

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2857**  
TO BE ANSWERED ON 17<sup>th</sup> March, 2023

**NON-LAPSABLE DEFENCE MODERNISATION FUND**

2857. SHRI BALASHOWRY VALLABHANENI:

Will the Minister of DEFENCE be pleased to state:

- (a) whether there is any proposal to create a non-lapsable Defence Modernisation Fund (DMF);
- (b) if so, the details thereof along with the advantages of having non-lapsable DMF; and
- (c) the timeline since when this proposal is pending for approval and expected date of according approval to this proposal?

A N S W E R

MINISTER OF STATE  
IN THE MINISTRY OF DEFENCE

(SHRI AJAY BHATT)

- (a): Yes, Sir. A proposal for creation of Non-Lapsable Defence Modernisation Fund (DMF) is under consideration with Ministry of Defence.
- (b): DMF will be available for modernization of Defence Forces and would supplement the regular yearly budgetary allocations by eliminating any uncertainty in provisioning of adequate funds for various defence capability development and infrastructure projects.
- (c): A suitable mechanism for operationalising the fund is being worked out in consultation with the Ministry of Finance.

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