

**INORDINATE DELAY IN SETTING UP OF
INDIAN NATIONAL DEFENCE UNIVERSITY
(INDU)**

MINISTRY OF DEFENCE

**PUBLIC ACCOUNTS COMMITTEE
(2023-24)**

ONE HUNDRED AND EIGHTEENTH REPORT

SEVENTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

PAC NO. 2348

**ONE HUNDRED AND
EIGHTEENTH**

PUBLIC ACCOUNTS COMMITTEE
(2023-24)

(SEVENTEENTH LOK SABHA)

**INORDINATE DELAY IN SETTING UP OF INDIAN
NATIONAL DEFENCE UNIVERSITY (INDU)**

MINISTRY OF DEFENCE



Presented to Lok Sabha on: 08.02.2024

Laid in Rajya Sabha on: 08.02.2024

**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2024 /Magha, 1945 (Saka)

CONTENTS

	Pages
Composition of the Public Accounts Committee (2023-24)	(iv)
Introduction	(v)
Part – I	
Report	
PART – II	
Observations/Recommendations of the Committee	
APPENDICES *	
Minutes of the Sitting of Public Accounts Committee (2023-24) held on 16.01.2024	
Minutes of the Sitting of Public Accounts Committee (2023-24) held on 06.02.2024	

*Will be appended at the time of printing

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2023-24)

Shri Adhir Ranjan Chowdhury - Chairperson

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri Thalikkottai Rajuthevar Baalu
4. Shri Bhartruhari Mahtab
5. Shri Jagdambika Pal
6. Shri Pratap Chandra Sarangi
7. Shri Vishnu Dayal Ram
8. Shri Rahul Ramesh Shewale
9. Shri Gowdar Mallikarjunappa Siddeshwara
10. Dr. Satya Pal Singh
11. Shri Brijendra Singh
12. Shri Rajiv Ranjan Singh alias Lalan Singh
13. Shri Jayant Sinha
14. Shri Balashowry Vallabhaneni
15. Shri Ram Kripal Yadav

RAJYA SABHA

16. Shri Shaktisinh Gohil
17. Dr. K Laxman
18. Shri Derek O'Brien¹
19. Shri Tiruchi Siva
20. Dr. M. Thambidurai
21. Shri Ghanshyam Tiwari
22. Dr. Sudhanshu Trivedi

SECRETARIAT

1. Shri Sanjeev Sharma - Joint Secretary
2. Smt. Bharti Sanjeev Tuteja - Director
3. Ms. Malvika Mehta - Under Secretary

¹ Elected w.e.f. 19.08.2023 consequent upon retirement of Shri Sukhendu Sekhar Ray, MP on 18.08.2023.

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2023-24), having been authorised by the Committee, do present this One Hundred and Eighteenth Report (Seventeenth Lok Sabha) on “Inordinate delay in setting up of Indian National Defence University (INDU)” based on Para no. 3.1 of C&AG Report No. 16 of 2019 (Union Government-Compliance Audit- Defence Services (Army) relating to the Ministry of Defence, Department of Defence.

2. The Report of Comptroller and Auditor General of India was laid in Lok Sabha on 03.02.2020 and in the Rajya Sabha on 13.12.2019.

3. The Public Accounts Committee (2023-24) selected the subject for detailed examination and report. The Committee took oral evidence of the representatives of the Ministry of Defence, Department of Defence at their sitting held on 16.01.2024. The Committee obtained detailed information in connection with the examination of the subject. The Committee considered and adopted this Report at their sitting held on 06.02.2024. The Minutes of the sittings of the Committee are appended to the Report.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** and form Part-II of the Report.

5. The Committee thank their predecessor Committee for taking oral evidence and obtaining information on the subject.

6. The Committee would like to express their thanks to the representatives of the Ministry of Defence for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.

7. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the office of the Comptroller and Auditor General of India.

NEW DELHI:
06 February, 2024
17 Magha, 1945 (*Saka*)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee

