

DEFENCE ACQUISITION PROCEDURE FOR A RESURGENT INDIAN DEFENCE ECONOMY

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Abstract

This paper traces the origins of procedures and processes associated with defence acquisitions in the early 1990s, following the Bofors scandal. It highlights emerging trends in military acquisitions and lessons learned from major western militaries. Recent government policy initiatives, including the push for a self-reliant defence industrial base, have provided significant impetus to domestic defence industries and global investments. However, the field presents numerous challenges, both for the defence forces in terms of capability development and for the industry in meeting military demands while remaining financially competitive and technologically relevant. The challenges inherent in acquisition procedures are systemic and cannot be addressed through quick-fix solutions. This paper outlines the necessary steps to ensure that defence acquisition processes, procedures, and structures align with government initiatives and the evolving technological landscape. It also proposes strategies to make these changes consistent and enduring.

Introduction

Indian Defence Industry Ecosystem is undergoing some major transformational changes in recent years. This is in tune with the National aspirations of a resurgent economy and a regional power status in the Indo- Pacific and the concomitant need for having a modern military with indigenous self-reliant and sustainable equipment profile and technology. The consistency in government policies and the clarion call for Atmanirbhar Bharat has brought about a major shift in the way the military views its equipping philosophy and capability development. This has been ably supported by the defence industrial ecosystem comprising of the DPSUs, Private Industry, the DRDO, DDP and various other stakeholders. The latent capability and capacity of the defence industry and its translation into the capability development and equipping of the Forces are two different facets of the story. These are linked to each other through the defence acquisition procedure and processes which are the fulcrum of this conversion of industrial and technological capability of the industry into modernisation and equipping of the forces. The complex and voluminous acquisition procedures have often been touted as impediments in improving efficiency of the system and conversion of AoNs into Contracts. These processes and procedures have a three-pronged role of aligning to the vision of the government and its policies, allaying concerns of the evolving and nascent defence industry ecosystem and ensuring modernisation of the military at an optimal pace. The aim of this paper is to review the processes and procedures associated with defence acquisitions in the paradigm of the current government policies, the resurgent Indian Economy and Defence Industry in light of the emerging security requirements of India as a Regional Power.

Evolution of India's Defence Procurement Procedure

India's defence forces have historically relied on foreign-manufactured weapons and equipment to ensure their operational preparedness¹. The lower technological requirements have been met by Defence Public Sector Undertakings (DPSUs) and Ordnance Factories, which primarily functioned through licensed production with

¹ Aitken, J. (1994). Defence procurement: Past, present and future. *The RUSI Journal*, 139(1), 39–42.

limited indigenous technology absorption. These purchases were based on direct orders placed on ordnance factories through indents as a single vendor case. There were no specific processes for defence acquisition. Other than the orders on OFs and DPSUs, the imports were primarily from Russia facilitated through G2G route.

Early Challenges and the Need for Reform. The Bofors scandal of the late 1980s was more than just a controversy, it was a wake-up call for India's defence establishment. It exposed deep flaws in the way the country acquired military equipment, and for the first time, brought public attention to the urgent need for honesty, accountability, and transparency in defence deals. In the years that followed, the government began to rethink how India should buy and build its weapons.

*That reflection led to the creation of the **Defence Procurement Procedure (DPP) 1992**, the first structured attempt to bring order and credibility to the process. Guided by the recommendations of the Public Accounts Committee, the DPP 1992 introduced clearer qualitative requirements and insisted that equipment be properly tested and validated before purchase. Yet, despite these good intentions, it still leaned heavily on imports and did not lay out a long-term plan for developing India's own defence capabilities.*

The real transformation began after the **Kargil conflict of 1999**, when the nation realised that self-reliance in defence was not just an aspiration—it was a necessity. The **Kargil Review Committee** and the **Group of Ministers (GoM)** set up in its aftermath gave shape to a new vision: one where India's procurement system would not only ensure transparency but also align with strategic self-sufficiency and national security goals. Their work laid the foundation for a modern, accountable, and forward-looking defence acquisition framework that continues to evolve even today.

