

NEWS ITEMS ON CAG/ AUDIT REPORTS (15.09.2022)

1. CAG report picks holes in DBT payments to dairy farmers ([newindianexpress.com](https://www.newindianexpress.com)) 15th September 2022

BENGALURU: The Direct Benefit Transfer (DBT) payment of Rs 56.08 lakh to 8,464 milk farmers under the Ksheerasiri scheme was pending since January 2020 because of the delay in generation and approval of files. There was no uniformity among various software applications being used resulting in the absence of automated validation checks, which facilitated unauthorised changes in data and consequent over payments and absence of assurance on quality and quantity of milk poured, stated the Comptroller and Auditor General report that was presented on Wednesday.

DBT payments of Rs 5.94 crore were not routed through the Core DBT Portal under the National Food Security Mission and Raithasiri schemes, though both were boarded onto the Core DBT Portal, it said.

Under the Pradhan Mantri Kisan Samman Nidhi scheme, DBT payments of Rs 91.99 crore were not processed from 2019-20. Analysis of DBT data also showed crediting of money into bank accounts of non-beneficiaries. Action taken in respect of 21 complaints between February and October 2020 for Rs 12.95 lakh is not on record, it said.

Though all departments were required to use the centralised Core DBT Portal by the end of 2018-19 and for 239 schemes, the state could achieve DBT for only 83 schemes as of April 2021. Benefits of Rs 2,829.02 crore were disbursed outside the Core DBT Portal by 22 departments. Only 83 per cent of the overall transactions done through DBT were successful, while 14 per cent were rejected. The departments implementing the schemes under DBT failed to rectify and reinitiate failed transactions. There were 91,283 transactions awaiting reinitiation despite a lapse of 30 days from the date of failure, it said.

As the timeline for delivery of DBT services across various transaction points was not fixed, there were delays in delivery of services. The pendency of transactions ranged from three to 673 days. Failure to initiate necessary action resulted in 6.67 lakh beneficiaries being deprived of financial benefits amounting to Rs 153.30 crore during the 2018-19 and 2019-20.

A centralised public grievance mechanism was not established at the DBT Cell to aid the beneficiaries to address grievances across various schemes. Evaluation and impact assessment of the Core DBT portal, Ksheerasiri application, National Food Security Mission (DBT component) and Raithasiri scheme were not conducted, it said. <https://www.newindianexpress.com/states/karnataka/2022/sep/15/cag-report-picks-holes-in-dbt-payments-to-dairy-farmers-2498315.html>

2. 22 depts. transferred ₹2,829.02 crore benefit outside DBT portal: CAG ([thehindu.com](https://www.thehindu.com)) UPDATED: SEPTEMBER 14, 2022

Karnataka's implementation and management of the direct benefit transfer (DBT) system have been poor and 22 departments transferred benefits of ₹2,829.02 crore under 168 schemes outside the core DBT portal, said the Comptroller and Auditor General (CAG) of India in its report.

The CAG report on DBT, which was tabled in the Legislative Assembly on Wednesday, noted, “The poor progress resulted in disbursements of benefits outside the DBT portal during 2018–20”.

It noted that the slow progress in onboarding the schemes by the user departments was due to lack of ICT applications and digitisation of the beneficiaries' data.

The DBT Cell did not have the information on the number of schemes which were required to be identified for onboarding; and availability of the ICT infrastructure in the departments for the identified schemes.

The DBT Cell did not have the information on the status of beneficiary database digitisation and seeding of the beneficiary data with validated Aadhaar number that are necessary for onboarding, the report said.

Lack of IT skills

The government in December 2021 stated that the delay in the onboarding of the schemes was due to the non-availability of IT systems in many of the departments. It further said the user departments could not develop their own IT system due to lack of IT skills.

The fact is that the Operations and Technical Groups of the DBT Cell failed to handhold the departments for timely onboarding of the schemes onto the DBT portal.

Order in 2018

The State government ordered in August 2018 the establishment of an integrated DBT platform for all departments.

As of April 2021, 83 out of 239 schemes (35%) implemented by 15 departments were onboarded onto the core DBT portal. Further, 83% of the overall transactions done through DBT were successful, and 14% of the transactions were rejected.

