

“Weapons Procurement Process is In Tatters”

India’s weapons-buying is frequently crippled by “multiple and diffused structures with no single point accountability, multiple decision-heads, duplication of processes, delayed comments, delayed execution, no real-time monitoring, no project-based approach and a tendency to fault-find rather than to facilitate,” assesses a very candid Defence Ministry report. As a result of these flaws, the government’s flagship ‘Make in India’ initiative for the defence sector, launched in 2014, “continues to languish at the altar of procedural delays and has failed to demonstrate its true potential.”

The 27-point internal report prepared late in 2017 by Minister of State for Defence Subhash Bhamre is a stinging indictment of the way the Defence Ministry functions. Of 144 projects in the last three financial years, “only 8-10% fructified within the stipulated time period.” Significantly, a chart identifies how each step of the nine-stage process of ordering weaponry sees enormous delays.

From the stage of Request for Proposal (RFP), when the government formally reaches out to OEMs to submit their proposal to the deal-closing clearance given by the Competent Financial Authority, the delays are a whopping 2.6 times to 15.4 times the deadline set.

The problems actually begin at the level of the headquarters of the individual armed forces, when the demand for new purchases is first raised. Pointing at a “lack of synergy between the three services”, the report says that the Army, Air Force, Navy and Coast Guard do not work as a system, which “puts greater strain on the limited defence budget and as a result, we are unable to meet the critical capability requirements.”

What is more, different departments of the ministry “appear to be working in independent silos” driven by their interpretation of policy and procedures. Thereafter, once a weapons purchase enters



the ‘Request for Proposal’ (RFP) stage, the average time taken to clear files is 120 weeks or six times more than rules laid down by the MoD in 2016. “The fastest RFP clearance was accorded in 17 weeks while the slowest took a monumental 422 weeks (over eight years),” the report noted.

The report points out that the Armed Forces, as eventual users of the weapon systems, “continue to view the Acquisition Wing (of the Defence Ministry) as an obstacle rather than a facilitator”. So there needs to be a “tectonic change in mindset of the ministry officials and the need of the hour is assigning responsibility and accountability.” At the level of Trials and Evaluation conducted by the Armed forces, “the average time taken is 89 weeks, which is three times more than authorised.” The armed forces are a part of the problem here, as they list “ambiguous trial directives, leaving scope for varied interpretation.”

Dr Bhamre observes in his report that the Technical Oversight Committee (TOC) stage needs to be done away with altogether. “I am not sure whether any

TOC has brought up any relevant issue, and is assessed to be yet another delay in the procurement procedure. “The Cost Negotiation Committee (CNC) stage sees delays about 10 times more than that allowed because of the inability of the Defence Ministry to benchmark costs with global standards especially where an item is being procured for the first time or involved Transfer of Technology.”

Shockingly, even if a weapons system actually makes its way through this bureaucratic quagmire, an acquisition can be “shot down” when the file reaches the Finance Ministry or the Cabinet Committee of Security since “currently, the MoF or CCS is not aware” of the defence ministry’s plans and needs. The report also flags the “raining of numerous queries, a few of them even of a basic nature.”

In other words, the Finance Ministry does not seem to have any idea of what to do with a complex agreement once it is presented by the Defence Ministry for financial clearance so that a contract can be signed. Given the fairly hopeless