

# FIRST INFORMATION REPORT

(Under Section 154 Cr.P.C.)

1. **District:** Delhi **PS:** AC-I Delhi  
**Year:** 2023  
**FIR No:** RC2162023A0006 **Date:** 23/05/2023

2. **Acts & Sections:**

Acts	Sections	R/W Section
IPC	120 B	420 and 201
PC Act-1988	13(2) r/w 13(1)(d)	
PC Act-1988	8	
PC Act-1988	9	

3. **Suspected offences:** Abuse of Official Position, Criminal Conspiracy, Cheating, Obtaining undue advantage to induce a public servant, Causing disappearance of evidence, Taking gratification, for personal influence with public servant (Other)

(a) **Occurrence of offence:**

**Day:** **Time Period:**  
**From Date:** 2003 **To Date:** 2012

(b) **Information Received at PS:**

**Date:** 23/05/2023

(c) **General Diary Reference:**

**Entry No.:** 9  
**Date:** 23/05/2023 **Time:** 20:38:36

4. **Type of Information:** Written

5. **Place of Occurrence:** Delhi, Banaglore, London etc.

(a) **Direction & distance from PS:**

**Beat No.:**

(b) **Address:**

**Plot No.:** **Area:**  
**City:** **Pin:**  
**State:** **District:**

(c) **In case, outside the limit of this Police Station, then**

**Name of PS:** **District:**

6. **Complainant / Informant:**

**Complainant 1**

(a) **Name:** Mr. Pawan Kumar Srivastava

(b) **Father's/Husband's Name:**

(c) **Date/Year of Birth:**

(d) **Nationality:** INDIAN

(e) **Passport:**

Passport No.	Date Of Issue	Place Of Issue
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(f) **Occupation:** Dy.SP, CBI, AC-I, New Delhi

(g) **Address:**

Plot No	Area	City	State	District	Pin
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7. **Details of known/suspected/unknown accused with full particulars:**

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23/5

**Accused 1****Name:** Mr.Tim Jones(1)**Address:**

Director of M/s Rolls Royce India Pvt. Ltd., Birla Tower (West), 2nd Floor, 25, Barakhamba Road, New Delhi, New Delhi, NCT-Of Delhi, 110001

**Accused 2****Name:** Mr.Sudhir Choudhrie(2), **Designation:** Private Person**Address:**

Shanti 45, Sunder Nagar, New Delhi, New Delhi, New Delhi, NCT Of Delhi

**Accused 3****Name:** Mr.Bhanu Choudhrie(3), **Father/Husband name:** Sudhir Choudhrie**Address:****Accused 4****Name:** M/s Rolls Royce Plc(4)**Address:****Accused 5****Name:** M/s British Aerospace Systems(5)**Address:****Accused 6****Name:** Unknown Public Servant(s) & Private Person(s)**Address:****8. Reasons for delay in reporting by the complainant/informant:****9. Particulars of properties stolen:**

Item Name	Age of Property	Estimated Value (in INR)
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**10. Total value of property stolen:****11. Inquest Report/U.D. Case No., if any:****12. First information contents:**

A complaint dated 23.05.2023 addressed to Supdt. of Police, CBI, AC-I, New Delhi is received from Shri P.K. Srivastava, DSP, CBI, AC-I, New Delhi, which is reproduced below and enclosed herewith:-

"To,

The Supdt of Police,

CBI, Anti Corruption-I,

CGO Complex, Lodhi Road,

New Delhi.

