

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:1699
ANSWERED ON:07.03.2011
DEFENCE BUDGET
De Dr. Ratna;Singh Shri Ganesh

Will the Minister of DEFENCE be pleased to state:

- (a) whether the defence budget allocation is less than three per cent of the total budget and also less than the defence budgets of the neighbouring countries;
- (b) if so, the details thereof;
- (c) the utilization pattern of the defence allocations during the last three years indicating the reasons for unspent funds; and
- (d) the details of expenditure incurred on modernization of defence production in the country during the said period?

Answer

MINISTER OF DEFENCE(SHRI A.K. ANTONY)

(a) & (b): The defence budget for the year 2011-2012 is Rs.164415.49 crore which is 13.07% of the total expenditure budget of Rs.1257729 crore of the Union Government for the year 2011-2012. It is difficult to compare the defence expenditure of various countries because of non-availability of detailed data and also because what is included in the defence budget varies from country to country.

(c) The position of utilisation of funds vis-à-vis allocation during the last three years is as under:

Year	(Rs. in crores)			
	BE	RE	Actual Utilized	%
			(of RE)	
2007-2008	96000.00	92500.00	91680.28	99.11
2008-2009	105600.00	114600.00	114223.28	99.67
2009-2010	141703.00	136264.00	141781.0	104.05

The marginal under utilization in 2007-2008 & 2008-2009 was primarily on account of certain purchase proposals/schemes under the revenue and capital heads not materializing as expected and outgo on committed liabilities not progressing as anticipated due to slippages in contractual obligations on the part of the suppliers/vendors.

(d) Details of expenditure on modernization of defence production during the last three year are as under:-

Year	(Rs. in crores)
	Expenditure
2007-2008	944.95
2008-2009	1370.99
2009-2010	1243.47