

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA

UNSTARRED QUESTION NO.777

TO BE ANSWERED ON THE 7TH FEBRUARY, 2018

FUNDS FOR MODERNISATION OF ARMED FORCES

777. SHRI KRUPAL BALAJI TUMANE:

Will the Minister of DEFENCE please be pleased to state:

- whether the Government has utilised the funds allocated for modernisation of armed forces during the last three years;
- if so, the details of mechanism established for audit of funds allocated for the said purpose; and
- the details of defence procurement agreements signed during the last three years?

A N S W E R

MINISTER OF STATE (DR. SUBHASH BHAMRE)
IN THE MINISTRY OF DEFENCE

राष्ट्र रक्षण मंत्री

(डा. सुभाष भामरे)

(a) to (c): Modernisation of Armed Forces is a continuous process undertaken as per the extant Defence Procurement Procedure (DPP) to keep the Forces in a state of readiness to meet operational and security challenges.

The capital Budget and Expenditure for Armed Forces for the last three years are given below:

(Rs. in crores)

Year	Revised Estimates	Expenditure
2014-15	66151.73	65862.38
2015-16	65400.00	62235.54
2016-17	62619.36	69280.17

.....2/-

During the last three financial years, 154 contracts have been signed for capital procurement of defence equipment for Defence Forces.

Ministry of Defence is undertaking the following two types of Audit:

- (i) **Internal Audit**: It is conducted by Defence Accounts Department while performing function of payment and accounting of all Defence expenditure. The major findings of the Internal Audit are highlighted in the Internal Audit report issued by CGDA.
- (ii) **External Audit**: This is the statutory audit done by Controller and Auditor General (C&AG) as in the case of other Ministries / Departments.