**Sub:** Complaint against Mr. Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others.

Sir,

Enquiry of PE AC-1 2016 A0010 dated 05.12.2016, registered in CBI, AC-I, New Delhi against M/s Rolls Royce plc., Shri Bhanu Choudhrie S/o Shri Sudhir Choudhrie, unknown officials of Ministry of Defence and other unknown persons has revealed that unknown officers of Ministry of Defense, during the period 2003 to 2012, entered into criminal conspiracy with Mr. Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems UK and other unknown public servants and private persons with the object to cheat the Government of India in the matter of procurement of Hawk Aircraft from M/s Rolls Royce plc, UK, and its associate group companies, including M/s Rolls Royce Turbomeca Limited, and in pursuance of the aforesaid criminal conspiracy, the unknown public servants abused their official positions as public servants and approved & procured a total number of 24 Hawk 115 Advance Jet Trainer (AJT) aircraft for GBP 734.21 million, besides permitting licence manufacturing of 42 additional aircraft by M/s Hindustan Aeronautics Limited (HAL) against materials supplied by the said manufacturer for an additional amount of USD 308.247 million for the said 42 License Manufactured aircraft and USD 7.5 million towards Manufacturer's Licence Fee, in lieu of huge bribes, commissions and kickbacks paid by the said manufacturer and its officers to intermediaries, despite the fact that the agreements, Integrity pact and associated documents/orders pertaining to the said deal prohibited payments to intermediaries and middlemen. The enquiry further reveals that in 2008-10, in

- 2) Enquiry further revealed that vital documents pertaining to the said transaction were seized from the premises of M/s Rolls Royce India Pvt. Ltd. during a Survey conducted by Income Tax Department in 2006-07, but the accused persons, in furtherance of the conspiracy and to evade investigation by Indian agencies into the alleged bungling in the deal, caused disappearance/removal/destruction of such vital documents.
- 3) Enquiry has revealed that the Cabinet Committee on Security (CCS), Ministry of Defense in the meeting held on 03.09.2003 approved procurement of 66 Hawk 115 Aircraft and signing of an Inter Government Agreement between the Governments of India and UK for long term product support. The key approvals accorded by the Cabinet Committee of Security (CCS) were as follows:
1. Procurement of 24 BAE Hawk 115Y AJT in flyaway condition with spares, ground support equipment and training aids, along with materials for 42 aircraft to be manufactured by HAL at a cost of GBP 734.21 million, equivalent to Rs. 5653.44 Crores @ Rs, 77/- per GBP.
  2. Procurement of 42 aircraft to be license manufactured by HAL at an additional cost not exceeding GBP 308.247 million, equivalent to Rs. 1944 Crores.
  3. Payment of GBP 7.5 million approx. to M/s Rolls Royce as Manufacturer's License Fee for manufacture of engines.
  4. Conclusion of an inter Govt. agreement with Govt. of UK for long term product support.
- 4) Pursuant to the said agreement, a Memorandum of Understanding was signed between Govt. of India and Govt. of UK on 19.03.2004 for long term product support. Shortly thereafter, two related contracts, both dated 26.03.2004, for supply of 24 HAWK Aircraft by way of direct supply and materials and transfer of technology for 42 Aircraft to be license manufactured by HAL were signed between the Ministry of Defence and M/s BAE Systems/Rolls Royce. Vide a letter dated 09.06.2004, the Ministry of Defence entrusted the HAWK License build related contracts to HAL for implementation.
- 5) The contracts dated 26.03.2004 contained Agent/Agency Commission prohibition clauses to the effect that the supplier (Rolls Royce/BAE) shall confirm that it has not engaged any agent/middlemen to intercede, facilitate or in any manner recommend to the Govt. of India for award of the contract nor any amount has been paid to any such individual/agent/middlemen. It was further stipulated that in case the said declaration by the supplier is established to be incorrect and the supplier has engaged any such individuals/middlemen/agents and has paid any amount/gift/cash/reward/fee/commission etc., the supplier will be liable to refund the amount to the buyer and will also be debarred from any supply contract with the Govt. of India for minimum 05 years. In terms of the said agreement, the purchaser shall also have the right to consider termination of the contract either wholly or in part and in such an event, the supplier was bound to refund all payments made by the buyer for equipment not yet delivered by the supplier.