This led to the creation of critical institutional structures such as Defence Acquisition Council (DAC), Defence Procurement Board (DPB), Defence Production Board (DPrB), Services Procurement Board and creation of the appointment of Director General (DG) Acquisition in the Ministry of Defence (MoD)². Additionally, the government introduced long-term acquisition planning mechanisms, including the

² Subrahmanyam, K. (2000). Self-reliant defence and Indian industry. *Strategic Analysis*, 24(7), 1221-1234. <https://doi.org/10.1080/09700160008455283>. (n.d.).

Long-Term Integrated Perspective Plan (LTIPP) and the **Services Capital Acquisition Plan (SCAP)**, to align procurement with national security objectives³.

Evolution of Defence Procurement Procedures. Over the past three decades, India's defence procurement framework has undergone multiple revisions, reflecting evolving strategic needs and industry feedback. Alongside these revisions, several amendments, termed **Business Process Reengineering (BPR)**, have been introduced to enhance procedural efficiency. The key milestones in this evolution include:

- **DPP 1992** – The first structured procurement guideline.
- **DPP 2002, 2003, 2005, 2006, 2008, 2009, 2011, 2013, 2016** – Successive refinements incorporating transparency, efficiency, and accountability measures.
- **Defence Acquisition Procedure (DAP) 2020** – The latest and most comprehensive framework, reflecting contemporary security requirements and promoting self-reliance under the **Atmanirbhar Bharat** initiative.

Current Challenges and the Road Ahead. DAP 2020 has continuously evolved to meet the aspirations of capability development through indigenous sources of procurement, thereby ensuring self-reliance in equipping our defence forces. However, persistent challenges remain in bridging the gap between projected requirements and actual capability development. The Integrated Capability Development Plan (ICDP) and Annual Acquisition Plans (AAP) often fall short of their targets, leading to delays in defence preparedness. Despite three decades of refinement, the defence acquisition process remains highly complex, spanning over 700 pages of regulations and guidelines⁴. While DAP 2020 integrates directives from key ministries such as MoD Finance, DPIIT, DDP, and DRDO, the overarching framework is often encumbered by bureaucratic complexities and redundant processes. Given the government's consistent push towards an export-oriented defence industry, this is an opportune moment to rethink the defence procurement process. Rather than further layering new regulations onto an outdated framework,

³ Behera, L. K. (2019). Indian defence industry: Will 'Make in India' turn it around?. In *The Economics of the Global Defence Industry* (pp. 506-526). Routledge. (n.d).

⁴ Cowshish, A. (2020). Decoding Defence Acquisition Procedure 2020. MP-IDSA Issue Brief, November, 20. (n.d.).

India must consider developing a simpler, more efficient, and industry-friendly acquisition procedure that aligns with contemporary global standards. This will not only streamline defence procurement but also accelerate indigenous capability development, ensuring that India's armed forces are equipped with the best technology to meet future challenges.

Emerging Trends in Defence Acquisition

The current landscape of military modernization and force development has driven rapid advancements in defence technologies and innovations worldwide⁵. Nation-states strive to maintain a technological edge over adversaries and competitors, necessitating timely and cost-effective acquisitions. In most democratic nations, defence forces operate under civilian oversight, ensuring their objectives align with state policies. This principle also applies to military capability development and acquisitions⁶. Some globally accepted norms of defence acquisition, relevant to the Indian context, include:

- **Maximizing Value for Money** – Adhering to systems such as the lowest bidder system (CBS) and the L1T1 (Quality and Cost-Based Selection - QCBS) approach to ensure cost-effectiveness and quality.
- **Formalized Acquisition Structures** – Establishing dedicated frameworks that oversee the entire lifecycle of military systems, from conception to decommissioning, staffed by both military and civilian personnel.
- **Comprehensive Acquisition Considerations** – Defence acquisitions should incorporate a broad spectrum of political, economic, technological, and industrial factors rather than being driven solely by military requirements.
- **Integrated Project Teams (IPTs)** – Establishing teams with expertise in project management, contract negotiation, and contract monitoring to handle complex defence acquisitions, except in cases requiring exclusive military ownership.
- **Performance-Based Life Cycle Costs** – Ensuring sustainment and maintenance are outsourced to Original Equipment Manufacturers (OEMs) to optimize operational efficiency.

