

Karnataka relents, hands over Telgi probe to CBI

23/12/58-4
BANGALORE, Dec. 26. — Karnataka today decided to hand over the fake stamp paper scam to the CBI. The decision comes barely days after chief minister Mr SM Krishna and home minister Mr Mallikarjun Kharge had iterated their stand against any such handing over.

Briefing newsmen after a Cabinet meeting, Mr Kharge said the decision was taken with the interests of the nation in mind. The fact that the Centre had referred the case to the Supreme Court also influenced the decision, he said. The decision has come as a surprise to most observers here, even if it was an acknowledged fact that ultimately the Krishna government would have no choice but to hand over the Telgi case to the CBI. This had become obvious after Maharashtra, another Congress-led state, softened its rigid stance against handing over the case to the CBI.

Speculation is rife that the Karnataka chief minister's next step would be to seek

the resignation of Cabinet minister Mr Roshan Beg. The minister has been targeted for his alleged involvement in the scam.

Recently, one of the lawyers of the main accused had, in a meeting with Deputy Prime Minister Mr LK Advani, accused Mr Roshan Beg and Mr Chagan Bhujbal, deputy chief minister of Maharashtra, of being associated with Telgi. Not surprisingly, despite the mounting pressure, Mr Krishna had rubbished the demands for the sacking and subsequent arrest of his colleague. Mr Chagan Bhujbal had also ridiculed the claims of Telgi's lawyer. Yet, within three days, Mr Bhujbal resigned from the Maharashtra Cabinet, though he cited unhappiness over the attack on a regional TV channel by his supporters as the main reason. Barely twenty-four hours after Mr Bhujbal's resignation, the Karnataka government has decided to hand over the scam to the CBI, after stubbornly refusing to do so earlier. — SNS

Karnataka minister's brother surrenders in stamp paper scam

Press Trust of India
Bangalore, December 20

REHAN BAIG, brother of Karnataka small scale industries minister Roshan Baig, surrendered on Saturday before the special investigation team (STAMPIT) probing the multi-crore fake stamp-paper scam, a STAMPIT official said.

A Delhi Police inspector was also arrested on Sunday on charges of shielding and helping Abdul Kareem Telgi, the main accused in the case. A hunt had been launched against Baig for his alleged involvement in the scam and for links with Telgi. Baig (42), according to STAMPIT officials, had rented out commercial premises (belonging to him) to Telgi. Rehan's passport had been seized in May this year after he returned from Saudi Arabia.

A Bangalore court had issued an arrest warrant against him based on the "investigation records" submitted by STAMPIT.

STAMPIT had put up his photograph and details of the "absconder" on its website, seeking information from the public for his arrest. STAMPIT had grilled Rehan Baig in the past.

Soon after his surrender, Rehan pleaded innocence. "I am not a criminal. Despite two years of intensive investigations, they had on November 14 said that there was no evidence against me," he said. Rehan pointed out that he was out of station on a pilgrimage and had informed STAMPIT that he would return in 10 days.

"But before my return they made a big mess. They put my photos on the Internet as if I am a criminal. I am actually a Non Resident India. I am a double me-



PTI
Rehan Baig talks to mediapersons after he surrendered on Saturday.

dical graduate. I am a blood bank director working in Saudi Arabia's health ministry," he said.

Meanwhile, Abdul Kareem Telgi faced a lie-detector test at the Forensic Science Laboratory in Bangalore for the second day running on Saturday.

Telgi's lawyer in the dock

Abdul Kareem Telgi's counsel Abdul Rehman, who shot into limelight on Friday alleging involvement of Maharashtra Deputy CM Chagga Bhujbal and Karnataka minister Roshan Baig in the scam, on Saturday found himself in the dock with charges of involvement in a cheating case surfacing against him. The case dates back to 1995 and alleges his involvement in cheating a lady of her property in South Delhi.

THE HINDUSTAN TIMES

27 DEC 2003

Stamp scam licks deputy CM

But Bhujbal says he quit owning moral responsibility for attack on TV house

TIMES NEWS NETWORK

Mumbai: Deputy chief minister Chhagan Bhujbal on Tuesday handed over his resignation to chief minister Sushilkumar Shinde owning moral responsibility for an attack on the office of a TV news channel earlier in the day.

A group of workers belonging to the Nationalist Congress Party attacked the office of Alpha Marathi, which belongs to the Zee group, in Andheri. They were upset with the channel for airing a satire on Mr Bhujbal's alleged role in the multi-million fake stamp scam. (See report on Page 3)

NCP president Sharad Pawar told the media on Tuesday night that Mr Bhujbal had sought his permission to resign on moral grounds. He denied reports that the party had asked Mr Bhujbal to resign from the post.

Chief Minister Sushilkumar Shinde received the one-page resignation note from Mr Bhujbal at 8.40 p.m. as soon as he arrived at Varsha from Delhi. Mr Shinde talked to Mr Pawar on the phone before forwarding the resignation letter to Raj Bhavan for acceptance.

Mr Shinde said he would control the home department until the NCP suggested a new name. "Although Mr Bhujbal had personally nothing to do with the attack on the news channel, he resigned since his sympathisers had attacked the media office," he added.

