

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

STARRED QUESTION NO:473
ANSWERED ON:29.04.2013
CANTEEN STORES DEPARTMENT
Nimmala Shri Kristappa;Pradhan Shri Nityananda

Will the Minister of DEFENCE be pleased to state:

- (a) whether some officials of the Canteen Stores Department were arrested by CBI in the year 2012 for accepting illegal gratifications to favour certain companies while making procurements for canteen stores across the country;
- (b) if so, the details including the further action taken thereon along with the present status thereof;
- (c) whether the system of procurements for Canteen Stores Department is not transparent and corruption prevails in purchases; and
- (d) if so, the steps taken / proposed to be taken by the Government to bring transparency in the procurement of various items for the Canteen Stores Department across the country?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 473 FOR ANSWER ON 29.4.2013

Two officers of Canteen Stores Department (CSD) viz. Shri Bikas Ranjan Daschaudhary, JGM-II and Brig Anuj Kainthla, JGM-I were arrested by CBI, Anti-Corruption Branch, Mumbai for accepting illegal gratification on 30.06.2012 and 02.07.2012 respectively. Later CBI filed FIR against Shri Venkatesh Shesagiri Rao, DGM CSD HO, dated 26.11.2012 on the charge of indulging in corrupt practices, Shri K.K. Srivastava, Area Manager, Ambala Depot, dated 03.12.2012 on the charge of obtaining valuable things by a public servant and against Shri J N Kar (Retd.), ex-DGM, CSD, HO, dated 04.12.2012 on the charges of accepting valuable things by a public servant while he was in service. All the above serving officers have been suspended except Brig Anuj Kainthla who was repatriated to Army for taking suitable action as per Army Rules and is attached to HQ Mumbai Sub Area. As intimated by CBI, these cases are still under investigation.

Bringing transparency and efficiency in the system is a continuous process. In order to further improve efficiency and transparency, a study has been ordered to be undertaken by College of Defence Management (CDM), Hyderabad to propose changes in the procedures. Further, steps like uploading of details on process of introduction of items, monthly orders details, payment details etc. on CSD website are carried out on regular basis. All payments to suppliers are made through Real Time Gross settlement (RTGS). Automation of the CSD is also in progress to improve efficiency and transparency further.