

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:4045

ANSWERED ON:30.04.2012

BLACKLISTING OF DEFENCE FIRMS

Dubey Shri Nishikant ;Majhi Shri Pradeep Kumar;Pandurang Shri Munde Gopinathrao;Patel Shri Kishanbhai Vestabhai;Shanavas Shri M. I.;Singh Shri Bhola;Yadav Shri Hukumdeo Narayan;Yadav Shri Om Prakash

Will the Minister of DEFENCE be pleased to state:

- (a) whether several Indian and foreign defence firms have been blacklisted by the Government due to involvement in alleged irregularities in the recent past;
- (b) if so, the names and details of the firms;
- (c) the inquiry conducted into the matter and the action taken against the officials of the Ordnance Factory Board found guilty and each of the said firms;
- (d) whether the Government proposes to cancel the defence deals signed with these firms in the past and also take measures to prevent them from entering into contracts in the form of shell companies;
- (e) if so, the details thereof; and
- (f) whether the blacklisting of the said companies has adversely affected the defence procurement process and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU)

- (a) Yes, Madam.
- (b) The Ministry of Defence has debarred following six firms from further business dealings for a period of ten years.
 - (i) M/s. Singapore Technologies Kinetics Ltd. (STK)
 - (ii) M/s. Israel Military Industries Ltd. (IMI)
 - (iii) M/s. T.S. Kisan & Co. Pvt. Ltd., New Delhi.
 - (iv) M/s. R.K. Machine Tools Ltd., Ludhiana
 - (v) M/s. Rheinmetall Air Defence (RAD), Zurich.
 - (vi) M/s Corporation Defence, Russia.
- (c) CBI has filed a Chargesheet against Shri Sudipta Ghosh, ex DGOF for receipt of illegal gratification from the above mentioned firms. The case is sub-judice in the CBI Special Court, Kolkata. In addition, the Ministry has separately initiated departmental proceedings against Shri Sudipta Ghosh, ex DGOF under Rule 9 of CCS (Pension) Rules 1972.
- (d) & (e): All further business dealings for a period of ten years have been debarred in respect of six firms mentioned above.
- (f) Defence procurement is continuing through alternative indigenous and foreign sources.