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Vol: 4 Issue 11 | June 1-15 • 2014

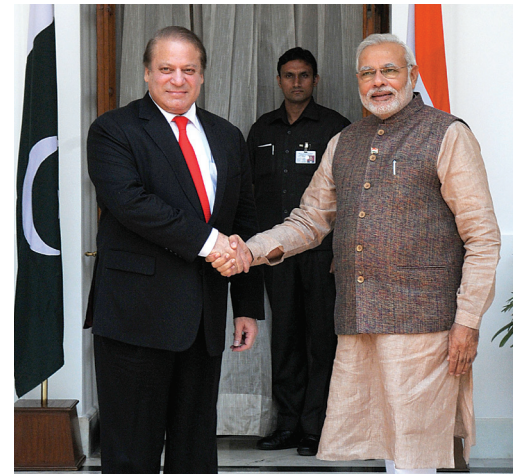
ISSN 2230-9266



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Ajit Kumar Doval appointed as National Security Advisor

Ajit Kumar Doval, former Intelligence Bureau (IB) chief, has been appointed as the National Security Advisor to the Prime Minister Narendra Modi. The appointment of the 69-year-old former head of IB to the post of NSA is one of the first key appointments made by the new BJP Government.

Doval is an IPS officer of the 1968 batch from the Kerala cadre. He was the first police officer to be awarded the Kirti Chakra, a military medal awarded for valour for courageous action away from the field of battle. He served in the Indian mission in Pakistan for six years and was a key member of the Indian team that negotiated with Pakistani terrorists who hijacked an Indian Airlines flight IC-814 to Kandahar in 1999.



Doval is perceived as a legendary figure in intelligence circles for his role in combating militants and terrorists in Mizoram, Punjab and Jammu and Kashmir. He led the operation to rescue Romanian diplomat Liviu Radu after he was kidnapped by Sikh terrorists in 1991 and was also involved in Operation Black Thunder which was carried out to flush out militants from the Golden Temple. He also headed the Multi Agency Centre and Joint Task Force on Intelligence before retiring from service in January 2005.

Before taking up the post of NSA, Doval was the Director of the Vivekananda International Foundation, a think tank. He regularly contributed articles for newspapers and delivered lectures on security and foreign policy issues.

He succeeds former career diplomat Shivshankar Menon to become the fifth person to hold the post of NSA. The NSA's post was created in 1998. **SP**



Cover:

The fact that Modi invited Heads of States of SAARC nations for the oath-taking ceremony of his government is seen as a masterstroke. With sour relations existing in the immediate neighbourhood, the meetings that followed with Heads of States had key takeaways in terms of building/strengthening relations.

Cover images: PIB, US Army

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SUBSCRIPTION/ CIRCULATION

Annual Inland: ₹1,320 • Foreign: US\$ 325

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SP GUIDE PUBLICATIONS

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'New Government, New Governance'

With a decisive mandate under his belt, the 15th Prime Minister of India, Narendra Modi has begun his tenure on a sound note, 'fast-tracking' the development agenda which the nation has been eagerly looking forward to. The policy-paralysis, indecisiveness and low-investor confidence during the previous government had slowed down the economy considerably. On taking office, the first thing Modi has done is shift gears, sending a positive signal to the world that he means business.

The fact that he invited Heads of States of SAARC nations for the oath-taking ceremony of his government is seen as a masterstroke. With sour relations existing in the immediate neighbourhood, the meetings that followed with Heads of States had key takeaways in terms of building/strengthening relations. In his meeting with Pakistani Prime Minister Nawaz Sharif, Modi is said to have told him in unequivocal terms that 'voices will not be heard, if the sound of bombs continue'. It was an ice-breaking meeting and the next steps are that the Foreign Secretaries of the two governments will meet and pursue the development plank. It is hoped that Pakistan will see sense in not encouraging cross-border terrorism, if it is sincere of building its economy. Lt General (Retd) P.C. Katoch has dwelt at length on Modi's initiatives with SAARC countries.

One of the biggest announcements expected is 100 per cent foreign direct investment (FDI) in defence production. Presently, the FDI limit is 26 per cent—and 49 per cent in exceptional cases—but the original equipment manufacturers (OEMs) are seeking more such that they could effect transfer of advanced technologies.

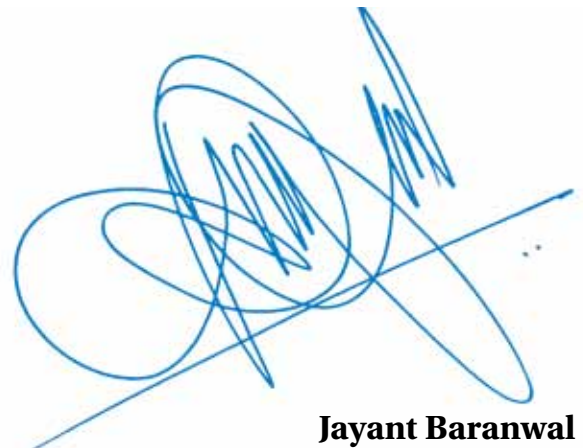
We are enthused by the Modi-led government, hence have dedicated this issue as Special with the theme 'New Government, New Governance'. To give a perspective of what is going to unfold in the new dispensation, *SP's M.A.I.* has a series of articles by experts talking about India's foreign policy, defence modernisation, internal security, etc, and also what the OEMs are hoping from the government.

Air Marshal (Retd) B.K. Pandey has pointed out that undue delay in defence procurements has resulted in serious erosion in the operational capability of the Indian armed forces raising serious doubts about their capability to fight a war even on a single front,

leave alone fighting a two-front war. In another article Lt General (Retd) V.K. Kapoor hopes that the new government shows firmness to resolve the long-pending reforms in the Ministry of Defence. Reforms suggested by the Kargil Review Committee or later the Naresh Chandra Committee have been similarly rejected on frivolous grounds and it is unfortunate that the political hierarchy has been accepting this negative approach.

As regards OEMs, they all seem to be gung-ho as can be seen from the interview with the Airbus India President Yves Guillaume who expects some of the deals to be cleared at the earliest. Rockwell Collins has stated that it is committed to India as demonstrated by its continued expansion, adding jobs, transferring technology and contributing to the local economy. Similarly, Rolls-Royce, MBDA, Saab and Navantia have expressed hope that there would policy initiatives which would catapult the defence production base in India.

We wish the new government and Prime Minister Modi all the success and are confident that they will focus on the urgent National Security matters that concerns us all.


 A blue ink signature of Jayant Baranwal, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Jayant Baranwal
Publisher & Editor-in-Chief

LCA Tejas in winter trials

The LCA Tejas has had an excellent year 2014 so far, most recently with three platforms completing a rigorous round of weapons trials in Jamnagar. Equally crucial are ongoing weather trials and performance trials at hot and high airfields. Newly available photographs of the LCA Tejas Mk.1 gunning its engines to notch up test points from the world's highest operational airfield at Leh shows a limited series production (LSP) airframe buzzing the Himalayas of lower Ladakh in a series of manoeuvres crucial to final operational clearance. Performance in rarefied high altitude airfields is a critical requirement stipulated by the IAF as it intends to deploy or detach aircraft at a series of forward bases from time to time for operations and force projection. The Tejas, which underwent crucial winter trials in February last year as well, will continue to stretch its legs over the forbidding north in an effort to achieve full weather compliance. Sources on Team Tejas confirm that the little jet performed admirably, and were confident of strapping on additional loads to the aircraft's pylons to push it even further. **SP**



Crucial discussions on extending Russian support to INS Vikramaditya

The Indian Government has proposed that Russia continue to extend support to maintain the INS Vikramaditya even after the one-year warranty period expires on November 16 this year. A Russian delegation headed by Sevmash General Director Mikhail Budnichenko was in Mumbai and Karwar last month to take discussions forward and to inspect progress made by the Russian warranty team embedded with the 44,500-tonne aircraft carrier now on operational deployment in the Indian Ocean. The Russian team discussed the modalities of a warranty extension and the possibility of the Russian team staying longer at Karwar to ensure a smoother transition into full operational status. The Indian Navy has begun the process to identify and confirm armaments for the Vikramaditya, which sailed from Severodvinsk to India without any air defence weapons. Director General of Naval Projects (Mumbai) Vice Admiral Ashok Subhedar presented the visting Sevmash delegation with a list of work that had been completed by the Russian team, including completely re-laying the aircraft deck and other jobs by the paint-insulation and assembly teams. Navy Chief Admiral R.K. Dhowan recently revealed that the INS Vikramaditya was successfully on operational deployment. It has separately been confirmed that the Navy's MiG-29Ks have begun operating on the



ship deck successfully too with a first landing by an Indian pilot taking place on February 7. **SP**