Beneficiaries deprived

Failure to initiate action for payment resulted in 6.67 lakh beneficiaries being deprived of financial benefits of ₹153.3 crore during 2018-19 and 2019-2020, the report said.

It was observed that in 2,499 cases, a sum of ₹ 30.59 lakh was credited to persons other than the actual beneficiary under the milk incentive scheme. Payments of ₹5.94 crore were not routed through core DBT portal in respect of the National Food Security Mission.

Under the Pradhan Mantri Kisan Samman Nidhi scheme, the DBT payments of ₹ 91.99 crore were pending from 2019-20, resulting in depriving the beneficiaries of the benefits.

The departments implementing the schemes under the DBT failed to rectify and reinstate the failed transactions, the CAG noted. <https://www.thehindu.com/news/national/karnataka/22-depts-transferred-282902-crore-benefit-outside-dbt-portal-cag/article65890009.ece>

3. Rs 2,829 crore disbursed outside core DBT in K'taka due to delay in onboarding schemes, finds report (indianexpress.com) UPDATED: SEP 15 2022

Benefits worth Rs 2,829.02 crore were disbursed outside the core Direct Benefit Transfer portal by 22 government departments, even after its launch in Karnataka, due to delay in onboarding of identified schemes, the Comptroller and Auditor General of India (CAG) said in its report. Though all departments were required to use the certified core DBT portal compulsorily for all fund transfers by the end of 2018-19 and 239 schemes implemented by various departments were identified for transfer of benefits through DBT, the state could achieve only in respect of 83 schemes as of April, 2021, PTI reported. The CAG report regarding performance audit of Direct Benefit Transfer was tabled in the Legislative Assembly by Chief Minister Basavaraj Bommai on Wednesday.

Meanwhile, the Supreme Court on Wednesday asked Muslim appellants who submitted that the “fallout of the Karnataka hijab ban could be that orthodox families may withdraw their girls from schools and send them to madrasas”, whether they were trying to say that the girls didn’t want to wear the hijab but were being forced to do so by their families.

The Additional City Civil and Sessions Judge court on Wednesday ordered an FIR to be registered and investigation taken up on a private complaint alleging corruption by former Karnataka chief minister B S Yediyurappa and his family members. The order comes exactly a week after the High Court of Karnataka on September 7 directed the Special Court to hear the complaint of corruption afresh. <https://indianexpress.com/article/cities/bangalore/karnataka-bengaluru-news-live-updates-rains-bbmp-bommai-assembly-8149753/>

4. Rs 2,829 crore paid in cash instead of ‘compulsory’ DBT system in Karnataka, CAG audit reveals (deccanherald.com) UPDATED: SEP 15 2022

Cash benefits worth Rs 2,829 crore were paid to Karnataka citizens, under 168 schemes outside the ‘compulsory’ Direct Benefit Transfer (DBT), defeating the purpose of a system that is meant to cut pilferage of public money.

This was found by the Comptroller & Auditor-General (CAG) in its performance audit of the DBT, which was tabled in the Assembly on Wednesday.

Karnataka set up an integrated DBT platform in August 2018 for all departments to transfer benefits to citizens’ Aadhaar-linked bank accounts.

Departments were required to use the platform “compulsorily” for all fund transfers by the end of the 2018-19 fiscal. As of April 2021, only 83 schemes were brought under the DBT system out of 239 identified ones, the CAG found.

According to the audit, the state claimed the delay to include all the schemes was “due to the nonavailability of IT systems in many of the departments. It further stated that user departments could not develop their own IT systems due to lack of IT skills.”

“The fact remains that the Operations and Technical Groups of the DBT Cell failed to handhold the departments for timely onboarding of the schemes onto the DBT portal,” the audit said.

The audit found an 83 per cent success rate for all DBT transactions between 2018 and 2020. However, lakhs of cases involving beneficiary transactions did not take place due to various reasons, depriving citizens of benefits.

Farmers deprived

This includes the flagship PM-KISAN under which the union government pays an eligible farmer Rs 6,000 and state Rs 4,000.

In 2019-20, out of 45.36 lakh farmers, payments could not be processed for 2.29 lakh beneficiaries due to Aadhaar name mismatch and non-seeding of Aadhaar-bank accounts.

