

MOVING THE NEEDLE

The Journey from Policy To Implementation

August 2025



01

Year Of Reforms

Speeding Procurement to Unleash Combat Power

Reinforcing India's Aviation Safety

DGCA's Strategic 360-Degree Audit for a Growing Ecosystem

02

03

Urban Engines, Fiscal Gears

Rethinking Incentives for Cities' Economic Growth

Prevention Pays

Unlocking ₹7,500 Crore in Savings Through PMJAY

04

05

Primus Outreach

Mission Karmayogi's Impact on Urban Governance

Dear Readers



At Primus, our work is guided by a simple but powerful vision: building Solutions for Tomorrow in step with “India’s march towards Viksit Bharat” 2047. Every edition of this publication reflects our ongoing commitment to meaningful change, grounded in deep research, practical solutions, and a shared ambition for a better future.

This August, we bring you a rich spread of insights, each spotlighting areas where India is not just evolving but leading from the front.

This month, our focus is on:

- **The Year of Reforms in Defence Procurement** – We explore the momentum created by key structural changes, such as a single-stage Acceptance of Necessity (AoN) and the digitization of procurement workflows, which are accelerating our defence readiness and unlocking long-term combat power.
- **Reinforcing India’s Aviation Safety** – As India prepares for an additional 425 million annual passenger journeys by 2044, we take a closer look at the DGCA’s strategic audit efforts and the policy push driving both regional air connectivity and cargo infrastructure growth.
- **Reimagining Fiscal Incentives for India’s Cities** – With urban centres poised to drive India’s next wave of growth, this feature dissects the critical role of fiscal reforms and incentive structures in unlocking the economic potential of our cities.
- **Prevention Pays: Unlocking ₹7,500 Crore in Savings Through PMJAY**
By shifting focus from treatment to early detection and preventive care, PMJAY can save thousands of lives and significantly reduce costs. Investing in health assurance, not just insurance, is the key to a healthier, financially secure India
- **Primus Outreach – Mission Karmayogi’s Impact on Urban Governance** – A landmark initiative is quietly transforming local administration. We examine recent capacity-building workshops for Urban Local Bodies in Uttar Pradesh, Andhra Pradesh, and Haryana, which aim to boost governance at the grassroots level.

Each of these articles reflects the underlying energy and optimism that define this moment in India’s journey. We hope this edition gives you a front-row seat to the ideas, actions, and innovations shaping the nation’s future.

Until next time,

The Editorial Team

Primus Partners – Moving the Needle

01 | Year Of Reforms:

Speeding Procurement to Unleash Combat Power

India is not short on defence ambition or budget; it is short on time. While battlefield threats evolve by the month, procurement systems operate on multi-year cycles that no longer align with the tempo of modern warfare.

On July 2, 2025, the Ministry of Defence announced a review of the Defence Acquisition Procedure (DAP) 2020, aiming to compress procurement timelines from the prevailing five to six years to under two. This review encompasses structural reforms, including a single-stage Acceptance of Necessity (AoN) and the digitisation of procurement workflows. These are meaningful signals of policy intent. However, unless matched by execution clarity and accountability, they risk falling into the same procedural inertia they seek to fix.

India's capital acquisition approvals have crossed ₹1.05 lakh crore in FY25, focused entirely on domestically developed platforms. Yet, field-level deployment remains inconsistent. Operational units created in anticipation of timely inductions are functioning below capacity due to delays in contracting, testing, and production rollouts.

The direction of reform is right, but its success depends on addressing two deeply embedded issues.



Approvals Without Closure Do Not Deliver Capability

The space between AoN approval and contract signing is where momentum is lost. What should follow as a matter of course often becomes a fresh journey of clarifications, revalidations, and prolonged interdepartmental movement. Delays inflate costs, complicate vendor commitments, and disrupt operational planning.

When a system approves a proposal but takes years to action it, the cost is paid not just in money but in credibility.

This stage must be locked into a clear timeline. Standardised contract formats should eliminate unnecessary negotiation cycles. Dedicated programme teams should be empowered to own delivery from approval to order. An AoN must be the trigger that starts a tightly managed execution, not another checkpoint. If this reform delivers on speed, it will mark a real shift from intent to outcome.



Trial by Redundancy Slows Down Readiness

Multiple testing layers are not always a sign of diligence. In India's current system, they are often a sign of fragmentation. Vendors cleared by one agency are frequently asked to repeat similar trials for another, even when the specifications and use cases are identical. The absence of a unified testing protocol creates confusion, slows down induction, and adds to the cost and fatigue on all sides.

