

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:3489
ANSWERED ON:03.09.2012
BLACKLISTING OF DEFENCE COMPANIES
Yadav Shri Om Prakash

Will the Minister of DEFENCE be pleased to state:

- (a) whether a number of leading weapon making companies of the world have been blacklisted in India on account of certain irregularities in defence deals involving payment of kickbacks or commissions;
- (b) if so, the names of the companies which have been blacklisted in this regard;
- (c) whether as a result of the blacklisting, the procurement of defence equipment and sophisticated weapon systems has become very difficult and time-consuming process; and
- (d) if so, the measures taken by the Government to rectify the situation?

Answer

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

(a) & (b): Madam, in March, 2012, the Ministry of Defence (MoD) debarred the following six firms from further business dealings with it for a period of ten years:

- (i) M/s. Israel Military Industries Ltd. (IMI).
- (ii) M/s. Singapore Technologies Kinetics Ltd. (STK).
- (iii) M/s. T.S. Kisan and Co. Pvt. Ltd., New Delhi.
- (iv) M/s. R.K. Machine Tools, Ludhiana.
- (v) Rheinmetall Air Defence (RAD), Zurich.
- (vi) M/s. Corporation Defence, Russia (CDR).

(c) & (d): The effects of blacklisting a firm on the procurement process depend upon several factors, including whether the firm is a single supplier or there are other vendors for a particular product in the market.

These factors notwithstanding, the procurement process has been continued through alternative indigenous and foreign sources.