Ministry of Defence
D(Vigilance)

Sub:- Details of firms debarred/put on hold/suspended etc from doing business with MoD-reg.

A list of firms debarred/put on hold/suspended etc from doing business with MoD is enclosed herewith along with copies of corresponding ID Notes ordering debarment /putting on hold/suspension etc of the concerned firms.

2. It is requested to upload the same on MoD website (under OM & Orders) for information of all concerned.

Encl: Pages 17

(H.M. Kundlia)
Under Secretary (Vigilance)

US(IT)
MoD ID. No. 31013/1/2018/D(Vig) dated 19.02.2018

Copy to: Dir(NIC)/MoD
Details of firms debarred/put on hold/suspended etc from doing business with MoD

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Firms</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td><strong>Debarred Firms – Total 6</strong></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td>M/s Israel Military Industries Ltd. (IMI)</td>
<td></td>
</tr>
<tr>
<td>(v)</td>
<td>M/s Rheinmetall Air Defence (RAD), Zurich.</td>
<td></td>
</tr>
<tr>
<td>(vi)</td>
<td>M/s Corporation Defence, Russia.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td><strong>Put on hold/Suspended firms – Total 14</strong></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td>M/s Agusta Westland International Ltd, U.K.</td>
<td>MoD ID dated 03.07.2014 and 22.08.2014 (enclosed)</td>
</tr>
<tr>
<td>(iii)</td>
<td>M/s Leonardo S.p.A. (Erstwhile M/s Finmeccanica, Italy and its group of companies, including subsidiaries and affiliates). (Revised vide MoD ID dt. 05.12.2017 copy enclosed)</td>
<td></td>
</tr>
<tr>
<td>(iv)</td>
<td>M/s IDS, Tunisia</td>
<td></td>
</tr>
<tr>
<td>(v)</td>
<td>M/s Intotech Design System (IDS), Mauritius.</td>
<td></td>
</tr>
<tr>
<td>(vi)</td>
<td>M/s IDS Infotech Ltd, Mohali.</td>
<td></td>
</tr>
<tr>
<td>(viii)</td>
<td>M/s Shanx Oceaneering</td>
<td>MoD ID dated 09.08.2006 (enclosed)</td>
</tr>
<tr>
<td>(ix)</td>
<td>Inter Spiro India Pvt Ltd.</td>
<td></td>
</tr>
<tr>
<td>(x)</td>
<td>M/s Experts Systems</td>
<td></td>
</tr>
<tr>
<td>(xi)</td>
<td>M/s Unitech Enterprises</td>
<td></td>
</tr>
<tr>
<td>(xii)</td>
<td>M/s Kelvin Engineering</td>
<td></td>
</tr>
<tr>
<td>(xiv)</td>
<td>M/s Offset India Solutions (P) Ltd. and its Group companies/functionaries.</td>
<td>MoD ID dated 05.01.2018 (enclosed)</td>
</tr>
<tr>
<td>3.</td>
<td><strong>Restricted Procurement from firms – Total 04</strong></td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>M/s Rolls Royce and its allied &amp; subsidiaries companies.</td>
<td>MoD ID dated 28.07.2014 (enclosed)</td>
</tr>
<tr>
<td>(ii)</td>
<td>M/s Tatra Trucks a.s. of Czech Republic.</td>
<td>MoD ID dated 22.12.2014 (enclosed)</td>
</tr>
<tr>
<td>(iii)  &amp; (iv)</td>
<td>M/s Rafael and M/s IAI, Israel</td>
<td>MoD ID dated 04.11.2008, 01.05.2009 and 11.11.2011 (enclosed)</td>
</tr>
</tbody>
</table>
Ministry of Defence
D (Vigilance)

Subject: - Debarring six firms from further business dealing.

Reference MoD ID note of even no. dated: 28.03.2012.