⁵ Behera, L. K. (2016). Indian Defence Industry. (n.d.).

⁶ Behera, L. K., & Kaushal, V. (Eds.). (2013). Defence Acquisition: international best practices. New Delhi: Pentagon Press. (n.d.)

- **Institutionalizing the IPT Concept** – The Integrated Project Team (IPT) should be formalized and aligned with the Ministry of Defence's approved Annual Acquisition Plan (AAP) and Integrated Capability Development Plan (ICDP). Unlike in the UK and the US, where IPTs exist until the equipment is retired, India's IPTs should remain operational until equipment is introduced into service. IPTs should be permanent, dedicated bodies led by user representatives and comprising all relevant stakeholders⁷.
- **Specialized Training for Procurement Personnel** – Drawing from US and Australian models, personnel involved in defence procurement should receive formalized training. Career progression should be structured based on training, experience, and performance. Personnel assigned to procurement roles in IPTs, Capability Development Directorate (CD Dte), or User Directorates should have a minimum tenure of five years to ensure continuity and expertise.
- **Awarding Contracts Based on Best Value** – Ideally, contracts should be awarded to vendors who meet both technical and cost criteria (T1 L1). However, in cases where T1 L1 vendors do not exist, contracts should be awarded based on a balanced evaluation of quality and cost. Instead of awarding contracts to a T2 L1 vendor (who provides the second-best technical solution at the lowest price), preference should be given to a T1 L2 vendor (who offers the best technical solution, albeit at a slightly higher cost). Additionally, in line with the concept of splitting quantities, contracts may be awarded to both T1 L2 and T2 L1 vendors to optimize procurement outcomes.

These evolving trends emphasize the need for a structured, transparent, and efficient defence acquisition system that aligns with India's strategic and industrial priorities⁸.

Challenges and Opportunities

Need for Self-Reliance in High-Tech Equipment. India, as a dominant regional player in the Indo-Pacific and Indian Ocean region, and a significant global economic power, requires recalibrated national security architecture. Securing its borders and projecting power effectively demand a technologically advanced and self-reliant military. However, the current force structures, rooted in conventional models, must

⁷ Laxman Kumar Behera, August 29, 2016, A French Solution to India's Defence Acquisition. (n.d.).

⁸ Behera, L. K. (2021). Defence acquisition procedure 2020: Imperatives for further reforms. ORF Issue Brief, 440. (n.d.).

evolve and adapt to the high –tech equipment and modernisation need. A crucial requirement for successful modernization is the procurement of high-tech weaponry and equipment through indigenous sources⁹. Strengthening domestic defence production ensures cost-effectiveness, reduces dependency on foreign suppliers, and enhances long-term strategic autonomy¹⁰.

Diverse and Complex Qualitative Requirements (QRs). India's defence capability development faces two major challenges. First, the country's diverse geographical terrain, ranging from plains, deserts, and high-altitude areas to coastal regions, riverine zones, marshes, and jungles, necessitates an extensive variety of military equipment. Second, the multifaceted security environment encompasses threats from conventional warfare, hybrid threats, counterterrorism, cyber security, and natural disasters. These complexities make it essential to match operational requirements with industrial capabilities to define optimal and feasible qualitative requirements (QRs) for military equipment. The on-going shift toward theatre-based joint operations presents an opportunity to standardize terrain- and theatre-based QRs, simplifying acquisition processes and aligning capabilities with national security objectives.

Trials & Evaluations. The manufacture of defence equipment requires precision, high levels of quality assurance and high-end technology. The domestic defence industry is still grappling with the challenges of meeting the QRs of the Services. Repeated failures in Trial Evaluations leads to multiple delays in procurement cycles. The QA agencies have been found to be slowest in Trials with outdated technology and testing methods. The lack of adequate certified labs for certifications and Trials is another challenge faced by defence manufacturers to get their equipment tested and certified.