The NCP is unlikely to decide on Mr Bhujbal's successor immediately. Mr Pawar said the issue was not on the agenda of the two-day meeting of party leaders beginning here on Wednesday.

The opposition Shiv Sena-BJP alliance had been demanding Mr Bhujbal's resignation for his alleged involvement in the Telgi affair, which rocked the winter session of the state legislature that ended in Nagpur last week.

Leader of the opposition in the

legislative assembly Narayan Rane, who spearheaded the attack on Mr Bhujbal, said, "Now that he has resigned, the SIT will start acting against him."

However, speaking to the media briefly, Mr Bhujbal claimed, "I am not resigning under any pressure or due to any allegations made by the opposition. I am resigning to express regret over the attack on a news channel."

BJP spokesperson Prakash Jawdekar described the resignation drama as a "cover-up operation" since the NCP and Mr Bhujbal were worried about the political fallout of the Telgi scam. He demanded the resignation of the DF government for failure to take prompt action against those involved in the Telgi scam.

Mr Bhujbal's resignation on the eve of the brainstorming session of top NCP leaders is considered significant. A senior

NCP leader claimed that there was a move to clip Mr Bhujbal's wings during the meeting.

Even before the opposition began its attack on Mr Bhujbal for allowing the stamp scam kingpin Abdul Karim Telgi to stay out of jail and in luxury at his own flat in south Mumbai,

the NCP stalwarts had begun campaigning against him. Senior NCP leaders are not ready to take on face value Mr Bhujbal's reason for resignation. They claim in private conversation that "Sahab" must have asked him to resign since Mr Bhujbal is not known to accept defeat without a semblance of a fight.

The recent winter session of the state legislative assembly was adjourned on several occasions amidst a continuous cacophony of allegations and counter-allegations. Sena leader Narayan Rane had accused Mr Bhujbal of "shielding former Mumbai police commissioner R.S. Sharma and giving the latter a clean chit in the scam in April this year."

● Congress felt the heat, Page 3



Chief minister Sushilkumar Shinde and deputy chief minister Chhagan Bhujbal engrossed in conversation at the swearing-in ceremony of new sheriff Jagannath Hegde at Raj Bhavan in Mumbai on Monday.

'Telgi says he paid ministers'

By Johnson.T.A.

TIMES NEWS NETWORK

Bangalore: Prime accused in the multi-crore stamp paper racket Karim Abdul Telgi has revealed that he had maintained close links with a senior minister from Maharashtra and two ministers from Karnataka through his associates.



Abdul Telgi

Revealing this during narco-analysis tests conducted on him on Monday, Telgi said he had made payoffs to these top contacts through associates, sources close to the tests informed on condition of anonymity.

Telgi, whose racket has had ramifications across the country, said he was close to "top bureaucrats and police officers" everywhere he operated. He spoke about his personal links with an assistant commissioner of police in Bangalore as well, the sources said.

Telgi was subjected to questioning under a 'truth serum' after a Pune court granted investigators permission to conduct three types of forensic tests on seven accused in the racket. Those associated with the nearly-three-hour-long narco-analysis test said they were satisfied with the outcome.

"Telgi's inhibitions were sufficiently blunted using an anaesthetic," the sources said.

Experts from the Bangalore forensic science lab used a ques-

tionnaire prepared by the Maharashtra and Karnataka police to direct questions at Telgi as he sat in a relaxed but lowered state of consciousness.

"He consented to taking the test and answered nearly 70 per cent of the questions freely. He was not very forthcoming on some questions with replies like 'it's against my principle', the sources said. Telgi reportedly denied having links with extremists and the underworld. He was also not forthcoming on questions about where he had deposited the money earned through the racket.

He, however, revealed details of some properties held by him, including theatres in Bangalore, and claimed he had been cheated in some deals by his partners, the sources said.

Court clears Rao of cheating charges

OUR SPECIAL
CORRESPONDENT

New Delhi, Dec. 22: The last legal cloud on P.V. Narasimha Rao lifted today — but eight years too late.

A Delhi court has acquitted the former Prime Minister, controversial godman Chandraswami and his associate Kailash Nath Agarwal, alias Mamaji, in the Lakhubhai Pathak cheating case.

Special Judge Dinesh Dayal, while acquitting Rao, said there were enough "contradictions" in the late pickle tycoon's evidence against the high-profile accused.

"I find that Lakhubhai Pathak's evidence is not reliable and it has not been corroborated. His evidence has been constantly changing and there has been contradictions on vital aspects of the case," the judge said. The CBI also came in for attack for not being able to explain the "inordinate delay" in filing the case and for not questioning Pathak. "The inordinate delay in filing the case has not been explained by the prosecution," Dayal observed.

The CBI had alleged that in 1983, Rao, as foreign minister, had conspired with Chandraswami and Mamaji at a New York hotel to dupe the UK-based businessman of \$100,000 with the promise of a contract for supply of newsprint and paper pulp in India.