Similarly, in 2020-21, payment was not processed for 2.30 lakh beneficiaries. Farmers were deprived of benefits worth Rs 91.99 crore, the audit said.

It also identified 6.66 lakh DBT transactions worth Rs 153.30 crore pending for anywhere between three and 673 days during 2018 and 2019.

“The DBT Cell, which is responsible to monitor the progress of each department and focus on lastmile delivery benefits, failed to monitor the transactions pending at various levels...” the CAG said.

Security risk to private data?

The audit found that government departments were storing Aadhaar details in their local databases, in violation of the Aadhaar Act and other guidelines. The law requires Aadhaar numbers to be stored in a secure Aadhaar Data Vault. The government told the CAG that beneficiary Aadhaar details were stored in a vault and departments are supposed to delete Aadhaar numbers from their local databases. <https://www.deccanherald.com/state/top-karnataka-stories/rs-2829-crore-paid-in-cash-instead-of-compulsory-dbt-system-in-karnataka-cag-audit-reveals-1145107.html>

5. Rs 2,829 crore disbursed outside core DBT in K'taka due to delay in onboarding schemes: CAG report ([theprint.in](#), [theweek.in](#), [latestly.com](#)) Sep 14, 2022

Benefits worth Rs 2,829.02 crore were disbursed outside the core Direct Benefit Transfer portal by 22 government departments, even after its launch in Karnataka, due to delay in onboarding of identified schemes, the Comptroller and Auditor General of India (CAG) said in its report.

Though all departments were required to use the certified core DBT portal compulsorily for all fund transfers by the end of 2018-19 and 239 schemes implemented by various departments were identified for transfer of benefits through DBT, the state could achieve only in respect of 83 schemes as of April, 2021.

The Karnataka government in August 2018 had ordered the establishment of a core DBT portal for all departments to transfer the benefits to the citizens.

The CAG report regarding performance audit of Direct Benefit Transfer was tabled in the Legislative Assembly by Chief Minister Basavaraj Bommai on Wednesday.

Further, noting that only 83 per cent of the overall transactions done through DBT were successful and 14 per cent of the transactions were rejected, the report says the departments implementing the schemes under DBT failed to rectify and re-initiate the failed transactions.

There were 91,283 transactions awaiting re-initiation despite a lapse of 30 days from the date of failure.

The report also points out that the timeline of delivery of DBT services across the various transaction points was not fixed and there was delay in delivery of services.

The pendency of transactions ranged from 3 to 673 days, it said, adding that failure to initiate necessary action for payment resulted in 6.67 lakh beneficiaries being deprived of financial benefits amounting to Rs 153.30 crore during the period 2018-19 and 2019-20.

Analysis of the DBT also showed instances of credit to bank accounts of persons other than the actual beneficiaries, the report states, while integration with native application and K2 (Kajane 2) for reconciliation was absent resulting in mismatch in data.

Action taken in respect of 21 complaints in this regard received during February to October 2020 for an amount aggregating Rs 12.95 lakh were not on record, it said.

According to the report, the departments were storing Aadhar details in local databases in contravention to the Aadhar Act and related circulars and guidelines.

Also, a centralised public grievances mechanism was not established at the DBT cell to aid the beneficiaries in addressing their grievances across various schemes. <https://theprint.in/india/rs-2829-crore-disbursed-outside-core-dbt-in-ktaka-due-to-delay-in-onboarding-schemes-cag-report/1128764/>

6. Huge goof-up by Karnataka govt in disbursing DBT schemes: CAG report ([wefornews.com](https://www.wefornews.com)) SEPTEMBER 15, 2022

Benefits worth Rs 2,829.02 crore were disbursed outside the core Direct Benefit Transfer portal by 22 government departments, even after its launch in Karnataka, due to delay in onboarding of identified schemes, the Comptroller and Auditor General of India (CAG) has said in a report.

Though all departments were required to use the certified core DBT portal compulsorily for all fund transfers by the end of 2018-19 and 239 schemes implemented by various departments were identified for transfer of benefits through DBT, the state could achieve this only in respect of 83 schemes as of April, 2021.

The Karnataka government in August 2018 had ordered the establishment of a core DBT portal for all departments to transfer the benefits to the citizens.

