GOVERNMENT OF INDIA MINISTRY OF DEFENCE DEPARTMENT OF DEFENCE LOK SABHA

UNSTARRED QUESTION NO.1903

TO BE ANSWERED ON THE 7TH MARCH, 2018

DEFENCE EXPENDITURE

1903. SHRI RAJENDRA AGRAWAL:

Will the Minister of DEFENCE j{kk ea=h be pleased to state:

- (a) whether defence expenditure as a percentage of GDP has been consistently declining over the past few years;
- (b) if so, the details thereof for the past three years and the reasons therefor; and
- (c) whether the Government proposes to increase the spending on defence to meet the latest demands and if so, the details thereof?

(a) to (c): There has been a consistent increase in Defence Expenditure every year over previous year, as is brought out in the table below, providing the details for the last three years as well as the current year. Defence expenditure as a percentage of GDP is also given in the table:

(Rs. in crore)

Year	Defence Expenditure excluding Defence Pension	Defence expenditure including Defence Pension	GDP	Defence Expenditure excluding Defence Pension as % of GDP	Defence expenditure including Defence pension as % of GDP.
2014-15	2,24,654	2,85,104	1,05,36,984	2.1	2.7
2015-16	2,33,682	2,93,920	1,13,81,002	2.05	2.58
2016-17 (Actual)	2,66,795	3,54,621	1,21,89,854 (PE)	2.18	2.9
2017-18# (RE)	2,79,004	3,74,004	1,67,84,679 (RE)	1.66	2.2

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This Ministry projects all the requirements posed by the Services to Ministry of Finance for favourable consideration. Ministry of Finance, being the Nodal Ministry for allocating funds to the Ministries, State Governments, etc. provides budget for Ministry of Defence taking into account resource envelope of the Government of India. The allocated funds are optimally and fully utilized towards operational requirements. However depending on the Budget allocation the schemes are reprioritized to ensure that urgent and critical capabilities are acquired without any compromise to operational preparedness of the Defence Services.