For Rao, the acquittal ended a long wait. Earlier, a city court had absolved him of the charges in the St Kitts forgery case. Even

LEGAL TWISTS AND TURNS

- DEC. 1983: Alleged meeting between Pathak, a UK-based pickle tycoon, P.V. Narasimha Rao and Chandraswami at Hotel Holorum in New York where Rao is said to have promised Pathak a contract for supply of newsprint and paper pulp in India
- JAN. 4, 1984: Pathak allegedly pays \$100,000 to Chandraswami by two cheques of \$27,000 and \$73,000
- SEPT. 25, 1987: Pathak lodges complaint
- FEB. 5, 1988: CBI registers FIR
- JUNE 21, 1991: Rao becomes Prime Minister
- APRIL 12, 1996: Chargesheet filed before chief metropolitan magistrate against Chandraswami and his aide K.N. Agarwal alias Mamaji, accusing them of conspiracy to cheat Pathak
- MAY 16: Rao ceases to be Prime Minister
- JULY 5: Pathak names Rao as an accused and discloses the latter's alleged assurance that led him to pay \$100,000 to Chandraswami
- JULY 9: CMM finds enough grounds to proceed against Rao
- JULY 30: Delhi High Court upholds CMM's order
- AUG. 23: Supreme Court directs transfer of the case to another court following a special leave petition by Rao
- SEPT. 21: Special judge Ajit Bharihoke summons Rao
- SEPT. 30: Apex court exempts Rao from personal appearance
- NOV. 6: Charges framed against all three accused
- APRIL 1, 1997: Pathak passes away
- NOV. 1, 2003: In the first video-conferencing to record evidence of a foreign witness, California state assembly member Marvyn M. Dymally deposes before a Delhi court from the Indian consulate in San Francisco
- DEC. 22: Rao, Chandraswami and Mamaji acquitted



in the Jharkhand Mukti Morcha bribery case, Delhi High Court had turned down a lower court order convicting him. In that case, the CBI had refused to appeal to the Supreme Court.

Immediately after the verdict, Rao, who was present in the Vigyan Bhavan annexe courtroom, said: "I'm very happy." But he refused to comment on the political fallout of the judgment, saying: "I do not want to make any political comments now."

Rao's lawyer Kapil Sibal, whom the former Prime Minister embraced after the verdict, said his client had told him that he was "waiting since eight years for this moment". "Each citizen of this country should be happy that our prime ministers are not involved in any such corrupt practices," Sibal added.

Chandraswami described the ruling as a "positive decision", while Mamaji said "truth has prevailed".

Rao, Chandraswami acquitted

LAKHUBHAI CASE RULING

News Service

NEW DELHI, Dec. 22. — A special court today acquitted the former Prime Minister, Mr PV Narasimha Rao, Chandraswami and KN Aggarwal alias Mamaji in the Lakhubhai Pathak cheating case. The CBI had accused the three of duping the late NRI "pickle king" after promising him a paper pulp and newsprint contract in India almost 20 years ago.

Special judge Mr Dinesh Dayal said: "Pathak is not a reliable witness. His evidence cannot be accepted without corroboration. The complainant (Pathak) had been constantly changing and improving the story. There are material contradictions in the prosecution's story on the vital aspects of the case." The court also questioned why there was an "inordinate delay in filing the FIR".

On 25 September 1987, Laxmi Shanker Gopalji Pathak, also known as Lakhubhai Pathak, wrote to the Indian High Commission in the UK that he had met Chandraswami and Mamaji in a New York Hotel. The two offered him a paper pulp contract and newsprint contract after taking \$100,000. Pathak alleged that he was duped and never got the contract. He, however, had not named Mr Rao in the complaint and mentioned the former Prime Minister's name in a statement before the court in July 1996.

The then chief metropolitan magistrate directed summoning of the former Prime Minister as an additional ac-

cused on 9 July 1996 — about two months after he left office on 16 May. The case was later transferred to a special court on the Supreme Court's directions.

CBI had said the three conspired to cheat Pathak and had also prepared forged papers for making him believe that global tenders for newsprint were floated by the Indian government.

A special judge framed charges against the three accused under Section 120B (criminal conspiracy) read with Section 420 (cheating) of the IPC on 6 November 1996.

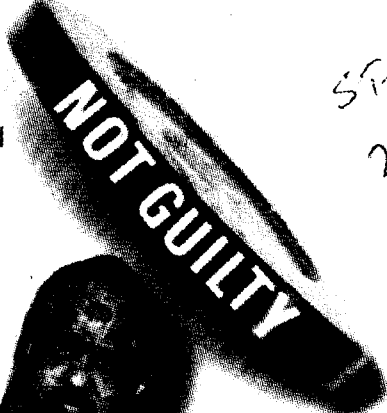
The court, however, today said: "We have seen that the evidence of the complainant is full of improvements, variations, embellishments and exaggeration. His (Pathak's) earliest stand was that he had given the money to the accused persons in December 1983 at Holorum House Hotel in New York.... It was later changed to a place outside the hotel. The name of Rao was introduced at a very later stage."

The Special Judge also pulled up the CBI as it found loopholes in its investigations. "The statement given to the investigating officer (by Pathak) appears to be well rehearsed. The version given by the complainant must have been a well-thought version given after obtaining legal advice," Mr Dayal said.

