

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE
LOK SABHA

UNSTARRED QUESTION NO.576

TO BE ANSWERED ON THE 6TH FEBRUARY, 2019

CAPITAL EXPENDITURE IN DEFENCE SECTOR

576. SHRI RAM MOHAN NAIDU KINJARAPU:

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

- (a) whether it is true that the capex in defence sector has been abysmally low and has come down to 34 per cent in 2018-19 from 39 per cent in 2013-14;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether or not the budgetary allocations and procurement have been adjusted as per Long Term Integrated Perspective Plan (LTIPP); and
- (d) if so, the details thereof?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

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(a) to (d): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO. 576 FOR ANSWER ON 6.2.2019

(a) & (b): Details of Capital Expenditure as a percentage of total Expenditure in the Defence Sector from FY 2013-14 to 2018-19 is tabulated below:-

(Rs. in crore)

Year	Capital Expenditure	Total Expenditure	Capital Expenditure as a %age of total Expenditure
2013-14	80221.44	208734.6	38.43
2014-15	83074.86	224654.37	36.98
2015-16	83614.22	233681.85	35.78
2016-17	91482.77	263824.3	34.68
2017-18	95431.1	287704.38	33.17
2018-19 (BE)	99563.86	295511.41	33.69

Capital Expenditure in absolute terms has gone up by Rs 19342.42 Crore (24.11%) during this period. The allocated capital budget has been fully utilized in 2016-17 and 2017-18 reversing the previous trends. Preparedness of the Defence Forces is the first and foremost priority and it is ensured that optimal requirements of the services are fully met.

(c) to (d): The equipment requirements of the Armed forces are reflected in the planning process which includes 15 year Long Term Integrated Perspective Plan (LTIPP), Five Year Service-wise Capital Acquisition Plan (SCAP) and two year roll on Annual Acquisition Plan (AAP). Capital Procurement of Defence equipment is carried out as per Defence Procurement Procedure (DPP) and based on the budgetary allocation, priority in procurement is carried out.