MiG-29K service centre for Indian Navy next year

The Indian Navy can expect a full service centre for its fleet of MiG-29Ks next year as part of contract provisions. Last year, RAC-MiG signed off-set agreements with Indian private firm Basant Aerospace worth \$55 million, including a \$43 million to establish a service centre in India dedicated to restoring and repair of the MiG-29K's primary Phazotron-NIIP Zhuk-ME radar, and a \$12-million deal for a service centre dedicated to repair of equipment for the upgraded MiG-29K in India. The deals include warehouses and an uninterrupted supply chain of spare parts. The Indian Navy received seven more MiG-29K/KUB jets in 2013 towards a total fleet on order of 45 aircraft based out of Goa's INS Hansa naval air station. MiG Director General Sergei Korotkov also recently revealed that upgrade kits for the first six MiG-29K fighters had been handed over to the Indian Navy for on-site upgradation at Goa as part of a deal signed in 2009. The other aircraft will be upgraded locally under transferred technology as part of the original contract. Upgradation of the first six aircraft has already begun and making steady progress. **SP**



Indian Navy to acquire 25 CIWS for warships

The Indian Navy has opened a competition to acquire 25 new 25-30mm close-in weapon systems (CIWS) for its new warships, including the INS Vikramaditya. The Navy has announced that it is looking for a system that includes a surveillance-cum-tracking radar, electro-optical (EO) system, integrated surface-to-air (SAM) system and a 20-30mm calibre gun with an integrated gun control system. The CIWS needs to be optimised for both surface and air engagement, by day and night, of low and high flying, sea skimming air targets and attack craft, boats, mines, objects floating on water surface, and other similar surface targets. Air defence of frontline vessels remains a major concern for the Navy with a pronounced lack of point defence systems on many of its ships, including the INS Vikramaditya. The Navy's other aircraft carrier, INS Viraat is armed with the Barak 1 anti-missile system. An integrated CIWS/SAM system throws up new possibilities for combat preparedness of the fleet, though it remains to be seen how vendors will respond. Interested vendors could include Raytheon (Phalanx CIWS) and Rosoboronexport (AK 630 CIWS or Kashtan CIWS), along with integrated surface to air missile systems that each vendor will need to specify in their responses to the Indian Navy's interest. **SP**

Raytheon Phalanx CIWS on INS Jalashwa



IAF for 3 spatial disorientation simulators for rookie pilots

With spatial disorientation continuing to be a serious concern for flight safety and cockpit effectiveness, the Indian Air Force has called for information to procure three new spatial disorientation simulators for young pilots. The simulator is intended to be used for training of aircrew in recognising and effectively managing the experience of disorientation providing demonstration of spatial disorientation, disorientation training in flight, flight simulation and night vision training and motion sickness desensitisation. The IAF wants the new simulators to help rookie pilots to build resistance the most common spatial illusions, including coriolis, somatogyral, oculogyral, graveyard spin, nystagmus, leans, autokinesis, false horizon and black hole approach. The IAF has stipulated that the trainer should preferably provide six-degrees of freedom, with three-degrees of freedom in roll, yaw the pitch axis. The system should include a dual cockpit with pilot seats adjustable. Interactive flight controls should include changeable re-centring forces and damp-



Cyrolab CL-2500

ening, visual displays should include increased field of view (FOV) and infrared projection for night vision image. The simulator should include aircraft sound and vibration simulation, chin window to be available for landing on platforms like an oil rig. **SP**

Indian Army for new 9mm pistols

The Army's Infantry Directorate has announced interest in acquiring an unspecified number of 9mm pistols for regular troops. The proposed weapon is to be used as a secondary weapon both during conventional and subconventional operations. The pistol needs to have ambidextrous handling with a silencer/suppressor, preferably with side-rails for add-ons like a tactical light and laser aiming device. The new sidearm needs to be a robust weapon to replace the current OFB Ichhapore Pistol Auto 9mm IA that remains the standard issue for regular Army infantry (special forces use the Austrian Glock 17 and Belgian FN-35). Interest is likely to pour in from several quarters, including Italy's Beretta (Px4 Storm), German-Swiss Sig Sauer (P226) and German Carl Walther GmbH Sportwaffen's Walther P99. Some of these companies have aggressively marketed their wares at Indian trade shows in recent years. In 2009, the Indian Army had separately announced that it was looking for additional 9mm pistols for its special forces and para units. **SP**



Modi Government

The Bharatiya Janata Party (BJP) which has come to form the government on a development plank has begun in right earnest. The Prime Minister Narendra Modi is leading from the front in providing a stable, strong and sustainable government, having initiated measures to give the economy a much-needed vibrancy. Here are some of the key-players...

Narendra Modi

Prime Minister of India

Narendra Damodardas Modi, (born September 17, 1950) India's 15th Prime Minister, is one of independent India's most popular leaders. A 'transformational leader' known for delivering results, he is an embodiment of courage, conviction and compassion. His portfolios include Prime Minister; Personnel, Public Grievances and Pensions; Department of Atomic Energy, Department of Space; all important policy issues and all other portfolios not allocated to any Minister.

Born into a humble family in Vadnagar, Gujarat; Modi has lived his life by the principle of Antyodaya or 'serving the farthest'.

Through his impeccable track record as a Chief Minister, Modi secured three consecutive two-third majority mandates for the Bharatiya Janata Party (BJP) in Gujarat in 2003, 2007 and 2012 Assembly elections. And in 2014, people of India have overwhelmingly reposed their faith in him giving him a historically decisive mandate to take the nation forward.

In his over 12 years tenure as the Chief Minister of Gujarat, Modi brought about paradigm shift in the lives of the people in Gujarat by delivering 'Pro-active Pro-people Good Governance'. Gujarat has maintained over 10 per cent GDP growth rate for over a decade now. He is now poised to do the same for the nation at large with the mantra 'Minimum Government - Maximum Governance'.

Modi has reached the pinnacle by sheer hard work, determination, extreme focus and a strong character. The beginnings have been humble and his first brush with the RSS (Rashtriya Swayamsevak Sangh) was at the tender age of eight when he would attend the local youth meetings of the RSS. At the age of 20, he arrived in Ahmedabad where he became a Pracharak in 1972, devoting full time to the RSS. In 1987, he joined the BJP and it was on October 7, 2001, he was asked to take over as the Chief Minister of Gujarat. Modi, who started his journey as a party worker, has risen to the topmost post in the country because of his almost virtuoso like organisational sense and his keen ability to deconstruct and efficiently construct any job given to him.



Raj Nath Singh

Minister of Home Affairs



Raj Nath Singh (born July 10, 1951) is the Minister of Home Affairs in the Narendra Modi Government. He is also the President of Bharatiya Janata Party. Raj Nath Singh was born in a small village of Bhabhaura in Chandauli district of Uttar Pradesh in a Rajput family. He holds a masters degree in physics, acquiring first division results from Gorakhpur University.

In 1991, he became Education Minister in the first BJP Government in the state of Uttar Pradesh. In April 1994, he was elected to the Rajya Sabha and has been on various parliamentary committees. On March 25, 1997, he became the President of the BJP's state unit in Uttar Pradesh and in 1999 he became the Union Cabinet Minister for Surface Transport. In the NDA Government led by Atal Bihari Vajpayee, Raj Nath Singh was Minister of Agriculture. He was the Chief Minister of Uttar Pradesh from October 18, 2000, to March 8, 2002.

On January 24, 2013, Raj Nath Singh was re-elected as the BJP's National President.

Arun Jaitley

Minister of Finance and Minister of Defence



Arun Jaitley (born December 28, 1952) is currently the Minister of Finance, Minister of Corporate Affairs and an additional charge as the Minister of Defence. He is a member of the Bharatiya Janata Party (BJP). He is currently a Rajya Sabha member from Gujarat and was chosen

as the leader of the opposition in Rajya Sabha on June 3, 2009. In his capacity as the leader of opposition in Rajya Sabha, Jaitley has been credited for his excellent oratory skills which is matched equally by his intense research into the topic. He has also previously held the portfolios as the Union Cabinet Minister for Commerce and Industry, Law and Justice in the National Democratic Alliance Government (1998-2004).

Jaitley passed his law degree from the University of Delhi, in 1977. He is a well-known lawyer, known for his sharp reasoning and oratory. During his career as a student, he was the recipient of several distinctions for his outstanding performances both in academics and extracurricular activities. Jaitley has been married to Sangeeta Jaitley since May 24, 1982, and they have two children.

Sushma Swaraj

Minister of External Affairs and Overseas Indian Affairs



Sushma Swaraj (born February 14, 1952) is India's first woman External Affairs Minister. She has been elected seven times as a Member of Parliament and three times as a Member of the Legislative Assembly. She is an advocate by profession and educated at S.D. College, Ambala Cantt (Haryana) and Law Department, Panjab University, Chandigarh.