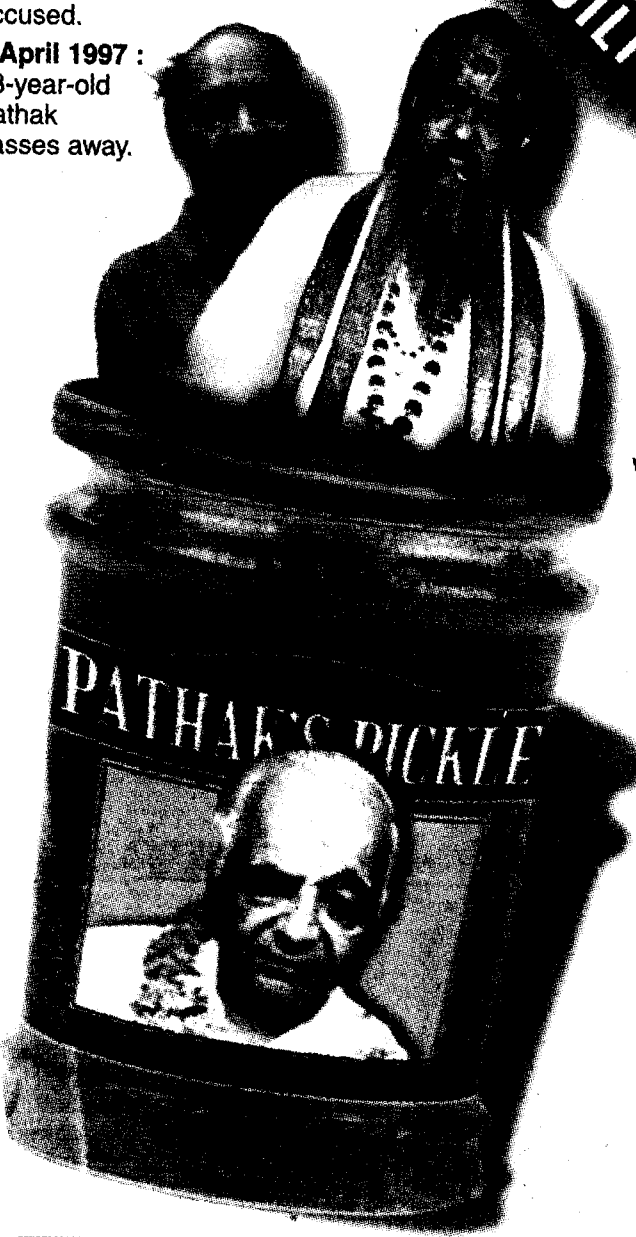
"Pathak was never interrogated by the investigating officer. He was given a questionnaire in response to which he made a voluntary statement," the judge said.

SF-1

23/12



5 Feb 1988 :CBI registers an FIR.
21 June 1991 : Mr Rao becomes Prime Minister.
12 April 1996 : Charge-sheet filed before the court
5 July 1996 : Pathak, for the first time, names Mr Rao as an accused.
1 April 1997 : 73-year-old Pathak passes away.



1 Nov 2003 : In the first video-conferencing to record evidence of a foreign witness, California's State Assembly member Marvyn M Dymally deposes before a Delhi Court from the Indian Consulate in San Francisco.

2 Dec 2003: Judgment reserved for 22 December.

22 Dec 2003: Rao, Chandraswami and Mamaji acquitted.

CBI books Judeo, raids Jogi's house

By Bhaskar Roy
TIMES NEWS NETWORK

New Delhi: Almost a month after initiating a probe into the cash-on-camera case, the CBI on Sunday registered an FIR against former Union minister Dilip Singh Judeo and three others for accepting and offering a bribe of Rs 9 lakhs.

The others named in the FIR are Mr Judeo's close aide Natwar Rateria, Bhupinder Singh Patel alias Rahul, purportedly the agent of a fake Australian company that offered the money for ministerial favours, and Arvind Vijay Mohan, who had made arrangements for the secret video filming of the bribing episode in the capital's Taj Mahal hotel.

CBI investigators began raids simultaneously at 17 places in Delhi, Gurgaon, Raipur, Raigarh and Bhopal. In an interesting spinoff, the Raipur residence of former Chhattisgarh chief minister Ajit Jogi was also raided to

probe his involvement in the case. CBI sources indicated that questioning Mr Jogi and his son Amit was on the cards.

Although Mr Judeo's Delhi residence was searched by the officials, he refused to comment on the CBI action. Asked for his reaction, Mr Judeo said that so long as the CBI investigation was on, he would desist from making any remark. He claimed that the action would evoke public sympathy for him. However, Mr Judeo neither confirmed nor denied his presence in Room No 822 of the hotel.

The investigation so far

has revealed that Rahul had been introduced to Mr Judeo by an old acquaintance from Bhopal, Shekhar Singh. Rahul had met Mr Judeo and Mr Rateria several times at Mr Judeo's official residence in Delhi and at the hotel between July and November.

The mobile phone Rahul used belonged to Rohit Chaudhary, a resident of Delhi's Mukherjee Nagar. Mr Judeo and Mr Rateria visited that particular hotel room on November 5 when Rahul was already there along with another person called Manish. The identity of Manish is yet to be established.

