

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:1686  
ANSWERED ON:08.03.2010  
DEFENCE EXPENDITURE REVIEW  
Saroj Shri Tufani

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

- (a) whether the Government has constituted a high-level Defence Expenditure Review Committee;
- (b) if so, the details thereof including the objectives outlined for constituting the said committee;
- (c) whether the said committee has submitted its report to the Government;
- (d) if so, the main recommendations made by the said committee;
- (e) whether the Government proposes to implement the recommendations of the committee; and
- (f) if not, the reasons therefor?

**Answer**

MINISTER OF DEFENCE(SHRI A.K. ANTONY)

(a) to (f): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA UNSTARRED QUESTION NO. 1686 FOR ANSWER ON 8.3.2010

A Committee was set up in October 2008 to recommend measures that would bring about:

- (a) Optimal efficiency in the system, with greater focus on Information & Communication Technology (ICT);
- (b) Greater efficiency and economy in supply services through outsourcing and reorganization;
- (c) Greater transparency and accountability in regard to management of defence expenditure;
- (d) Higher efficiency in logistic supply chain management;
- (e) Outcome orientation in defence spending;
- (f) Enhanced self-reliance by tapping the strength of the vibrant private sector;
- (g) High levels of preparedness/serviceability of weapon systems;
- (h) Greater efficiency and economy in training.

2. The Committee was headed by Shri V.K. Misra, former Secretary (Defence Finance). The other members of the Committee were retired three-star officers from the three Services and two serving Joint Secretary level officers from the Ministry of Defence and Defence (Finance).

3. The Defence Expenditure Review Committee has submitted its report.

4. The main recommendations made by the Committee relate to greater use of Information & Communication Technology; Streamlining of Acquisitions and Procurement; Empowering Defence Industrial Base and enhancing private sector participation; and, improvement in logistics and maintenance management, support services, training, infrastructure, financial management and project management.

5. Various officers in the Ministry of Defence have been assigned the responsibility of looking into the recommendations of the Committee.