

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:1948

ANSWERED ON:26.03.2012

IRREGULARITIES IN PURCHASE OF HELICOPTERS

Chacko Shri P.C.;Kumar Shri Vishwa Mohan;Panda Shri Prabodh;Ponnam Shri Prabhakar;Satpathy Shri Tathagata

Will the Minister of DEFENCE be pleased to state:

- (a) whether some irregularities have been reported in the purchase of a few helicopters from Italy and huge kickbacks have been allegedly paid in the deal;
- (b) if so, whether Government has recently ordered an inquiry into the case;
- (c) if so, the outcome thereof and action taken against the officials found involved therein;
- (d) the details of the procedures followed and the provisions violated in the deal; and
- (e) the total cost of the helicopters and the purpose for which they are being purchased?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) to (c): Madam, there was a media report stating that the scope of a probe by Italian prosecutors into allegations against unethical dealings by M/s Finmeccanica, Italy has widened to include the Indian contract signed with M/s Agusta Westland for purchase of 12 helicopters. Ministry of Defence asked for a report in the matter from the Indian Embassy in Rome. The report received indicates that Italian Magistrates/prosecutors are conducting preliminary investigation about allegations of financial malpractices occurring within M/s Finmeccanica, Italy and its subsidiaries in general and there is no specific probe being conducted about India related transactions.

(d) & (e): The procurement case was finalized in accordance with the Defence Procurement Procedure. The total cost of the contract for procurement of 12 (twelve) AW-101 helicopters was Euro 556,262,026. These helicopters would replace the ageing Mi-8 fleet.