2. It is informed that consequent to the filing of Chargesheet in the relevant case, the Department of Defence Production with the approval Competent Authority has decided for imposition of penalties against following firms, including debarring them from further business dealing with Ordnance Factory Board, Department of Defence Production, Ministry of Defence 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

3. It is further clarified that approval of Competent Authority has also been obtained for applying these orders to all the wings of this Ministry.

4. It is requested that strict compliance of the above decision may kindly be ensured.

(Sameer Kumar Khare)
JS & CVO.

SA to RM

Secretary (DP) Secretary (Defence Finance)

VCOAS VCNS VCAS DG (Coast Guard) CISC

DG (Acq) AS (DP) & CVO JS (G/Air) JS (O/N)


2/17
Ministry of Defence
D(Vigilance)

Subject: Debarring of six firms from further business dealings.

Reference is invited to this office ID note of even number dated 11.4.2012 on the subject of debarring of the following six firms from further business dealing with all Wings in the Ministry of Defence, for a period of ten years:

(i) M/s Singapore Technologies Kinetics Ltd., (STK)
(ii) M/s Israel Military Industries Ltd. (IMI)
(v) M/s Rheinmetall Air Defence (RAD), Zurich
(vi) M/s Corporation Defence, Russia

2. It has now been decided, with the approval of Competent Authority i.e. Hon'ble RM, that the above referred order shall be applicable to all the allied/subsidiary firms of each of the debarred firms mentioned above until further orders, or until such time as the order of debarring of the firm subsists whichever is earlier.

3. It is requested that strict compliance of the above decision may kindly be ensured.

(SA To RM)  Secretary (DP)  Secretary (Defence Finance)
VCOAS  VCNS  VCAS  LPS (Coast Guard)  CISC
DG (Acq)  AS (DP) & CVO  JS (G/Ar)  JS (O/M)

MoD ID No 31013/4/2008/D(Vig) dated 17.09.2013

Copy to SC to Defence Secretary.

- 3/7
MINISTRY OF DEFENCE

Please refer to the ID Note No.19(1)/2003/D/IV) dated 28th April 2003 (Copy enclosed) regarding putting on hold and not making any further payment to the two contracts related to the procurement of 700 JAMs with TCI.

2. It is requested that all other contracts already signed and any other future purchases being negotiated from M/s FERREL may be put on hold and no further payments be made.

(Dr. M. R. S. Mani)
Director (Proc),

Secretary (DP)

Secretary (Defence Finance):

SA to DB

AS(DP)

JBP/EP/97/28/4 - on leave.

CDA


Enclose: As above

Copy to: With a request that the action as above may be ensured

PRC

CC:

A/117
MINISTRY OF DEFENCE

Subject: Procurement of 700 AMRs with ToT

As Department of Defence Production are aware, the following two contracts with M/s Denel, South Africa, were signed on 7-3-2005:

(i) Procurement of 400 Formed Anti Material Rifles on single vendor basis at a total cost of US$ 1,77,26,494 (approximately Rs.78 crores – 1US$ = Rs.44);

(ii) Transfer of Technology for OFB, including 100 AMRs in SKD and 200 AMRs in CKD, at a total cost of US$ 1,36,49,961 (Rs.66 crores approx).

2. In view of news reports in some sections of electronic and print media regarding alleged payment of commission by the vendor, it has been decided that the contract may be put on hold and no further payment be made to the concerned firm.

3. Department of Defence Production may like to take similar action in respect of the ToT Contract.

(Dr. Ajind Rastogi)
Director (Proc)
April 20, 2005.

Department of Defence Production

Copy to:

1. D(MC) with a request that the Contract should be immediately put on hold and no further payment be made and the question of encashment of advance Bank Guarantee and Performance Bank Guarantee may be kept in active consideration.
Ministry of Defence
Dvnigilance

Subject: Putting on hold all procurement/acquisition cases in the pipeline with Finmeccanica Group of Companies and other companies figuring in the FIR registered by CBI.

