

9 defence deal

Tehelka tapes are original, not over-dubbed: expert

By Our Special Correspondent

NEW DELHI, JUNE 21. Tehelka.com, the news portal which had exposed alleged corruption in defence deals captured in secret video recordings, today received a shot in the arm when a London-based expert told the Justice S.N. Phukan Commission of Inquiry that the tapes were "original" and had not been "overdubbed." The startling disclosures made about three years ago in the videotapes which later came to be known as the "Tehelka Tapes" had led to the resignation of the then Defence Minister, George Fernandes.

Mathew James Cass told the one-man Phukan probe panel that the tapes were "edited" but there was no technical evidence to suggest that they have been "overdubbed," a contention made by the Samata Party leader, Jaya Jaitly, and Army officers been "captured" on tapes.

Shaken by the Tehelka revelations, the previous National Democratic Alliance Government had appointed the Justice Venkataswamy Commission of Inquiry to look into the expose and determine the authenticity of the tapes. Before writing his final report, Justice Venkataswamy quit and his place was taken by Justice Phukan.

"In my opinion, there is nothing to indicate that the tapes supplied to me by the Commission are not the camera originals made at the time of the incidents depicted. There is significant evidence to sup-

port the contention that they are the camera originals," Mr. Cass said. Associated with the Department of Electronic Evidence, he is also Senior Video, Audio and Imaging Expert at the Bureau of Forensic Science, London.

Talking to *The Hindu* from London, the Tehelka chief, Tarun Tejpal, said he was "relieved". "It is a reminder that how much justice has been delayed and also a point of strength for us as truth is on our side." Mr. Tejpal said that Tehelka and its promoter company, First Global, had been hounded and traumatised by the government agencies over the past three-and-a-half years. "As far as we are concerned, it has cleared everything. It is their (Government's) commission, their expert and their judge. We have always maintained that ours was a 100 per cent journalistic method of investigation. It is shameful that the process of justice has been delayed and we have been destroyed and still obnoxious attempts are being made to evade the truth. It is a litany of allegations and cases which we are facing," he said over phone.

Mr. Cass had been asked to examine the tapes to establish their authenticity as camera originals and explain anomalies, if any. He said the tapes had been "edited" but could not say if it was done "maliciously." In his 16-page report, the expert said the audio was by and large consistent with the background. "In all instances

where over-dubbing of another voice is alleged, there is no evidence on a technical level to support this allegation. The voice in each case is consistent as is the background sound," he said.

Mr. Cass said that he had received the tapes for examination more than a year ago and was also given the broadcast tapes and the recording equipment including briefcase camera and tie cameras used by the portal in the expose.

He said that he was also instructed to address specific allegations by Army officers Anil Sehgal, Iqbal Singh and P.S.K. Choudhary, besides Ms. Jaitly and a businessman, R.K. Gupta, who had figured in the tapes, by comparing the final edited programme with the camera originals.

He recommended to the Commission that it should view the original tape on high quality playback equipment to make its own decision on whether material removed in the edit was significant and if its removal does indeed change the context of the subjects, words or actions.

Ms. Jaitly said that some of the evidence given by the expert had "strengthened" her charges. "In view of the various specific opinions of the expert, it would be naive to conclude that all the allegations regarding tampering and malicious editing of the tapes have in any way, been disproved," she said in a statement through her counsel.

THE HINDU 22 JUN 2008

George back in action, seeks coffin probe



TIMES NEWS NETWORK

New Delhi: After promising a probe in the coffin scam two years ago, former defence minister George Fernandes wants PM Manmohan Singh to investigate into the scandal in two weeks.

On May 8, 2002, as a minister Fernandes had promised the Rajya Sabha to get the scam probed. This promise was made after The Times of India reported that the Indian Army bought aluminium caskets meant for Kargil martyrs at twice the US price.

Fernandes mostly referred to the coffin scam in his letter to the Prime Minister released at a press conference here on Sunday, where serious charges of impropriety in Kargil era procurments were also reported in the purchase of Hand Held Thermal Imagers (HHTI) and Krasnopol Terminally Guided Munition (TGM).

