

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE  
**LOK SABHA**  
**STARRED QUESTION NO. 325**  
TO BE ANSWERED ON 25<sup>TH</sup> MARCH, 2022

**DEFENCE EXPENDITURE**

\*325. SHRI T.R. BAALU:

Will the Minister of Defence be pleased to state:

- (a) whether the Government is aware that the overall trend in defence spending is not encouraging and the defence expenditure as a proportion of the Government expenditure has been falling steadily since 2014-15;
- (b) if so, the details thereof; and
- (c) the corrective measures taken/proposed to be taken by the Government to increase defence spending upto three per cent of Gross Domestic Product for ensuring the operational preparedness of the defence forces?

A N S W E R

MINISTER OF DEFENCE

(SHRI RAJNATH SINGH)

(a) to (c): A statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA  
STARRED QUESTION No. 325 FOR ANSWER ON 25.03.2022 REGARDING  
'DEFENCE EXPENDITURE':**

(a) & (b): No Sir, the overall trend in defence spending is based on defence capability development requirements and the expenditure on Defence Services, including modernization, has been increasing year after year. Defence budget which was Rs. 2,53,346 crore in 2013-14 has more than doubled to Rs. 5,25,166 crore in 2022-23. More importantly, spending under Capital Outlay which includes Modernization and Infrastructure development of the Defence Services has grown by 76% to Rs 1,52,370 crore in 2022-23 from Rs. 86,741 crore in 2013-14. Though there have been fluctuations in percentage terms in Defence Expenditure vis-à-vis Central Government Expenditure (CGE), however, the decadal average of Defence spending as percentage of CGE has been around 16%.

(c): It may not be appropriate to think about Defence spending in terms of national economic output as countries vary in terms of economic size, tax to GDP ratio, defence needs etc. As far as India is concerned, the expenditure on Defence is the largest amongst the Central Ministries and it has been growing consistently since 2014-15 onwards. Defence preparedness is the result of the capabilities acquired over the years and not merely on budget allocation of a particular year. Allocation made for defence is adequate to sustain the desired level of defence preparedness. Further, based on expenditure during the year, pending committed liabilities and critical/operational requirements, threat perception etc., additional funds, if required, are sought at Supplementary /RE stage. The progress of expenditure is reviewed from time to time to ensure that the allocated funds are optimally utilized towards operational activities so that urgent and critical capabilities are acquired without any compromise to operational preparedness of the Defence Services.

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