- 29. M/s Amertec Systems Pvt. Ltd.
- 30. M/s Hical Technologies Pvt. Ltd.
- 31. M/s BF Elbit Advanced Systems Pvt. Ltd.
- 32. M/s SasMos Het Technologies Limited.
- 33. M/s Quest Global Manufacturing Private Ltd.

Procurement of small arms for the Armed Forces

- 2557. SHRI A.U. SINGH DEO: Will the Minister of DEFENCE be pleased to state:
- (a) whether the Ministry is undertaking a series of procurement for small arms for the armed forces, if so, the details thereof and status thereof;
- (b) whether there has been deviation from tenders specification and testing methods, if so, the details thereof under each transaction;
- (c) whether any vendors found to be complaint during field/QA trials have been deemed non-compliant at a later stage of evaluation, if so, the details thereof including specific reasons given for non-compliance; and
- (d) whether any vendor found to be compliant during field/QA trials have been overturned due to minor observation, if so, the details thereof?

THE MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR): (a) to (d) Government constantly reviews the security scenario and accordingly decides to induct appropriate defence equipment including small arms for the armed forces. This is a continuous process undertaken through procurement from various indigenous as well as foreign vendors to keep the armed forces in a state of readiness.

The capital procurement process for defence including issues relating to tenders, Services Qualitative Requirements (SQRs) and Field Evaluation/QA Trials, is governed by Defence Procurement Procedure (DPP)-2013.

Instances mentioned in parts (c) and (d) have not arisen in the on-going procurement cases for small arms.

Revision of DDP

- 2558. SHRIMATI RENUKA CHOWDHURY: Will the Minister of DEFENCE be pleased to state:
- (a) whether Government has decided to revise the Defence Procurement Procedure (DPP);

- (b) if so, the details thereof; and
- (c) the steps taken by Government to give major thrust to indigenisation and to give the first right of refusal to Indian Defence Industry including public and private sectors for procurement of weapons and allied system for Armed Forces?

THE MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR): (a) to (c) The Defence Procurement Procedure (DPP)-2013 provides for review of the procurement procedure after every two years. Besides, amendments are also issued from time to time as required.

With a view to achieve greater self-reliance in defence production, Government has announced a Defence Production Policy and raised the Foreign Direct Investment (FDI) limit for Defence. The DPP-2013 lays emphasis on providing the desired boost to indigenous Defence Industry, both in the Public and Private sector, by mandating a higher preference to the 'Buy (Indian)', 'Buy and Make (Indian)' and 'Make' categorisation in Capital procurement.

VVIP chopper deal

2559. SHRI NARESH GUJRAL: Will the Minister of DEFENCE be pleased to state:

- (a) the current status of the VVIP chopper deal case of 2013;
- (b) the quantum of money paid as an advance; and
- (c) the number of helicopters that were imported and those that were actually put to use?

THE MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR): (a) The contract for the supply of 12 VVIP/VIP helicopters signed with M/s Agusta Westland International Limited (AWIL) on 8th February, 2010 has been terminated by the Government of India with effect from 1st January, 2014 on grounds of breach of the provisions of the Pre-contract Integrity Pact and breach of the terms of the contract by M/s AWIL.

- (b) The total amount paid to the vendor was ₹1586.66 crore (₹519.89 crores as advance payment in March, 2010 and ₹1066.77 crores as payment against completion of first milestone).
- (c) Three AW-101 helicopters (two VVIP and one Non-VVIP version) were inducted in the Indian Air Force before the contract was terminated.