These two cases and coffin

scam charges were among 24 cases of impropriety brought out in the Comptroller and Auditor-General's special review of 129 emergency procurement deals during the Kargil war. The coffin purchase was worth Rs 1.47 crore and Fernandes may not have signed it. But the TGM and HHTI deals worth several crores of rupees would have required the defence minister's endorsement. In fact, middlemen had bragged about brokering these deals in the Tehelka tapes.

As for the coffins, the Indian Army spent \$3,000 on each aluminium casket meant for martyrs during the Kargil war (\$2,500 as cost and \$500 for transportation). Much after this purchase, on October 29, 2001, the medical directorate of US Defence Supplies Centre, Philadelphia, paid just \$1,250 to its US suppliers for the same item (national stock number 9930-00-823-9805).

INDIA'S ANSWER TO BOEING?



The first prototype of Saras, India's indigenous civilian aircraft, made its maiden flight successfully at the HAL airport in Bangalore on Saturday. The aircraft, meant to serve as a transport, executive and cargo plane, would help in increasing connectivity, especially to the North-east. — PTI (Details on page 7)

THE STATESMAN 30 MAY 2001

Quashing of Bofors case sought

Press Trust of India

NEW DELHI, April 8. — The Hinduja brothers today urged the Delhi High Court to quash the Bofors case proceedings on the ground of undue delay in investigation and trial.

Speedy trial is a fundamental right of an accused and its denial was violative of Article 21 of the Constitution (Right to Life and Liberty), Hinduja's counsel Mr. Ram Jethmalani told Mr Justice BN Chaturvedi.

Mr Justice Chaturvedi is seized of an appeal by Hinduja brothers - Srichand, Gopichand and Prakashch-

hand - against a Special CBI court's order rejecting their plea for quashing of proceedings in Bofors case.

Pointing out that the Swedish Radio broke the news about alleged payment of kickbacks in the deal in April 1987, he said CBI took three years to register an FIR in the matter. Mr Jethmalani accused the CBI of having delayed registration of the case despite possessing all relevant documents relating to the deal right since 1987-88 when it helped JPC probe it.

There was similar delay at every stage of the probe, he added.

He submitted that the agency took nine long years to file the first

charge-sheet (in October 1999) and further two years to file the second one and the probe was yet to be completed.

The charge-sheets were filed in a hurry without material evidence against the accused falling in its hands. "They (CBI) even caused delay in the supply of copies of the documents relied upon by them," Mr Jethmalani submitted. The arguments would resume on 13 May.

Meanwhile, co-accused Bofors company withdrew its plea for impleadment as a party to Hinduja's appeal after the court "advised" it to file a separate petition.

Centre denies 'irregularities' in AK-47 deal

By Our Special Correspondent

NEW DELHI, APRIL 5. The Home Ministry today denied allegations of irregularities in the acquisition of AK-47 rifles for Central para military forces and State forces, saying the total value of the deal with M/s Kintex of Bulgaria was Rs. 53 crores for the supply of 64,000 rifles.

In a press note here, it said that a high-level Indian technical team, headed by the Inspector-General, Central Reserve Police Force (CRPF) along with experts from other Central forces and Defence Ministry had visited the production unit of Kintex in January this year to inspect the production of new rifles and test-fire them.

"This high-level technical team was fully satisfied with the production facilities in Bulgaria and also the quality of the rifles after putting them through firing tests.

"After this inspection, clearance was given for dispatch of the first lot of 27,000 AK-47 rifles for the Ministry of Home Af-

airs," it said.

Clarifying that M/s Kintex was a 100 per cent State-owned company of the Bulgarian Government, the Ministry said the first global tender for acquisition of rifles was issued on May 28, 2002.

The details of the tender were sent to all the embassies in India and Indian missions abroad besides publication through Indian newspapers and Indian trade jour-

nals. "However, as only one valid tender was received, it was decided to retender the requirement. Accordingly, the second global tender was issued on September 10, 2002. Again, the tender notices were sent to all the embassies, published in the Indian trade journals and national dailies.