Rahul paid in cash Rs 9 lakhs to Mr Judeo for getting mining contracts in Chhattisgarh and Orissa. The inquiry further revealed that Rahul had been in close touch with Arvind Vijay Mohan of Delhi's Greater Kailash to organise the video-filming of the sting operation.

Significantly, Vijay Mohan was in frequent communication with a particular mobile phone registered in the name of Mr Jogi, at that time Chhattisgarh CM. Mr Jogi's son Amit was using the phone during that period. An analysis of Rahul's mobile phone printouts has disclosed that apart from Vijay Mohan, he was in touch with Raj Awasthi, Rajat Prasad and Rohit Prasad, all connected with Akash Channels Pvt Ltd of Raipur. Rahul used another mobile phone registered in the name of Akash Channels. It was found that he was an employee of Akash Channels, which had a role in the video recording.



Ex-Union minister D.S. Judeo outside his Delhi home after the CBI raid on Sunday.

Govt pushes for CBI role in stamp scam

SIT should share info with CBI: FM

Deputy CM goes on the offensive

TIMES NEWS NETWORK AND AGENCIES

By Prakash Joshi and Ramu Bhagwat

TIMES NEWS NETWORK

New Delhi: The Union government said on Friday it continued to prefer a CBI probe into the multi-crore fake stamp paper scam in the face of its countrywide ramifications, but had no objection to the Special Investigation Team (SIT) of Maharashtra probing the matter as long as it "shared" information with the Centre.

"We want a CBI probe in view of the spread of the virus across various states," finance minister Jaswant Singh said, adding, "We have no objection if the Maharashtra government is satisfied with the SIT probe as long as it shares the findings with the Centre."

Winding up a special discussion on the scam in the Lok Sabha, Mr Singh said, "We have been seeking information from Maharashtra about the findings of the SIT, but so far, the state government has not shared the findings."

Admitting systemic failure as the cause for the scam, Mr Singh said that a thorough investigation was on while security had been beefed up at the Indian Security Press at Nashik as well as Hyderabad. He said that "adequate measures were not taken by officials at the time of the sale of old machines in March-April 1998". He did not provide details. He said the government had suspended three officials associated with the sale of the machines and had recommended the dismissal of another.

Earlier, MPs on both sides said the scam could be part of "economic terrorism" intended to destabilise the country and demanded an investigation by involving the revenue and audit departments.

Nagpur: Deputy chief minister Chhagan Bhujbal hit back hard at the Shiv Sena-BJP alliance in the legislature on Friday by accusing it of using fake letters to malign him.

The Shiv Sena's Narayan Rane and the BJP's Nitin Gadkari had claimed in the legislature that assistant police inspector Dilip Kamath—who has been arrested in connection with the fake stamp paper scam and is lodged at Yerawada jail—had written a letter to governor Mohammed Fazal accusing Mr Bhujbal of having taken a soft approach to the scam's prime accused, Abdul Karim Telgi. The saffron alliance's allegation had created a stir in the state's political circles and both houses had to be adjourned. It had also led to a demand for Mr Bhujbal's resignation.

On Friday, Mr Bhujbal furnished copies of the documents produced by Kamath (in the court trying him) to buttress his claim that the letter produced by Mr Rane and Mr Gadkari was a fake. He said even a cursory examination of the handwriting in the letter produced by the opposition leaders and the one furnished by Kamath made it clear that the letter was a fake.

Mr Bhujbal said he had not sought the help of a handwriting expert, but even a layperson could tell that the letter produced by the opposition leaders was bogus.

Mr Bhujbal also pointed out that Kamath had written to the Special Investigation Team informing it that he was not being ill-treated.

On the Telgi trail

Lawyer meets Advani:

A. Rehman, counsel for stamp scam mastermind A.K. Telgi, met the deputy PM on Friday to seek police protection, claiming that he had been getting threatening calls. "Mr Advani refused to discuss the legal aspects of the case but advised me to approach the Delhi police or the court concerned for protection," he said.

Lie-detector test:

A.K. Telgi faced a lie-detector test in Bangalore on Friday after the Bombay high court allowed the SIT to conduct P-300 brain fingerprinting, lie-detector and narco-analysis tests on him and seven others.

Official held:

Suspended GM of the India Security Press, Nashik, Ganga Prakash was arrested on Friday by the CBI for alleged security lapses which helped Telgi in spreading his network. PTI

HC dismisses state's plea for CBI probe

Commission
9/11
18/12

TIMES NEWS NETWORK

Mumbai: The Bombay high court on Wednesday dismissed the Maharashtra government's application to hand over the multi-crore

fake stamp paper case to the CBI, saying that the supreme court was seized of a similar plea.

A bench comprising chief justice C.K. Thakker and Justice Abhay Oka observed that the state's application deserved to be dismissed at this stage since the supreme court would hear two PILs on the issue on January 5. "We are not expressing any opinion on the merits or the facts and correctness of the application," the bench said.

The high court's decision will give more time to the Special Investigation Team (SIT) for its probe.