- 6) In addition to the above causes, penal clauses for use of undue influence were also incorporated in the said agreement dated 26.03.2004, which mandated that the supplier would furnish an undertaking that it had not given any gifts/commissions/fee/ consideration/brokerage etc. to any person in service of the purchaser in procuring the contract or forbearing to do so, to show any favour or disfavor to any person in relation to the contract. Violation of the said clause entitled the purchaser to terminate the contract as well as to seek refund of the real loss/actual loss on account of termination.
- 7) Similar penalty clauses were also incorporated in the related contracts for transfer of technology, technical assistance and Licensing agreement to ensure against payment of commissions/fee to middlemen/agents/intermediaries and to ensure against use of undue influence in award of the contracts.
- 8) Pursuant to the said contracts, another contract dated 21.02.2005 was signed between Ministry of Defence and HAL for License manufacture of 42 Aircraft and equipment under the enabling MoD/BAE contract dated 26.03.2004. HAL manufactured 42 Hawk aircraft under the said agreement and delivered the same to Indian Air Force during the period Aug. 2008 to May 2012. BAES and Rolls Royce were paid GBP 308.247 Million and GBP 7.50 million respectively by HAL.
- 9) In January 2008, HAL requested MOD, vide letter dated 29.01.2008, to seek approval for entering into an agreement for License manufacturing of 57 additional Hawk aircraft. Pursuant to this, an agreement dated 23.07.2010 was signed between Ministry of Defence (MoD) and HAL for License Manufacturing and supply of 57 additional HAWK aircraft (40 for IAF and 17 for Indian Navy) for a value of Rs. 9,502.68 Crores.
- 10) In the previous instances, the MoU and contracts were signed between MoD and BAE/Rolls Royce for License Agreement. The associated documents under the said MoU and Contracts did not contain the Integrity Pact, though the related contracts contained clauses prohibiting payment of fee/commissions etc. to middlemen/ intermediaries.
- 11) In 2010, the Purchase Order was placed by HAL on BAE/Rolls Royce, which contained a clause prohibiting use of agent or third party on behalf of HAL and mandated direct deal between HAL and BAE/Rolls Royce. It was further mandated that the supplier (BAE/RR) was not supposed to appoint any agent and no commission is payable. It was further stipulated that in case any commission is paid by RR/BAE, HAL would be entitled to terminate the contract and to recover the amount equal to the commission, fee or any such charge proved to have been paid.
- 12) It was further decided that HAL would also sign an Integrity Pact with Rolls Royce, pursuant to which an Integrity Pact dated 27.07.2010 was signed between HAL and Rolls Royce, which also prohibited payment of commissions/fee etc. to any agent/middlemen/third party or even to any employee of the buyer connected with the bidding process. The bidder/supplier was further required to submit a declaration that no transgression of this had occurred in the last three years. Breach of the Integrity Pact entitled HAL to Cancel the contract, recover all amounts paid by the buyer with interest and encash the Bank Guarantee /Warranty Bond furnished by the supplier. The integrity pact had a validity of 05 years (i.e. up to 27.07.2015) or till conclusion of the contract.
- 13) The agreement for supply of 57 additional Hawk Aircraft under License Manufacturing was signed between HAL and BAE Systems (Operations) Ltd., a subsidiary of BAE Systems plc on 30.08.2010. This agreement also inter alia contained Clause 37 prohibiting the use of undue influence as well as payment of commissions/fee to any third party/agent/middlemen/intermediary. Violation of these clauses was also made punishable by way of recovery of amounts paid, termination of the contract etc.
- 14) The 57 additional Hawk Aircraft were manufactured by HAL under the License Manufacturing route and delivered to Indian Air Force between March 2013 and July 2016. During pendency of the contract a change order-001 dated

