

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:2903
ANSWERED ON:14.03.2011
DELAY IN DEFENCE PROCUREMENT
Yadav Shri Dharmendra

Will the Minister of DEFENCE be pleased to state:

- (a) whether the delay in execution of the defence deals and agreements has caused loss to the Exchequer;
- (b) if so, the details thereof including its resultant effect on defence preparedness of the country;
- (c) whether the Government has formulated any mechanism to fix responsibility for the said delay;
- (d) if so, the action taken against the officers found responsible for the delay; and
- (e) the steps taken by the Government to check delay in defence procurements in future?

Answer

MINISTER OF DEFENCE(SHRI A.K. ANTONY)

- (a) to (d): Procurement of defence equipment/platforms is made from various indigenous as well as foreign sources in accordance with the provisions of Defence Procurement Procedure. Delays occur sometimes in execution of contracts due to unavoidable circumstances. There are contractual provisions for penalties, including imposition of liquidated damages for delay in execution of contracts.
- (e) To counter systemic and institutional delays, procedures are continuously reviewed and refined on the basis of experience gained during the procurement process. Steering Committees and Monitoring Teams are constituted at appropriate levels to ensure timely execution of projects.