Consequent to the registration of a case by CBI in RC No. 2172013A0003 dated 12.03.2013 to inquire into alleged criminal wrongdoing in the procurement of VIP Helicopters, the Competent Authority has ordered to put on hold, until further orders, all procurement/acquisition cases in the pipeline where the following companies/entities have been determined as L1:

(i) M/s Agusta Westland International Ltd., UK.
(ii) M/s Finmeccanica, Italy and its group of companies, including subsidiaries and affiliates.
(iii) M/s IDS, Tunisia.
(iv) M/s Infotech Design System (IDS), Mauritius.
(v) M/s IDS Infotech Ltd. Mohali.

2. It has also been decided that in cases where the tender process has not yet been started, there shall be no dealing with the above companies/entities till finalization of investigation and no RFI/RFP shall be issued to any of the companies/entities.

3. It is requested that strict compliance of the above decision may be ensured by all Wings in this Ministry and Services Headquarters.

(Atul Kumar Singh)
Director (Vigilance)
Tel No. 2301 2304

COAS
VCNS
VCAS
DG(Coast Guard)
CISC

AS(DP) & C/VO
JSrG/Air
JSrG/N

DG ID No 31013/4/2008/D/Vig., dated 03.07.2014

6/17
Ministry of Defence
D(Vigilance)

Subject:-Dealing with the Finmeccanica Group of Companies and other companies figuring in the FIR registered by CBI in all procurement/acquisition cases.

In partial modification of the Wing’s ID note of even no. dated 03.07.2014 and consequent to the registration of a case by CBI in RC no. 2172013A0003 dated 12.03.2013 to inquire into alleged criminal wrongdoing in the procurement of VVIP Helicopters, the Competent Authority has ordered to adhere to the following policies in dealing with the Finmeccanica Group of Companies at various stages of procurement/ acquisition involving this Ministry, until further orders:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Category of cases</th>
<th>Policy to be adhered to</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Where contracts are under execution when one or other company under the umbrella of Finmeccanica Group of Companies.</td>
<td>There is no reason not to proceed with the contracts.</td>
</tr>
<tr>
<td>II</td>
<td>Where contract has already been executed, but spares, upgrades etc. are still required on a regular basis.</td>
<td>There is no reason not to proceed with the contracts.</td>
</tr>
<tr>
<td>III</td>
<td>Where Vendor has been declared as L-1 after the process of tendering.</td>
<td>All such procurement/acquisition cases shall be put on hold, until further orders, as per ID note no. 31013/4/2008/D(Vig.) dated 03.07.2014.</td>
</tr>
<tr>
<td>IV</td>
<td>Where the tender process is on-going, but no Vendor has been declared as L-1, as yet.</td>
<td>If there are several vendors, a company under the umbrella of Finmeccanica Group of Companies may not be considered in the tender provided the tendering can be satisfactorily completed with other competitors.</td>
</tr>
<tr>
<td>V</td>
<td>Where a tender process is yet to commence, should such a Vendor even be given the tender papers.</td>
<td>A company under Finmeccanica Group of Companies should not be given the tender papers for purposes of bidding provided there are parties to whom the tender documents are provided.</td>
</tr>
<tr>
<td>VI</td>
<td>Where a Vendor is a sub-contractor, should it matter that one of the sub-contractors is such a company.</td>
<td></td>
</tr>
<tr>
<td>----</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It should not matter that a company under Finmeccanica Group of Companies is a sub-contractor/supplier to a contracting party with the Govt. of India.</td>
<td></td>
</tr>
</tbody>
</table>

2. Application of this instruction is restricted to Finmeccanica Group of Companies including M/s Agusta Westland International Ltd., UK only.

3. It is requested that strict compliance of the above decision may be ensured by all Wings in this Ministry and Services Headquarters.

