

PRESS RELEASE

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“Modi Sarkar’ is indulging in an unforgivable game of compromising ‘**National Interest**’ and ‘**National Security**’. Principles and priorities of this government to strengthen the Nation are misplaced. Deliberate neglect, juvenile ignorance and an obsessive fetish to project Prime Minister’s image internationally characterizes Modi Government’s approach to secure our borders and maintain internal security. The policies, programmes and diplomatic misadventures are suggesting that India has lost its strategic outlook on Defence.

If one was to look at the record of reduced Defence spending, record increase in ceasefire violations, cross-border firings and infiltrations across the line of control (LOC) with Pakistan and China, demoralization among the ranks over past one year and non-implementation of ‘One Rank - One Pension’; this Government has rightfully earned the epithet of ‘**Badhte Gaye Seema Par Vaar – Aisi Rahi Modi Sarkar**’. Be it inconsistency in dealing with Pakistan, confusing soft signals vis-à-vis China, laggardness in Defence procurement, subversion of deals on transfer of technology; policies of Modi Government have been dithering, directionless and in derogation of ‘National Interest’.

Failure in Defence Spending – Questionmark on India’s Defence Preparedness.

In a crippling blow to India’s Defence preparedness, Modi Government has utterly failed to even spend the amount allocated for Defence by the previous Congress Government in the year 2014-15. To utter dismay, Modi Government has failed to utilize Rs.28,446 crore, i.e. lowest spending of budgeted amount in last five years as is apparent from the table given below:

Utilization of Defence Budget

(Figures in crore rupees)

Year	Budget Estimate	Revised Estimate	Actuals	Percentage Utilization	Overspent/Underspent
2009-10	1,41,703.00	1,36,264.00	1,41,781.08	104.05	5517.08 Overspent
2010-11	1,47,344.00	1,51,581.69	1,54,116.71	101.67	2535.02 Overspent
2011-12	1,64,415.49	1,70,936.81	1,70,913.28	99.99	23.53 Underspent
2012-13	1,93,407.29	1,78,503.52	1,81,755.78	101.83	3252.26 Overspent
2013-14	2,03,672.12	2,03,672.12	2,03,499.35	99.92	172.77 Underspent
2014-15	2,29,000.00	2,22,370.00	1,93,923.54	87.21	28446.46 Underspent

Source: April 2015, Parliamentary Standing Committee on Defence (6th Report, Page 9)

This itself speaks volumes about pure rhetoric bereft of any reality.

Compromising National Interest by Downsizing 'Mountain Strike Corps' and its Budget by Half

In 2013, Congress-led UPA announced formation of (a) 'Mountain Strike Corps' (MSC), (b) two independent Infantry Brigades in addition thereto and (c) two independent Armoured Brigades in addition thereto. These nearly 90,000 strong Army Corps and Brigades were carved out specifically as a counter measure to Chinese build up on the other side of the Border. A sum of Rs.64,478 crore was allocated for formation of the Corps and about Rs.21,000 crore i.e. Rs.85,478 crore approximately were allocated for creation of Corps and infrastructure including airstrips, missile units, tanks units etc.

In a shocking compromise of National interest and just three weeks ahead of Shri Narendra Modi's visit to China, Defence Ministry reduced the strength and budget of this 'Mountain Strike Corps' by 50% (Statement of Defence Minister, Shri Manohar Parikar in an interview to a leading English daily dated 16th April, 2015). Official reason being given is a severe funds shortage but we must not forget that China had raised serious concerns on the formation of such a Corps. Raising of this Corps was even more imperative in light of China-Pakistan axis building up in our neighbourhood besides creation of massive infrastructure facilities including highways, airstrips and permanent Army establishments across the Border by China.

Will Shri Narendra Modi answer as to whose National interest are they serving by halving the budget of one of the most essential strategic assets being created on Indo-China Border by the previous Congress Government? In fact, Prime Minister could not even effectively raise the issue of stapled visas for residents of Arunachal Pradesh, construction of dams on the upstream of Brahmaputra, USD 42 billion worth investments in Pakistan including through Pakistan occupied Kashmir and a nearly USD 40 billion trade imbalance between India-China during his recent China visit.

One Rank One Pension – A Mirage For Ex-Servicemen

'One Rank One Pension' (OROP) scheme was approved by Congress Government on 26th February, 2014 (Order enclosed) and made it applicable w.e.f. 1st April 2014. By one stroke of pen, Congress Government ensured that nearly 30 lakh ex-servicemen retiring in the same rank with the same length of service shall get same pension irrespective of their date of retirement and benefit of any future enhancement would be automatically passed on to the past pensioners. Congress also walked the extra mile to make it applicable also to 'disability pension' and 'family pension'.

BJP used OROP as an electoral tool by promising adherence to the Congress decision. One year of Modi Government has since lapsed with demoralized ex-servicemen languishing and running from pillar to post for being heard by a callous and insensitive government. Reports suggest that Finance Minister of Modi Government finds the cost of implementation of OROP not commensurate to the political benefits accruing therefrom.