Sushma Swaraj began her political career with the Akhil Bharatiya Vidyarthi Parishad in the 1970s. She was Union Cabinet Minister for Information and Broadcasting in the first Atal Bihari Vajpayee Government in 1996. In the second Vajpayee Government, she was Cabinet Minister for Information and Broadcasting with additional charge of the Ministry of Telecommunications from March 19 to October 12, 1998. She resigned from the Union Cabinet to take over as the first woman Chief Minister of Delhi in October 1998. She resigned her Assembly seat to return to national politics and was Minister of Health, Family Welfare and Parliamentary Affairs from January 2003 until May 2004.

She won the 2009 election to the 15th Lok Sabha from the Vidisha Lok Sabha constituency in Madhya Pradesh and became Leader of Opposition. She was re-elected from Vidisha in 2014.

Inderjit Singh Rao

Minister of State for Defence



Inderjit Singh Rao (born February 11, 1951) is Minister of State for Defence in the government of Prime Minister Narendra Modi. He also holds an additional portfolio of Minister of State (Independent Charge) of Planning and Statistics and Programme Implementation. He represents Gurgaon constituency in Haryana and is a prominent leader of the Ahir (Yadav) community.

Kiren Rijju

Minister of State for Home Affairs



Kiren Rijju (born November 19, 1971) is a resident of Nafra, Arunachal Pradesh. He graduated from Hansraj College, New Delhi, and following that studied law at the Campus Law Centre, Faculty of Law, University of Delhi. Kiren Rijju is currently a Member of Parliament (Lok Sabha) representing the Arunachal Pradesh west constituency. He was appointed as Minister of State for Home Affairs by Narendra Modi.



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Rejuvenating SAARC

P rime Minister Narendra Modi deserves all the praise for inviting heads of governments/head of states of all the seven countries that form part of SAARC (Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka) in addition to India, for installation of his new government on May 26. Additionally, the Prime Minister of Mauritius too was invited though Mauritius is not part of SAARC. This splendid initiative by Modi provided an informal platform for all the heads of SAARC to interact on the sidelines of the oath-taking ceremony by the new government, especially since the progress of SAARC has been somewhat stymied under the shadow of fluctuating Indo-Pak relations.

Narendra Modi is opening a new chapter in India's history; bringing India out of the decade old time wrap of plunging economy, stagnation in security (food, health, personal), defence preparedness, employment, energy and environment, besides giving a fillip to foreign policy and international relations. Ushering in a sense of nationalism casting aside caste, creed and divisive politics remains a priority for him, no easy task with the region afflicted with politics of all hues. If some Tamil groups protested against the invite to the Sri Lankan President, the same Tamil groups had termed the Indian Peace Keeping Force fighting the LTTE on request of Sri Lanka as traitors. If the main political party of the past Indian Government is protesting against the invitation to the Pakistani Prime Minister, the erstwhile government's policy itself was being termed as geopolitical prostrating.

But as far as SAARC is concerned, particularly Indo-Pak relations, if Narendra Modi is taking out India from its time wrap, so needs to be done by Nawaz Sharif if the region is to prosper. The stranglehold of the military-ISI over Pakistan is well known, together with their links with terror outfits. The latest example has been the persecution of Geo TV for having exposed the Inter-Services Intelligence (ISI)-Taliban links including killings of two of its journalists. The military sure has an important role in Pakistan's internal dynamics but while giving it due importance, it will somehow have to be convinced that its power is better utilised in curbing terror, not spawning it and that in doing so the military can still remain in prominence that she seeks. Curbing ter-

ror and kick-starting trade and industrial cooperation would greatly benefit both countries, as well as the region. In fact, establishment of the South-South Corridor (Eurasia-CAR-Afghanistan-Pakistan-India-South Asia-SE Asia) together with the TAPI and IPI pipelines can bring unimaginable prosperity and gains to the region. Accepting the invitation was a great reciprocal gesture by Nawaz Sharif. It would be equally good for the Pakistani military-ISI to desist firing along the line of control (LoC), terrorist actions, cross-border raids, etc, as has been the experience particularly during visits by Pakistani hierarchy to India. With the eyeball-to-eyeball deployment along the LoC, the Pakistani Army is very much in position to prevent such incidents. Unfortunately, even as Pakistan Prime Minister Nawaz Sharif was being feted and applauded at the Rashtrapati Bhavan forecourt during the swearing-in ceremony of Narendra Modi as Prime Minister, Pakistan Rangers twice violated ceasefire on May 26, firing several sniper shots at Indian posts, with the second violation at around 6.15 p.m. just when the oath-taking ceremony was on in New Delhi.

Of course Afghan President Hamid Karzai has confirmed that it was the LeT that attacked the Indian mission in Herat. Lashkar-e-Toiba (LeT) is well known as the covert arm of ISI and one wonders if Nawaz Sharif was aware of this fact before he flew to India. Nevertheless, J&K is a vexed issue that cannot be resolved in quick time and by force. It is time to keep it aside and get on with economic cooperation to uplift the masses, keeping in mind the question Modi raised during an interview, that 'can you talk when bombs are exploding close by?' This was also conveyed by Modi to Nawaz Sharif quite frankly during their 50-minute meeting on May 27.

Hamid Karzai also attended the ceremonies. India and Afghanistan have a historic and deep relationship and the strategic partnership has also been reviewing threats to the region post the withdrawal of US-NATO troops from Afghanistan. The fact that terror flowing out from Pakistan threatens the region particularly India, Afghanistan and to some extent even China is no secret. Stability as well as reconciliation and reconstruction of Afghanistan are vital issues that require continued regional and international efforts and sincerity. Afghanistan needs to be assisted economically to become self-sufficient,

Opening a fresh chapter in SAARC cooperation setting aside prejudices can bring in a wave of prosperity in the region, taking the Asian Century to the next level.

The President Pranab Mukherjee, the Vice President Mohd. Hamid Ansari and the Prime Minister Narendra Modi with the Heads of SAARC countries after the swearing-in ceremony on May 26, 2014



which is possible with its enormous unexplored natural resources albeit this is only possible if peace prevails. Logically, if Pakistan is actually unable to control the radical factories, especially ones in difficult areas running in autonomous mode, she needs to look for ways in the manner Boko Haram is being tackled by the international community.

India-Bangladesh relations are close especially under the Sheikh Hasina Government. Bangladesh does have large population and illegal immigration, unresolved border demarcation and water sharing are issues that need to be tackled. Sheikh Hasina was visiting Japan on May 26 but she was represented by Shirin S. Chudhury, Speaker of Bangladesh Parliament, and dialogue between the two countries is sure to be speeded up. In fact, complete border demarcation and comprehensive water sharing agreement should have been completed years back. Bangladesh is seriously battling radicalisation and terror. Major anti-India terrorist camps run during the previous regime have been shut down though minority persecution and terrorist atrocities against them by radicals persist. Illegal immigration is a grave issue though the previous Indian Government remained intransigent because of creating vote bank politicking. By May 2012, India reportedly already had some 40 lakh Rohangiyas as illegal immigrants from Myanmar and Bangladesh spread in various states including in Jammu region of J&K. Prior to liberation of Bangladesh, Sheikh Mujibur Rehman had written in his book on East Pakistan thus, "Because Eastern Pakistan must have sufficient land for expansion, Eastern Pakistan must include Assam to be financially and economically strong." But this does not have to be taken literally. Take a modern city like Tokyo that houses 9.58 per cent of entire population of Japan where Japan has little natural resources, 70 per cent being under forest (which they don't cut) and small amount of arable land. Yet industrialisation has made Japan an economic giant. Similarly, Seoul houses one-fifth of the population of Republic of Korea which again has limited natural resources, small arable land and cold climate that restricts farming. Both India and Bangladesh have abundant natural resources and economic-industrial cooperation can lift both economies and help management of social change.

Bhutan and Nepal are both India's Himalayan neighbours and being landlocked need special attention and cooperation from

SAARC members. Prime Minister Tshering Tobgay of Bhutan and Prime Minister Sushil Koirala both attended the swearing-in ceremonies. Bhutan has had a remarkable transition to democracy initiated and executed by the King himself, the term Gross National Happiness (GNH) having been coined by the monarchy to define an indicator and concept that measures quality of life or social progress in more holistic and psychological terms than only the economic indicator GDP. Nepal has had to contend with a long Maoist insurgency that has thankfully subdued the militant content. Populace of Bhutan and Nepal belong to traditional ancient civilisations. Both countries have abundant hydro power that can contribute to a SAARC grid and excellent tourism potential that can facilitate people to people contacts.