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contract dated 30.08.2010 were made by HAL.

15) In 2012, media reports alleging corruption in the operation of Rolls Royce civil business surfaced, which led to an investigation by Serious Fraud Office, London, UK. A Statement of Fact (SoF) was prepared by Rolls Royce, wherein Rolls Royce disclosed its corrupt payments in connection with transactions with countries like Indonesia, Thailand, China, Malaysia and India. A Deferred Prosecution Agreement was reached between the company and SFO, London.

16) The Crown Court at Southwark, UK delivered a judgment dated 17.01.2017 on the DPA (Deferred Prosecution Agreement) reached between SFO (Serious Fraud Office) and Rolls Royce plc. The judgment revealed concealment of involvement of intermediaries in the defence business in India between 2005 to 2009 by Rolls Royce despite restrictions imposed by the Government of India through Integrity Pact (IP) on payment of commissions/fees to intermediaries. There are reasons to believe that significant amounts paid to the intermediaries/middlemen by Rolls Royce were routed to public servants in India. The crown Court Judgment specifically mentions about payment of GBP 1 million by Rolls Royce to Intermediary-4 for increase of License Fee of Rolls Royce from GBP 4 million to GBP 7.5 million.

17) The statement of fact (SoF) which formed the basis of Crown Court Judgment dated 17.01.2017 has mentioned that a sum of 1.85 Million Pound was paid to intermediary-4 to retrieve list of intermediaries seized by Income Tax Department during the survey of Rolls Royce India, New Delhi during 2006, to prevent the list falling into the hands of MoD to prevent termination of the contract and also to prevent CBI investigation against Rolls Royce.

18) The SoF also disclosed corrupt payment to public servants in India in 2006-07. It was mentioned that a list of intermediaries was impounded during an Income Tax survey conducted at the office of Rolls Royce, India on 09.01.2006. During the survey, copies of documents related to Income tax matter of the company were impounded by Income tax, which inter alia contained the details/list of intermediaries paid for securing the deal. Mr. Tim Jones, the then Director, Rolls Royce, India Pvt. Ltd. joined income tax proceedings and his statement was recorded. It is alleged that Rolls Royce plc was involved in bribing Tax officials and other public officials of Indian Government to prevent investigation by Indian Authorities into its Tax Affairs and use of advisors by Rolls Royce and payment of commissions/fees to intermediaries and middlemen. It is alleged that an amount of GB Pound 1.85 Million was paid by Rolls Royce to intermediaries by means of Commercial Contractual Agreements (CCAs) for retrieval of list commission agent/ advisors from IT Department. These documents, were removed/concealed or destroyed by the accused persons. A number of Commercial Contractual Agreements (CCAs) were signed between RR and intermediaries/middlemen in relation to the Hawk Aircraft deal and significant commissions are alleged to have been paid to such middlemen.

19) It was further alleged that GBP 100 Million were paid by Russian Arms companies into the Swiss Bank account no. 120467 in the name of Portsmouth, a company associated with Sudhir Choudhrie with regard to defence deals with Russia for purchase of MIG fighter Aircraft. Out of this amount, the companies in the name of Choudhrie's family namely Belinea Services Ltd., Cottage Consultant Ltd. and M/s. Carter Consultants Inc. received GBP 39.2 million, GBP 32.8 million and GBP 23 million respectively between October 2007 and October 2008. The said Sudhir Choudhrie and his father Bhanu Choudhrie are alleged to be unregistered Indian Agents/middlemen who worked for M/s Rolls Royce/BAES in securing award of contract for the supply of Hawk aircraft in question and allegedly used undue influence on Indian Public Servants to induce the Govt. of India to approve the deal.

20) The Enquiry has revealed about the illegal acts committed by Mr Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK in conspiracy with some unknown Indian public servants and unknown private persons in India.

21) The above acts of omission and commission on the part of Mr. Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others disclose commission of offence punishable U/s 120-B r/w 420 and 201 of IPC and Section 8, 9 and 13(2) r/w 13(1)(d) of Prevention of Corruption Act, 1988.

22) It is requested that a regular case may be registered against Mr Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others.

Submitted please.

(Pawan Kr Srivastava)

Dy. Supdt. of Police

CBI: AC-I: New Delhi

The above facts prima facie discloses commission of offences punishable u/s 120-B r/w 420 and 201 of IPC and Section 8, 9 and 13(2) r/w 13(1)(d) of Prevention of Corruption Act, 1988 against Mr Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others. Hence, a Regular Case against the above said persons and unknown public/private persons is registered and entrusted to Shri Bhanvendra Choudhary, Inspector, CBI, AC-I, New Delhi.

**13. Action taken : Since the above information reveals commission of offence(s) u/s as mentioned at Item No.2:**

(1) Registered the case and took up the investigation: Yes

OR

(2) Directed

Name of IO:

BHANVRENDRA CHOUDHARY

Rank:

INSPECTOR (AC-I Delhi)

No:

131695

to take the investigation

BP  
23/5/23

OR

(4) Transferred To PS:   
 on point of jurisdiction.

