



## PRESS RELEASE

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### Statement Issued by Shri Randeep Singh Surjewala, In-Charge, Communications, AICC & Shri Amit Deshmukh, Secretary, AICC

India's biggest Defense Acquisition of **36 Rafale Aircrafts for Euro 7.5 Billion** is marred by a huge '**Defense Scam**'. As Modi Govt. indulges in 'Operation Cover Up', self -defeating lies to 'Divert', 'Dupe' & 'Deceive' stand exposed.

This diabolical game of causing loss to public exchequer has ended up sacrificing the interest of Bengaluru based Hindustan Aeronautics Limited (HAL), severely hurting job creation and denying investment of ₹36,000 Cr in Karnataka's economy.

**Unilateral purchase of 36 Rafale Aircrafts by PM, Shri Narendra Modi suffers from:-**

- (i) Complete non-transparency in disclosure of '**purchase price**' of aircrafts;
- (ii) Violation of the mandatory provisions of the '**Defence Procurement Procedure**';
- (iii) Absence of prior clearance from **Cabinet Committee on Security**;
- (iv) Sacrificing the National interest on '**Transfer of Technology**' to HAL;
- (v) **By-passing the PSU, HAL on the ₹36,000 crore 'offset contract'** in favour of a company with zero experience of manufacturing fighter aircrafts;

#### 'Rafale' Pricing – ₹41,205 Crore Loss of Public Money!

Defence Minister, Smt. Nirmala Sitharaman in a press conference in Raksha Bhawan on **17th November, 2017** publicly **directed the Defence Secretary to share the purchase price** of 36 Rafale aircrafts. Defence Minister has finally **refused to divulge the price** in Parliament on **5th February, 2018**. This itself raises serious questions on the intent and motive of Modi Government.

Per aircraft price of Rafale as per international bid opened on **12<sup>th</sup> December, 2012**, during UPA-Congress Govt, comes to **₹526.10 Cr i.e. ₹18,940 Cr for 36 aircrafts**. Modi Govt purchased 36 Rafale aircrafts for **Euro 7.5 Billion (₹ 1670.70 Cr per aircraft) i.e. ₹60,145 Cr for 36 aircrafts**. This price is apparent from '**Annual Report, 2016**' of Dassault Aviation, Copy **Annexure A1**. **Will BJP explain the extra amount of ₹41,205 Cr paid from public money?**

Shockingly, Dassault Aviation sold same **48 Rafale aircrafts** to two other countries - **Egypt and Qatar** (24 to Egypt & 24 to Qatar) in the year **2015** for a mere **Euro 7.9 Billion. i.e. ₹1319.80 Cr per aircraft** (Annexure A1). Then, why did India pay ₹ 1670.70 Cr per Rafale aircraft, purchase of which was announced by PM on 10<sup>th</sup> April, 2015? **We are clearly paying an extra price of Rs.350.90 crore per aircraft or Rs.12,632 crore for 36 aircrafts.**



## **By-passing HAL, Betraying Karnataka!**

**International bid for 126 Rafale aircrafts under UPA-Congress Govt (opened on 12<sup>th</sup> December, 2012) envisaged ‘Transfer of Technology’ to PSU HAL; Manufacture of 108 Rafale aircrafts in Bengaluru and award of ₹36,000 Cr ‘Offset Contract’ to HAL. This offset contract was signed between HAL & Dassault Aviation on 13<sup>th</sup> March, 2014, during Congress Govt.**

**Modi Govt backstabbed the people of Karnataka by -:** (a) Cancelling Transfer of Technology to HAL; (b) Denying thousands of jobs by cancelling ‘Make in Karnataka’ of Rafale aircraft by HAL; (c) Denying ₹36,000 Cr of investment in Karnataka, through offset contract between HAL-Dassault.

This betrayal is exposed by the fact that in a briefing by the **Foreign Secretary on 8<sup>th</sup> April, 2015**; it was **declared** that “**discussions were underway between the French Company, our Ministry of Defence, the HAL which is involved in this.**” Copy Annexure A2

Despite this public admission, **PM Modi superseded HAL and bartered Karnataka’s interests within 48 hours by announcing off-the-shelf purchase of 36 Rafales on 10<sup>th</sup> April, 2015 with zero role for HAL in manufacture or offset contracts. Why did PM Modi deny the biggest investment and opportunity for job creation to Karnataka?**

### **77 year old ‘HAL’ purged – Offset Contract of ₹30,000 Cr goes to ‘Reliance’**

‘Offset Contract’ worth ₹ 30,000 Cr for Rafale aircrafts has been given to ‘Reliance Aersostructure Ltd’ [See Annexure A3- Clause C3 (a)]

On the contrary, Defence Minister, Smt. Nirmala Sitharaman has claimed in a PIB press release dated **7<sup>th</sup> February, 2018**, that the ‘**offset contract has not been awarded**’ by Dassault Aviation. Copy of press release is attached as **Annexure A4**.

Simple question is, **who is lying – Defence Minister, Smt. Nirmala Sitharaman or Reliance/Dassault Aviation? Hasn’t the BJP MP from Karnataka, Smt. Sitharaman not deceived Karnataka’s interests?**

**People of India and People of Karnataka demand answers from PM, Defence Minister & BJP?**