

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

STARRED QUESTION NO:232  
ANSWERED ON:20.07.2009  
CANCELLATION OF DEFENCE DEALS  
Gaikwad Shri Eknath Mahadeo;Muttemwar Shri Vilas Baburao

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

- (a) whether the Government has cancelled defence deals with certain defence firms recently;
- (b) if so, the details thereof including the defence deals affected thereby and the reasons therefor;
- (c) the total value of defence equipment procured from such companies during the last three years;
- (d) the action taken by the Government against the companies and the officials involved; and
- (e) the steps taken to check recurrence of such incidents and bring about transparency in defence deals?

**Answer**

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

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 232 FOR ANSWER ON 20.7.2009

The CBI registered an FIR on 17.5.2009 in Kolkata against, inter-alia, the then Director General, Ordnance Factories and Chairman, Ordnance Factory Board, Kolkata, containing, among other things, certain allegations about illegal gratification in the matters of various supply orders placed by Ordnance Factory Board on the private manufacturers /suppliers including foreign suppliers. The names of the following firms/companies/suppliers/vendors figure in the said FIR:

- (i) M/s Israeli Military Industries,
- (ii) M/s Singapore Technology,
- (iii) M/s HYT Engineering,
- (iv) M/s T.S. Kishan and Co. Pvt. Ltd., New Delhi,
- (v) M/s R.K. Machine Tools,
- (vi) M/s BVT, Poland,
- (vii) M/s Media Architects Pte Ltd., Singapore.

2. In the light of the said FIR; it has been decided that all procurement/acquisition cases in the pipeline with any of the above mentioned firms/companies/suppliers/vendors, may be put on hold for the present, and should not be proceeded with till further orders.

3. The Defence Procurement Procedure is revised from time to time with a view to ensuring, inter-alia, the highest degree of probity and public accountability, transparency in operations, free competition and impartiality.