



**PRESS RELEASE**  
**(17<sup>th</sup> MARCH, 2025)**  
**LOK SABHA SECRETARIAT**  
**(STANDING COMMITTEE ON DEFENCE)**

**SEVENTH REPORT (18<sup>TH</sup> LOK SABHA) OF THE STANDING COMMITTEE ON DEFENCE (2024-25) ON DEMANDS FOR GRANTS OF THE MINISTRY OF DEFENCE FOR THE YEAR 2025-26 ON 'GENERAL DEFENCE BUDGET, BORDER ROADS ORGANISATION, INDIAN COAST GUARD, DEFENCE ESTATES ORGANISATION, WELFARE OF EX-SERVICEMEN AND DEFENCE RESEARCH AND DEVELOPMENT ORGANISATION (DEMAND NOS. 19, 20 AND 21)'**

The Seventh Report (18<sup>th</sup> Lok Sabha) of the Standing Committee on Defence (2024-25) on Demands for Grants of the Ministry of Defence for the year 2025-26 on '**General Defence Budget, Border Roads Organisation, Indian Coast Guard, Defence Estates Organisation, Welfare of Ex-Servicemen and Defence Research and Development Organisation (Demand Nos. 19, 20 and 21)**', was presented to Lok Sabha/laid in Rajya Sabha on 17<sup>th</sup> March, 2025. Some of the important Observations/ Recommendations are as follows:

<b>Subject</b>	<b>Observations/Recommendations</b>
<b>1. Need for additional funds, if needed, at the revised estimates stage to ensure optimal combat preparedness of Armed Forces stressed</b>	The Committee learnt that the total Defence Budget for 2025-26 is approximately 13.45 percent of total Central Government Expenditure for the year 2025-26. Further, total outlay for the Defence budget in Budget Estimates (BE) 2025-26 had shown an increase of ₹ 59,269.42 crore i.e. 9.53 percent in comparison to Budget Estimates in 2024-25 and an increase of ₹ 40,150.27 crore i.e. 6.26 percent in comparison to Revised Estimates in 2024-25. The Committee also noted the Ministry's submission that Defence Budget has increased at a Compound Annual Growth Rate (CAGR) of 7.94% from FY 2020-21 to FY 2025-26 which was greater than the inflation rate in each year. The Committee, taking into account competent growth of Defence Budget in the recent years, recommended that, if needed, the Ministry of Defence may be allocated

	<p>additional funds at Revised Estimates stage so that combat preparedness of our Forces constantly remained at an optimum level.</p> <p style="text-align: right;"><b>(Recommendation Para No. 2)</b></p>
<p><b>2. Proactive efforts of the Ministry in analyzing, recognizing and adopting emerging technologies of warfare appreciated</b></p>	<p>The Committee learnt from the Ministry's submission that a Future Warfare Fund had been set up within the Armed Forces. A Future Analysis Group, for studying future technologies and their impact, was also proposed to be set up. The Committee appreciated the proactive efforts of the Ministry in analyzing, recognizing and adopting emerging technologies of warfare and recommended that adequate budgetary provisions for Research and Development in this direction be made available to the Armed Forces.</p> <p style="text-align: right;"><b>(Recommendation Para No. 5)</b></p>
<p><b>3. Optimal utilization of additional budget allocated for strengthening the coastal security preparedness of the Coast Guard recommended</b></p>	<p>The Committee learnt that the amount allocated under Capital and Revenue heads to Indian Coast Guard Organisation (ICG) in Budget Estimates (BE) 2025-26 is ₹ 5,000 crore and ₹ 4676.70 crore, respectively. The Committee noted that the Capital allocation to Coast Guard in BE 2025-26 had seen an increase of approximately 43 percent compared to allocation in BE 2024-25. The Committee appreciated that significant financial provision, double the Capital allocation of BE 2019-20, had been made in this budget for capital budget for Coast Guard which would be a step further in the direction of strengthening our maritime and coastal security. The Committee recommended that the additional budget be optimally utilized for strengthening the coastal security preparedness of the Coast Guard.</p> <p style="text-align: right;"><b>(Recommendation Para No. 8)</b></p>
<p><b>4. Priority to accomplish task of excision of civil areas of select Cantonments and their merger with adjoining municipalities emphasized</b></p>	<p>The Committee, during examination of Demands for Grants for 2024-25, were informed that in order to move away from the Cantonment concept and bring uniformity in municipal laws governing civil areas of Cantonments and adjoining State Municipal areas, it was decided to consider excision of civil areas of select Cantonments and merge them with adjoining municipalities. The Committee learnt that subsequently Cantonment-wise committees in respect of 36 Cantonments had been constituted by the Ministry of Defence to look into the details of proposed modalities in terms of transfer/retention of assets and liabilities, Cantonment Board employees, pensioners and other related issues. Also, notifications had been issued inviting objections/suggestions concerning de-notification or excision of civil areas as the case may be, in respect of 10 Cantonment Boards namely Ajmer, Babina, Deolali, Nasirabad, Clement Town, Dehradun, Fatehgarh, Mathura, Ramgarh &amp; Shahjanpur. The views / comments from the State Governments were awaited. Understanding that excision of civil areas of select Cantonments and their merger with adjoining municipalities was a complex process involving many stakeholders such as military authorities, employees of Cantonment Boards civilians, State Governments etc., the Committee recommended that priority may be accorded to accomplish this task at the earliest so that challenges faced by civilians in Cantonment Boards were resolved to a large extent.</p> <p style="text-align: right;"><b>(Recommendation Para No. 10)</b></p>

<b>5. Achievements of DRDO lauded</b>	<p>The Committee, with glee took note of the fact that in the past and current year, crucial milestones in developing next-generation hypersonic technologies and missiles had been achieved by DRDO. The Committee were also apprised that DRDO had been able to save an amount of ₹ 2,64,156 crore because of its own indigenous research during the last five years. The Committee congratulated DRDO for its various feats and believed that armed with adequate fiduciary support and skilled manpower, DRDO would continue its successful stride in the fields of various complex and critical technologies to strengthen indigenous Defence Research and Development capabilities of our country.</p> <p style="text-align: right;"><b>(Recommendation Para No. 17)</b></p>
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