(Amit Kumar Singh)  
Director (Vigilance)

SA to RM  Secretary (DP)  Secretary (Defence Finance)  
VCOAS  VCNS  VCAS  DG (Coast Guard)  CISC  
DG (Acquisition)  AS (DP) & CVO  JS & AM (LS)  JS & AM (M&S)  
JS & AM (Air)  JS (G/Air)  JS (O/N)  
MoD ID no. 31013/4/2008/D(Vig.) dated 22.08.2014

Copy to:  
PS to RM  
SO to Defence Secretary

All procurement/acquisition cases in the pipeline with Finmeccanica Group of Companies including M/s Agusta Westland International Ltd., UK were put on hold vide D (Vig.) ID Note of even No. dated 3rd July, 2014. Thereafter, vide D(Vig.) ID Note of even No. dated 22nd August, 2014, a policy for dealings with the Finmeccanica Group of Companies, including M/s Agusta Westland International Ltd., UK was laid down.

2. Subsequently, in terms of detailed guidelines for penalties in business dealing with entities circulated vide MoD ID No. 31013/1/2016-D(Vig.) dated 21.11.2016, the Competent Authority had reviewed the status of business dealings with the erstwhile Finmeccanica Group of Companies and the Competent Authority had decided that business dealings with the said firm shall continue to remain under suspension. Consequent upon review, the Competent Authority had ordered that business dealings with M/s Leonardo S.p.A shall remain suspended for a further period of six months with effect from 09.05.2017 and that the effect of suspension of business dealings, any exception thereto and extension of suspension, if necessary, shall be as laid down in the aforesaid Guidelines dated 21.11.2016.

3. The matter has been considered in this Ministry and the Competent Authority has decided to further extend the period of suspension of business dealing with M/s Leonardo S.p.A (erstwhile Finmeccanica group of companies including Agusta Westland) for a further period of 6 months with effect from 08.11.2017.

4. It is requested that strict compliance of the above decision may be ensured by all Wings in this Ministry and Service Headquarters.

(H. M. Kundlia)
Under Secretary (Vigilance)

SA to RM Secretary (DP) Secretary (Defence Finance) FA (DS)
VCOAS VCNS VCAS DG (Coast Guard) CISC
DG (Acquisition) AS&FA(Acq.) JS (Works)&CVO JS&AM (LS)
JS&AM (MS) JS& AM (Air) JS (Army) JS (Navy) JS (Air)
TM(LS) TM(MS) TM(Air)

MoD ID No.31013/4/2008/D(Vig.) dated 05.12.2017

Copy to: PS to RM SO to Defence Secretary
Ministry of Defence
D(Vigilance)

Subject: Suspension of Business Dealings with Firms Involved in Naval War Room Case.

In connection with the ongoing investigation by CBI of the Naval War Room Leak case, CBI has named a number of firms with which the accused Lt (Retd) Kulbhushan Parashar, Lt (Retd) Ravi Shankaran and Abhishek Verma are associated.

2. The firms with which the above named accused are associated are as under:
   (i) M/s Shanx Oceaneering
   (ii) Inter Spiro India Pvt. Ltd.
   (iii) M/s Experts Systems.
   (iv) M/s Unitech Enterprises.
   (v) M/s Kelvin Engineering.

3. Apart from the above mentioned firms, there could be other firms with which these accused could be associated in the capacity of proprietors/partners/directors/office bearers.

4. Since the charge sheet filed by the CBI has clearly brought out the involvement of Lt (Retd) Kulbhushan Parashar, Lt (Retd) Ravi Shankaran and Abhishek Verma in the Naval War Room Leak case and since the investigations by the CBI are still continuing, it has been decided that all business dealings be suspended forthwith with the firms mentioned above as well as any other firm with which these accused are associated.