REPORT

PART-I

1. The Public Accounts Committee decided to take up for detailed examination and report, Para no. 3.1 of C&AG Report No. 16 of 2019 (Union Government-Compliance Audit- Defence Services (Army) on the subject, "Inordinate delay in setting up of Indian National Defence University (INDU)". This para pertains to the Ministry of Defence, Department of Defence.
2. The Committee took oral evidence of the representatives of Ministry of Defence, Department of Defence on 16 January, 2024. The Committee also obtained written information on various aspects of the issues under consideration. Based on the oral evidence and written submissions made, the Committee have carried out in-depth examination of the subject as detailed in the succeeding paragraphs.
3. The Kargil Review Committee recommended in 1999 setting up of a University to address the deficiencies in India's Security Management System. Thereafter, the Group of Ministers (GoM) after reviewing the entire spectrum of Defence Management recommended setting up of a National Defence University (NDU). Based on the recommendations of the GoM, the Ministry of Defence (MoD) in July, 2001 appointed a Committee on NDU (CONDU) to examine the establishment of NDU in India.
4. The CONDU in its report in May 2002 recommended a need for setting up of a NDU at the earliest to educate and adequately prepare National Security Leaders. It stated that NDU would enable them to look at strategic security challenges holistically and formulate policies based on researched and informed inputs.
5. The Chief of Staff Committee (COSC), Headquarters Integrated Defence Staff (HQIDS) created in August 2004 a separate establishment i.e. a Project Formulation Team (PFT) for establishment of Indian National Defence University (INDU). The PFT had staff strength of 1 Brigadier, 4 Officers (2 Colonels of Army, one Captain of Navy and one Group Captain from Air force) and seven other supporting staff. The PFT was the main agency dealing with the modalities for establishment of INDU.
6. After establishment of the PFT in August 2004, the matter for identification of suitable land and acquisition of land remained under correspondence for nearly four years with various authorities. The Union Cabinet accorded in principle approval (May 2010) for setting up of INDU in Haryana at an estimated cost of Rs. 295 crore and acquisition of 200 acre of land at an estimated cost of Rs. 100 crore. The land measuring 205 acre 15 marla was acquired in September 2012 at a cost of Rs. 164.62 crore.
7. M/s Education Consultants of India Limited (EdCIL) was hired (May 2011) for preparation for Detailed Project Report (DPR), Draft Layout Plan and Acts and Statutes

for setting up the INDU at a total cost of Rs. 52.28 lakh plus taxes. The Preliminary Report was submitted by EdCIL to HQIDS in September 2011.

8. M/s EdCIL, based on the recommendations of the National Security Advisor and views of Services, submitted the Detailed Project Report (DPR) to MoD in September 2013. The DPR recommended increase in the number of student from 230 to 2215, implementation of the project in three phases spread over a period of 10 years. The Phase-1 (estimated expenditure of Rs. 833 crore) and Phase – II (estimated expenditure of Rs. 650 crore) were to be implemented over three years each. Phase – III was to be implemented in four years at an estimated expenditure of Rs. 425 crore. The Final INDU Act was submitted by EdCIL to MoD in November 2013.

9. Foundation Stone of INDU was laid by the then Hon'ble Prime Minister in May 2013 at a total cost of Rs. 1.73 crore. Therefore, barbed wire fencing was installed to demarcate the land at a cost of Rs. 4.89 lakh and work was completed in July 2014. This was followed by construction of a boundary wall, perimeter road, etc. at a cost of Rs. 6.70 crore in October 2017 and relocation of electric poles at a cost of Rs. 14.76 lakh. Further, an expenditure of Rs.1.69 crore had been incurred (upto December 2018) for hiring of private security for watch & ward duty for the land. In addition, recurring expenses on pay and allowances of staff deployed on PFT is being incurred since its constitution in 2004.

10. The MoD revised the Approved Cabinet Note of May 2010 in February 2015 due to enhancement of the scope of the project. The revision was also necessitated due to relocation of all the institutes to Haryana and increase in the overall strength of students meriting a corresponding increase in faculty and related infrastructure. The capital cost was revised from Rs. 395 crore (at 2007 price level) to Rs. 2,072 crore (at the price level of 2012). A cumulative revenue expenditure of Rs. 1,530 crore was also expected to be incurred in the first 10 years of establishment of INDU. M/s EdCIL revised the project cost further from Rs. 2,072 crore to Rs. 4,007.22 crore (December 2017). However, the draft Indian Defence University (IDU) legislation was lying with Cabinet Secretariat since December 2017 for approval (as of August 2019).

11. Ministry of Defence stated (August 2019) that Indian Defence University was proposed to be set up as a fully autonomous Institution under an Act of Parliament to impart training and education on defence and strategic studies. The passage of the proposed legislative enactment was essential for establishment of INDU. The Ministry further stated that the draft Indian Defence University Bill prepared after inter-ministerial consultations was yet to be approved by the Cabinet and DPR for the proposed IDU could be finalized only after the Bill is enacted. The project cost, in the meanwhile, has increased from Rs. 395 crore (May 2010) to Rs. 4,007.22 crore (December 2017).

12. In this regard, the Ministry submitted the following in their Action Taken Notes:-

“The requirement of educational institution in area of defence and national security is being met through the available institutes which are as follows:-

1. National Defence College, New Delhi
2. Defence Services Staff College, Wellington
3. College of Defence Management, Secunderabad
4. Army War College, Mhow
5. Combat Army Aviation Training School Nasik Road
6. Naval War College, Goa
7. Anti Submarine Warfare School, Kochi
8. College of Air Warfare
9. Air Force Technical College

These institutions have expertise in their respective field and their courses and curricula are regularly updated to meet the training requirements.

Also, other govt., institutes like Rashtriya Raksha University have developed in the field of national security.”

13. In their background note, the Ministry submitted following information:-

“Pursuantly, the process to evolve the proposal of Establishment of IDU, in light of existing and future scenario is under consideration. In this direction, with the approval of Hon'ble RM, a two member Committee, with Dr. Anil Kakodkar as Chairman and Prof. V.VenktaRamana as Member, was constituted in this Ministry on 9.11.2020 to evolve the proposal in consultation with stakeholders like Centre for Air Power Studies (CAPS), Manohar Parrikar Institute of Defence Studies and Analyses (MP-IDSA), Indian Council of World Affairs (ICWA) etc.