President Mahinda Rajapaksa of Sri Lanka too attended. India-Sri Lanka relations are ancient and historic albeit the issue of devolution of power to the Tamils in Sri Lanka, who have close relations to Southern India, is yet to be adequately resolved despite many intricacies. Indo-Sri Lanka relations are becoming important also because of the growing power rivalry in the Indo-Pacific region. Economic relations between both countries are strong and there is tremendous scope to expand them further. Similarly, India-Maldives relations and India-Mauritius have been historic. President Abdula Yameen of Maldives and Prime Minister Navinchandra Ramgoolam of Mauritius both attended the swearing-in. Maldives and Mauritius are tourist paradises. Both are strategically important by virtue of their location in the India Ocean region, including proximity to India, Sri Lanka and Pakistan. Both countries need the cooperation of SAARC countries, also to ensure they do not get subjected to terrorism.

What SAARC needs to seriously debate upon is how global power-brokers have destroyed country after country, ravaging their land, population and resources for their own individual interests, using terrorism, proxy forces, conventional and even chemical and biological forces without compunction, extracting financial gains in the aftermath as well through sale of arms and reconstruction projects. Opening a fresh chapter in SAARC cooperation setting aside prejudices can bring in a wave of prosperity in the region, taking the Asian Century to the next level. **SP**

Modi-Nawaz talks

Ice broken, not melted

[By Ranjit Kumar]

The swearing-in ceremony of Narendra Modi as the 15th Prime Minister provided India an opportunity to invite the leaders of the member States of SAARC (South Asian Association for Regional Cooperation) to grace the occasion on May 26 at the Rashtrapati Bhavan, official residence of the President of India.

Since Pakistan is the second biggest member-State of SAARC and its strained relationship with India, the third largest economy of the world, hampers the free flow of movements of people and goods among all member States, the Indian and international media had focused on the outcome of the talks between the Indian and Pakistani Prime Ministers.

With this invitation Modi wanted to kill two birds with one stone. If the positive outcome of the first bilateral talks between Modi and Nawaz Sharif would have helped create an atmosphere of increased mutual confidence, it would also have encouraged the SAARC bus to run faster.

Hence, there was much expectation in diplomatic circles from the historic step taken by Modi to invite Sharif, who incidentally had won the election last year on the plank of deeper economic relations with India as every one in Pakistan knows that good economic and trade exchanges between the two neighbours will improve the living standard of the common people. The Pakistan economy, which has been shattered by terrorism, nurtured domestically by the Army establishment, needs urgently to befriend India and seize the opportunity offered by the new Indian leadership.

So when the two Prime Ministers met in the hallowed palace, the Hyderabad House, political observers expected the ice to be broken and melted, which remained frozen since the November 26, 2008, terrorist attacks on Mumbai.

Undoubtedly the ice has been broken, with the decision to ask the two Foreign Secretaries of India and Pakistan to remain in touch, two years after their last bilateral talks, but it would not be wrong to say that it simply has been broken in two pieces and the ice will not be melted as long as Pakistan remains oblivious of its responsibilities as a responsible State in the comity of nations to stop nurturing the terrorist elements on its soil. Though, Sharif has left India with a ray of hope by stating before media that his government stands ready to discuss all issues between the two countries, in a spirit of cooperation and sincerity.

However Modi's message on terrorism was conveyed to Nawaz Sharif in no uncertain terms. He told Nawaz Sharif that relations cannot be normalised in the atmosphere of terrorism. Hence he told him to speed up the trials of the conspirators of the 26/11 Mumbai terror attacks and prevent any further attacks on India launched from the Pakistani soil.

The Pakistani Prime Minister wanted to woo Modi with improved trade exchanges, which in fact means vastly increased exports to Pakistan from India. Only two weeks ago Pakistan through its High Commissioner in New Delhi Abdul Basit had warned India not to set any preconditions for talks to resume. In fact the Pakistani diatribes was in response to the election rhetoric of Modi who had categorically stated that in the deafening sounds of bomb explosions how can two persons



talk? So, Modi in his very first day of his tenure as the Prime Minister made a blunt remark to his Pakistani counterpart that Pakistan must listen to India's concerns on terrorism. Terrorism and talks cannot continue side by side. In fact this was the stand of the previous Manmohan Singh Government but Modi articulated his position in a very frank and forthright manner, which left the Pakistani Prime Minister flabbergasted and he could utter only a very subdued response by saying that accusations and counter accusations will leave us nowhere.

One must give credit to the Pakistani Prime Minister for maintaining his calm and responded in a very passionate manner by reminding Indian leader about his invite to the first BJP-led Indian Prime Minister Atal Bihari Vajpayee on February 20, 1999, when the famous Lahore Declaration was issued. Sharif said that he would like to pick up the thread he and Vajpayee left in Lahore in 1999. The Lahore Declaration was indeed a foundation of a new paradigm in India-Pakistan relations. In that spirit he uttered to the waiting media in New Delhi after his talks with Modi "This provides us the opportunity of meeting the hopes and aspirations of our peoples that we will succeed in turning a new page in our relations."

One cannot doubt the sincerity of the democratically elected Prime Minister of Pakistan, but one can certainly doubt his ability to deliver. In fact last time in 1999 when he made a very valiant effort to remove all bottlenecks in India-Pakistan relations, he was dethroned by the then Army Chief of Pakistan General Pervez Musharraf, who later on crowned himself as the President of Pakistan and visited India with olive branch.

When Sharif wanted to accept the invite of the so-called tough talking Modi, the present Chief of Pakistani Army General Raheel Sharif dithered for three days to grant his permission. It is indeed an irony that in a so-called democratic State, the elected Prime Minister of the country had to seek the permission of its Army Chief to visit the neighbouring country. Hence, one can understand the limitations of Sharif. He cannot afford to antagonise the Army Chief and lose his job. Last time when he dared to challenge the Army Headquarters he was not only dethroned but jailed and later exiled to Saudi Arabia. One wonders if Sharif would dare to challenge the Army bosses in his very second year of Prime Ministership to have cordial relations with India.

So, when the Indian Prime Minister asked Sharif to take care of India's concerns on terrorism, one cannot say with certainty that he will deliver on India's concerns. However, though the ice has been broken, without getting melted, one can remain sceptical of the ability of the democratic government of Pakistan to continue its engagement with India in an atmosphere free of terrorism. **SP**



AIR MARSHAL (RETD)
B.K. PANDEY

Re-energise defence procurement

The undue delay in defence procurements has resulted in serious erosion in the operational capability of the Indian armed forces raising serious doubts about their capability to fight a war even on a single front, leave alone fighting a two-front war.

PHOTOGRAPH: IAF

A MiG-21 aircraft of the Indian Air Force (IAF) crashed in Jammu and Kashmir on May 27, 2014, killing the pilot. The accident in which a fighter pilot lost his life, is indeed both tragic and traumatic. However, the fact that it took place a day after the new government assumed charge, ought to be regarded as a cruel but timely notice to the new dispensation of the rather disconcerting state of military hardware prevailing in the Indian armed forces in general and the IAF in particular. Like some other departments of the Central Government, during the last seven years, the Indian armed forces have suffered from policy paralysis and inaction on the part of the Ministry of Defence especially with regard to procurement of weapon systems.

The Indian Army has been struggling for several years to procure artillery guns that it desperately needs. However, for one reason or another, the global tender floated inviting bids has been cancelled five times. Efforts by the Army to acquire these through the Foreign Military Sales programme of the US Government, has also not succeeded as yet. The service is also reported to be afflicted by shortage of even basic weapons such as medium machine guns, rifles and carbines as also ammunition. The state of equipment in the Indian Navy is no better as has been clearly manifest in the series of accidents due to technical failure of ageing and life expired equipment resulting in heavy loss of life. The chain of catastrophes caused embarrassing turmoil in the higher echelons of leadership in the service leading to resignation by Admiral D.K. Joshi, the Chief of Naval Staff. But perhaps the worst affected among the three services has been the IAF.

Several aircraft types in the fleet of combat jets in the IAF are either obsolete or are rapidly approaching obsolescence. The strength of the fleet of combat jets today stands at 34 squadrons as against the revised authorised figure of 42. With the phasing of

the older types in the fleet scheduled over the next three years, the strength could fall well below 30 squadrons. A global tender for the procurement of 126 medium multi-role combat aircraft (MMRCA) was floated in 2007. However, even after a lapse of seven years, the contract is yet to be concluded even though the Rafale fielded by Dassault Aviation of France, was selected more than two years ago. Tender for 197 light utility helicopters for the Indian Army and the IAF to replace the ageing fleet of Cheetah and Chetak helicopters has been cancelled thus frustrating all efforts by the services to get the deal through. Procurement of 22 Boeing AH-64D Apache attack helicopters to replace the Russian MI-35s, 15 CH-47 Chinook twin-rotor heavy lift helicopters also from Boeing, to replace the Mi-26 fleet and six



A330 flight refuelling aircraft from Airbus, have all been inordinately delayed. And of course there was the rather embarrassing case of cancellation of contract for VVIP helicopters from AgustaWestland halfway through execution. Apart from the subsequent legal complications in the case, this sordid episode has only served to dent the reputation of the nation in the global aerospace industry.