District:

Attached documents:

Document name

Complaint in PE AC I 2016A0010

FIR read over to the complainant/informant, admitted to be correctly recorded and a copy given to the complainant / informant, free of cost.

R.O.A.C.

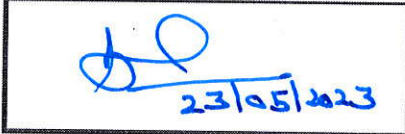
14. Signature/Thumb Impression of the complainant/informant

Signature of Officer in-charge Police Station

Name: Suman Kumar

Rank: SUPDT. OF POLICE (AC-I Delhi)

15. Date and time of dispatch to the Court:

A rectangular box containing a handwritten signature in blue ink and the date "23/05/2023" written below it.

Dated : 23.05.2022

To,

The Supdt of Police,  
CBI, Anti Corruption-I,  
CGO Complex, Lodhi Road,  
New Delhi.

**Sub:** Complaint against Mr. Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others.

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furtherance of the criminal conspiracy, the accused persons also approved License manufacturing of 57 additional Hawk aircraft by HAL for a value of Rs. 9,502.68 Crores under a separate agreement with BAE Systems (Operations) Ltd, another entity belonging to the BAES Group.

2) Enquiry further revealed that vital documents pertaining to the said transaction were seized from the premises of M/s Rolls Royce India Pvt. Ltd. during a Survey conducted by Income Tax Department in 2006-07, but the accused persons, in furtherance of the conspiracy and to evade investigation by Indian agencies into the alleged bungling in the deal, caused disappearance/removal/destruction of such vital documents.

3) Enquiry has revealed that the Cabinet Committee on Security (CCS), Ministry of Defense in the meeting held on 03.09.2003 approved procurement of 66 Hawk 115 Aircraft and signing of an Inter Government Agreement between the Governments of India and UK for long term product support. The key approvals accorded by the Cabinet Committee of Security (CCS) were as follows:

- a) Procurement of 24 BAE Hawk 115Y AJT in flyaway condition with spares, ground support equipment and training aids, along with materials for 42 aircraft to be manufactured by HAL at a cost of GBP 734.21 million, equivalent to Rs. 5653.44 Crores @ Rs, 77/- per GBP.
- b) Procurement of 42 aircraft to be license manufactured by HAL at an additional cost not exceeding GBP 308.247 million, equivalent to Rs. 1944 Crores.
- c) Payment of GBP 7.5 million approx. to M/s Rolls Royce as Manufacturer's License Fee for manufacture of engines.
- d) Conclusion of an Inter Govt. agreement with Govt. of UK for long term product support.

4) Pursuant to the said agreement, a Memorandum of Understanding was signed between Govt. of India and Govt. of UK on 19.03.2004 for long term product support. Shortly thereafter, two related contracts, both dated 26.03.2004, for supply of 24 HAWK Aircraft by way of direct supply and materials and transfer of technology for 42 Aircraft to be license manufactured by HAL were signed between the Ministry of Defence and M/s BAE Systems/Rolls Royce. Vide a letter dated 09.06.2004, the Ministry of Defence entrusted the HAWK License build related contracts to HAL for implementation.

5) The contracts dated 26.03.2004 contained Agent/Agency Commission prohibition clauses to the effect that the supplier (Rolls Royce/BAE) shall confirm that it has not engaged any agent/middlemen to intercede, facilitate or in any manner recommend to the Govt. of India for award of the contract nor any amount has been paid to any such individual/agent/middlemen. It was further stipulated that in case the said declaration by the supplier is established to be incorrect and the supplier has engaged any such individuals/middlemen/agents and has paid any amount/gift/cash/reward/fee/commission etc., the supplier will be liable to refund the amount to the buyer and will also be debarred from any supply contract with the Govt. of India for minimum 05 years. In terms of the said agreement, the purchaser shall also have the right to consider termination of the contract either wholly or in part and in such an event, the supplier was bound to refund all payments made by the buyer for equipment not yet delivered by the supplier.