A common testing and certification framework should be the norm and timelines must be defined. Results from accredited labs should be accepted wherever applicable. A single-window approach will not only simplify the experience for industry, but it will also give the services a faster and clearer picture of what works and what does not.

The Government's recognition of procedural fatigue is timely. But solving it demands not only reduced steps, but measurable accountability at each stage. Delivery must now become the metric, India's combat credibility rests not just on platforms approved, but on platforms delivered.



02

Reinforcing India's Aviation Safety:

DGCA's Strategic 360-Degree Audit for a Growing Ecosystem

India's demographic advantage and sustained economic growth are reshaping its aviation landscape. With 17.8% of the global population and a 5.9% GDP CAGR over the past decade, India is witnessing rising income levels and evolving consumption trends. IATA forecasts 425 million more annual passenger journeys by 2044. To meet this demand, policy initiatives like UDAN (**"Ude Desh ka Aam Nagrik"**) aim to improve regional air access. Simultaneously, India's air cargo market is set to expand significantly, targeting 10 million tonnes of throughput by 2030 through infrastructure and regulatory support.

In light of the sector's rapid expansion, the Directorate General of Civil Aviation (DGCA) has introduced a pivotal reform to enhance oversight and institutional safety culture across India's aviation ecosystem. Through a recently issued circular, the DGCA has introduced a **Comprehensive Special Audit Framework**.

The key thrust areas include;

- a) **Aviation Sector-wide Audit - 'Connecting the Dots Across Silos'**: *Breaking away from traditional silos, this audit shall deliver a unified, 360-degree evaluation by interlinking safety systems, operational practices, and regulatory compliance across aviation domains by offering a complete and cohesive sector-wide assessment.*
- b) **Aviation Audit Coverage - 'Core Entities to Supporting Infrastructure'**: *This audit shall apply to scheduled and private operators, MROs, training and navigation organizations, aerodrome and ground services, and further includes support elements like tech systems, emergency response, supply chains, and coordination bodies for a complete ecosystem-level review.*
- c) **Multi-Dimensional Audit Framework - 'A Tri-Pillar Evaluation Strategy'**: *The framework shall evaluate the aviation ecosystem through three dimensions ensuring robust evaluation across critical aviation dimensions.*
 - i. **Safety Architecture** assesses SMS effectiveness, safety culture, and risk management to ensure strong hazard identification and safety performance.
 - ii. **Operational Excellence** reviews flight and ground operations, crew management, and continuity planning for optimal efficiency and service quality.
 - iii. **Regulatory Compliance** ensures adherence to rules, documentation, and licensing validity.

- d) **Special Audit Teams – ‘A Blend of Regulatory and Industry Expertise’:** *The audit team would be led by a senior DGCA official and include specialists from key directorates such as Flight Standards, Licensing, and Airworthiness. To enhance domain-specific insights, industry experts may also be engaged, ensuring the audit delivers credible and actionable outcomes grounded in both regulatory and operational perspectives.*

India's aviation sector is on the threshold of significant growth. However, this growth must be accompanied by institutional safeguards to ensure sustainability. The DGCA's 360-degree audit mechanism is a forward-looking regulatory reform that shall not only ensure compliance but reinforce public and global confidence in the safety and reliability of India's airspace. Implementation in a timely manner would be critical.





03

Urban Engines, Fiscal Gears

Rethinking Incentives for Cities' Economic Growth

India's growth trajectory is increasingly urban. Yet, even as cities fuel economic expansion, they are rarely empowered to influence it strategically. While urbanization and economic growth are widely acknowledged as interlinked, municipal finance systems have not evolved to reflect this dynamism. Most reforms in the past two decades have focused narrowly on improving cities' own-source revenues (OSR) through measures like improved property tax collection and rationalization of user charges. However, this approach has proven insufficient. A city may generate billions in GDP yet struggle to finance its basic services.

Despite rising per capita GDP and Net State Domestic Product (NSDP), cities' OSR share remains stagnant or even shrinking relative to the overall economy. The real issue lies in the fiscal disconnect between urban economic output and municipal empowerment. Municipal bodies are not incentivized to think or act economically; instead, they remain focused on service delivery within highly constrained budgets.

This creates a paradox. Large cities that drive state-level growth often receive a disproportionately low share of devolved funds. Meanwhile, smaller towns with limited economic bases continue to receive allocations adequate only for basic services. The fundamental question is, if cities are central to economic output, shouldn't their fiscal share reflect their financial performance?

