

**GOVERNMENT OF INDIA  
HOUSING AND URBAN POVERTY ALLEVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:4571

ANSWERED ON:23.04.2010

IRREGULARITIES IN HUDCO

Mahendrasinh Shri Chauhan ;Yadav Shri M. Anjan Kumar

**Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:**

(a) whether the financial irregularities in the Housing & Urban Development Corporation (HUDCO) have been reported during the last several years, causing loss of revenue to the Government;

(b) if so, the facts thereof; and

(c) the action taken by the Government in the matter so far as also against the officials found guilty in the matter?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI SAUGATA ROY)

(a): Complaints regarding financial irregularities are received from to time in Corporate Vigilance Department of Housing & Urban Development Corporation Limited(HUDCO). These are investigated and appropriate administrative action as well as action against delinquent officers is taken if allegation of irregularity/lapse are established. Further Loan accounts of HUDCO have been audited by Internal Auditor, Statutory Auditor and Government Auditor every year and in their report no financial irregularities have been commented.

(b): In addition to the complaints received and processed by the Corporate Vigilance Department of HUDCO, in pursuance of the directions of the Hon'ble Supreme Court in a Public Interest Litigation{Writ Petition(Civil) No. 573/2003} filed by Centre for Public Interest Litigation against Housing & Urban Development Corporation Ltd.(HUDCO) & others, the Central Vigilance Commission had conducted an enquiry against alleged irregularities committed by HUDCO in the matter of sanctioning of loans and making investments. The Commission recommended appropriate action against the officers if found responsible for irregularities. The Supreme Court thereafter directed the Union of India to look into the report and take appropriate action. Accordingly an Action Taken Report has been filed on behalf of the Union of India in the Supreme Court.

(c): The matter is subjudice as an updated Action Taken Report in the matter is to be filed in the Supreme Court as per the directions of the Hon'ble Court.