The CAG report regarding performance audit of Direct Benefit Transfer was tabled in the Legislative Assembly by Chief Minister Basavaraj Bommai on Wednesday.

Further, noting that only 83 per cent of the overall transactions done through DBT were successful and 14 per cent of the transactions were rejected, the report says the departments implementing the schemes under DBT failed to rectify and re-initiate the failed transactions.

There were 91,283 transactions awaiting re-initiation despite a lapse of 30 days from the date of failure.

The report also points out that the timeline of delivery of DBT services across the various transaction points was not fixed and there was delay in delivery of services.

The pendency of transactions ranged from 3 to 673 days, it said, adding that failure to initiate necessary action for payment resulted in 6.67 lakh beneficiaries being deprived of financial benefits amounting to Rs 153.30 crore during the period 2018-19 and 2019-20.

Analysis of the DBT also showed instances of credit to bank accounts of persons other than the actual beneficiaries, the report states, while integration with native application and K2 (Kajane 2) for reconciliation was absent resulting in mismatch in data.

Action taken in respect of 21 complaints in this regard received during February to October 2020 for an amount aggregating Rs 12.95 lakh were not on record, it said.

According to the report, the departments were storing Aadhar details in local databases in contravention to the Aadhar Act and related circulars and guidelines.

Also, a centralised public grievances mechanism was not established at the DBT cell to aid the beneficiaries in addressing their grievances across various schemes. <https://www.wefornews.com/huge-goof-up-by-karnataka-govt-in-disbursing-dbt-schemes-cag-report/>

7. Huge blunder by Karnataka government in disbursement of DBT programs: CAG report ([freshgooglenews.com](https://www.freshgooglenews.com)) 14 Sept 2022

Benefits worth Rs 2,829.02 crore were disbursed outside the main direct benefit transfer portal by 22 ministries even after its launch in Karnataka due to delay in mainstreaming identified schemes, said the Comptroller and Auditor General of India (CAG) in a report. .

Although all departments were mandatorily required to use the DBT certified main portal for all cash transfers by the end of 2018-2019 and 239 programs implemented by different departments were identified for benefit transfer via DBT, the state was only able to achieve this for 83 plans as of April 2021.

In August 2018, the government of Karnataka ordered the creation of a central DBT portal for all departments to transfer benefits to citizens.

The CAG's report regarding the performance audit of the Direct Transfer of Benefits was tabled in the Legislative Assembly on Wednesday by Chief Minister Basavaraj Bommai.

Further, noting that only 83% of all transactions made through DBT were successful and 14% of transactions were rejected, the report states that departments implementing the programs under DBT failed to rectify and reset transactions. stranded.

There were 91,283 transactions waiting to be reopened despite a delay of 30 days from the date of failure.

The report also points out that the schedule for the delivery of DBT services across the various transaction points has not been fixed and that there have been delays in the delivery of services.

The wait for transactions ranged from 3 to 673 days, he said, adding that failure to take necessary actions for payment resulted in 6.67 lakh deprivation of financial benefit recipients. rising to Rs 153.30 crore during the period 2018-19 and 2019-20.

DBT analysis also showed instances of credit to bank accounts of people other than the beneficial owners, the report says, while integration with the native app and K2 (Kajane 2) for reconciliation was absent, resulting in data mismatch.

Actions taken on 21 complaints in this regard received from February to October 2020 for a total amount of Rs 12.95 lakh have not been registered, he said.

According to the report, the departments were storing Aadhar details in local databases in violation of the Aadhar Act and related circulars and guidelines.

Furthermore, a centralized public complaints mechanism has not been put in place at the level of the DBT unit to help beneficiaries process their complaints in various schemes. <https://freshgooglenews.com/huge-blunder-by-karnataka-government-in-disbursement-of-dbt-programs-cag-report-fgn-news/>

8. Implementation of DBT scheme poor in 22 departments, says CAG (dajjiworld.com) Sep 14, 2022

Karnataka's implementation and management of direct benefit transfer (DBT) system has been poor and 22 departments have been transferred benefits of Rs 2,829.02 crore under 168 schemes outside the core DBT portal.

The Comptroller and Auditor General (CAG) of India in its report tabled in the Legislative Assembly on Wednesday said DBT of the year 2022 noted "the poor progress resulted in disbursements of benefits outside the DBT portal during 2018-2020."

