

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 1635 TO BE ANSWERED ON: 06.03.2018

Conflict of Interest in Co-operative Fertilizer Units

1635. SHRIMATI DARSHANA VIKRAM JARDOSH:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state?

- (a) whether the Ministry has received any information/representation regarding alleged conflict of interest activities in cooperative fertilizer units, if so, the details of the action taken to stop it and if not; the reasons therefor;
- (b) whether the Ministry has received any input from the Ministry of Agriculture and Farmers Welfare to curb conflict of interest activities in cooperative fertilizer units and if so, the details thereof; and
- (c) the details of cases referred to CBI for investigation by the Ministry during the last one year along with the dates when it was forwarded, case-wise?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF PLANING AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERILIZERS

(RAO INDERJIT SINGH)

(a) : This Department has received 3 complaints related to corruption and irregularities in Indian Farmers Fertiliser Cooperative Limited (IFFCO) and Krishak Bharati Cooperative Ltd (KRIBHCO) and have been referred to CBI for investigation.

(b) : Department of Agriculture, Cooperation and Farmers Welfare (DAC &FW) has sought certain information relating to subsidiary companies of KRIBHCO, New Delhi on the basis of multiple complaints and the same was received from KRIBHCO and further action, if any, would be taken as per the provisions of the Multi State Cooperative Societies Act, 2002 and rules made there under.

(c) : The details of cases referred to CBI for investigation are as under:

IFFCO:

The complaints mainly alleged gross mismanagement of funds along with siphoning off money and fabricated balance sheet by IFFCO, wrong disclosures in violation of established accounting practices and misleading the stakeholders

especially the banks by IFFCO, manipulation of Multi-State Co-operative Act and further manipulation of bye laws of society and illegal repatriation of Government equity by IFFCO Board, regular money laundering process adopted by U.S. Awasthi, MD and his sons, his relatives and his friends associated with IFFCO; illegal and unlawful method adopted by U.S. Awasthi to grab the guest house and posh bungalow; subsidy frauds by U.S. Awasthi, MD, IFFCO by opening Kisan International Trading; earning huge illegal commission in imports of raw materials and finished fertilizer thereby creating huge loss to the society. The complaint has been referred to CBI on 21.11.2017 and report from CBI is awaited.

KRIBHCO:

- 1) Complaint dated 15.11.2017 received from Sh. Upendra Sing V. Rathva, Gujarat and referred to CBI on 12.02.2018.
- 2) Complaint dated NIL received from Sh. B. K. Patel, Gujarat and referred to CBI on 12.02.2018.

These complaints mainly alleged irregularities by Dr. Chandrapal Yadav, Chairman KRIBHCO and Director & Chairman, KRIL (KRIBHCO'S wholly owned subsidiary company) in setting up a joint venture company namely M/s Anya Polytech & Fertilizers Ltd, Noida with his son Sh. Yashpal Yadav and allegations related to setting up DAP/NPK project at A.P. by KRIBHCO. The complaints have been referred to CBI on 12.02.2018 and report from CBI is awaited.
