

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

STARRED QUESTION NO:55
ANSWERED ON:09.12.2013
VVIP HELICOPTER DEAL
Shekhar Shri Neeraj

Will the Minister of DEFENCE be pleased to state:

- (a) whether the qualitative requirements of VVIP helicopters were allegedly changed to favour Agusta Westland;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has ordered CBI investigation into the alleged irregularities in the VVIP helicopter deal and if so, the details and the present status thereof;
- (d) whether the Government has decided to cancel the said deal; and
- (e) if so, the details thereof along with the steps taken / proposed to be taken by the Government to bring transparency in the defence deals?

Answer

MINISTER 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. 55 FOR ANSWER ON 9.12.2013

(a) & (b): In the contract signed with M/s Agusta Westland on February 8, 2010 for procurement of 12 VVIP / VIP helicopters, the technical requirements specified in the Request for Proposal (RFP) that was issued on 27th September, 2006 were formulated after detailed discussions among all the stakeholders and as per the stipulated guidelines.

The Service Qualitative Requirements (SQRs) were so formulated that they meet the essential requirements for VVIP transportation in Indian conditions, while ensuring that the requirements were adequately broad based to evoke a multi-vendor response.

The procurement case was progressed in accordance with the established procurement procedure in a transparent manner with all stages of procurement being followed meticulously.

(c) Yes, Madam. Preliminary Enquiry (PE) No. PE2172013A0002 was registered by Central Bureau of Investigation (CBI) on 25.2.2013 against Air Chief Marshal (Retd.) S.P. Tyagi and 14 others. On conclusion of the PE, a Regular Case RC No. 2172013A0003 was registered on 12.3.2013 u/s 120 B r/w 420 IPC and Section 7, 8, 9, 12 and 13(2) r/w 13 (1)(d) of PC Act, 1988 against ACM (Retd.) S.P. Tyagi and other 18 persons / accused companies.

The case is under investigation.

(d) & (e): No decision has been taken so far to cancel the contract. A final decision in this regard would be taken on the basis of available information, inputs from the CBI and the written response received from M/s Agusta Westland in response to the Show Cause Notices issued to them on 15th February, 2013 & 21st October, 2013.

Sufficient provisions such as the Pre-Contract Integrity Pact already exist in the Defence Procurement Procedure (DPP) to ensure probity and transparency in defence deals.