

- (b) The Rama Rao Committee has not suggested any revamp for the "Strategic Projects".

**Review of arms deals during tenure of former Chairman, OFB**

2760. DR. JANARDHAN WAGHMARE:  
SHRIMATI SHOBHANA BHARTIA:  
SHRI N.K. SINGH:

Will the Minister of DEFENCE be pleased to state:

- (a) whether his Ministry has decided to review all files relating to the arms deals conducted during the tenure of former Ordnance Factory Board Chairman;
- (b) if so, the facts and details thereof;
- (c) whether a large number of firms have paid illegal gratification to secure defence deals to former Chairman, OFB; and
- (d) if so, the concrete steps Government proposes to take to remove corruption in defence deals?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU): (a) and (b) Ministry of Defence has requested Comptroller and Auditor General to conduct a special audit of procurement contracts concluded during the tenure of former Chairman of Ordnance Factory Board.

(c) During May 2009, CBI had arrested Shri Sudipta Ghosh, former DGOF and Chairman/OFB on charges of demanding and obtaining illegal gratification, criminal conspiracy and criminal misconduct under Section 8, 10, 12 and 13 of the Prevention of Corruption Act, and Section 120B of IPC. The firms alleged to be involved are:

- (i) Israeli Military Industries (IMI), Israel;
- (ii) Singapore Technology, Singapore;
- (iii) HYT, Pune;
- (iv) TS Kishan & Co. Pvt. Ltd., New Delhi;
- (v) R.K. Machine Tools, Ludhiana;
- (vi) BBT, Poland;
- (vii) Media Architects Pte Ltd. Singapore.

(d) Ministry of Defence has decided to put on hold for the present all pending procurement and acquisition cases involving the firms figuring in the FIR registered by CBI. An exercise to review the Defence Procurement Procedure 2008 for increasing transparency in procurement is underway.

**Cost of maintaining small cantonments**

2761. SHRI RAHUL BAJAJ:  
SHRI RAJKUMAR DHOOT:

Will the Minister of DEFENCE be pleased to state in how many cantonments presently no major Regiment/Institution are based and what is the cost of maintaining such small cantonments?