Computer Aided Audit Technique (CAAT) thus accruing major savings in manpower costs. As Mr. Bhartendu Kumar Singh, of the Indian Defence Accounts Service, in an article in the Eurasia Review points out "the Accounts Branch of the Indian Air Force, for example, has 492 commissioned officers and 7,000 men catering to the pay matters of 1,60,000 officers and men in the Air Force. On a competitive note, the same can be provided by 300 people on the civilian side very easily.

The Military Engineering Service (MES) is another white elephant manned by over 80,000 personnel with a budget of approx ₹14,000 crores, spending over 70 per cent of the budget on salaries. The

Modernisation Budget of the Armed Forces

	2016-17 (BE) (₹ in Crore)	2016-17 (RE) (₹ in Crore)	2017-18 (BE) (₹ in Crore)	% Increase in 2017-18 (BE) over 2016-17 (BE)
Army*	21535	17812	20148	-6.4
Navy	21323	18993	18749	-12.1
Air Force	27556	26216	30885	12.1
Total	70414	63021	69783	-0.9

MES can easily be reduced to about 30 per cent of its present strength by outsourcing the maintenance services in all Campments and military stations in peace, leaving the MES to execute only Capital Works and maintenance contracts.

These are only an overview of the major manpower savings that can be initiated without any adverse effects and finances utilized for modernisation of the Armed Forces.

The Armed Forces, in particular the Army needs to look inwards too, and improve the teeth to tail ratio by integrating the civil resources and infrastructure available and outsourcing of certain services, and revamping of policies, procedures and processes. The Army also needs to review certain organisations which are suboptimal in today's environment and context. The Indian military is also among the least 'joint' major militaries in the world and can optimise resources specially manpower by inhouse reforms enabling joint intelligence, training, communications, logistics and force development prior to structured joint operations.

The Corps of Electrical and Mechanical Engineering (EME) is the third largest force in the Army, next only to the Infantry and Artillery. Major savings can be affected by outsourcing of repair and servicing of 'B' vehicles to the service stations of the original equipment manufacturer (OEM). The service stations are now located in most of our border areas and can easily be exploited, as is being done by Assam Rifles. The maintenance of specialist vehicles should continue to be the mandate of the EME. The EME also needs to reduce the number of echelons of repairs. It is envisaged that major savings of up to 30,000 personnel can be done from the EME alone by change of archaic procedures and outsourcing without any adverse impact on combat effectiveness. The Army Base Workshops should be corporatized on Government owned Contractor Operated Model. In addition the many station workshops located in cities and major towns are redundant establishments which can be disbanded and their

work load outsourced to civil service stations by the Units.

The Army Ordnance Corps (AOC) too needs to modernize and cut down its long chain to enhance effectiveness and save time and manpower costs and add to efficiency. It is unpardonable that in today's information age the Army has not been able to capture the 4 lac plus inventory thus leading to unnecessary wastages and manpower costs. The Vehicle Depots and companies too needs to be disbanded and the OEMs be instructed to deliver the vehicles straight to the user units. This too is easily doable with the existing wide distribution and pan-India network of all OEMs.

Similarly, the ASC too needs to close down the butcheries and resort to procurement through trade. The integral transport units can be reduced and vehicles can be hired through contracts which will reduce the manpower, acquisition and maintenance costs. During emergencies provisions already exist to requisition civil transport. The operational need for animal transport similarly needs a review as roads and tracks now connect more and more areas in the forward zone. This will also facilitate reduction of the Remount and Veterinary Corps. Similarly, the petroleum units can be done away with by resorting to direct dependency and hold of reserves by the trade.

The communication requirements manned by the corps of signals post review can contribute to major redeployment of manpower for Cyber and EW. Certain defunct organisations need to be closed without any delay like Military farms and stationery depots.

It is an imperative that the MoD initiate the right changes and implement the recommendations of the Shekatkar committee in totality thus rebalancing the defence expenditure ensuring additional funds for the much needed modernisation of the armed forces.

The author was DGMO and presently Director, CENJOWS