

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:3321
ANSWERED ON:01.08.2014
UTILISATION OF FUNDS IN DEFENCE SECTOR
Puttaraju Shri C.S.

Will the Minister of DEFENCE be pleased to state:

- (a) whether non-utilisation of funds and irregularities in the defence deals is adversely affecting the defence preparedness of the country;
- (b) if so, the details thereof; and
- (c) the action plan formulated by the Government for proper utilisation of funds and eradicating irregularities in defence deals during the 12th Plan period?

Answer

MINISTER OF DEFENCE (SHRI ARUN JAITLEY)

(a) to (c): There has been no significant non-utilisation of funds under the Defence Services Estimates (DSE) for defence procurements since 2010-11. Utilisation of Defence Budget is regularly monitored at all levels to ensure optimum utilization of available funds.

Procurement for the Armed forces is done in accordance with the Defence Procurement Procedure (DPP) and Defence Procurement Manual (DPM). The procedures aim at ensuring the highest degree of probity, public accountability and transparency.