6) In addition to the above causes, penal clauses for use of undue influence were also incorporated in the said agreement dated 26.03.2004, which mandated that the supplier would furnish an undertaking that it had not given any gifts/commissions/fee/ consideration/brokerage etc. to any person in service of the purchaser in procuring the contract or forbearing to do so, to show any favour or disfavor to any person in relation to the contract. Violation of the said clause entitled the purchaser to terminate the contract as well as to seek refund of the real loss/actual loss on account of termination.



7) Similar penalty clauses were also incorporated in the related contracts for transfer of technology, technical assistance and Licensing agreement to ensure against payment of commissions/fee to middlemen/agents/intermediaries and to ensure against use of undue influence in award of the contracts.

8) Pursuant to the said contracts, another contract dated 21.02.2005 was signed between Ministry of Defence and HAL for License manufacture of 42 Aircraft and equipment under the enabling MoD/BAE contract dated 26.03.2004. HAL manufactured 42 Hawk aircraft under the said agreement and delivered the same to Indian Air Force during the period Aug. 2008 to May 2012. BAES and Rolls Royce were paid GBP 308.247 Million and GBP 7.50 million respectively by HAL.

9) In January 2008, HAL requested MOD, vide letter dated 29.01.2008, to seek approval for entering into an agreement for License manufacturing of 57 additional Hawk aircraft. Pursuant to this, an agreement dated 23.07.2010 was signed between Ministry of Defence (MoD) and HAL for License Manufacturing and supply of 57 additional HAWK aircraft (40 for IAF and 17 for Indian Navy) for a value of Rs. 9,502.68 Crores.

10) In the previous instances, the MoU and contracts were signed between MoD and BAE/Rolls Royce for License Agreement. The associated documents under the said MoU and Contracts did not contain the Integrity Pact, though the related contracts contained clauses prohibiting payment of fee/commissions etc. to middlemen/ intermediaries.

11) In 2010, the Purchase Order was placed by HAL on BAE/Rolls Royce, which contained a clause prohibiting use of agent or third party on behalf of HAL and mandated direct deal between HAL and BAE/Rolls Royce. It was further mandated that the supplier (BAE/RR) was not supposed to appoint any agent and no commission is payable. It was further stipulated that in case any commission is paid by RR/BAE, HAL would be entitled to terminate the contract and to recover the amount equal to the commission, fee or any such charge proved to have been paid.

12) It was further decided that HAL would also sign an Integrity Pact with Rolls Royce, pursuant to which an Integrity Pact dated 27.07.2010 was signed between HAL and Rolls Royce, which also prohibited payment of commissions/fee etc. to any agent/middlemen/third party or even to any employee of the buyer connected with the bidding process. The bidder/supplier was further required to submit a declaration that no transgression of this had occurred in the last three years. Breach of the Integrity Pact entitled HAL to Cancel the contract, recover all amounts paid by the buyer with interest and encash the Bank Guarantee /Warranty Bond furnished by the supplier. The integrity pact had a validity of 05 years (i.e. up to 27.07.2015) or till conclusion of the contract.

13) The agreement for supply of 57 additional Hawk Aircraft under License Manufacturing was signed between HAL and BAE Systems (Operations) Ltd., a subsidiary of BAE Systems plc on 30.08.2010. This agreement also inter alia contained *Clause 37* prohibiting the use of undue influence as well as payment of commissions/fee to any third party/agent/middlemen/intermediary. Violation of these clauses was also made punishable by way of recovery of amounts paid, termination of the contract etc.

14) The 57 additional Hawk Aircraft were manufactured by HAL under the License Manufacturing route and delivered to Indian Air Force between March 2013 and July 2016. During pendency of the contract, a change order-001 dated 28.07.2011 was also signed between the parties, which provided for procurement of additional airframe accessories and spares for an additional amount of GBP 63.074 million, thereby enhancing the value of the contract from GBP 537.219 million to GBP 600.293 million. As against this, total payments aggregating to GBP 593.554 Million to BAES under the aforesaid contract dated 30.08.2010 were made by HAL.