When the matter came up for hearing, state advocate-general Goolam Vahanvati said it was his duty to place what had transpired in the ongoing winter session of the assembly before the court. He said the opposition in both the houses of the state legislature had demanded a CBI probe into the scam. However, he said, "We will do what the court says ultimately."

Representing social activist Anna Hazare, who had filed one of the six PILs on the scam in the HC, advocate Majeed Memon criticised the state for seeking a reversal of the court's earlier order. He said, "The government had no business to give a commitment that it was handing over the probe to the CBI when it knew that on November 27 the court had specifically declined to transfer the investigation until January 16."

Citing "changed circumstances and urgency", the state had moved the court barely three weeks after the court allowed the SIT to continue the probe. The government relied heavily on the opposition's de-

mands and other old documents, including the governor's letter to the chief minister recommending a CBI probe, to justify its application. The state's plea claimed that the opposition had attacked the state for its inability to recover stamps worth crores of rupees. The state also told the court that the SIT was handicapped as it could not probe related scam cases in other states.

Advocate Prashant Surve, one of the petitioners, took the stand that the state's plea was politically motivated. His lawyer argued that the state was only taking up the demands that suited its interest.

Before dismissing the application, the court heard all the petitioners' counsel.

All of them roundly opposed the state. V.M. Thorat, counsel for one of the petitioners, said the government was indirectly attacking the work done so far by the SIT.

'Telgi not fit for lie detector test'

TIMES NEWS NETWORK

Bangalore: Fake stamp paper scam kingpin A.K. Telgi's lawyer M.T. Nanaiah has opposed a lie detector test on his client. Speaking to reporters on Wednesday, Mr Nanaiah said Telgi was HIV positive and suffered from diabetes. Telgi's blood sugar count had reached alarming levels, he said, adding, "In this health condition, it is not desirable for him to undergo a lie detector test."

Reacting to the Maharashtra SIT's petition before the court seeking permission to conduct a lie detector test on Telgi, he said, "A lie detector test is another lie..it is just an exercise to hoodwink the people." He wondered if any person could be convicted on the basis of such a test.

Judeo, Jogi are challenges to Indian democracy: PM

TIMES NEWS NETWORK

New Delhi: Prime Minister Atal Bihari Vajpayee on Tuesday painted his former minister Dilip Singh Judeo and former Chhattisgarh chief minister Ajit Jogi with the same brush and regretted the political parties' reliance on moneybags for electioneering and organisational activities.

Claiming that his career of 40 years had been without blemish and that nobody could level charges of corruption or injustice against him, Mr Vajpayee said the two 'murtiyaan' (Judeo and Jogi) now stand ashamed. He said the "Jogi kand aur Judeo kand" are challenges to Indian democracy and wondered what impact they would have on polity at large.

Yet, the PM, while replying to the debate on the cash-on camera scam in the Rajya Sabha, gave a clean chit to his deputy, L. K. Advani, on the charge of conspiring to trap Mr Jogi, saying that if need be, the CBI can look into this aspect as well.

Mr Vajpayee also denied allegations of double standards in the CBI's action of filing an FIR against Mr Jogi while not doing so against Mr Judeo despite it being an earlier case. He claimed that while Mr Jogi did everything in the

open. Mr Judeo worked behind the scenes and so needed further investigation.

He asked the house a rhetorical question: Whether the PM's Office could ask the CBI to arrest Mr Judeo merely because action is being taken against Mr Jogi? At the same time, he said he was also upset with the delay in the Judeo case.

He claimed that it was "difficult" to establish a similar case against Mr Judeo on the basis of the discussion on the issue. The video CD (reportedly showing Mr Judeo accepting money) has been sent for forensic examination by the CBI and, most importantly, all the discussion in the tape centred around a certain Rahul who could not be traced.

Mr Vajpayee insisted that Mr Judeo was twice questioned by the CBI on the basis of which an FIR could not be filed.

The PM termed it an unfortunate day in his career when he had to reply to questions about corruption against two important political leaders.

The PM explained that Mr Jogi's case was different because there was a complainant in the case, Virender Pandey, who had got an FIR registered against Mr Jogi at a Raipur police station. Mr Pandey had also deposited Rs 45 lakh which, according to him, was given by Mr Jogi as a bribe.

Tainted cop's letter rocks state houses

Scam accused complained to governor against Bhujbal: Oppn

TIMES NEWS NETWORK

Nagpur: Commotion reigned in both houses of the legislature on Friday after opposition leaders tried to raise the issue of a letter written by an incarcerated police officer accusing direct interference of deputy chief minister Chhagan Bhujbal and his nephew Sameer in the Telgi scam investigations.

Assistant police inspector Dilip Kamath, one of the accused in the fake stamp scam who is lodged in Pune's Yerawada jail, reportedly sent his complaint to governor Mohammed Fazal, who has been taking a tough stand against the DF ministry in the past few months. Kamath is believed to have written the letter from prison on November 30.