"In this tender, two firms — M/s Kintex, Bulgaria and M/s Romtehnica, Romania — submitted samples of AK-47 rifles while M/s Rosoboronexport, Russia submitted tender and samples of AK-103 rifles only," the press note said.

The technical committee that rejected the technical offer of M/s Rosoboronexport, as their rifles did not meet the specifications evaluated the submitted samples.

The two valid samples of the Bulgarian and the Romanian firms were put to extensive field trial, in which only the AK-47 weapon offered by M/s Kintex was found up to the mark. Accordingly, the technical committee recommended M/s Kintex for the deal.

The price bid of M/s Kintex quoted the price at \$184 per rifle for the fixed butt version and \$193 for the folding butt version. The price negotiating committee brought it down to \$155 for fixed butt and \$163 for folding butt rifles, ensuring a saving of over Rs. 9.46 crores.

The Finance Ministry approved the proposal on May 5, 2003.

Police forces from more than 20 States also placed their requirements for AK-47 rifles for import through the Home Ministry.

First artillery deal after Bofors

Vishal Thapar
New Delhi, February 5

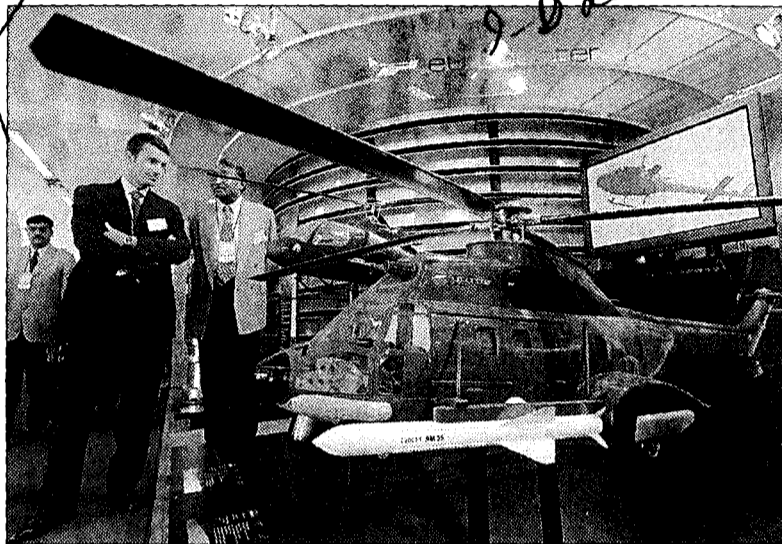
INDIA HAS struck its first deal for the purchase of artillery guns after the controversial Bofors transaction of 1986, heralding the renewal and augmentation of its 155 mm artillery. An agreement has been reached with the South African Denel company for the purchase of 180 self-propelled guns and 100 tracked howitzers.

Both these categories of 155-mm guns will have 52-calibre barrels and an artillery bombardment range in excess of 40 km. The 410 towed Bofors howitzers possessed by the Indian Army have 39-calibre barrels and a range of 30 km. "Negotiations are complete", a senior official in the Ministry of Defence told *Hindustan Times*. The contract will be signed soon, he indicated. "The Denel offer has been preferred over the (British) Vickers AS-90, the (Slovak) Zuzanna and the French Giat guns", a source said.

The 100 tracked howitzers will comprise South African guns mounted on the chassis of India's Arjun tank. This configuration has been christened Bhim T-6. Earlier, a configuration of this same gun mounted on the T-72 tank was attempted in 1995, but the present one was found more suitable.

"Trials for the Bhim were conducted in 1998 and 1999", Wim Strydom, Denel's marketing executive, said. The model of the wheeled self-propelled gun, 180 of which India's buying, is the G6-52. The gun is mounted on an armoured vehicle. It is intended to be operated in conjunction with tanks in a battlefield scenario. It will have high mobility and its armour protection will enable it to operate close to enemy positions.