DG(Acq)
All Joint Secretaries in DOD
All TM & FMs
DG DE
DG AFMS
DG AQA
E-in-C
All CVOs of Defence PSUs
All JSs in DDPAS
CCR&D(R).
All Additional FAs in MOD (Finance)
DG NCC
DG QA
DG Coast Guard
Chairman CSD
CVO(OFB)


Copy to: (i) VCOS (ii) VCAS (iii) VCNS
        (iv) Chief of Integrated Def Staff (ADC, CISC)

10/17
Government of India  
Ministry of Defence  
D(Vigilance)  

Subject: Suspension of Business Dealings with M/s Offset India Solutions (P) Ltd. (OIS) and its Group Companies/functionaries.

The Ministry of Finance, Department of Revenue, CBDT vide their letter No. 289/36/2016-IT (Inv II) dated 12.05.2016 has informed that the investigation wing of the Income Tax Department at Delhi have come across photocopies of various classified documents during the course of search and seizure conducted in the premises of Mr. Sanjay Bhandari / OIS group on 27.04.2016. In this regard an FIR has been lodged with Delhi Police on 05.10.2016.

2. Central Bureau of Investigation has also registered a Preliminary Enquiry Report on 11.11.2016 against Shri Sanjay Bhandari and Shri Bimal Sareen of M/s Offset India Solutions (P) Ltd., New Delhi in the Basic Trainer Aircraft procurement case of IAF.

3. M/s OIS (P) Ltd was given a Show Cause Notice dated 23.5.2017 to explain within 15 (fifteen) days of receipt of the notice as to why business dealings in defence procurements with M/s OIS (P) Ltd and all its associate/group companies may not be suspended/banned.

4. Reply dated 6.06.2017 to the Show cause notice was received in the Ministry on 6.6.2017 and the reply has not been found to be satisfactory.

5. Therefore, in accordance with the Guidelines for Penalties in Business Dealing with entities dated 21.11.2016 and the fact that investigations are being carried out by CBI and Delhi Police into corrupt practices, unfair means and illegal activities followed by M/s OIS, the Competent Authority has decided that business dealings with M/s Offset India Solutions (P) Ltd., and its Group companies/functionaries will remain suspended for a period of six
months from the date of issue of this Order or until further orders whichever is earlier. During the period of suspension, business with the said firm will be regulated in terms of MoD guidelines dated 21.11.2016.

6. All Wings in this Ministry and Service Headquarters are requested to ensure strict compliance of the above decision.

(H.M. Kundlia)
Under Secretary (Vigilance)

<table>
<thead>
<tr>
<th>SA to RM</th>
<th>Secretary (DP)</th>
<th>FA (DS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>VCOAS</td>
<td>VCNS</td>
<td>VCAS</td>
</tr>
<tr>
<td>DG (Acquisition)</td>
<td>AS(BM)</td>
<td>AS (JN)</td>
</tr>
<tr>
<td>JS (Works)&amp;CVO</td>
<td>JS&amp;AM (LS)</td>
<td>JS&amp;AM (MS)</td>
</tr>
<tr>
<td>JS (Navy)</td>
<td>JS (Air)</td>
<td>TM(LS)</td>
</tr>
</tbody>
</table>

MoD ID No. 245/D(Vig.II)/2016 dated 05.01.2018

Copy to: PS to RM SO to Defence Secretary

Copy also to: US, D(IT) for uploading of the Order on the webpage of the Ministry.
Ministry of Defence
D(Vigilance/DDP)

Subject: Investigation into irregularities committed by M/s Rolls-Royce Private Limited.

Ministry of Defence is looking into serious irregularities committed by M/s Rolls-Royce involving payment of commissions to intermediaries in certain HAL related orders. The matter has been referred to the CBI for further investigation.

2. In the meanwhile, it has been decided that further procurements from M/s Rolls-Royce and its allied and subsidiaries companies may be undertaken only if such procurements are justified and necessary on the basis of operational urgency, national security and non-availability of other alternatives, to be certified in writing by the user agency/Services at the level of PSO.