However, Raj Bhavan officials in Mumbai declined to confirm the receipt of such a letter. Mr Fazal, who is in Goa, was unavailable for comment. A Raj Bhavan official, Sumit Malik, told TNN, "We have searched for the letter, but have not found it. There is no entry in our records, we are still searching." He said all letters written by prisoners would have to be routed through the jail superintendent, who is required to maintain a record of all outgoing mail.

The lower house was adjourned twice when the entire opposition rose to its feet and tried to disrupt the proceedings as the Speaker did not allow any discussion on the letter. The 13-page handwritten letter, copies of which were being freely distributed by the opposition, has accused Mr Bhujbal and his nephew of directly interfering in the police case against A.K.L. Telgi.

Leader of the opposition in

the assembly Narayan Rane raised the matter during zero hour through a point of information. In the upper house, the matter was raised by opposition leader Nitin Gadkari. When Mr Rane raised the matter, Mr Bhujbal was not in the house but when the house resumed after the first adjournment of 10 minutes, he was in his seat displaying no signs of concern over the serious charges levelled against him and his nephew.

Speaker Arun Gujarathi was firm in his decision not to allow any discussion on the letter presented by Mr Rane.

Letter writer says he was 'punished'

Nagpur: Suspended API Dilip Kamath has reportedly alleged in a letter that scam kingpin Abdul Karim Telgi had been protected by deputy CM Chhagan Bhujbal and his nephew Sameer. Kamath has charged that Mr Bhujbal ordered his (Kamath's) suspension because he seized fake stamps of Rs 830 crore face-value from Bhiwandi, thus hurting Telgi's interests.

The letter's authenticity was not challenged by Mr Bhujbal, who later told reporters that he would order investigations into the circumstances under which copies of the letter reached opposition leaders. In the letter, Kamath has claimed that the SIT's working had not been impartial but was conducted under Mr Bhujbal's instructions. TNN

Oppn demands JPC probe into Judeogate

Our Political Bureau
NEW DELHI 10 DECEMBER

PRIME Minister Atal Bihari Vajpayee's assurance that his government will make a thorough inquiry into the Judeo controversy failed to impress the Opposition, which on Wednesday reiterated its demand for a probe into the allegations by a Joint Parliamentary Committee (JPC).

With the BJP hitting back at the Congress with the same coin, managing to divert the people's focus into the shenanigans of former Chattisgarh chief minister Ajit Jogi and his son Amit, it was

clear that the Opposition's demand for a JPC was more in a manner of routine, which lacked any conviction.

Having succeeded in putting the corruption spotlight on the Congress, the BJP, it is clear, has been able to blunt the Opposition attack. Much of what the Opposition leaders said in the Lok Sabha, therefore, was seen more as an attempt to go through the motions. Making a suo-moto statement in the Lok Sabha at noon on Wednesday, Mr Vajpayee sought to allay the apprehensions of the members, asserting that there should not be any fear or misgiving regarding the inde-

pendence of inquiry into Judeogate. Maintaining that it will be premature to state anything till the CBI inquiry was complete, Mr Vajpayee assured the House that his government will not interfere in the probe.

Attempting to clear the misgivings regarding the CBI enquiry into Judeo issue, Mr Vajpayee said it is his government's policy to thoroughly probe into all corruption cases and inform the House that the investigating agency had already sent notices to former union minister Dilip Singh Judeo, his private secretary Natwar Rateria and Rahul who purportedly a representative of

an Australian mining company for questioning. Mr Vajpayee said the CBI had full functional autonomy and under the recently enacted CVC Act, the superintendence of the CBI in relation to the offences under the Prevention of Corruption Act had been vested by the government in the CVC. "There should, thus, be no fear regarding the independence of this inquiry," he said.

The Opposition, however, remained unimpressed, raising doubts about the investigative agency's integrity and impartiality. In the case of ruling coalition members, the CBI's role, they alleged, could be summed in three

words - "Clear before Investigation." In the case of Opposition, it becomes "Charge Before Investigation," they added, while making out a case for a JPC probe into the cash-on-disc controversy.

Accusing the union government of influencing the CBI for political purposes and adopting double standards on corruption cases, Samajwadi Party member Ramji Lal Suman termed Mr Vajpayee's statement as "bland." Alleging that the Union government was bent on shattering the credibility of the CBI, he wondered how could both the Prime Minister and deputy prime minister L.K. Advani in their election

meetings give a clean chit to Mr Judeo. Taking a cue from the SP member, Congress member Pawan Bansal also reiterated the demand for a JPC inquiry into the episode. He contended that Mr Vajpayee's statement concealed more than it revealed. In Mr Judeo's case, the CBI was still in the process of completing its preliminary inquiry before filing a first information report, whereas in Mr Jogi's case, an FIR was lodged within a day. He said while the Prime Minister accepted Judeo's resignation on the one hand, his speeches in Raipur did not hold the minister responsible for any wrongdoing.

COMMUNIST

Dubey case for CBI: Vajpayee

NEW DELHI, DEC. 9. The case of the murder of the NHAI project manager, Satyendra Dubey, has been handed over to the CBI, the Prime Minister, Atal Bihari Vajpayee, said tonight, promising that criminals or vested interests would not be allowed to go scot-free.