The entire procurement process in the last few years was vitiated with allegations of impropriety, investigations, cancellation of tenders/contracts and blacklisting of firms. The net effect of all this has been undue delay in defence procurements resulting in serious erosion in the operational capability of the Indian armed forces raising serious doubts about their capability to fight a war even on a single front, leave alone fighting a two-front war. However, there is hope that the decisive leadership of the new government will reenergise the procurement of defence equipment to build up military power to match the status of the nation as a regional power. In the final analysis, a nation aspiring for leadership in the region can only succeed if it is in a position to negotiate from a position of strength. **SP**



LT GENERAL (RETD)
VK. KAPOOR

Reforms in MoD urgent and necessary



Indian Army soldiers in action during Exercise Vijayee Bhava

There is no representation of the uniformed community in the Ministry of Defence. Thus it lacks professional competence in the business in which they are placed.

It is an accepted fact that when a government faces a crisis over which there is a public clamour or which is causing embarrassment, it resorts to establishing a committee to examine the issue, thus delaying the decision and once the urgency dies down, public memory being short, then it quietly shelve the issue.

Quite often even the observations on committee's recommendations by various agencies are orchestrated through media so that the uncomfortable reforms are held in abeyance. This has been experienced so often that it is no surprise that the key reforms recommended by the Kargil Review Committee on February 23, 2000, and subsequently the Group of Ministers (GoM) on February 26, 2001, remain unaddressed. The key reforms not implemented include the establishment of the post of a Chief of

Defence Staff (CDS) and integration of the Ministry of Defence (MoD) with Service professionals.

Naresh Chandra Committee

By mid-2011, the large number of legal complaints in the various courts against the MoD on pay and allowances discrepancies, defence procurement scams, deteriorating civil-military relations and the increasing threat perception from our adversaries China and Pakistan, led the UPA II to establish the Naresh Chandra Committee (NCC), a 14-member task force on national security on June 21, 2011, to suggest ways to revamp of defence management in the country. The main objective behind the constitution of the committee was to contemporise the Kargil Review Committee's Report. Besides, the task force was also asked to examine the state of country's border management.

The Committee submitted its report to the government on August 8, 2012. The Prime Minister Manmohan Singh turned it over to the National Security Council Secretariat for processing its recommendations and presenting them to the Cabinet Committee on Security. Manoj Joshi, a well known journalist who writes on strategic and security issues and who was member of the NCC, had this to say in his article “Shutting His Ears to Change” on November 22, 2013, in *Mail Today*: “This writer was a member of the task force, but has had little or no official information on its status since then. But the bureaucratic grapevine suggests that the report is on its way to meet the fate of other similar endeavours: get shelved.”

The salient recommendations of the Naresh Chandra Committee included a large number of issues and among them were the two issues affecting the efficient functioning of the Services and the MoD namely, appointing a permanent Chairman of the Chiefs of Staff Committee and promotion of synergy in civil-military functioning to ensure integration, to begin with, the deputation of armed services officers up to director level in the MoD and then progressively up to joint secretary’s level which had been also recommended by the Arun Singh Committee on Defence Expenditure. Even the Standing Committee for Defence of 14th Lok Sabha had ‘strongly’ recommended the change in MoD staffing patterns to ensure armed forces were “intrinsically involved in national security management and apex decision-making process”. The recommendations were rejected by the MoD and the Government.

The Inefficiency of the MoD

The inefficiency of the MoD in the past few years can be visualised from the letter written by General (Retd) V.K. Singh, the former Chief of Army Staff (COAS), to the Prime Minister on March 12, 2012, which was deliberately leaked to the media. It highlighted that the mission reliability of mechanised vehicles was poor, the artillery was obsolete and inadequate, air defence was antiquated, armour was unreliable due to regular barrel accidents caused by mismatch between indigenous barrels and ammunition, night-fighting devices were insufficient, aviation corps helicopters needed urgent replacements, and holdings of all types of missiles, anti-tank and specialised ammunition was critically low. Thus pointing out the lack of preparedness to fight and win wars on the battlefields of the 21st century. Thanks to an indifferent Defence Minister and an uncaring bureaucracy the situation still remains more or less the same.

Anit Mukherjee wrote an interesting article in *The Hindu* on July 17, 2012 bringing out the ills of the MoD and the Services. He wrote: “Most informed analysts know about the deficiencies stemming from higher defence mismanagement, but the leak of General V.K. Singh’s letter to the Prime Minister made this public. The other controversies around civil-military relations revealed the crisis of confidence and trust deficit between military officers and civilian bureaucrats in the MoD. Union Defence Minister A.K. Antony admitted as such when he referred to the ‘bitterness between them.’

Reforms Needed

While many reasons can be attributed to this state of affairs—including the controversies over the past Pay Commissions, at the national level structural problems exist arising from quaint and archaic organisations and rules of business.

The major areas where reform is needed are:

- The integration of the Ministry of Defence with the Service Headquarters. The latter function as attached offices, working under archaic and logic-defying rules of business. There is no representation of the uniformed community in the Ministry of Defence. Thus it lacks professional competence in the business in which they are placed.

- The current Rules of Business names the Defence Secretary as the person in charge of operational readiness of the armed forces. This is an outlandish rule and needs to be reviewed at the earliest. A collective responsibility together with the Defence Minister and Service Chiefs must be established and the financial powers to the Chiefs be vested accordingly.
- Since the establishment of the Chief of Staff System, the Service Chiefs were meant to be Chiefs of Staff, however over a period of time they have started wearing two hats — as Chiefs of Staff and Commanders in Chief. This leads to unilateral and frequent changes of policies at times. Civil service culture prevents bureaucrats from challenging the military on its logic.
- Within the Services the absence of theatre commands with joint staff in which the Services themselves are integrated for planning and conduct of operations along with an ineffective Chiefs of Staff Committee have led to a system of planning for operations service wise. The so-called operational “jointness” practised by the Services, is operationally inefficient and encourages single Service planning, a culture which prevails till today.
- Successive governments have neglected to reform the higher defence structures and their linkage to the National Security set up of the country. The Chiefs of Staff of the three services func-



Indian troops in Mi-17 helicopter

tion outside the national security planning loop and structure.

- The lack of a well articulated National Security Strategy is another area of concern. This compels the services to establish their own concepts and doctrines in this regard which may at times contradict the national security policies.

Conclusion

The civilians in the MoD are not willing to accept any change. They wish to retain their perks and privileges. They seem quite happy with the inefficient, incompetent, and wasteful system that has developed since independence and is prevailing. Reforms suggested by the Kargil Review Committee or later the Naresh Chandra Committee have been similarly rejected on frivolous grounds and it is unfortunate that the political hierarchy has been accepting this negative approach of MoD towards national defence.

We hope that the new government shows firmness of resolve to institute the long-pending reforms in the MoD. **SP**



LT GENERAL (RETD)
P.C. KATOCH

Higher defence organisation

Changes would provide a boost to defence preparedness, usher in a Revolution in Military Affairs, evolve requisite strategies and policies including for national security, response to asymmetric war, defence procurements, R&D, technology acquisition and reorganising the defence-industrial base, etc.

The Indian military perhaps reached its nadir in the past decade. Many scholars described the situation as precarious as in 1962 while A.K. Antony as Defence Minister kept up the facade of 'all is well' and the uniformed fraternity bound by regulations would not speak.

Yet, the state could hardly be hidden with incidents like the leaked secret letter from a Service Chief to the Prime Minister and revelations of critical deficiencies in the Indian Navy courtesy Ministry of Defence (MoD) intransigence resulting in serious damage to the naval fleet and avoidable loss of lives and equipment. The drama of the immediate acceptance of the resignation of the Naval Chief while MoD failed to take any responsibility whatsoever too was witnessed by the nation. The fact that the civil-military relations hit absolute rock bottom was apparent, with deliberate acts of lowering the military in the Warrant of Precedence, denying authorised pay and allowances to soldiers even sanctioned by the Supreme Court, forcing disabled soldiers and war widows fight long legal battles for disability benefits and pensions – to the extent that the previous government appealed against its own soldiers in Court no less than five times, some of the cases still ongoing in Supreme Court.

Then is the defence-industrial complex lorded over by the DRDO, OFB (Ordnance Factories Board) and the DPSUs that after 67 years of Independence can boast only of 'pockets of excellence' because of disjointed planning and functioning, corruption and inefficiency, to the extent that India has to still import over 80 per cent of its defence needs.

