

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:2879
ANSWERED ON:02.08.2002
IRREGULARITY IN FCI
PRABHA RAU;VILAS BABURAO MUTTEMWAR

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the attention of the Union Government have been drawn to the news-item captioned `FCI under cloud over irregularities of Rs.125 cr.` appeared in Lokmat dated 29th May, 2002;
- (b) if so, whether an inquiry has been conducted to probe into the matter and fix responsibility for lapses against the officers;
- (c) if so, the details of the outcome of the inquiry; and
- (d) the steps proposed to be taken by the Government in this matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SH. KRISHNAM RAJU)

- (a): Yes, Sir. This pertains to nine transaction audit observations of Comptroller and Auditor General (C&AG) having an aggregate money value of Rs.124.81 Crore published in Chapter 7 of C&AG's Report No.3 of 2002 (Commercial).
- (b): Preliminary investigation has been completed in 5 cases out of the 9, and the CAG has been apprised of the position. Preliminary investigation is in progress in remaining 4 cases. As per the procedure laid down for dealing with C&AG observations, the preliminary investigation results need to be reviewed by the C&AG before any further action is initiated.
- (c): The final outcome of the process would emerge only after completion of preliminary investigation of all the 9 cases and review of the position by C&AG.
- (d): Appropriate action against officials, if found responsible for any lapses on this account, will be taken, as warranted.