

CAG finalising report on Rafale deal

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NEW DELHI: The Comptroller and Auditor General (CAG) is finalising its report on the Rafale jet fighter deal and is likely to table it in Parliament in the budget session beginning on Thursday, said officials familiar with the matter who asked not to be identified.

“A draft report had been sent to the ministry of defence (MoD) seeking its comment and CAG has received all the replies in this regard. In all likelihood, the report will be tabled in the Parliament in the budget session,” said one of the officials.

CAG is auditing the Rafale deal along with around a dozen other big-ticket procurements made by the MoD. Once finalised, the report will be sent to the President and MoD. MoD will prepare a note on the report for the President following which it will be presented in Parliament, added the official. Draft reports are sent to the entities that are audited by the CAG as part of the standard



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operating procedure, giving them an opportunity to rebut the conclusions drawn by the audit watchdog.

The purchase of Rafale fighter jets became controversial after the National Democratic Alliance (NDA) government replaced a United Progressive Alliance (UPA) deal for the purchase of 126 aircraft from Dassault Aviation — an outright purchase of 18 and 108 to be assembled in India by state-owned Hindustan Aeronautics Limited — with a government-to-government deal to buy 36 aircraft. The Congress and

other opposition parties have alleged that due process wasn't followed (with Prime Minister Narendra Modi announcing the deal before it could be vetted, they claim), that the price the NDA is paying is higher than what the UPA was, and that the deal benefits Anil Ambani's Reliance Defence, which has struck an offset deal with Dassault.

The government has said the old deal was unviable and would have never closed, that it is actually paying less for the basic model of the aircraft, and that the increase is on account of customi-

sation and weaponisation. It has also said due process was followed and that it has nothing to do with offset deals which are struck between manufacturers and local partners. Reliance Defence has denied wrongdoing.

A bunch of petitions were filed in the Supreme Court seeking a probe into the deal but the top court dismissed them last month.

Factual errors in the judgement with regard to the status of the CAG report provided fresh ammunition to the opposition. The top court in its judgment had said a redacted copy of the report had already been tabled in Parliament, relying on the submissions made by the government. The government then went to court clarifying that it was merely explaining the process of submission of the report, which the court had misunderstood. The top court is yet to process the government's request for correcting the judgement. Congress president Rahul Gandhi has made the Rafale deal a major poll plank in the upcoming general elections.