Many are unaware of our lopsided system where the Defence Secretary is responsible for the defence of India instead of the Defence Minister. This is because the British Colonial 'Rules of Business' were blindly followed wherein the British Defence Secretary was also the Defence Minister. Since the Services HQs of British India were not fully trusted, they were made "Attached Offices". First step, therefore should be to make the Defence Minister fully responsible for Defence of the country. Second, to bridge the vital void of integration, HQ IDS should be merged with the MoD, as recommended in many reports. Third, we cannot continue with 'generalist bureaucrats' in MoD with little knowledge of military matters. The

Railways is managed by the Railway Board exclusively manned by Railway officials. The Foreign Secretary is an IFS Officer and not a generalist bureaucrat. So, logically, the MoD should be manned by the military officers with appropriate civilian cells in Departments of Defence Production and Defence Finance.

However, as a first step it is imperative to have serving military officers appointed as Defence Secretary, Secretary Defence Production, Secretary Defence Procurement and Secretary Finance (Defence). Fourth, appointing a Chief of Defence Staff (CDS) should be done on priority as recommended by the Kargil Review Committee, Group of Ministers Reports and Arun Singh Committee Reports. This is vital not only for providing single point military advisory to the Cabinet Committee on Security and the Defence Minister but also to bring synergy between the three Services that is completely lacking at the moment and to transform the three Services into network-centric warfare (NCW) capable forces. In appointing the CDS, it should also be made clear that there should be no question of MoD generalist bureaucrats doing arbitration over disagreement between Services, as was cunningly inserted in the document authorising establishment of HQ Integrated Defence Staff (IDS) and the CDS. Fifth, It would be appropriate to appoint a bold and intellectual National Security Advisor (NSA) with military background. This is warranted because conflict situations over the years have transcended more towards the sub-conventional segment, use of irregular forces and asymmetric war, all of which requires basic military knowledge. India has lost out completely in terms of military diplomacy, which needs to be worked upon by the NSA in conjunction the MoD and the Ministry of External Affairs. Sixth, national synergy is essential with asymmetric threats that overlap all type of conflict situations throughout the spectrum of conflict. Therefore it would be advisable to have appropriate military advisory cells with the Prime Ministers, External Affairs Minister and Home Minister.

Changes as above would provide a boost to defence preparedness, usher in a Revolution in Military Affairs (RMA), evolve requisite strategies and policies including for national security, response to asymmetric war, defence procurements, R&D, technology acquisition and reorganising the defence-industrial base, etc. **SP**



'For over 50 years, Airbus Group has supported the modernisation of the Indian armed forces and the development of indigenous capabilities'

Interview with Yves Guillaume, President India, Airbus Group

SP's M.A.I. (SP's): What are your views on the progress of the Indian defence industry so far and where do you see it heading in the future?

Yves Guillaume (Guillaume): Over the years stagnant or even shrinking defence budgets in the West have made Asia-Pacific and particularly India an attractive market for global defence firms. This represents an opportunity for the Indian defence industry, public and private, to partner with leading global players such as the Airbus Group and together work towards building a robust Indian military-industrial base. Such an approach will not only help modernise the Indian armed forces but will also bring cutting-edge technologies into the country and stimulate the Indian economy. A lot can be achieved as far as the modernisation of the Indian armed forces and indigenisation of technologies is concerned. Going forward, I expect this process to pick up more pace.

SP's: Which open deals do you think the new government can bring to a conclusion quickly?

Guillaume: Let me give you some examples where Airbus Group is competing. The contract for six A330 multi-role tanker transport (MRTT) aircraft for the Indian Air Force is one. The negotiations are in the final stages and we look forward to concluding the contract with the Ministry of Defence in the near future. The acquisition is going to be absolutely transformative for the Indian Air Force and will put it in a select group of operators at the forefront of the current revolution in air-to-air refuelling.

The reconnaissance & surveillance helicopters (RSH) tender where Airbus Helicopters' Fennec is competing is another example. Fennec is a single-engine helicopter offering unmatched hot and high altitude performance capabilities to the Indian armed forces. The new helicopters are supposed to replace the ageing Cheetah/Chetak fleet which is now depleting as it has been in service for over 50 years in India. Since the issue of the current request for proposal (RFP), till date, a total period of over five years has elapsed. This is the third time that the RFP has been issued for the same procurement, the first being in November 2003. We are fully committed to support this programme and hope that this acquisition process will soon be concluded by the Ministry of Defence.

SP's: What are your views on India's offsets, FDI and technology transfer policies for defence procurement?

Guillaume: We fully support India's policies regarding offsets and technology transfer which have been implemented to boost the country's indigenous defence industry and safeguard its sovereignty. However, one must bear in mind that offset activity should be based on a sound business case. It has to be sustainable. Otherwise, it will not result in long-term meaningful benefits for the local industry. In India, the revised Defence Offset Guidelines issued in 2012 added certain new features such as 'multipliers' and modified/clarified some

of the earlier provisions. The new guidelines provide foreign OEMs greater flexibility and incentive in meeting their offset obligations.

As for the 26 cent cap on foreign direct investment (FDI) in defence, we respect the law of the land. We have successfully worked and delivered results within the perimeter of the existing policy. However, if the cap is raised and we are allowed to form joint ventures where we have more management control, it will be easier for us to develop a larger industrial base here. A mechanism with sufficient checks and controls can be built into the policy so that India's interests remain fully protected.



SP's: What new opportunities in defence do you see for Airbus Group in India in 2014 and what are your expectations from the new government?

Guillaume: The opportunities are immense. Apart from the MRTT and RSH competitions where we expect forward movement, Airbus Defence and Space will soon respond to the request for proposals to replace the Avro medium transports with the modern C295 aircraft. This is a very important programme for us - covering 56 aircraft - but also for the Indian industry because of the excellent collaborative prospects that it offers.

For over 50 years, Airbus Group has supported the modernisation of the Indian armed forces and the development of indigenous capabilities. We look forward to further strengthen our partnership with India and expand our industrial footprint here. We are hopeful that the new government will accelerate the modernisation process, continue to reform the defence procurement procedures, and take steps to incentivise even greater cooperation between foreign OEMs and Indian companies. **SP**



MBDA keen on in-depth partnership with India

By *Loïc Piedevache, Country Head, India, MBDA*

India's status as the subcontinent's largest land mass, combined with its strategic location between the major economic and military focal points in the geopolitical divide between present and rapidly emerging great powers, has given rise to the country's key role in developing global affairs. Although its economy faced a slowdown in the last couple of years, India's growth since the turn of the century has been unprecedented and has contributed towards India becoming one of the world's major military spenders, a fact concomitant with its leading status on the global stage. As for any nation, and perhaps more so for India given current issues in the region, efficient defence spending is critical to ensure that its armed forces are suitably equipped. India, as major player in the world of nations, needs to ensure that it more than keeps pace with military defence technology developments in its zones of interest, especially in the South Asia region. It is no secret that elements of India's defence resources are in need of a major overhaul, though programmes such as the Mirage and Jaguar bomber aircraft upgrades and the much discussed medium multi-role combat aircraft (MMRCA) replacement for the ageing Indian Air Force (IAF) fleet of MiG-21s are signs that significant progress is being made. Indeed the decision to order 126 Rafale combat aircraft will provide the IAF with a capability, hopefully sooner rather than later, which will position the IAF among the leading air forces of the world.

The Rafale is a world leading aircraft but of course it is only as effective as the weapons it is capable of delivering. Fortunately, the aircraft is linked with MBDA's suite of short, medium, beyond visual range and precision air-to-ground guided weapons that will allow it to fulfill the full range of roles covering interdiction, air superiority and strike. A modern mantra regarding weapon systems is that they must be selective, proportionate and of course, highly accurate. These are all features of MBDA weapon systems such as those associated with the Rafale including MICA (already ordered for the IAF's Mirage upgrade) which is the only missile in the world featuring two interoperable seekers (active radar and imaging infra-red) to cover the spectrum from close-in dogfight to long beyond visual range, Meteor which with its unmatched No Escape Zone is the most advanced of all BVRAAM weapons current or planned and of course Storm Shadow /SCALP which has proven its long-range high precision under extreme combat conditions in two theatres of war. With MBDA's ASRAAM short to approaching BVR missile down selected for the IAF's Jaguar upgrade, India has the potential of being equipped with the most capable air-launched missiles available.

Of course, this potential capability only remains hypothetical (while the threat remains a real one) until final decisions have been made and contracts have been signed. In addition, and in terms of

fully protecting India's airspace, air superiority will never provide a total guarantee against the diverse range of modern airborne threats that India and other countries need to prepare for. In this respect, the duty of care towards deployed forces, military and civilian centres and the effectiveness of military operations are always going to be at risk without comprehensive Ground Based Air Defence (GBAD). What is needed is an effective method of tracking, evaluating, identifying and ultimately responding to the threat with the appropriate air defence weapon or weapons. It also needs to be realised that effective GBAD is not possible with a single system. It will only be achieved through the correct configuration of a range of missile systems, that are selective, proportionate and provide a layered mix of capabilities.