Legacy Processes and Mindsets. The Indian defence acquisition system faces multiple hurdles, including a lack of alignment with national industrial policy, insufficient coordination among government agencies, and the absence of joint long-term acquisition planning. Additionally, a dedicated acquisition cadre is lacking, and

⁹ Louth, J. (2017). Defence and security acquisition: a guide to a complex system. (n.d.).

¹⁰ Das, S. P. "An Overview of Indian Defence Industry: a Transformative Perspective." CLAWS Journal, vol. 12, no. 1, 2019, pp. 123-137. (n.d.).

complex procurement processes involve multiple stakeholders, leading to inefficiencies. The long gestation period for acquiring new technology, coupled with rapidly evolving operational doctrines, necessitates a more dynamic and responsive approach to military modernization. A synergistic collaboration between the armed forces, industry bodies, and the Ministry of Defence (MoD) is critical for overcoming these challenges. Organizations like SIDM, FICCI, ASSOCHAM, and PHD Chambers have played an active role in advocating for industry concerns, and mechanisms like the Army Design Bureau and the DRDO's Defence Innovation Start-up (DISB) have the potential to bridge the gap between defence requirements and industrial capabilities.

Bureaucratic Hurdles. Despite being the world's fifth-largest economy with the third-largest armed forces and the fourth-highest defence budget, India's procurement system remains burdened by bureaucratic inefficiencies. The transition from an import-dependent model to an indigenous production framework is underway, with defence PSUs and ordnance factories now facing competition from private industry. However, the Defence Research and Development Organisation (DRDO) continues to struggle with inefficient processes and suboptimal research outcomes. The overall structure of defence acquisition remains fragmented, with multiple stakeholders but no clear ownership of responsibilities.

Capital Budget Allocation. India's defence budget as a percentage of GDP and central government expenditure has been on a steady decline. The lack of perspective plans and predictable and adequate budgetary allocations for capital acquisitions, hinder long-term defence planning and capability development of the forces. There have been instances of unspent budget in capital acquisition and there have also been cases where the budgetary allocations were inadequate to meet even the committed liabilities. This paradoxical situation has led to gaps in defence preparedness, delaying the acquisition of critical military platforms.

Slow Pace of Industry Capability Development. The government has taken a number of initiatives to ensure level playing field for private industry and to improve ease of doing business in the defence sector. However, procedural complexities, lack of transparency, prolonged timelines for trials and acquisitions and rigid acquisition frameworks are, but only a few of the many challenges which the defence industry faces. At the same time, the forces struggle with recurring non-compliance issues in

equipment trials, inordinate contractual delays and inefficient processing of cases within the ministry of defence. The lack of dedicated acquisition Cadre and trained manpower in the military organisation as well as in the ministry has been another major cause of slow and sluggish processing of the cases

Complexity of Acquisition Procedures. The Defence Acquisition Procedure (DAP) 2020, despite multiple revisions and amendments, has become increasingly cumbersome. Originally intended as a guiding framework for weapon and equipment procurement, DAP 2020 now overlaps with the Defence Procurement Manual (DPM), which governs revenue procurement. Furthermore, the DAP incorporates financial and policy regulations from various ministries, including the Ministry of Finance, DPIIT, and DDP, despite lacking the expertise to ensure compliance with such stipulations. This excessive layering of regulations has transformed DAP 2020 into a bottleneck for capability development, creating more hurdles than solutions in the acquisition process.

Stakeholders vs. Interest Holders. India's defence acquisition system involves multiple stakeholders with divergent interests, creating inefficiencies and delays. While the armed forces remain the principal stakeholders in capability development, other entities including the MoD Finance, Acquisition Wing, DRDO, DDP, and DoD function primarily as regulatory bodies with minimal alignment to military modernization goals. Their focus often shifts towards procedural compliance and bureaucratic control rather than strategic capability enhancement. At the same time, private industry and defence PSUs, while driven by commercial incentives, face hurdles due to excessive bureaucratic red tape. Addressing these misalignments and fostering a collaborative, outcome-oriented approach among all stakeholders is essential to reforming India's defence acquisition landscape. The system is plagued by a complete lack of synergy among the stakeholders who work in silos with primacy of the mandate and vested interests of their own organisations.

