

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:5260
ANSWERED ON:14.08.2014
INVESTIGATION INTO IRREGULARITIES IN FREIGHT
Shrirang Shri Chandu Barne

Will the Minister of RAILWAYS be pleased to state:

- (a) the present status of progress made in the ongoing investigation of cases of misleading declaration by select consigners/consignees regarding transportation of iron ore and other commodities;
- (b) whether the Railways had served demand-cum-show cause notices on those who had submitted misleading declarations and if so, the follow up action taken thereon by the Railways;
- (c) whether the Railways have assessed the quantum of loss incurred as a result of such misleading declarations and if so, the details thereof and if not, the reasons therefor;
- (d) the present status of progress made towards recovery of huge losses incurred by the Railways as a result of such misleading declarations; and
- (e) the other steps taken/proposed to be taken by the Railways in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MANOJ SINHA)

- (a) Cases of misleading declaration by iron ore consignees/consigners, detected by the Railways, have been referred by Central Vigilance Commission (CVC) to the Central Bureau of Investigation (CBI).
- (b) to (d) Yes, Madam. Demand-cum-show cause notices have been served to all delinquent firms. Quantum of loss due to misleading declaration has been assessed as Rs. 5432.00 crores, out of which Rs. 164.74 crores have been realized. The demand-cum-show cause notices have been challenged by the delinquent firms and the matters are at present sub judice.
- (e) Existing provisions are considered adequate for dealing with cases of misleading declaration by delinquent firms. Railway Administration has progressively strengthened its control, monitoring and verification mechanism.