The medium range Akash is in service and the Indian AAD (Advanced Air Defence) programme should lead in due course to a long-range ballistic missile interceptor. However, to provide the aforementioned layered defence it is important that India advances the short range and very short range elements of the overall network. That is why it is important that the much talked about SRSAM (MAITRI) programme gets a go ahead as well as the VSHORAD requirement which has been the subject of international competition.

SRSAM has seen MBDA supporting the Defence Research and Development Organisation (DRDO) with its far-reaching experience in GBAD technology offering extremely advanced levels of technology transfer. The importance of this system, that would be fully produced in India, lies not only in its ability to provide an important indigenous capability regarding India's layered defence requirements, it will also advance the technological capability of Indian industry in a product that also has significant export potential. Regarding VSHORAD, this is also important regarding both capability and industrial issues. MBDA's all-weather fire-and-forget Mistral MANPADS that is being offered, not only best meets the criteria laid out in the RFP but from the industrial side it also offers India transfer of technology in a possible in-country manufacture under licence agreement.

MBDA of course accepts that if it is to develop its in-depth partnership with India's defence sector, at government, end-user and industrial levels, it has to accept local decision making procedures which can at times be drawn out. Recent changes to the direct offset policy have certainly helped non-Indian OEMs like MBDA to advance projects. A change in foreign direct investment (FDI), starting from 49 per cent or above, would also be a great boon to future investment plans. These will in turn serve to ensure that India gets access to the very best available air defence technology to secure its airspace, sovereign territory and the level of indigenous technology capability that a country of India's stature merits. **SP**



Approach to indigenisation

By José Luis Montes Martínez, General Manager, India Liaison Office, Navantia

The Indian defence policy of indigenisation by developing own materials, products and systems through a network of institutions and laboratories in the public domain and private companies either by own initiative or in close collaboration with public institutions, is a remarkable strategy to strengthen the industrial and technological capacity of the Nation and to create a solid base of experts, scientific and professionals in all areas of the defence technology.

Care should be taken, nevertheless, when implementing such policy, as depending on the approach, the results could be very different. It is far from the author's intention of this article to make any judgement about the suitability of the current policy. On the contrary, my only intention is to contribute through some comments based on my personal experience to the success of the indigenisation effort.

Technology in 21st century evolves to a dramatic speed, being the useful life of any development relatively short, thus making necessary a continuous R&D effort to keep own developments to state of the art technology.

Today, the success of any armed force in responding to threats is depending on issues like warfare strategic, training, troops, aircrafts and naval platforms available, but also and with an increasing importance on technology available to a particular armed force.

Therefore, being in possession of an advance technology is a key element to get superiority in any conflict.

A suitable approach to the significant indigenisation effort being developed in India should take into account the above principle to get in the long term the expected results.

State-of-the-art technology is the result of a continuous loop of R&D. Getting a prominent position in any area of technology requires a long time staying in the development of such technology, with each new development based in life ending technology.

Technologies are available today to satisfy almost any defence needs, but what makes the difference is state of the art technology. When trying to get own technology, R&D efforts should be addressed in a way that the existing and well proven state of the art technology can be incorporated into own developments, therefore departing from a suitable base line which allows to satisfy today's needs of armed forces in terms of being in possession of the most advance and reliable technology.

I wouldn't like to finish this article without expressing that Navantia, as public company of Spain, a nation friendly to India, is at the disposal of the Indian armed forces to contribute to follow the straightest line in the process of getting the most advance technology and therefore allowing optimisation of R&D effort. **SP**



Navantia built offshore patrol vessel of the Spanish Navy



Hopeful of streamlined procurement process

By **Ram Prasad**, *Managing Director, Rockwell Collins India*

Rockwell Collins is proud to be present in India for many years and excited about the country's growth potential under the new Indian Government. India is a key market for Rockwell Collins with increasing air traffic and ongoing regional security threats driving spending on programmes in both commercial and government sectors. We are committed to India as demonstrated by our continued expansion in country, adding jobs, transferring technology and contributing to the local economy.

Rockwell Collins' strength in network-enabled communica-

Electronics Division (SED) for software defined radio, Air Works for services and Park Controls for our 721S fixed site radio.

As a wholly-owned subsidiary of Rockwell Collins, Rockwell Collins India employs Indians who are proud to be a part of building the country's aerospace and defence industry. Rockwell Collins' design centre in Hyderabad augments the company's existing engineering capabilities. The India Design Centre (IDC) was created to help Rockwell Collins expand its global footprint, meet the needs of customers in this region, and increase access to high-quality engineering and design talent. The IDC currently has 600 employees



tions, advanced, integrated avionics, precision navigation, information management, and service and support aligns well with India's needs. We deliver these capabilities through local strategic partners and work with these companies to customise and add value to our products and solutions in line with the government's "Make India" procurement guidelines.

Now with a new government in place we are hopeful that the procurement process will become more streamlined and issues that we sometimes face related to technology transfer and intellectual property will be more conducive to collaborative progress.

We believe that industry and government should all work towards a strong India. We are completely focused on building strong alliances in India and are pleased to be partnered with several local companies such as HCL for design work, Tata Strategic

with plans to continue to grow the facility at a steady rate.

Our facility in Gurgaon, Haryana, houses the business development, programme management, systems engineering and related support activities enabling us to best serve our customers locally. Expanding this triad of capabilities is what has proven to work for Rockwell Collins across the globe.

Our company is entrenched in India's aerospace and defence industry. We provide a wide array of avionics, communications, electronics and services to commercial and business aircraft OEMs and airlines. For defence applications we have communications, GPS and EW equipment on multiple military aircraft, including the Indian Navy, Coast Guard and Air Force. With our increasing presence in country, our valued strategic partnerships and ongoing investment in R&D, we are positioning Rockwell Collins for a bright future in India. **SP**



Indigenisation through co-development and collaboration

By *Kishore Jayaraman, President, Rolls-Royce India and South Asia*

Characterised by a high growth potential, India's aerospace and defence industry is important to the country's strategic and economic interests. Thus maintaining and accelerating growth across aerospace and defence is of great importance to the country's future.

India ranks among the top 10 countries in the world in terms of military expenditure yet imports 70 per cent of its defence equipment. For India to continue with its massive acquisition programme to provide its armed forces with the latest and best equipment in the most economical and sustainable manner, it needs to actively look into indigenisation through co-development and collaboration. This has to happen across the entire value chain – from research, design and development to manufacturing, integration, maintenance and repair. With the increasing liberalisation of Defence Procurement Procedure as well as the focus on 'Make India' programmes, there is substantial impetus on promoting indigenisation and creating a level playing field for the Indian industry.

Focus on Research & Development

Defence technology comes with huge investments in research and development (R&D). Constant improvements are taking place in the aerospace and defence sector and better technologies are being developed around the globe. With India allocating only 6 per cent of its defence budget to R&D vis-à-vis 15 per cent by France and 12 per cent by the US, the country needs to significantly increase this share to ensure the development and supply of state-of-the-art defence systems. The country's vast talent pool of engineers and scientists should be harnessed to make it a R&D hub. It also needs to consider providing special tax incentives to R&D in defence and sponsoring R&D projects at private industry level to encourage R&D for developing critically advanced technologies.

Raise the Existing FDI Cap

The role of foreign direct investment (FDI) in building a domestic industry and creating an enabling environment for transfer of technology from foreign OEMs is crucial. As in other sectors such as automobiles, IT and other manufacturing, there is an urgent need

to allow 100 per cent FDI in this sector and address security concerns separately as in most countries. This will eventually enable transfer of sophisticated technologies at a time when the focus of India's defence planning is on increasing capacity to meet the needs of Army, Navy and Air Force, and to establish a reliable mechanism for inter-service, inter-departmental and multi-level coordination.

Boosting Supply Chain

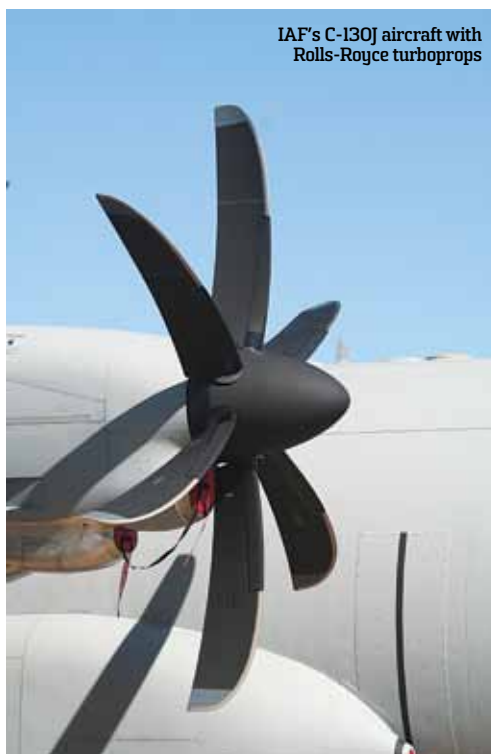
Any defence programme success or failure is because of supply chain execution and the Indian small and medium companies can play a critical role in the entire supply chain for the aerospace and defence sector. Large purchase orders and contracts to foreign OEMs have created large offset obligations, churning out huge business opportunities for the Micro, Small and Medium Enterprises (MSMEs). Offsets must be strategically and proactively used as a catalyst towards bringing investments and technologies into India. The Government should also consider establishing dedicated special economic zones (SEZs) to include common infrastructure facilities for MSMEs and make the country an important hub in global supply chain on aerospace and defence production.