Systemic Challenges. India's defence acquisition framework stands at a crossroads, with both significant challenges and promising opportunities. While procedural inefficiencies, bureaucratic red tape, financial constraints, and legacy mindsets continue to hinder progress, there are also clear pathways for reform. Enhancing coordination between government agencies, simplifying acquisition processes, fostering industry-government collaboration, and ensuring a transparent

and accountable procurement mechanism can propel India towards a self-reliant, technologically advanced defence industry. With the right policy interventions and systemic reforms, India can overcome these hurdles and build a robust and competitive defence ecosystem capable of meeting its long-term strategic objectives¹¹.

Strategies for Improving Defence Acquisition

In times of crisis, urgent measures are necessary; however, even in stable times, proactive and corrective measures are essential to maintain efficiency and prevent stagnation¹². Given the government's consistent policy framework for defence preparedness and its push toward self-reliance in the defence ecosystem under Atmanirbhar Bharat, it is imperative to take steps that ensure continued progress in policy implementation¹³. A four-pronged strategy should be adopted:-

- Structural Changes
- Synergy
- HR & Training
- Reforming the defence Acquisition Process

Structural Changes. Defence acquisition processes must be structured to enhance accountability, transparency and responsiveness. They should be treated as a specialized domain within the defence ecosystem. The establishment of the Acquisition Wing has consolidated capital acquisitions under a single entity. However, this body requires further empowerment with an integrated decision-making mechanism that includes representatives from MoD Finance, the Ministry of Commerce (DPIIT), DDP, DRDO, legal advisors, and acquisition experts from SHQs. Delegating collegiate functions to these representatives would streamline communication across departments and enable the DG Acquisitions to make swift decisions without bureaucratic delays¹⁴.

¹¹ Dhamija, S. (2025), India's Defence Industry. The Quest for Strategic Autonomy: Indigenisation of Indian Defence Industry. (n.d.).

¹² Vivek Chadha, Fix it even if it ain't broke; 2024

¹³ Laxman Kumar Behera, "Defence Acquisition Procedure 2020: Imperatives for Further Reforms," (n.d.).

¹⁴ Kanwal, Gurmeet (2011) Institute of Peace and Conflict Studies (2011) Defence Reforms and National Security Managing Threats and Challenges to India Author(s):

Enhancing Synergy. Greater synergy is needed among various stakeholders, including the armed forces, DRDO, DPSUs, DDP and the private sector. Technology mapping and R&D planning must be synchronized to optimize innovation and development in defence acquisition. The current system of fragmented ownership of acquisition projects has to make way for collective ownership by multiple agencies¹⁵. In this regard the following pending reforms need to be implemented without further delays: -

- **DRDO Restructuring.** The study group on DRDO reforms has already submitted its recommendations to make DRDO an outcome oriented, technology driven, modern defence R&D organisation. If implemented it will go a long way in integrating the requirements of defence forces with the R&D efforts of DRDO on lines of similar organisations in the west. The establishment of the Technology Foundation by the government is a right step in this direction.
- **QA Reforms.** The QA agencies of the three services need to be integrated under one umbrella with modern testing equipment, processes and testing standards. Being under the DDP, there have been numerous allegations by the private industry of collusion of QA agencies with DPSUs. Notwithstanding, QA agencies and labs must be reformed and modernised. All testing facilities including those of DGQA, NQA, AQA, DRDO, DTIS and other private industry must be associated with the QCI (Quality Control of India), a statutory body, to ensure accountability and quality assurance of high order.