3. This instruction shall remain in force until further orders.

(Ashok Kumar Gupta)
Additional Secretary (DP) & CVO/DDP

SA to RM                     Secretary (Defence Finance)                     DG(Acquisition)
VCOAS                        VCNS                         VCAS                        DG(Coast Guard)                        CISC
JS(PIC) & CVO/DoD
DGOF & Chairman/OFB          CMDs of all DPSUs                     DGQA                      DGAQA
JS(ES)                        JS(P&C)                      JS(AERO)                      JS(NS)                        JS(DIP)
Die of Standardization       " CVOs of all DPSUs and OFB
MoD I.D. No. 13025/02/Vig.I/HAL/2014 dated 28/07/2014

Copy to: PS to RM, PS to RRM
         SO to Defence Secretary
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
D(BEML)

Subject: Permission for M/s BEML Ltd. to procure from M/s TATRA TRUCKS a.s. of Czech Republic.

Ministry of Defence has been considering the proposal from M/s BEML Ltd to engage with M/s TATRA TRUCKS a.s., Czech Republic for procurement of aggregates, components and parts in order to fulfill its supply orders of TATRA vehicles to the Army and Defence PSUs.

2. It has been decided that M/s BEML Ltd may be permitted to engage with and procure from M/s TATRA TRUCKS a.s. Czech Republic the aggregates, components and parts for TATRA vehicles only if such procurements are justified and necessary on the basis of operational urgency, national security and non-availability of other alternatives, to be certified in writing by the user agency/Services at the level of P-3C.

3. The above permission is subject to all standard applicable rules and conditions and specific assurances from the Company (M/s TATRA TRUCKS a.s.) that the dealings will be as per the laid down guidelines and they shall have no change in ownership to include those who face the charges (Mr. Ravinder Kumar Rishi and others involved in CBI charge sheets).

3. This instruction shall remain in force until further orders.

(Ashok Kumar Gupta)
Special Secretary(DP) & CVO/DDP

SA to RM  Secretary(Defence Finance)  DG(Acquisition)
VCOAS  VCNS  VCAS  DG(Coast Guard)  CiSC
JS(PIC) & CVO/DoD
DGOF & Chairman/OFB  CMDs of all DPSUs  DGQA  DGAQA
JS(ES)  JS(P&C)  JS(Aero)  JS(NS)  JS(DIP)

Dte of Standardization  CVOs of all DPSUs and OFB
MoD ID No.4(1)/2013-D(BEML) Dated 22/12/2014

Copy to:
PS to RM, PS to RRM
GO to Defence Secretary
PPS to Secretary(Defence Production)
Ministry of Defence
D(Vigilance)

Subject: Dissemination of information regarding dealings with certain firms.

FA(DS) has brought to the notice of Defence Secretary that on a note submitted by Technical Manager (Land Systems), the modality of dealing with two Israeli firms viz M/s Rafael and M/s IAI has been decided with the approval of RM against the backdrop of the names of these firms figuring in the FIR filed by the CBI. This decision was circulated by TM(LS) to the three Joint Secretaries and AM in the Acquisition Wing and no endorsement appears to have been made to the Revenue side, Defence(Finance), etc.

2. There is already a system in place in D(Vigilance) to disseminate such important decisions to all concerned in MoD including Service HQs, Inter-Services Organisations and CVOs of DPSUs/OFB as and when the information is received by the Chief Vigilance Officer's Wing. However, in the instant case, no intimation was received by the CVO's Wing as a result thereof this important development could not be disseminated to various authorities.

3. All the undermentioned authorities are requested to furnish information with regard to similar decision taken on the basis of their proposals, to the Chief Vigilance Officer, MoD so that such important decisions are disseminated to all concerned from time to time to ensure uniformity in their application.