Utilising India's talent pool

India has a large pool of qualified scientists and engineers leveraged by a growing number of foreign OEMs who have set up engineering and design centres. To help the aerospace and defence sector jump-start its development, it is imperative to form meaningful partnerships with academia or private institutions. The nation's existing talent and low-cost base can be leveraged to attain a competitive position in developing next-generation technologies.

Conclusion

For indigenisation to be achieved it is important for the government to put in place a concrete time bound action plan to not only 'enhance' indigenisation but to achieve self-reliance in defence within set time frames. Also, Industry's partnership with the Indian Space Research Organisation (ISRO) and the Nuclear Power Corporation of India Ltd (NPCIL) is a shining example of PPP, which can be emulated by the defence and aerospace sectors. **SP**



IAF's C-130J aircraft with Rolls-Royce turboprops



'From small steps to faster pace, key to developing India's defence industry'

By *Lars-Olof Lindgren, Chairman, Saab India Technologies Pvt. Ltd.*

The challenge is to build domestic capability without foregoing cutting-edge systems. The process requires Indian public and private sector defence companies to leapfrog technologies and start designing, developing and producing state-of-the-art systems in the immediate future and not through protracted development programmes.

The only way to do so in a rapid way is to make use of technology developed by companies outside India.

Thus far, India has tried to tackle this challenge through strong offset provisions in procurement programmes. While offsets do meet the requirement of a return on expenditure, it has not proven to be adequate for developing an industrial base.

The end result should be the creation of a defence industrial base that will ensure that the country does not need to look externally for most of its future defence requirements. In addition, such programmes should have significant spillover of technology to non-defence sectors.

The entry of highly technologically advanced Indian private sector companies, which today design and engineer world-class products ranging from automobiles to pharmaceuticals, tells much about the inherent potential to rapidly build an indigenous defence production capability.

However, most Indian companies are unwilling to commit to large-scale investments without a contract in place. The belief is that there is not sufficient business basis for them to take the required risks and initiative. Investments in the defence sector are further slowed down by the equity ceiling of 26 per cent for FDI in defence. In the absence of the necessary capital investments in the private sector and the overburdened state of the public sector, it is apparent that the fundamental business drivers for a healthy indigenous defence industry are missing.

For companies to make meaningful investments and bring in cutting edge technology to India, a much higher FDI provision than 26 per cent is essential. In many countries, including my own, there is no limitation for FDI in the defence sector at all. As a first step, an increase of the threshold to 51 per cent is urgently called for.

A stronger status for FDI in defence will enable Indian companies to find meaningful partners who are interested in their own survival by investing and building profitable businesses in India.

Saab is a trusted supplier to the Indian armed forces for over three decades and we bring to India world leading products, services and solutions ranging from military defence to civil security.

We are teaming up with Indian public and private companies and leveraging their engineering and manufacturing strengths to meet the needs of India as well as for exports of defence systems to world markets. Saab is committed to true transfer of technology and investing in the future of Indian defence industry. We are here to stay for the long haul to build an indigenous defence industry in India. **SP**

India steps into a new era with a new government, new agenda and the opportunity to make fresh beginnings. Over the years, the Indian defence industry has been taking small steps towards becoming a modern, globally competitive defence development and production base. It is apparent that the ingredients for moving forward at a much faster pace and taking giant strides are present. All that is needed is determined action.

India is today a hub for many global defence companies for high-end development work. Indian engineers are working – both in India and abroad – on cutting-edge defence systems. The private sector has also spent long years getting their bearings in the sector and some of them have made impressive investments. India has shown remarkable capacity for absorbing technology: the Indian armed forces have earned a reputation of being users with high technical acumen and ability to extract superior standards of performance from their equipment.

Given all these, the time is ripe to act on policies that have been in the making for a while.

India's drive towards indigenous defence capability requires partners with state-of-the-art technology that can be transferred to India with the support of their respective governments. More importantly, such companies should be driven by self-interest to carry out real transfer of technology and have a real interest in joint development of new generations of products.

Security breach at Venezuelan President swearing-in ceremony

Last year, the swearing-in of Nicolas Maduro as Venezuela's new President was interrupted by a man who ran on stage and grabbed the microphone. The man, who tried to appeal for the President's help, was quickly tackled by bodyguards. The lapse in security was perhaps embarrassing for Maduro, with leaders and dignitaries from around the world attending the event, such as Iran's President Mahmoud Ahmadinejad.

Returning to his speech after the incident, Maduro said: "Security has failed totally. I could easily have been shot. And a comrade, however many ideas he may have, must understand that this is an event that has rules that should be respected." Since being narrowly beaten in the election, opposition challenger Henrique Capriles and his supporters have refused to accept the result. However, those who voted for Maduro celebrated outside the Congress in Caracas as the new President was sworn in. **SP**



US indicts 10 for stolen identity fraud

The US Department of Justice (DoJ) said 10 people were indicted recently for their roles in a \$20 million stolen identity refund fraud conspiracy. The group - Tracy Mitchell, Dameisha Mitchell, Latasha Mitchell, Keisha Lanier, Tameka Hoskins, Sharronda Johnson, Cynthia Johnson, Mequetta Snell-Quick, Talarious Paige and Patrice Taylor - used the stolen IDs to file 7,000 false tax returns - a crime the DoJ and the Internal Revenue Service highlighted this year as one they were going after with renewed gusto.

According to the indictment, between January 2011 and December 2013, the defendants ran a large-scale identity theft ring. The defendants obtained stolen identities from various sources to be used in filing false returns. Tracy Mitchell worked at the hospital on Fort Benning in Columbus, Georgia, where she had access to the identification data of military personnel, including soldiers who were deployed to Afghanistan. Mitchell and her daughter, Latasha Mitchell, also obtained stolen identities from an Alabama state agency. Lanier obtained stolen identities from the Alabama Department of Corrections. Paige and Taylor worked in a call centre for a Columbus company and stole identities. **SP**

World Trade Center security to be tightened following breaches

Security efforts at the World Trade Center site will be reshuffled in the wake of two highly publicised breaches, according to the Port Authority of New York and New Jersey. The agency said Allied Barton, a firm that provides unarmed security at the region's major airports, will perform the same function at the Trade Center site.

Security has been a focus of concern since a New Jersey teenager sneaked onto the top of 1 World Trade Center in March and climbed the 1,776-foot building's spire. Last month it was revealed that three parachutists jumped from the top of the building last fall and recorded it.

Allied Barton's four-year, \$221 million contract signed last year will be expanded by about \$60 million, the Port Authority said in a statement. The firm had been hired to replace FJC Security Services after several incidents, including one in which a supervisor at Newark Liberty Airport was found to have been in the country illegally for years and using the identity of a murdered man.

Summit Security Services had been providing unarmed security at the Trade Center and will continue to provide security at other Port Authority facilities, according to the agency. Summit signed a four-year, \$136 million deal effective March 1 of this year, according to the Port Authority's website. The agency didn't say how that contract would be affected. **SP**

Civilian trucker kills sailor

A civilian trucker with no authorisation to be on base shot and killed a sailor aboard the destroyer Mahan on the night of March 24 while it was moored on Pier 1 at Naval Station Norfolk, Virginia, in what is the latest troubling breach of Navy base security.

Jeffery Tyrone Savage, 35, an ex-convict who'd served time for voluntary manslaughter and other felonies, gained access to the base and then the pier, where he shot and killed Master-at-Arms 2nd Class Mark Mayo with a gun he'd stripped from another sailor, the Naval Criminal Investigative Service said.

Mayo, 24, the chief of the guard, dove in front of the petty officer of the watch after Savage took her weapon, according to the Navy's account. Savage was then killed by the ship's roving sentry.

Two days after the tragedy, the Navy said it has opened up a command investigation into security lapses at the base, where about 46,000 sailors and 21,000 civilian government employees and contractors serve.

"The NCIS investigation has confirmed that Savage had no reason or authorisation to be on Naval Station Norfolk," NCIS said in a March 27 news release. "The chain of events that allowed Savage entry to the installation and the ship are under investigation." **SP**

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