"The tracked and wheeled versions of the self-propelled guns are complimentary. The tracked ones are intended for use in the plains of Punjab and the wheeled ones in the deserts of Rajasthan", a source explained. Denel is also in the reckoning for the Indian order in the 155-mm self-propelled category — along



(Top) Eurocopter's naval version of the Cougar helicopter and a model of the Indian Army's Arjun tank at Defexpo India 2004 in New Delhi. More than 300 companies from different countries are taking part in the four-day event.

with the Swedish-American SWS Defence (Bofors) and the Israeli Soltem. A decision is expected by the end of the year. Stakes are high in this category, since the Indian order is expected to be between 100 and 400 guns.

"There's another project with India for the motorised gun, which will comprise a Denel G5-52 gun mounted on a Tatra truck chassis manufactured by Bharat Earth Movers Limited", Strydom disclosed. This is an export-oriented project.

Silent gun is back again with a bang

HT Correspondent
New Delhi, February 5

BOUNCING BACK into the Indian arms bazaar under a new name, SWS Defence, the erstwhile Bofors company heralded its comeback with the assurance that this time there will be no middlemen.

It's in the race to bag the Indian order for towed 155-mm howitzers, competing with the South African Denel and the Israeli Soltem companies to seek rehabilitation in the Indian market.

Addressing a Press conference on Thursday, chairman of SWS Hakan Kangert completely disassociated the Swedish arms company from the Bofors, accused of paying kick-backs to secure the \$1.4-billion deal for the sale of 410 howitzers to India in 1986, the biggest deal for this company.

In the aftermath of the bribery allegations, Bofors was taken over by the Swedish government in the mid-1990s. The government later sold the stock to an US firm, United Defence, and Swedish SAAB. Kangert claimed that there would be no middlemen in future negotiations. He sought to emphasise that the earlier scandal never stigmatised the gun. "It proved its utility during the 1999 Kargil conflict."

Bofors spearheads want more time

BJP points at Quattrocchi

OUR BUREAU

Feb. 4: Rajiv Gandhi's exoneration in the Bofors pay-off case evoked a guarded response with most leaders refusing to comment on Delhi High Court's verdict.

Former Prime Minister V.P. Singh, who was at the forefront of the Bofors campaign against Rajiv, declined to react. When contacted at his residence, an aide said: "He is unwell. He cannot come on line."

Arun Nehru, Singh's commander-in-arms in the Bofors campaign and a one-time Rajiv confidant, too, did not join issue. "I have not seen the judgment. The matter is in the court of law. Whatever the court of law says has to be accepted. Moreover, it is hardly an issue today. It is something that happened 20 years ago. Sooner the case is settled, the better it is," he said.

Arif Mohammad Khan, Singh's colleague in the Jan Morcha

that the former Prime Minister launched after parting company with Rajiv, also avoided comment. "I have never spoken on the subject even when the controversy was raging. In any case, I have not seen the court order," he said.

The BJP, too, refused to react. As far as the BJP was concerned, its spokesman V.K. Malhotra said, there was no need for the party to react since "Rajiv Gandhi is no more". But he asserted that Ottavio Quattrocchi, "whose relations with a particular family is well known and proved", was still a key figure in the pay-off case.

"We will study the entire details of the case before formulating our stand," Mukhtar Abbas Naqvi, another spokesman, said.

