

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:1286
ANSWERED ON:08.08.2011
ILLEGAL PAYMENTS IN DEFENCE DEALS
Dhotre Shri Sanjay Shamrao;Wankhede Shri Subhash Bapurao

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Navy is probing into some illegal payments allegedly made to its officials by an American Defence firm in a defence deal last year;
- (b) if so, the details indicating the outcome thereof;
- (c) whether the American firm has refused to reveal details of the illegal payments;
- (d) if so, the reasons therefor; and
- (e) the steps being taken by the Government to get details from the said firm and book the corrupt officials?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

- (a) Yes, Madam.
- (b) An intimation was received from Embassy of India in September 2009 on alleged involvement of Indian Navy (IN) officials in receiving payments from York International Corporation (presently part of Johnson Controls) through its subsidiaries to secure business for York. A Board of Officers was constituted in October 2009 to investigate into allegations of illegal payments to Indian Naval Officials by M/s York international/subsidiaries. The report of the Board has since been approved by the Competent Authority. No IN personnel was found to be involved.
- (c) The firm submitted all details which they said were with them. Representative of the firm viz., Vice President, Legal Compliance, Johnson Controls was questioned by the Board. Johnson Controls had no evidence indicating IN Officials of having accepted bribes.
- (d) & (e): Do not arise.