

#### **Budgetary allocation for defence**

2769. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that while India was trying to mobilize world opinion against arms race, China has quietly been building up Pakistan's military might and determinedly adding military muscles to its defence inventory;

(b) if so, whether our budgetary allocation for Defence spending have adequately kept this ground reality in view, in fiscal year 2009-2010;

(c) if so, what is the percentage increase over our defence allocations in 2008-2009; and

(d) whether the 2008-2009 defence allocations were spent in full or some amount lapsed?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) India's policy has been to build up defence preparedness while not advocating an arms race.

(b) and (c) The percentage increase in 2009-2010 over our defence allocation in 2008-2009 is 23.65%.

(d) Till March 2009, 99.61% of the 2008-2009 defence allocation (revised estimate) was spent as per unaudited figures.

#### **CBI investigation into Murky Defence deals**

2770. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of DEFENCE be pleased to state:

(a) whether CBI has completed its investigation into murky defence deals concerning contracts of German HDW submarine and the Russian aircraft carrier Admiral Gorshkov;

(b) if so, what are the findings thereof and the reaction of Government thereon; and

(c) the steps taken to check corruption in defence deals?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (c) As per available information, CBI has not investigated into Defence deal concerning procurement of Russian Aircraft Carrier ex-Admiral Gorshkov. CBI had conducted investigation into HDW submarine case and their closure report was accepted by the Special Judge, Patiala House Court, New Delhi on 4th March 2005.

The objective of Defence Procurement Procedure is to ensure the expeditious procurement of approval requirements of the Armed Forces in terms of capabilities sought within time frames prescribed by optimally utilizing allocated budgetary resources. While achieving this objective, these procedure would demonstrate the highest degree of probity and public accountability, transparency in operations, free competition and impartiality. The provisions incorporated in Defence Procurement Procedures for achieving this objective include: (i) An 'Integrity Pact' between the Government department and the bidder for all contracts above Rs.100 crores; (ii) Dealing directly with Original Equipment Manufacturers (OEM) or Authorized vendors or Government Sponsored Export Agencies