The CAG observed that the slow progress in onboarding the schemes by the user departments was due to lack of ICT applications and digitisation of the beneficiaries' data.

The DBT cell did not have the information on the number of schemes which were required to be identified for onboarding; and availability of the ICT infrastructure in the departments for the identified schemes.

The DBT cell did not have the information on the status of beneficiary database digitization, design the beneficiary data with validated Aadhaar number etc., that are necessary for onboarding, the report said.

The State Government in December 2021 stated that the delay in onboarding of the schemes was due to non-availability of IT systems in many of the departments.

It further said the user departments could not develop their own IT system due to lack of IT skills.

The fact that the Operations and Technical Groups of the DBT cell failed to handhold the departments for timely onboarding of the schemes onto the DBT portal.

The State Government has ordered in August 2018 the establishment of an integrated direct benefit transfer (DBT) platform for all departments to transfer benefits to the citizens.

As of April 2021, 83 out of 239 schemes (35%) implemented by 15 departments were onboarded on to the core DBT portal.

Further, 83% of the overall transactions done through DBT were successful, and 14% of the transactions were rejected, the CAG has said in its report. <https://www.daijiworld.com/news/newsDisplay?newsID=999957>

9. Ration scheme fraud rocks MP Vidhan Sabha (newindianexpress.com) 15th September 2022

BHOPAL: The alleged fraud in the Take Home Ration (THR) scheme of the state government continued to rock the Madhya Pradesh Vidhan Sabha on the second day of the monsoon session on Wednesday. The House saw an uproar after the question hour (which was twice adjourned), as the Congress members, including former CM Kamal Nath, began protests over the issue. Members of the Opposition entered the well of the House, raised anti-CM slogans and sang bhajans.

Madhya Pradesh CM Shivraj Singh Chouhan, meanwhile, made a statement about the alleged fraud flagged in the recently-leaked report of the state's Accountant General. "The audit was conducted between 2018 and 2021 and the draft report was sent to the state government by the Accountant General on Aug 12, 2022. But it was just a draft report and not the final report," he said, adding that the government is committed to probe all the points of the report, irrespective of which government was in power in the state. <https://www.newindianexpress.com/nation/2022/sep/15/ration-scheme-fraud-rocks-mp-vidhan-sabha-2498396.html>

SELECTED NEWS ITEMS/ARTICLES FOR READING

10. Why it's Time for a Reality Check on 'Atmanirbharta' in India's Defence Manufacturing (thewire.in) 14 Sep 2022

Chandigarh: Amid the government's 'Atmanirbharta' initiative to increasingly source materiel indigenously for India's armed forces, the long list of imported small arms and platforms deployed by the Indian Army along the disputed Line of Actual Control (LAC) in Arunachal Pradesh, appears somewhat incongruous.

Even the odd domestically obtained platform, issued alongside infantry units in the tactically located Rear of Arunachal Pradesh or RALP area adjoining the LAC, is believed to be fitted with a critical imported component, without which it would be inoperative.

According to media reports, senior Indian Army officers told a group of visiting reporters last week that infantry personnel in the RALP sector had received 716 US-origin Sig Sauer assault rifles, Israeli Negev N-7 light machine guns (LMGs) and licence-built Swedish Carl Gustaf Mk3 84mm rocket launchers. The Indian Army had bought 72,400 'Patrol' 7.62x51mm Sig Sauer assault rifles for around Rs 700 crore in 2019 and 16,749 Negev NG-7 LMGs from Israel Weapon Industries a year later, for Rs 880 crore, at a time when the 'Atmanirbharta' scheme was well on its way.

The rifle and LMG imports, via the Ministry of Defence's fast track procurement route, became imperative after the army had earlier rejected both weapon systems designed, over several decades, by the Defence and Research Development Organisation (DRDO) for being 'operationally deficient'. Sweden's Mk3 84mm Carl Gustaf rocket launcher variants, on the other hand, currently operational in the RALP region, were licence-built locally under a transfer of technology from original equipment manufacturer (OEM), Saab Bofors Dynamics.