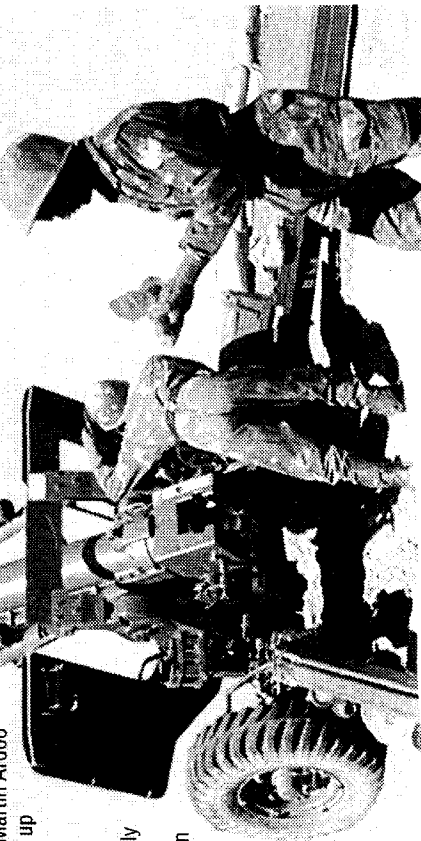
In Chennai, N. Ram, the editor-in-chief of *The Hindu* which had written in detail about the corruption in the gun deal, said: "I have got to study the judgment."

THE BATTLEGROUND...

- **March 24, 1986:** The Rs 1,437-cr contract between the Indian government and Swedish company Bofors signed for supply of 400 Howitzers
- **April 16, 1987:** Swedish radio claims Bofors paid kickbacks to top Indian politicians and defence officials. Political uproar against the Rajiv Gandhi government
- **1987:** Defence minister V. P. Singh resigns
- **1989:** Rajiv Gandhi loses polls
- **Dec. 2, 1989:** V. P. Singh sworn in as PM
- **Jan 22, 1990:** CBI registers FIR
- **Jan 26, 1990:** Swiss authorities freeze bank accounts of Swenska and AE Services (front companies of accused Win Chadha and Ottavio Quattrocchi respectively)
- **May 21, 1991:** Rajiv Gandhi assassinated
- **1998:** Sonia's entry into politics puts Bofors back on the national agenda
- **Oct 22, 1999:** CBI files first chargesheet naming Chadha, Quattrocchi, former defence secretary S. K. Bhatnagar, former Bofors chief Martin Ardbo and Bofors itself. Rajiv's name figures as "an accused not sent up for trial"
- **Oct 9, 2000:** CBI files supplementary chargesheet, naming Hinduja brothers
- **April 15, 2001:** Prime Minister Atal Bihari Vajpayee hints at early action in Bofors case
- **Sept 1, 2001:** No more information on Bofors for India: Sweden
- **May 6, 2002:** Hinduja challenge CBI chargesheet in Delhi HC
- **July 28, 2003:** Britain freezes Quattrocchi's bank account
- **Sept 30, 2003:** Delhi HC reserves its verdict on appeal by Hinduja and Bofors challenging trial court order framing charges against them
- **Feb 4, 2004:** Clean chit for Rajiv, HC upholds cheating and conspiracy charges against Hinduja, but quashes corruption charges against them

...AND THE COURT VERDICT

- Charges under Sections 120-B (criminal conspiracy) and 420 (cheating) of the Indian Penal Code (IPC) quashed. This exonerates Rajiv Gandhi, S.K. Bhatnagar (the then defence secretary) and all other public servants accused in the case
- Charges of criminal misconduct under the Prevention of Corruption Act quashed. This also exonerates all the above
- Charges under Section 161 IPC (public servant taking gratification other than legal remuneration in respect of an official act) quashed
- Charges need to be framed against Prakash Chand P. Hinduja, Gopichand P. Hinduja and Srichand P. Hinduja for misrepresenting to the government to "fraudulently and dishonestly" obtain the Howitzer contract along with Win Chadha
- Charges to be framed against A.B. Bofors for forgery and making false documents



Deal done, Gorshkov awaits new garb & master

OUR SPECIAL
CORRESPONDENT AND
AGENCIES

New Delhi, Jan. 20: India today inked its biggest-ever defence deal with Russia for acquiring the Soviet-era aircraft carrier *Admiral Gorshkov*, which will add to the firepower of the sole carrier-armed navy in the region and bring China within range.

The carrier package, sealed after years of negotiations, will cost \$1.5 billion (Rs 7,000 crore) and comes with a fleet of the naval version of the MiG-29 and six anti-submarine choppers.

