

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO 3441 TO BE ANSWERED ON: 07.08.2018

Issues related to IFFCO

**3441. SHRI P.R. SUNDARAM:  
PROF. PREM SINGHCHANDUMAJRA:**

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

- (a) whether it is a fact that IFFCO have repatriated Government of India equity in violation of the IFFCO by-laws illegally and unlawfully;
- (b) if so, the details thereof;
- (c) whether any criminal action has been initiated against the managements, Directors and other officials of IFFCO for cheating the Government and if not, the reasons therefor;
- (d) whether the Government has received various complaints pertaining to corruption, irregularities and misconduct of officials of India Farmers Cooperative Limited (IFFCO) including its Managing Director and his family members, if so, the details and names of each official with alleged charges of corruption, misconduct and irregularities, separately; and
- (e) the names of investigating agencies which are probing the charges against officials of IFFCO and the present status of each case as on 31st May, 2018

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

**(RAO INDERJIT SINGH)**

(a) & (b): The repatriation of Government of India equity by Indian Farmers Fertilizer Cooperative Limited (IFFCO) is disputed as it was done as per amended bye-laws of IFFCO, which were illegally and unlawfully amended without following the laid down procedure of then bye-laws of IFFCO after enactment of Multi State Cooperative Societies (MSCS) Act, 2002.

(c) to (e): Government has received various complaints pertaining to corruption, misconduct of IFFCO officials, irregularity in IFFCO including manipulating bye-laws of society and illegal repatriation of Government Equity by IFFCO Board. The details of the various complaints related to cases of corruption and irregularities against officials of IFFCO including its Managing Director and his family members received in this Department are placed at **Annexure-A**. Department of Fertilizers has referred various complaints pertaining to corruption and irregularities in IFFCO to CBI for enquiry/reports and the same are awaited.

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**Annexure-A**

**The details of complaints are as follow:**

- (1) A complaint dated 1.04.2013 received from Sh. Nishikant Dubey, Member of Parliament (LS). The complaint has been referred to CBI vide this Department's letter dated 14.06.2016.
- (2) A complaint dated 6.05.2016 received from Sh. Sudish Kumar Tripathi. The complaint has been referred to CBI vide letter dated 05.09.2016.
- (3) A complaint dated 15.09.2017 has been received from Global Wellness Foundation. The complaint has been referred to CBI vide this Department's letter dated 21.11.2017.
- (4) A complaint dated 'NIL' of Sh. Kul Bhushan Rai Chuchra has been received from CVC vide OM dated 16.06.2017. The complaint has been referred to CBI vide this Department's letter dated 01.05.2018.
- (5) A complaint dated 27.04.2017 has been received from Sh. C.B. Katiha. The complaint has been referred to CBI vide this Department's letter dated 14.09.2017.

In all above mentioned cases CBI has been requested for enquiry and to send reports in these matters.

**Gist of the above complaints is as follows: -**

The complaints mentioned above 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 manipulating by laws of society and illegal repatriation of Government equity by IFFCO Board, regular money laundering process adopted by Shri U.S. Awasthi, MD, his sons, his relatives and his friends associated with IFFCO, illegal and unlawful method adopted by Shri U.S. Awasthi to grab the guest house and posh bungalow, subsidy frauds by Shri U.S. Awasthi by opening Kisan International Trading, earning huge illegal commission in imports of raw materials and finished fertilizer thereby creating huge loss to society, illegally extending his term of superannuation beyond the age of 65 years, increasing remuneration to Shri US Awasthi and other functional directors, seeking favours from political parties by extending donations in a camouflaged way in violations of Multi State Co-operative Societies Act, deviation from co-operative law by IFFCO Board i.e. not appointing women director or SC director in IFFCO Board and appointment of 30 directors in board of directors, defrauding the government by manipulating sales and claiming higher subsidy, illegally inducting his kith and kin on suitable posts in IFFCO by MD, IFFCO and misusing resources and facility of IFFCO.