15) In 2012, media reports alleging corruption in the operation of Rolls Royce civil business surfaced, which led to an investigation by Serious Fraud Office, London, UK. A Statement of Fact (SoF) was prepared by Rolls Royce, wherein Rolls Royce disclosed its corrupt payments in connection with transactions with countries

like Indonesia, Thailand, China, Malaysia and India. A Deferred Prosecution Agreement was reached between the company and SFO, London.

16) The Crown Court at Southwark, UK delivered a judgment dated 17.01.2017 on the DPA (Deferred Prosecution Agreement) reached between SFO (Serious Fraud Office) and Rolls Royce plc. The judgment revealed concealment of involvement of intermediaries in the defence business in India between 2005 to 2009 by Rolls Royce despite restrictions imposed by the Government of India through Integrity Pact (IP) on payment of commissions/fees to intermediaries. There are reasons to believe that significant amounts paid to the intermediaries/middlemen by Rolls Royce were routed to public servants in India. The crown Court Judgment specifically mentions about payment of GBP 1 million by Rolls Royce to Intermediary-4 for increase of License Fee of Rolls Royce from GBP 4 million to GBP 7.5 million.

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18) The SoF also disclosed corrupt payment to public servants in India in 2006-07. It was mentioned that a list of intermediaries was impounded during an Income Tax survey conducted at the office of Rolls Royce, India on 09.01.2006. During the survey, copies of documents related to Income tax matter of the company were impounded by Income tax, which inter alia contained the details/list of intermediaries paid for securing the deal. Mr. Tim Jones, the then Director, Rolls Royce, India Pvt. Ltd. joined income tax proceedings and his statement was recorded. It is alleged that Rolls Royce plc was involved in bribing Tax officials and other public officials of Indian Government to prevent investigation by Indian Authorities into its Tax Affairs and use of advisors by Rolls Royce and payment of commissions/fees to intermediaries and middlemen. It is alleged that an amount of GB Pound 1.85 Million was paid by Rolls Royce to

intermediaries by means of Commercial Contractual Agreements (CCAs) for retrieval of list commission agent/ advisors from IT Department. These documents, were removed/concealed or destroyed by the accused persons. A number of Commercial Contractual Agreements (CCAs) were signed between RR and intermediaries/middlemen in relation to the Hawk Aircraft deal and significant commissions are alleged to have been paid to such middlemen.

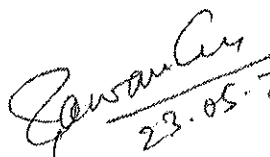
19) It was further alleged that GBP 100 Million were paid by Russian Arms companies into the Swiss Bank account no. 120467 in the name of Portsmouth, a company associated with Sudhir Choudhrie with regard to defence deals with Russia for purchase of MIG fighter Aircraft. Out of this amount, the companies in the name of Choudhrie's family namely Belinea Services Ltd., Cottage Consultant Ltd. and M/s. Carter Consultants Inc. received GBP 39.2 million, GBP 32.8 million and GBP 23 million respectively between October 2007 and October 2008. The said Sudhir Choudhrie and his father Bhanu Choudhrie are alleged to be unregistered Indian Agents/middlemen who worked for M/s Rolls Royce/BAES in securing award of contract for the supply of Hawk aircraft in question and allegedly used undue influence on Indian Public Servants to induce the Govt. of India to approve the deal.

20) The Enquiry has revealed about the illegal acts committed by Mr Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK in conspiracy with some unknown Indian public servants and unknown private persons in India.

21) The above acts of omission and commission, on the part of Mr. Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others disclose commission of offence punishable U/s 120-B r/w 420 and 201 of IPC and Section 8, 9 and 13(2) r/w 131(d) of Prevention of Corruption Act, 1988.

22) It is requested that a regular case may be registered against Mr Tim Jones, Director of M/s Rolls Royce India Pvt. Ltd., Shri Sudhir Choudhrie, Shri Bhanu Choudhrie, M/s Rolls Royce, plc, UK, M/s British Aerospace Systems, UK, unknown public servants and unknown others.

Submitted please.

  
23.05.2023  
**(Pawan Kr Srivastava)**  
Dy. Supdt. of Police  
CBI: AC-I: New Delhi