

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:4373
ANSWERED ON:21.04.2005
PROCUREMENT OF DEFENCE MATERIALS
Pathak Shri Brajesh

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Supreme Court has asked for any explanation from the Union Government with regard to the CAG objections made in respect of the procurement of defence materials during the Kargil conflict;
- (b) if so, the details thereof;
- (c) whether the Government has taken any action so far in this regard after the receipt of the CAG report;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE)

(a) to (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 4373 FOR 21.4.2005

The Ministry of Defence had requested the Comptroller and Auditor General of India (CAG) to conduct a Special Audit of the procurements made for Operation Vijay related to Kargil Operation. The CAG carried out a special audit and its Report (7-A of 2001) was tabled in both houses of Parliament on 11.12.2001.

A Writ Petition (c) No. 270 of 2004 - K.G. Dhananjay Chauhan Versus Union of India (UOI) and Others was filed in the Supreme Court and on 25th October, 2004, the Supreme Court issued orders directing UOI to file an affidavit by way of response showing the details of the action, if any, taken on the Report of the CAG, Public Accounts Committee 54th Report and Report of CVC referred to in para 5.11 of 54th Report of Public Accounts Committee.

The C&AG reviewed 123 cases and Report No. 7-A of 2001 contains audit paras pertaining deficiencies noted in 35 cases of procurement.

11 audit paras out of these 35 have been vetted by the Office of Directorate General of Audit Defence Services and the remaining paras are at various stages of examination.

The Government has taken a decision to refer 25 cases to the CBI out of 35 cases referred in the C&AG report.