Reforming the Defence Acquisition Procedure. Defence Acquisition Procedures (DAP) have been criticized for their complexity and cumbersome nature. The current DAP is a sequential upgrade of its predecessors, originally designed as a procurement procedure for defence equipment with emphasis to institute measures to prevent corruption and scandals in major defence procurements. Over time, numerous business process re-engineering (BPR) efforts and stakeholder feedback have resulted in an extensive 700-page document incorporating policies from multiple ministries besides numerous checks and balances to ensure a stringent and fool proof system. The procedure was formulated with intent to support Atmanirbhar Bharat

¹⁵ Misra, V. K. (2010). Perspectives Defence Acquisition Process: Oversight Concerns Given our key. (n.d.).

precipitating self-reliance in defence manufacturing¹⁶. By default, the procedure initially meant for acquisitions has become a procedure for defence production, vendor licensing and vendor selection based on financial and technical gates. The Acquisition Wing and Service HQs find it increasingly difficult to comply with myriad complex provisions of the DAP in any acquisition case. Key steps to improve DAP include:-

- **Formulating a New DAP:** The current version contains duplications and excessive procedural formalities rooted in legacy issues. A streamlined DAP, limited to 60–80 pages, should be created, with supplementary compendiums of formats issued to SHQs for case-specific modifications with appropriate approvals.
- **Adopting Automation & Digitization:** A two-pronged approach is needed. First, processes such as RFI and TEC should be conducted through digital platforms with AI-enabled applications to enhance transparency, efficiency and speed. Second, the GeM portal should be explored as a platform for capital acquisitions, beginning with cases involving OCPP, Repeat Orders, delegated cases, and single-vendor procurements from DPSUs. If necessary, modifications to the DAP and GeM portal should be made to facilitate this transition.
- **Optimizing Categorization:** DAP 2020, includes seven categories or sub-categories that the categorization committee must evaluate before finalizing a procurement route. The complexity of these categories often leads decision-makers to rely on the feedback and inputs of the vendors which can be misleading and counterproductive at times. In most of the Buy Indian (IDDM) and Buy Indian cases, there is no existing production facility or readily available Equipment for Trial. These cases follow the pattern of Make-II cases with a little reduced timeline. On the other hand, the Make procedure itself follows a similar pattern of Buy cases with the only difference being the lead department being the DDP and not the Acq Wing. The Buy Global cases on the other hand, of late, have generally followed the G2G routes rather than multi-country, multi-vendor routes. The categorization process should be realigned to better promote indigenous manufacturing. Therefore, the number of categories in

¹⁶ Yadav, Abhay, India's Defence Industry: The Rise and the Transformation (March 24, 2024).

DAP may be reduced based on two factors only, namely indigenous development and indigenous manufacturing as under: -

- **Buy Indian.** This should include indigenously developed and indigenously manufactured equipment with 50% IC, additional credit to be given in financial bid for L1 determination for more IC and ownership/ absorption of critical technologies, IPR.
- **Buy & Make Indian.** This category should include all cases wherein the technology is not available indigenously or indigenous development is not possible in the short term. In all such cases, Indian vendors may buy equipment from abroad (including buy zero quantity) with ToT arrangements and manufacture in India with absorption of critical technology.
- **Make Category.** The current Make-II category should be dissolved as it is akin to Buy Indian (IDDM). The Make-III Category should be undertaken exclusively by the Department of Indigenisation under the MGS Branch through Revenue route. Make category should come to Capital Route through Buy (Indian) category with IPR ownership, only at the stage of issue of Commercial RFP post Field Evaluations and it should comprise of the following two categories: -
 - **Make- I (DDP).** This category is akin to the existing Make- I and it is government funded through DDP.
 - **Make- II (D&D).** This category is akin to the current D&D chapter and it should be government funded through DRDO.
- **Buy Global.** Buy global is an exceptional category, to be undertaken only through G2G route as per agreement with FFCs.
- **Fast Track Procedure (FTP).** The emergent requirement of the Services including critical deficiency may be met through an accelerated acquisition procedure for buying Off the Shelf, COTS equipment as per the existing procedure in DAP 2020. However, the following changes may be made in the procedure: -
 - The premise of FTP should also include operationally critical equipment at all times.
 - Use of GeM/ online portal for faster acquisitions
 - Limited validation/ demo evaluations