The refurbished aircraft carrier would be available to the Indian Navy only by 2008. Analysts said the *Gorshkov*, which joined the Soviet navy as the *Baku* in 1987, will be about 65 to 70 per cent new by the time it is refitted.

India's only carrier at present, the *INS Virat*, was built for defence and has a limited range, but the *Gorshkov* will give the navy the capacity to put a carrier taskforce into the South China Sea within range of China.

The *Gorshkov* is intended as a temporary replacement for the retired warhorse *INS Vikrant* — decommissioned in the late 1990s — until the country can build its own carriers. Neither Pakistan nor China has carriers.

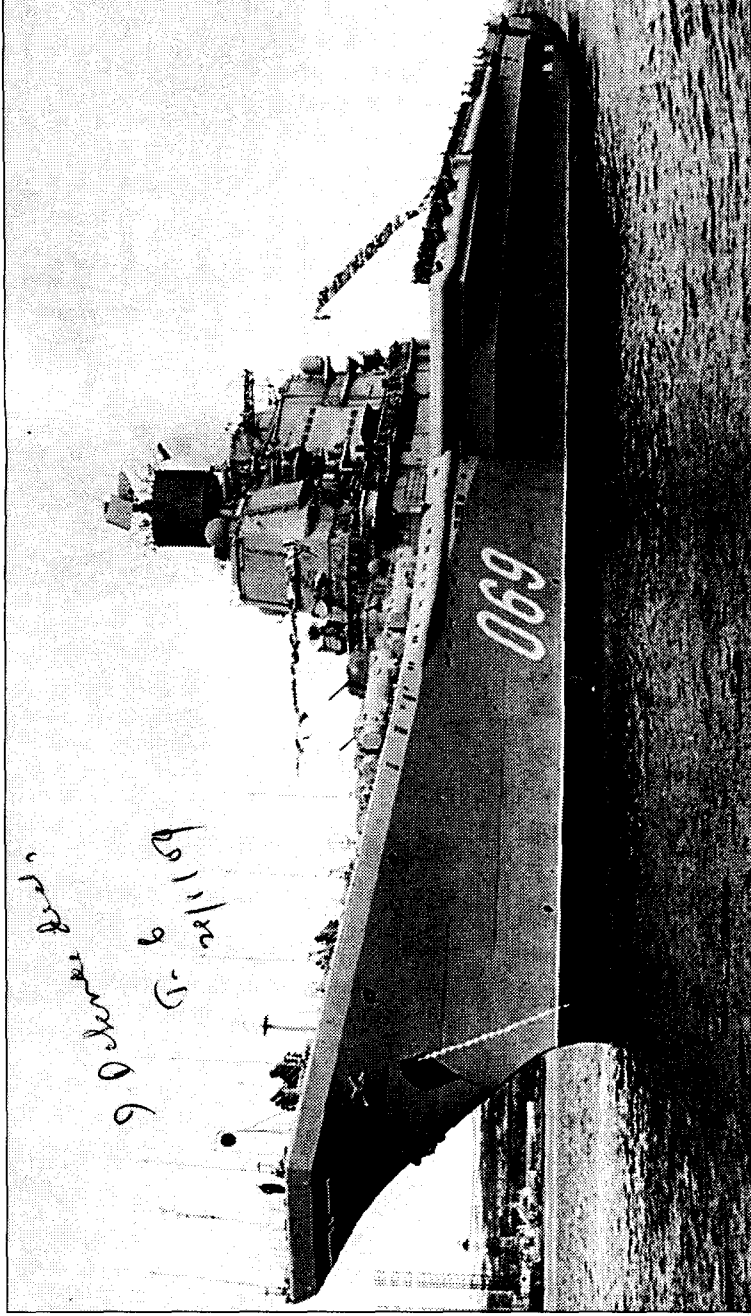
After signing the deal this afternoon, defence minister George Fernandes and his Russ-

