

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:3566  
ANSWERED ON:10.09.2007  
INCREASE IN FINANCIAL POWERS  
Dhotre Shri Sanjay Shamrao;Gawali Smt. Bhavana Pundlikrao

**Will the Minister of DEFENCE be pleased to state:**

- (a) whether the Parliamentary Standing Committee on Defence have recommended to increase the financial powers upto Rs.200 crores to accelerate the process of modernization of army and to speed up the process of defence procurement;
- (b) if so, the reaction of the Government thereto; and
- (c) the time by which the recommendation is likely to be implemented?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF DEFENCE (SHRI A.K. ANTONY)

(a) to (c): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO.3566 FOR ANSWER ON 10.9.2006

The Parliamentary Standing Committee on Defence (14th Lok Sabha) (2006-2007) in its 22nd Report have recommended the following:

"2.12: The Committee, however, feel that the Defence Minister should be further delayed (sic) financial powers upto Rs.200 crore in case of non scaled items without the concurrence of the Finance Minister, if the purchase proposal is within the allocated amount of Ministry of Defence, as the Finance Minister may not have that knowledge of the purchases to be made as the Defence Minister is likely to have."

2. The financial powers of Raksha Mantri under the category of non-scaled items was enhanced from Rs.50 crores to Rs.100 crores during the year 2006. The recommendation made by the Parliamentary Standing Committee on Defence, as stated above for further delegation is under examination.