Once again today, **Congress Vice-President – Shri Rahul Gandhi** met prominent representatives of ex-servicemen at AICC. He assured to take up their fight for grant of OROP to a logical conclusion while extending wholehearted and unequivocal support.

Dilution of Back Ground Security Check For Foreign Investments – A Dangerous Ploy to Attract FDI.

Prime Minister has been seeking FDI at the altar of National Security. During Congress-led UPA tenure, country's specific investment was placed through IB/RAW scrutiny in National interest in light of threats of spy ware and malware. This cardinal rule, enacted in National interest, is being abolished in sheer desperation to justify foreign jaunts of the Prime Minister.

Ceasefire Violations Galore – Modi Government remains a Spectator

As admitted by Modi Government, there have been 746 ceasefire violations along the Line of Control (LOC) with Pakistan between June 2014 - February 2015. Contrast this with 96 violations a year earlier and Prime Minister's vitriolic rhetoric of '*Desh Nahi Jhukne Dunga*' and '*56 inch Chest*', truth is for every one to see and judge. In fact, BSF Director-General went on record to say that ceasefire violations were highest since the 1971 Indo-Pakistan War.

Flip-flops with Pakistan, 'Saree-Shawl' Diplomacy, first banning and then conducting visits of Indian Foreign Secretary to Pakistan, release of International terrorist and Jamaat Ud Dawa Chief Hafiz Saeed, vindicating Pakistan by taking a stand on floor of Parliament that dreaded terrorist Dawood Ibrahim is not in Pakistan, releasing Kashmiri separatist Masrat Alam and then detaining him after public outcry, praising militants and Pakistan for peaceful polls in J&K are sure signs of a crippled National Security stance of Modi Government.

Rafale Aircrafts Deal – Negation of 'Defence Procurement Procedure' and Supersession of 'Defence Acquisition Council' by Prime Minister.

Prime Minister, during his France visit on 10th April 2015, announced Government's decision to buy 36 Rafale Fighter Jets from Dassault in fly away condition. This decision is totally non-transparent. Till date, even price of aircrafts has not been disclosed by Modi Government. Certain fundamental questions need to be answered:-

- (i) India does not have an 'Inter-Governmental Agreement' with France for Government-to-Government purchases. In absence thereof, how can the established process of following the 'Defence Procurement Procedure' be bypassed?
- (ii) There is neither any clarity on pricing as yet nor any clarity on 'transfer of technology agreement' entered into as part of this deal. Modi Government must clarify whether French Government will give a 'Sovereign Guarantee'?

- (iii) Pursuant to three years of transparent bidding process for purchase of fighter jets, three companies were short listed and Rafale was selected as the L-1 bidder. There were a series of objections raised through written communications by senior BJP leaders including Shri Yashwant Sinha qua selection of Rafale as L-1 bidder. Even Finance Ministry, Government of India had placed their reservations qua finalization of Rafale Aircrafts. In light of these objections, the then Defence Minister, Shri A.K. Antony had decided that approval of Rafale Aircrafts as L-1 bidder would be subject to complete satisfaction of these objections raised by Finance Ministry as also senior BJP leaders.

Whether Shri Narendra Modi took note of all these objections raised in writing through a series of letters by his own party i.e. BJP and whether Prime Minister consulted his Finance Ministry prior to finalization of this Government-to-Government Rafale Aircrafts deal?

All these facts need to be placed in public domain.

- (v) Bidding process undertaken during Congress Government entailed that only 18 Rafale Aircrafts would be purchased in fly away condition. Remaining 108 Aircrafts would be manufactured under 'Transfer of Technology Agreement' by Hindustan Aeronautics Limited i.e. a Public Sector Undertaking (PSU). This would have ensured 'Make-in-India', creation of thousands of jobs and transfer of crucial cutting-edge technology. Has Modi Government converted this 'Make-in-India' into 'Make-in-France'?
- (vi) Neither the Prime Minister nor any other authority can affect unilateral purchase without prior approval from 'Defence Acquisition Council'. How and why did the Prime Minister bypass the 'Defence Acquisition Council' while announcing a unilateral aircraft deal?
- (vii) Dassault has also agreed to sell the aircrafts to at least two other countries, i.e. Egypt and Qatar besides executing an existing order from French Air Force. Would Modi Government disclose the pricing of aircrafts, including transfer of technology agreement, if any, as also sovereign guarantee agreement, if any, qua sale of the same aircrafts to these two countries? Will India get precedence over French Air Force, Egypt and Qatar i.e. the other two countries in supply of Rafale Aircrafts.

Modi Government needs to place all these facts in public domain in the interest of transparency and following of established Defence Procurement Procedure.

Modi Government must remember that peace at the borders is secured by strategic thinking as also strength and preparedness of Armed Forces. Prime Minister's inept handling of the Defence apparatus is posing a serious National security concern for India. It is time that Modi Government woke up from its slumber and inexperience to consolidate our borders, strengthen our Armed Forces and deter our enemies."