(Ajay Tirkey)
Joint Secretary(E/P&G) & CVO
2301 5444

SA to RM Secretary (DP)
FA (DS) Dg (Acgn)
All Joint Secretaries in DOD
All JSs in DDPAS
CCR&D(R)
All Additional FAs in MoD (Finance)
Dg DE Dg AFAS Dg MCG Dg QA
Dg AOA E-In-C Dg Coast Guard Chairman CSD
All CVOs of Defence PSUs


Copy to: DG in Defence Forces; All VCOs; All HQs in MoD; Chief of Ordnance Factories Board CFA;
MINISTRY OF DEFENCE
DIVIGILANCE

Subject: Dissemination of information regarding dealings with certain firms.

In continuation of MOD I.D. note of even number dated 04-11-2008, the modalities of dealing with two Israeli firms viz. M/s Rafael and M/s IAI, as approved by the Cabinet Committee on Security on 25.7.2008, are as under:-

The procurement cases where either M/s IAI or M/s Rafael have emerged or are likely to emerge as the vendor and with whom commercial negotiations are to be undertaken or are underway may be progressed and their vigilance status assessed and brought out in each case while seeking approval of the competent financial authority. While assessing the vigilance status of M/s IAI and M/s Rafael through the CVO, the Ministry has also to assess in consultation with the concerned Service Headquarters the operational urgency and strategic requirement for the equipment, the national security angle and whether there existed any viable alternative equipment/proposal.

2. It is requested that the organizations procuring equipment from the aforesaid firms may kindly be suitably advised.

(Binoy Kumar)
Joint Secretary (C/F)
Tele No.2301 4222

SA to RM
Secretary (DF)
Secretary Defence Finance
VCOAS VCNS VCAS DG(Coast Guard) CISC DG(Acquisition)
JS(G/Air)

MoD I.D. No.31013/4/2008/D(Vig) dated 01.05.2009.

Copy to:

SC to Defence Secretary
SC to AS (M)
PS to JS (C/F)

16/17
Ministry of Defence
D(Vigilance)

Subject: Procurement proposals involving M/s IAI and M/s Rafael, Israel

Reference is invited to MOD ID No. of even no. dated 01.05.2009 wherein the modalities for dealing with procurement cases involving two Israeli firms viz. M/s IAI and M/s Rafael, were brought out.

2. Based on advice received from Ministry of Law, the consolidated position is as follows:

(a) On-going procurement cases where either M/s IAI or M/s Rafael have emerged or are likely to emerge as the vendor and with whom commercial negotiations are to be undertaken or are underway, may be progressed and their vigilance status assessed and brought out in each case while seeking approval of the competent financial authority. While assessing the vigilance status of M/s IAI and M/s Rafael through the CVO, the Ministry has also to assess in consultation with the concerned Service Headquarters the operational urgency and strategic requirement for the equipment, the national security angle and whether there existed any viable alternative equipment/proposal.

(b) In case it is not possible to await filing of the charge-sheet/investigation report due to operational imperatives, national security, strategic considerations and non-availability of alternatives, fresh RFPs may be issued to these firms in multi vendor cases.

(c) RFPs may also be issued to these firms on single vendor basis only after proper justification on the grounds of operational urgency, national security, strategic consideration and non-availability of alternatives, including technology scan as per Para 69 of DPP 2011.

(d) The justification of operational urgency, strategic consideration, national security imperatives and non-availability of alternatives as well as the updated vigilance status should be brought out for specific consideration in all cases at Sl. (a), (b) and (c) above while seeking approval of the competent financial authority.

3. These instructions shall be applicable till such time that investigation report/charge sheet is available. Fresh instructions will be issued after receipt of investigation report/charge sheet.

4. It is requested that these instructions may be circulated to all concerned procurement agencies.

(A.K. Gupta)
Joint Secretary & CVO
Tele: 23015444

SA to RM Secretary(DP) Secretary(Defence Finance)
VCAS VCNS VCAS DG(Coast Guard) CISC DG(Acquisition)
SIG/IA:

MoD ID No.31013/4/2009(D(Vig)) dated 11.11.2011

Copy to SC to Defence Secretary
D(Vigilance)