Two other principal platforms employed in the RALP region, which the Indian Army proudly showcased, too were imported. These comprised BAE Systems M777 155mm/39 caliber lightweight howitzers, of which India acquired 145 from the US in 2016 for \$737 million, and CH-47F Chinook heavy-lift helicopters from the US's Boeing, of which 15 were procured in fly-away condition, a year earlier, for around \$1.5 billion for the Indian Air Force.

The Indian Army also told reporters that it had deployed unidentified US-origin all-terrain vehicles in the RALF zone, besides Stealth Wing Flying Testbed, or SWIFT, vertical take-off and landing hybrid tactical drones, designed by a Mumbai-based private vendor, which were reportedly powered by Russian NPO Saturn's 36 MT turbofan engines.

The above list has been enumerated to merely iterate the reality, endorsed by a cross-section of senior service officers, that the Indian military will remain steadfastly dependent on imported materiel for the medium term, over the next five to seven years, if not longer. In other instances, this reliance could extend much longer, especially with regard to larger and operationally indispensable advanced platforms and sundry sophisticated equipment, needed for deployment along the restive and disputed borders with China and Pakistan.

"Keeping this unembellished reality in mind, it remains incumbent on the Ministry of Defence (MoD) and the respective services to accept the actuality that 'Atmanirbharta' simply cannot deliver dividends instantly," said Brigadier Rahul Bhonsle (retired) of the Security Risk consultancy in New Delhi. There needs to be an all-round reality check that 'Atmanirbharta' will only make the speed [of the process] slow, as it is a costly, lengthy and painstaking exercise, he cautioned.

Other defence analysts concurred.

Lofty aims and narrow achievements

"From being the world's largest importer of defence equipment between 2017-21, according to the Stockholm International Peace Research Institute (SIPRI), it's disingenuous for the MoD to peddle the unworkable narrative that India will miraculously become 'Atmanirbahar' swiftly in its materiel requirements," said Amit Cowshish, former MoD financial advisor on acquisitions.

For 'Atmanirbharta' to effectively transpire, he advised, what's needed is the formulation of realistic equipment qualitative requirements by the three services and, above all, more flexible and pragmatic MoD procurement procedures, especially those concerning technology transfers from OEMs to indigenous private and state-owned entities.

A cross-section of domestic materiel vendors, on whom devolves the responsibility to vindicate 'Atmanirbharta', too privately admitted that the MoD was 'over-hyping' its lofty aims and narrow achievements, given the 'limited' technological capabilities available locally. They maintained that while indigenising defence equipment was a long-deferred priority, it needed to incorporate an 'element of practicality' and an economy of scale bereft of 'optics' to be effective. It also needed less rigid and complex bureaucratic procedures, which together, were 'hobbling' the 'Atmanirbharta' endeavour, especially with regard to accessing critical foreign technologies.

Besides, to expect private domestic manufacturers, especially those from the micro, small and medium enterprises (MSME) sector to produce numerically small numbers of sundry components, sub-assemblies and related kit was, in many instances, commercially unviable.

Cowshish agreed with this observation, arguing that there was no available evidence that indigenisation was cheaper, especially of items that were either required infrequently, or in small numbers and that in many instances importing them, like previously, would be considerably cheaper. Besides, the lack of guarantees by the MoD or the respective services for recurring orders for these items was another commercial hazard adversely impacting 'Atmanirbharta', the former MoD acquisitions adviser added.

"The MoD expects us to produce many items in limited, or at times, even in minute numbers cheaply, which makes little business logic, given the considerable investments needed to execute these orders," said an executive from a private sector armament company in western India. But to amortise our costs, we either need larger orders, or alternately we should be allowed to compromise on quality, like the former Chief of Defence Staff (CDS) General Bipin Rawat had suggested to make it financially viable, he said, declining to be named for fear of inviting MoD censure.

He was referring to the late CDS who had said in May 2020 that the armed forces needed to 'handhold' domestic industry, even if they delivered weapon systems with only 70% of the qualitative requirements framed by them. Thereafter, local manufacturers would eventually deliver cutting edge technology, General Rawat had told the Times of India, adding that the armed forces often framed 'unrealistic qualitative requirements' for weapon systems that precluded their timely delivery by domestic vendors.