- AoN for delegated cases within SPB with enhanced CFA powers upto Rs 500 Cr.
- Financial Ceilings to be decided by the MoD on a yearly basis.
- **IDEX & TDF.** No change
- **OCP Route.** The nature of revenue procurements leading to upgrades, overhauls and capability enhancement including meeting deficiencies must follow the revenue route which is simpler and more effective. Once the list is approved by the DoD, the DPM procedures should be followed. This process needs to be simplified to ensure existing deficiencies in weapon and equipment can be met at the earliest without the need for a lengthy and prolonged trials and bureaucratic bottlenecks.
- **Human Resource Development & Training.** The controller and auditor general of India in a 2007 report recommended the creation of an integrated defence acquisition organisation. This organisation was to consolidate all functional and specialised acquisition roles under one entity. Given the vast capital budget, it is imperative to ensure that the people in the military and in the ministry dealing with capital acquisitions have necessary expertise. Short tenure of officers, lack of adequate training, lack of institutionalisation of procedures lead to inefficiencies. There is a need for dedicated institutional human resource focus for handling acquisition matters. The same was recommended by the 2001 Group of Ministers report on reform the national security system, however, it is yet to be implemented. The countries like the US France and the UK have a specialised acquisition cadres with expertise in military operations, technology, finance and industry processes for defence procurement.
- **Delegation of Financial Powers to Commands.** The capital budget allocation of nearly 80,000 crores is currently centralised within one vertical in the Ministry of defence, which involves deliberations by various collegiate decision-making bodies like DAC and DPP. Since the existing mechanism is unable to deliver, the services have to often resort to emergency procurement to address critical shortfalls and capability gaps. It would be prudent to delegate the capital acquisition powers to command headquarters and once finalised to the theatre commands. This would enhance process efficiency, reduce

bureaucratic delays, and allow for a more responsive acquisition process. It would further increase vendor participation and improve contract finalisation in earlier time frames.

Terrain-Based & Theatre-Based Capital Acquisitions Implementing a terrain- and theatre-based capability development system would lead to simplified equipment designs, more efficient trial procedures and faster acquisition timelines. Even if the cost of equipment for a particular Theatre Command exceeds its financial authority, the Theatre Commander should have the ability to initiate the procurement process, with final approval and processing handled at the Ministry of Defence (MoD) level.

ICDP/ AAP based Non-Lapsable Capital Budget. The adequacy of the capital budget has often been questioned. Given the imperative need for modernisation of our Armed Forces, there is a need to implement outcome-oriented defence budgeting like in some other ministries. Implementing the system of Non lapsable defence budget is another innovative way to address the systemic alibis of inability to spend the capital budget during some years, on one hand, and inadequacy of the budget to meet even the committed liabilities, during many years, on the other.

By implementing these strategies, the defence acquisition framework can become more efficient, transparent and aligned with national self-reliance goals while ensuring the timely procurement of cutting-edge military capabilities.

Conclusion

Indian Defence Industry is at the cusp of major transformational changes and far-reaching developments in line with India's global aspirations. It promises to contribute majorly to the National Economy and Defence Diplomacy besides the capability development of the defence forces. Such initiatives of the government cannot be held back due to the shortcoming in structures, processes and procedures. The Structures need to evolve through reforms and reorganisation of Acq Wing, the DRDO, DGQA, SHQ elements dealing with Acquisitions in tune with the changing realities. It requires to be manned by people with domain expertise in military, security as well as acquisition and defence industry matters. The Acquisition processes and procedures must evolve to be more efficient, effective and outcome oriented to serve the strategic

vision of the government. The work culture must progress from a state of fragmented ownership to integrated ownership of capability development of defence forces and progress of Indian Defence Industry.

DISCLAIMER

The paper is author's individual scholastic articulation and does not necessarily reflect the views of CENJOWS. The author certifies that the article is original in content, unpublished and it has not been submitted for publication/ web upload elsewhere and that the facts and figures quoted are duly referenced, as needed and are believed to be correct.

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