

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:586

ANSWERED ON:23.02.2006

SEPARATE FUND FOR THE DEVELOPMENT OF INDIGENOUS TECHNOLOGY

Sajjan Kumar Shri

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government is contemplating to make a provision for setting up of a separate fund for the development of indigenous technology in view of increasing import of military equipment etc.;

(b) if so, the details thereof; and

(c) the time by which this fund is likely to be set up?

Answer

MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE)

(a) One of the recommendations made by the Kelkar Committee relates to creation of a Fund to be used by Small & Medium Enterprises to carry out design and development work either directly or through Industry Champions/Defence PSUs/Ordnance Factories. The recommendation has been accepted in principle. However, keeping in view the guidelines/instructions issued by the Ministry of Finance on creation of Reserve/Corpus Funds, modality for achieving the same objective through budgetary allocation is under examination.

(b) & (c): Not applicable.