Since August 2020, the MoD has, at regular intervals, announced six 'positive indigenisation lists', or public interest litigations banning the import of 1,548 items, including 310 major platforms and other assorted gear. The latter catalogue included several helicopter types, lightweight tanks, field artillery, assorted small arms including assault rifles and sniper rifles, missiles, varied ammunition, among others, all of which are to be progressively developed and manufactured domestically over the next two to six years. Domestic vendors were permitted to forge joint ventures and collaborative arrangements with OEMs for this purpose.

However, of the remaining 1,238 miscellaneous items, many were low-technology line replacement units (LRUs), sub-systems and components, like eight different pipe-bleed air

systems, five types of flexible shafts and backlit panels, and 11 categories of slide and swivel joints. Other run-of-the-mill items encompassed speed indicators, compressors, cooling and lubrication systems, wiper blades and safety valves and digital intercom handsets.

Incredulously, the list even comprised a clock for the Dornier Do-228 twin-turboprop short-take-off-and-landing aircraft, which has been licence-produced by Hindustan Aeronautics Limited (HAL) in Bengaluru since 1983. Equally unbelievably, variants of the same item were categorised separately, presumably in a bid by the MoD to inflate its vaunted PIL to signify enhanced indigenisation, in a move that hoodwinks no domestic manufacturer.

But that is not all, as in a blaze of glowing media publicity, the MoD flaunted an even more embarrassing sub-list, specifying 2,500 items which had been successfully indigenised. This incorporated diverse nuts, bolts, screws, washers, hoses, sealing rings, valves, nozzles and pipes, among other miscellaneous dry sealing rings, rivets and clamps. “Obviously, the MoD has set its sights somewhat lower in an effort at displaying diligence in achieving ‘Atmanirbharta’,” said a retired two-star Indian Army officer. Its inventory of achievements is downright embarrassing, he added, declining to be named.

Meanwhile, on the wider aspect of indigenously manufacturing larger platforms in conjunction with overseas OEMs, the MoD continued to persist with restrictive and hidebound processes with regard to technology transfers in critical areas. Space restrictions prohibit the computation of all such snafus, but the most recent one regarding the long-delayed Project 75-India (P-75I) programme to indigenously build six ‘hunter-killer’ diesel-electric conventional submarines (SSKs), remains typical and instructive.

Impediments continue to plague this vital submarine programme, which first received MoD approval in 2007 and several times thereafter, when its validity expired due to inexplicable deferrals by both the Indian Navy and the MoD. The P-75I programme involves one of two indigenous shipbuilders – Mazagaon Dockyard Limited (MDL) and Larsen & Toubro – tying up with an overseas SSK OEM to build the six boats, desperately needed by the Indian Navy that faces a worrying shortfall in its underwater assets.

However, even the two, of some seven foreign SSK makers, presently in the reckoning for the P-75I programme, were in talks with the Indian Navy to ‘moderate’ its qualitative requirements for the proposed six boats with air independent propulsion and land-attack capability. Recent media reports have revealed that Germany’s ThyssenKrupp Marine Systems and South Korea’s Daewoo Shipbuilding and Marine Engineering had also petitioned the MoD to reconsider the draft contract which stipulated that the shortlisted OEM would be responsible for the finished boats, without providing any executive control to the shipyard that would eventually build the SSK’s.

Senior military officials said that such an ‘impracticable’ stipulation by the MoD was previously responsible for scrapping the contract for 126 French Rafale medium multi-role combat aircraft (MMRCA) in 2015, of which 108 fighters were expected to be made by HAL in a transfer of technology from France’s Dassault.

Russia recently became the fifth country to opt out of the P-75I tender due to what one of its senior defence officials said was its ‘unworkable’ design and operational parameters, specific timeline restrictions, and eventually, platform quality control and delivery liabilities. Earlier, after the Indian Navy’s request for information and subsequent expression of interest for the

programme were dispatched, Japan, Spain and Sweden, too, had declined to participate for broadly similar reasons.

Perhaps, it's time for the MoD and the services to infuse an overarching reality check to fast-track 'Atmanirbharta', as importing materiel to manage enduring security threats is no longer an option. <https://thewire.in/security/why-its-time-for-a-reality-check-on-atmanirbharta-in-indias-defence-manufacturing>