This stems from how funds are devolved. At the central level, Finance Commissions have traditionally adopted a redistributive logic based on income distance, population, forest cover, fiscal discipline, and other factors. In continuation, States also adopted a similar redistributive approach when allocating funds to urban local bodies. While this promotes balanced regional development, it fails to differentiate between high-performing urban centres and those requiring foundational support. Cities that generate wealth do not necessarily receive more, and those that do not, are not motivated to improve.

This has had two consequences. First, large cities are under capacitated despite their outsized economic role. Second, smaller and medium towns lack both the incentives and tools to define their economic futures. The limited focus on effective regional planning has further eroded economic visioning at the local level, leaving ULBs adrift in a resource dependent ecosystem that discourages innovation and initiative.

India's aspiration to become a \$10 trillion economy by 2030 makes it imperative to broaden the spatial base of economic activity. Cities "Big and Small" must be incentivized to catalyse growth, not just maintain infrastructure. This requires a shift in how funds are allocated and how performance is measured.

State Finance Commissions need to embed economic productivity and infrastructure linked outcomes into their devolution criteria. This includes recognizing cities that invest in job-creating infrastructure, ease of doing business, and local enterprise promotion. Fiscal rewards should be tied not only to compliance and service delivery, but to demonstrated contributions to economic output.

Such a shift demands institutional reform. ULBs need to be unburdened from purely operational mandates and equipped to lead strategic planning for economic and social development as envisaged under the 74th Amendment.

Furthermore, economic planning should evolve from isolated municipal boundaries to metropolitan regions and clusters, encouraging collective visioning and integrated infrastructure development.

Each local government, in turn, can identify its niche within a regional economy, specializing in logistics, agro-processing, manufacturing, or services creating a network of economic roles rather than isolated urban islands.

India's urban future must be built on a new fiscal contract one that rewards performance, encourages vision, and empowers local governments to truly lead economic transformation.



04

Prevention Pays:

Unlocking ₹7,500 Crore in Savings Through PMJAY

With changing lifestyles and a rise in chronic and non-communicable diseases, the pressure on public health systems is growing. More people today are being diagnosed with illnesses like cancer, diabetes, and heart disease, often at much younger ages and with higher treatment costs.

To protect the most vulnerable from financial ruin due to medical emergencies, India launched the Pradhan Mantri Jan Arogya Yojana (PMJAY). The scheme now covers over 55 crore individuals, providing cashless hospitalisation for serious illnesses. In 2024 alone, more than 8 crore hospital admissions were authorised under the scheme, with treatment claims crossing ₹1.16 lakh crore. These numbers reflect the growing coverage and critical role of PMJAY in protecting millions of vulnerable families from catastrophic health expenditures.

However, they also raise an important question. What if a fraction of this spend could be used not just to treat illness but to prevent it?

From Insurance to Assurance: The Global Shift in Healthcare Thinking

Across the world, health systems are grappling with a similar challenge of rising costs, ageing populations, and a growing burden of chronic diseases. Models built to handle infectious outbreaks and hospital emergencies are now straining under the weight of long-term conditions like cancer, diabetes, and hypertension.

Traditional health insurance pays when people fall sick. But in today's world, this reactive approach is no longer enough. Waiting for illness to occur before acting leads to higher costs, poorer outcomes, and lost productivity.

Health assurance offers an alternative it focuses on keeping people healthy in the first place.

Countries are already responding to this shift. The United Kingdom's NHS has made early screening and GP-led (General Practitioner) continuity of care a national priority. Singapore's Healthier SG strategy links citizens to primary care providers, tracks wellness goals digitally, and nudges healthier behaviours. Thailand's universal health coverage includes outpatient care and chronic disease prevention, with strong community outreach.

These are not just policy choices they are strategic investments in building a healthier population. Global research shows that every dollar spent on preventive care can yield a return of two to six dollars in avoided treatment costs. **Assurance** reduces the load on hospitals, prevents complications, and helps people live longer, healthier lives.

How PMJAY Can Save More by Spending Smarter

Let us take the example of **cancer**. In 2024, around ₹46,000 crore or nearly 40% of all PMJAY claims were for chemotherapy and oncology procedures. Studies show that 70% of these cases were detected at stage 3 or 4, when treatment is expensive and survival outcomes are poorer. If even 40% of these were detected earlier, the system could save ₹1 lakh per case. This alone would unlock savings of ₹5,200 crore annually.

Diabetes provides another opportunity. Uncontrolled diabetes leads to costly complications such as amputations, dialysis, and stroke all covered under PMJAY. Routine glucose checks, medication adherence, and nutrition counselling could reduce the burden significantly. Likewise, **hypertension and cardiovascular diseases** account for a growing share of hospital claims. Studies show that routine blood pressure management and early medication can reduce the risk of stroke and cardiac events by over 30%.

Together, preventive action in these disease areas could yield over **₹7,500 crore in savings annually** not to mention the years of life and productivity restored.

What a Public Health Assurance Model Could Look Like

To bring this vision to life, PMJAY and related public health programmes could adopt a **two-tier Health Assurance model**:

Tier 1: High-Risk Targeted Interventions

This tier would focus on identified high-risk groups such as women above 30, adults over 40, or individuals with existing comorbidities. Services would include:

- Annual cancer screening for breast, cervical, and oral cancers
- Glucose and blood pressure monitoring with digital tracking
- Subsidised nutrition and lifestyle counselling via telemedicine
- Enrolment in evidence-based coaching models for post-diagnosis support

These interventions can be delivered via Health and Wellness Centres (HWCs), eSanjeevani, or community health workers. Health IDs (ABHA) and National Health Claims Exchange (NHCX) can support tracking and reimbursement.

Tier 2: Wellness Credits for General Population

This tier would offer basic preventive services to all PMJAY families:

- One free annual preventive check-up per household
- ₹1,000 wellness credits for OPD consultations, diagnostics, or medicines
- Mobile-based nudges to encourage healthy living practices

Such a model not only reduces long-term treatment costs but also builds trust and proactive engagement in the healthcare system.

The Case for Investing in Health, Not Just Treatment

PMJAY is one of the world's largest publicly funded health insurance schemes. As its scale grows, so do the pressures on its budget and the need to optimise its long-term value.

By shifting just 5 to 7 percent of annual spend towards early detection, OPD care, and behavioural interventions, the system could save over ₹7,500 crore each year. But more importantly, such a shift would improve quality of life, reduce disease burden, and allow India's citizens to live longer, healthier lives.

The case for health assurance is not just about money it is about reimagining what public health can achieve.



05 | Primus Outreach

Mission Karmayogi's Impact on Urban Governance

Mission Karmayogi, the State-Level Capacity Building Workshop for Urban Local Bodies (ULBs)-Uttar Pradesh, Andhra Pradesh & Haryana

The Mission Karmayogi State-Level Capacity Building Workshop was held for Urban Local Bodies (ULBs) from Uttar Pradesh, Andhra Pradesh, and Haryana. These workshops aimed to strengthen governance by enhancing the skills and capabilities of officials through the Mission Karmayogi framework which delivers on the motto of "rule based to role based" service.

Uttar Pradesh: Paving the Way for Scaled and Sustainable Urban Skilling

In a landmark effort under Mission Karmayogi, the State-Level Capacity Building Workshop for Urban Local Bodies (ULBs) in Uttar Pradesh convened over 800 officials from all 18 divisions at the Directorate of Urban Local Bodies, Lucknow. This large-scale engagement signifies the state's strong commitment to transforming urban governance through competency-driven capacity building.



The workshop catalysed momentum for statewide rollout of digital learning via the iGOT Karmayogi platform, enabling structured, scalable, and role-specific training across 762 ULBs. With a focus on aligning municipal functions to citizen-centric outcomes, the event laid the foundation for institutionalizing continuous learning within the ULB ecosystem. It also helped identify key capacity gaps, reinforced the importance of data-driven skilling strategies, and encouraged active participation in shaping future learning pathways.

Primus Partners is driving initiatives to enhance the capacity of Urban Local Body officials under Mission Karmayogi.

Andhra Pradesh: Charting a Roadmap for a Future-Ready Urban Cadre

Held at the School of Planning and Architecture, Vijayawada, the State-Level Workshop for ULBs of Andhra Pradesh brought together 178 municipal officials to align the state's capacity-building vision with the national framework of Mission Karmayogi.



The workshop served as a strategic platform to co-develop a roadmap for empowering ULBs with role-based, tech-enabled skilling solutions. It marked a shift from one-size-fits-all training to hyper-contextualized, competency-linked learning through the iGOT platform. The event reinforced Andhra Pradesh's progressive stance on institutional development, integration of emerging technologies, and the need to build a resilient and responsive municipal workforce. It also deepened dialogue on operationalizing structured learning pipelines across departments to foster accountable, agile governance at the city level.



***Under Mission Karmayogi, Primus Partners is at the forefront of developing capacity-building strategies for Urban Local Body officials.**

Haryana: Strengthening ULBs Through Competency-Based Governance

In Gurugram, the Haryana State-Level Workshop on Capacity Building of ULBs brought together 125 participants from 93 urban bodies in a focused effort to mainstream capacity development into urban governance frameworks. Anchored by the Capacity Building Commission (CBC), the workshop reflected the state's readiness to move from ad hoc training to systemic skill enhancement grounded in performance and service delivery goals.

This strategic dialogue helped lay the groundwork for a competency-led Individual and institutional transformation of municipal administration. Haryana emerged as a frontrunner in embedding structured learning through the iGOT Karmayogi platform, promoting a culture of accountability, agility, and digital-first governance. The workshop also advanced the conversation on future-proofing the urban workforce through adaptive learning pathways and state-level ownership of the capacity building agenda.

***As part of Mission Karmayogi, Primus Partners is leading efforts to strengthen the skills of Urban Local Body officials.**

Publishing Team



Nilaya Varma
Co-Founder &
Group CEO



Davinder Sandhu
Chairperson



M. Ramakrishnan
Managing Director



Madhumita Sengupta
Assistant Vice President



Veda Halve
Assistant Vice President



Parul Kataria
Consultant



Tanay Khandelwal
Consultant

Authors



Aarti Harbhajanka
Co-Founder & Managing Director



Pragya Priyadarshini
Managing Director



Shubham Katyayan
Vice President



Sivasakthivel T
Assistant Vice President



Archana Trivedi
Manager



Chetan Pant
Manager



Shrey Dongre
Senior Consultant



Shatabdi Dash
Consultant

Disclaimer

The report is prepared using information of a general nature and is not intended to address the circumstances of any particular individual or entity. The report has been prepared from various public sources and the information received from these sources is believed to be reliable.

The information available in the report is selective and subject to updation, revision and amendment. While the information provided herein is believed to be accurate and reliable, Primus Partners Private Limited does not make any representations or warranties, expressed or implied, as to the accuracy or completeness of such information and data available in the public domain.

While due care has been taken while preparing the report, Primus Partners Private Limited does not accept any liability whatsoever, for any direct or consequential loss arising from this document or its contents. We do not claim ownership over the images used in this document.

PRIMUS

PASSION

for providing solutions to help clients achieve their goals

RESPECT

for all and alternate viewpoints

INTEGRITY

of thoughts and actions

MASTERY

of our chosen subject to drive innovative and insightful solutions

US

representing the Primus collective, where each individual matters

STEWARDSHIP

for building a better tomorrow



PRIMUS PARTNERS®

Solutions for Tomorrow

Primus Partners has been set up to partner with clients in 'navigating' India, by experts with decades of experience in doing so for large global firms. Set up on the principle of 'Idea Realization', it brings to bear 'experience in action'. 'Idea Realization'— a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability.

Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Established by seasoned industry leaders with extensive experience in global organizations, Primus Partners boasts a team of over 250 consultants and additional advisors, showcasing some of the finest talent in the nation.

The firm has a presence across multiple cities in India, as well as Dubai, UAE. In addition, the firm has successfully executed projects across Africa, Asia Pacific and the Americas.

India Offices



Bengaluru

91 Springboard
Business Hub 175, 176
Bannerghatta Rd,
Dollars Colony,
Bengaluru – 560076



Chandigarh

2nd Floor, Netsmartz,
Plot No. 10, Rajiv
Gandhi Chandigarh
Technology Park,
Chandigarh – 160019



Chennai

147, Pathari Rd, Door #3,
WorkEz Hansa Building,
RK Swamy Centre,
Thousand Lights,
Chennai, TN - 600006



Delhi

1 to 7, UG Floor,
Tolstoy House,
Tolstoy Road,
Connaught Place
New Delhi - 110001



Kolkata

Siddhartha Apartments
4th Floor, 188/2,
Block J,
New Alipore,
Kolkata - 700053



Mumbai

601, 6th floor,
Raheja Centre,
Nariman Point,
Mumbai,
MH - 400021

International Offices



Dubai

United Arab Emirates
(UAE)



Dammam

Kingdom of Saudi Arabia
(KSA)



Washington D.C

United States of America
(USA)