

Operation Sindoor Marked a Decisive Victory for Armed Forces, with DAD Ensuring Financial Resilience, Optimising Resources & Sustaining Operational Readiness: Raksha Mantri Shri Rajnath Singh

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As custodians of the defence budget, DAD’s role in enabling & encouraging R&D is vital for building the future capabilities of our Armed Forces: RM

“Digital Reforms highlight DAD’s proactive drive for technology-driven efficiency & transparency, further advancing India’s digitally empowered defence finance system”

RM urges DAD to Act as Financial Enabler of Jointness & Integration; Underscores its Pan-Services Presence from Grassroots to HQs

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“While the entire world witnessed the valour and courage of the Armed Forces in achieving a historic and decisive victory during Operation Sindoor, the silent yet crucial role of Defence Accounts Department (DAD) ensured efficient resource utilisation, financial management and war

preparedness,” highlighted Raksha Mantri Shri Rajnath Singh during the celebrations of the 278th Foundation Day of the DAD, organised in New Delhi on October 01, 2025. He commended the Department for its historic legacy and its continuing role as the financial backbone of India’s Armed Forces. He described DAD as an institution that not only ensures fiscal prudence and transparency but also strengthens operational readiness by enabling timely availability of resources to the Services.



“The DAD is not just an accounting organisation; it is an enabler that ensures the smooth functioning of the nation’s economic cycle. It is the invisible bridge that connects finance and the Armed Forces. Behind the valour of our soldiers lies your silent but decisive contribution,” underscored Raksha Mantri.

Strong Financial Discipline

Underlining the importance of finance as the lifeblood of governance, Shri Rajnath Singh stated that the strength of a nation is reflected in the strength of its financial foundation. He added that a steady flow of finances is essential for the smooth functioning of national governance and defence machinery.

Raksha Mantri praised the Department for ensuring that as of September 30, 2025, 50% of the capital budget expenditure had already been booked, a clear reflection of efficient utilisation. He also congratulated the Department for achieving 100% utilization in the previous financial year and expressed confidence that the same momentum would continue this year.

Technology-Enabled Reforms

Raksha Mantri lauded DAD for embracing modern technology under the Digital India initiative. He highlighted the success of the e-Raksha Awaas project, the upgradation of NIDHI 1.0 to NIDHI 2.0, and the ongoing transition to TULIP 2.0, which will enhance efficiency in financial processes. Shri Rajnath Singh appreciated the in-house development of the AI chatbot ‘Gyan Sathi’, designed to provide accurate information about rules and procedures. “These progressive reforms demonstrate the proactive spirit of DAD in embracing technology for efficiency and transparency. They also underline India’s determination to move towards a digitally empowered defence finance system,” he added.



Facilitating Research and Development

Acknowledging the increasing complexity of modern, technology-driven warfare, Shri Rajnath Singh called for a renewed push towards defence R&D. “In today’s warfare, new technologies have often been the surprise element. They are the outcome of years of research and development. This makes it imperative for us to create an innovative ecosystem that supports R&D in defence,” he highlighted.

Citing government initiatives such as i-DEX, the Technology Development Fund, and DRDO projects, Raksha Mantri urged DAD to play a proactive role in facilitating R&D investments while maintaining budgetary discipline. “As custodians of the defence budget, your role in enabling and encouraging R&D is vital for building the future capabilities of our Armed Forces,” he emphasised.

Jointness Among the Armed Forces

Drawing attention to the government’s emphasis on Jointness and integration among the Tri-Services, Shri Rajnath Singh urged the DAD to act as a financial enabler of this process. “You are one of the few institutions that has a presence from the grassroots level to the headquarters of all three services. I call upon you to work closely with the Services and explore how you can further Jointness and integration through financial processes. This will yield positive results for our Tri-Services synergy,” he underscored.



Procurement Reforms

Raksha Mantri stressed the need for speed and efficiency in defence procurement, both revenue and capital. He pointed out that the new Defence Procurement Manual 2025 had been launched to expedite revenue procurement and promote self-reliance. Similarly, the ongoing review of the Defence Acquisition Procedure (DAP) will help streamline capital procurement.

Recognition of Progressive Steps

Shri Rajnath Singh appreciated initiatives such as the release of Market Intelligence Reports by CGDA to assess the economic impact of defence expenditure through GeM procurements. He described it as an important step towards evidence-based financial planning. He also recalled releasing the Vision Document at the Controller's Conference to make the DAD a 'Centre of Excellence in Defence Finance and Economics'. He directed CGDA to prepare a comprehensive action plan to implement this vision, including sector-specific reports on defence finance and economics that could be incorporated in the Economic Survey of India.

Balancing discipline with operational readiness

"On one hand, you must strictly adhere to financial rules because every rupee belongs to the people of India. On the other hand, you must ensure the operational readiness of our Armed Forces. At times, these two responsibilities may seem contradictory, but in reality, they complement each other. With the right mindset and coordination, you can uphold rules while meeting the needs of our forces in a timely manner," highlighted Raksha Mantri. He stressed that striking this balance is the hallmark of a strong institution and essential for national security.

278th Foundation Day of the DAD

Raksha Mantri Shri Rajnath Singh also unveiled several landmark publications and digital initiatives designed to propel the department's financial management and audit capabilities into a new era. Among the key launches were the Comprehensive Statistical Handbook on Defence Expenditure (COSHE) 2025 and the updated Army Local Audit Manual (ALAM). Additionally, two advanced digital platforms NIDHI 2.0 and Gyan Sathi were introduced.

NIDHI 2.0 is an integrated management system for General Provident Fund (GPF) subscriptions, serving over 1.7 lakh employees. The system is designed to streamline financial transactions with features like real-time synchronization, audit trails, automated bill processing, and seamless digital interaction.



Gyan Sathi brings AI-powered assistance for information retrieval from DAD's extensive collection of manuals and regulations, providing stakeholders with instant, authoritative guidance.



COSHE-2025 is a comprehensive handbook offering detailed analysis of India's defence expenditure, featuring hundreds of tables and graphs to present national and global budget comparisons and facilitate informed decisions in defence finance.



The ALAM provides essential instructions for auditing and inspecting store and cash accounts across Army Units and Formations, and outlines updated procedures for maintaining accountability and transparency in defence financial operations.



Raksha Mantri Awards for Excellence 2025 were presented during the event to recognise outstanding achievements by teams and individuals in implementing key reforms and projects. These awards celebrate innovation, professionalism, and efficiency in defence financial management, spotlighting contributions that have strengthened institutional capacity and enhanced transparency in the department's service to Armed Forces.



Celebrating 278 years of service, the DAD traces its origins to the appointment of the Military Pay Master in 1747 and has continually evolved to support the financial management needs of India's Armed Forces and allied organizations. Today, DAD delivers expertise in internal audit, payment, accounting, financial advice, and pensions, while also serving as a vital 'Knowledge Partner' to the Ministry of Defence in defence finance and economics

Chief of the Naval Staff Admiral Dinesh K Tripathi, Chief of the Air Staff Air Chief Marshal AP Singh, Defence Secretary Shri Rajesh Kumar Singh, Secretary DDR&D and Chairman DRDO Dr Samir V Kamat, Financial Advisor (Defence Services) Dr Mayank Sharma, Contoller General of Defence Accounts Shri Raj Kumar Arora, senior officials of MoD & CGDA and retired employees of DAD were present on the occasion.

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