CARRIER TO COME WITH MiG-29Ks AND ANTI-SUBMARINE CHOPPERS

- Length:** 273 metres
- Displacement:** 45,500 tonnes
- Speed:** Over 30 knots
- Sea-endurance:** 30 days
- Personnel:** 1,950
- Arsenal:**
 - Bazalt and Kinzhal missile systems
 - Four anti-submarine torpedo tube units
 - Two long-range guns

REFIT TEETH

- After refurbishing, the *Admiral Gorshkov* can accommodate:
 - Full wing of up to 24 MiG-29Ks
 - Six Kamov KA-28 choppers
 - 31 other helicopters
 - The MiGs will be capable of flying at 2,300 km per hour
 - They will be armed with air-to-ground and air-to-air guided missiles



ian counterpart Sergei Ivanov, however, denied that the negotiations had also covered the leasing out of two Russian Akula class nuclear-powered submarines.

The two countries also could not thrash out the crucial issue of leasing four Tu-22 M3 strate-

gic bombers. But the Russians rejected a contention that the lease of the nuclear-capable Tu-22s would breach strategic weapons conventions.

"There was no occasion to look at submarines," Fernandes said, describing the signing of the contract as a "major land-

mark" in cooperation between Russia and India.

The Russian defence minister said the *Gorshkov* deal incorporated lifetime upgrades, technical assistance as well as infrastructure support for the carrier in India. Ivanov also offered India more T-90 tanks.

The ministers were tight-lipped on the full *Gorshkov* package, Russian officials indicated that India was contemplating to buy as many as 60 MiG-29Ks, the naval version of the MiG-29, in phases and at an estimated cost of \$1.5 billion.

India is the first country to

buy MiG-29Ks, some of which will also be shore-based, as not even the Russian Navy is using it. The fighter aircraft would not only operate from the *Gorshkov* but can also take off from the indigenous new air defence carrier now being built at Kochi in Kerala.

CBI requests Swiss authorities to share information on Quattrocchi

Statesman News Service

NEW DELHI, Jan. 4. — The Central Bureau of Investigation has sent another request to the Swiss authorities to share any information they may have on bank details of the Italian businessman and prime accused in the Rs 64-crore Bofors payoff case, Ottavio Quattrocchi.

A CBI officer said the fresh request had been delivered to the Swiss authorities through diplomatic channels recently. The Swiss authorities had earlier turned down a request seeking details of Quattrocchi's bank account on the ground that the bank did not maintain details of an account for more than 10 years. In its latest request sent after the Quattrocchi's two bank accounts in London were frozen, the CBI has asked for basic information about the account that the bank may have retained on any media, floppy diskette, compact disc or paper.

Quattrocchi, who is believed to be living in Italy despite an Interpol Red Corner notice pending, had challenged the decision to freeze his bank accounts where he had a balance of four million Euros. The CBI officer said the agency was preparing a reply to the appeal filed by Quattrocchi in Supreme Court of the UK against freezing of his two bank accounts. The draft reply has been cleared and would be sent to the Prosecutor General's office of Britain soon, the officer added.

The petition was filed before the Supreme Court of the UK against the order of the London High Court upholding the decision of the British Government to freeze, on India's request, two accounts of Quattrocchi.

In his petition challenging the order of the London High Court upholding the decision of the British Government to freeze the two accounts of Quattrocchi, the Italian

businessman had sought quashing of the order of the British government and release of his money from the two accounts, belonging to him and his wife, Maria.

The court is likely to take up the petition in the third week this month. The agency was already strengthening its case further and finding out the source of the money and the route adopted by it before arriving at the London Bank. A Letters Rogatory was being prepared to be sent to Bahamas, as the agency believed that the money had been routed from there. CBI contends that Quattrocchi "in a deceitful manner...had been transferring funds from one account to another to evade detection by the law."

Some Letters Rogatory of the CBI were already pending in countries such as Austria, Switzerland and Italy, besides Bahamas, about the end-use of the alleged kickbacks received by middlemen.

THE STATESMAN

5 JAN 2001

5 JAN 2001