The Committee has held discussions with various institutions. Based on the mandate given to the Committee and inputs received by it during interactions with various institutes and the Ministry, the Committee is in the process of finalizing the report. The Ministry has taken up the case for finalisation of the report with the Committee on 03rd February, 2023. On receipt of the report of the Committee, consultation with stakeholders will be carried out to give a final shape to the proposal.”

14. When asked what changes have been made in the scope of the project and whether any timelines were stipulated for setting up the varsity while reviewing the scope in 2015, the Ministry furnished the following reply:-

“In the Cabinet Note of 2010, detailed organizational setup, structure, guiding, principles, details of the courses, etc. were not specified. The following structural changes were proposed in the Indian Defence University, Bill 2017:-

- i) Character and Mission
- ii) Norms of the University
- iii) Curriculum
- iv) Independence and Outside Audit
- v) Governance Structure
- vi) Phasing of Project
- vii) Project Management.

No specific timelines for setting up IDU were stipulated in the IDU Bill, 2017.”

15. When told that almost all major countries, from the US to China, have national defence Universities to develop national security leaders as well as undertake long-term strategic studies and threat assessments. The Committee asked how our country was developing national security leaders in absence of such a university. The Ministry responded with the following:-

“National Security goes beyond military construct and encompasses science, technology, economy, industry, research and development etc. There are many institutes of national and international eminence in our country where studies on these aspects are under taken and personnel are undergoing training /courses to develop strategic thinking progressing national interest, and promoting overall scientific, economic, technological and security expertise.”

PART-II

Observations/Recommendations of the Committee

The Committee note that post Kargil War in 1999, in order to address the deficiencies in India's Security Management System, establishment of a Defence University was envisioned. After several years of deliberation, in May 2012, the Cabinet approved setting up of Indian National Defence University. The Committee observe that the land for the University was acquired in September, 2012 at a cost of Rs. 164.62 crore. The Committee note that the proposal was revised in February 2015 thereby enhancing the scope of the project. However, despite lapse of more than 2 decades, the revised proposal for establishment of the University was still pending with the Ministry of Defence. The Committee have recorded their observations and recommendations on issues that merit consideration in the succeeding paragraphs.

1. The Committee note that the entire process of setting up the Indian National Defence University has been beset by delays owing to extensive deliberations for several years without any concrete results. After the Kargil Review Committee recommended setting up such a University, a Group of Ministers reviewed the entire spectrum of Defence management. Thereafter, a Committee on NDU was set up to 'examine' establishment of NDU in India. Subsequently, a Project Formulation Team was created which continues to operate till date with recurring expenses on pay and allowances of staff deployed but without any tangible results on ground. The Committee note that M/s Education Consultants of India Limited (EdCIL) were hired for preparation of Detailed Project Report, draft layout plan, Acts and statutes for setting up INDU. After enhancement of scope the project, the draft legislation was lying with Cabinet Secretariat for almost 2 years. The Committee note with much trepidation that even now the proposal is under consideration and another 2 member committee has been constituted to 'evolve' the proposal in consultation with various stakeholders. This Committee was to finalise its report in February, 2023. The Committee while noting that the objectives of setting up the University inter-alia include promoting policy oriented research on all aspects relating to national

security, both internal and external and coordination and interaction between the Armed Forces, academicians and other Government Agencies including friendly foreign countries desire to be apprised of the precise reasons, ad-seriatim for the inordinate delay in establishment of such an important institution. In view of the delay in setting up of the University, the Committee also recommend that the two member committee may submit its report urgently and further consultation with stakeholders may be carried out within a strict timeframe to enable an early decision in the matter .

2. The Committee note that land was purchased in September, 2012 for Rs. 164.62 crore and additional expenditure of Rs. 11.60 crore was incurred for barbed wire fencing, boundary wall, perimeter road and that the project cost has increased from Rs. 395 crore in May 2010 to Rs. 4,007.22 crore December 2017. The Committee in this regard infer that the indecision on the part of the Ministry has led to huge cost escalation which is bound to increase with further delays in setting up the University. The Committee while expressing concern over the inordinate delay and resultant cost escalation recommend that the University may be set up at the earliest to curb further escalations in the costs.

3. The Committee observe that the idea of this autonomous institution of national importance was first mooted by the Chief of Staff Committee in 1967 and again endorsed by the in-house Lt Gen Sethna Committee in 1982. The Committee are disappointed to note that fifty-seven years after it was first mooted, and over seven years after the Indian National Defence University (INDU) Bill, 2015 was made available for public consultation, the University has still not been established. The Committee opine that in the current geopolitical scenario, an intellectual feeder and platform for dealing holistically with all aspects of national security is required and, therefore, recommend that the Indian National Defence University may be established with world-class infrastructure, learned faculty, and idea/content developers to match up to similar institutions on the global arena.

NEW DELHI:
06 February, 2024
17 Magha, 1945 (Saka)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee