

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:4773  
ANSWERED ON:18.04.2001  
NON-UTILIZATION OF FUNDS MEANT FOR MODERNIZATION OF ARMED FORCES  
ASHOK NAMDEORAO MOHOL

**Will the Minister of DEFENCE be pleased to state:**

- (a) whether Defence forces have failed to utilise the funds meant for modernization of armed forces and upgradation of existing defence programmes;
- (b) if so, the details thereof and the justification therefor;
- (c) whether the Government have taken any decision to review the procurement procedures to expedite decisions which have a direct bearing on the nation's defence preparedness; and
- (d) if so, the details thereof alongwith the concrete steps taken in this regard?

**Answer**

MINISTER OF DEFENCE (SHRI JASWANT SINGH)

(a) & (b): Against a provision of Rs. 58587 crores in Budget Estimates 2000-2001 for the Defence Services, Revised Estimates had been pegged at Rs. 54460.91 crores. This reduction of Rs. 4126.09 crores was made keeping in view the anticipated cash outgo during the financial year 2000-2001 based on the status of various ongoing/new schemes and projects.

(c) & (d): The Task Force for the Review of Management of Defence and the Group of Ministers constituted to review the National Security System in its entirety have inter-alia examined the question of review of procurement procedures.