Mr. Vajpayee said in a statement: "Like all right-thinking Indians, I am shocked and saddened by the murder of Satyendra Dubey, an upright and dedicated officer working with NHAI, who was killed recently in Gaya, Bihar."

"The case has been handed over to the CBI. Those responsible for his death, wherever they may be, will not be spared," he said in his first public reaction to the murder of Dubey, a Kanpur IIT graduate and NHAI project manager, while sending his condolences to the bereaved family.

Pointing out that the National Highways project was a "great dream" not merely for him but for the entire nation, he said, "Thanks to the efforts of talented engineers like Dubey, it has made remarkable progress already and my Government is committed to ensuring that those working on it complete it without any fear."

Mr. Vajpayee said the outpouring of sympathy for Dubey from across the world showed that Indians, wherever they were, had a commitment to honesty and transparency and a significant stake in the country's future.

Recalling his recent visit to the Kanpur IIT, the Prime Minister said: "It was inspiring to see the talent, sense of hope and commitment among the students and the faculty. We can't let criminals or vested interests weaken that spirit." — PTI

AUDIO TAPE TO BE SENT FOR FORENSIC TEST

CBI files FIR, Jogi mobilises MLAs

Statesman News Service

NEW DELHI, Dec. 9. — The Central Bureau of Investigation today registered an FIR against former Chhattisgarh chief minister Mr Ajit Jogi, son Amit Jogi and MP Mr PR Khunte for trying to bribe BJP MLAs to defect from their party. The case was registered after the Cabinet Secretariat issued a notification on the state government's request to hand over the case to the CBI.

A CBI officer said the case against the three was registered on the basis of the case filed by the state anti-corruption bureau. The CBI would record statements of BJP and Congress politicians involved after studying the case papers and send the audio-tape to the Central Forensic Science Laboratory, he said.

Simultaneously, Mr Jogi mobilised support from some Congress MLAs, over a dozen of whom reached Delhi today and met senior party leaders Mr Motilal Vora, Mr RK Dhawan, Mr Pranab Mukherjee and Mr Arjun Singh, to reiterate their faith in Mr Jogi's leadership. An agency report quoted Mr Jogi claiming the support of 25 MLAs. He refused to comment on Mrs

Small Cabinet, happy regime!

NEW DELHI, Dec. 9. — The three new BJP CMs have been asked to keep their Cabinet sizes right. Mr LK Advani said they're advised to stay within the limit proposed by a Bill that to be placed in Parliament in the current session. The parliamentary standing committee wanted the Council size to be fixed at 15 per cent of the Lower House strength. This was accepted by the government. It would mean that Ms Vasundhara Raje, with 10 ministers already, can have another 20 and Ms Uma Bharati can't head a Cabinet with more than 34 ministers. — SNS

Sonia Gandhi's refusal to meet him, but said the decision to suspend him wasn't fair and should be reconsidered.

The pro-Jogi MLAs hoped Mr Jogi's problems would be sorted out soon and asserted that he should lead the party in the state. Mr Vora, however, said the MLAs came to greet Mrs Gandhi on her birthday.

The MLAs said Mr Jogi shouldn't have been suspended as BJP was still backing Mr Judeo. The Jogi camp's move is keeping all guessing on whether it's only a show of his strength or a sign of resistance that may turn into revolt.

THE STATESMAN

10 DEC 2003

Jogi case handed over to CBI

By Aarti Dhar

RAIPUR, DEC. 7. The Chhattisgarh Government today handed over the investigation of the bribery charges against the former Chief Minister, Ajit Jogi, to the Central Bureau of Investigation. The case has already been referred to the State Anti-Corruption Bureau.

This was announced by the Chief Minister, Raman Singh, soon after the Governor, K.M. Seth, administered the oath of office and secrecy to him this morning. Dr. Singh took oath alone as the party could not take any decision on the strength of the Cabinet due to the late night developments after the Union Law Minister, Arun Jaitley, alleged that Mr. Jogi had tried to bribe the BJP

MLAs to cause a split in the party and prevent Dr. Singh from assuming office.

"Since the case involves corruption by an acting Chief Minister, it has been decided to hand over the case to the CBI

that will look into all aspects of the matter," Dr. Singh said.

Meanwhile, the Anti-Corruption Bureau has registered a case under various Sections of the Prevention of Corruption Act, 1988.

THE HINDU

8 DEC 2003

Ajit Jogi trapped on tape, CBI takes over

Sonia dumps ex-CM over cash-for-MLAs tape

TIMES NEWS NETWORK

Raipur/New Delhi: Chhattisgarh's new chief minister Raman Singh on Sunday ordered a CBI inquiry against his predecessor Ajit Jogi, his son Amit, and BJP defector P.R. Khunte for their alleged involvement in a cash-for-MLAs scandal.

Earlier, a first information report against the trio was lodged with the anti-corruption bureau.

According to BJP state general secretary Virendra Pandey and party MP from Bastar Baliram Kashyap, Mr Jogi was ready to pay upto Rs 45 lakhs to buy BJP MLAs. On Saturday night, BJP leader and law minister Arun Jaitley played an audio tape purportedly containing conversations of Mr Jogi and Mr Khunte with Mr Pandey and Mr Kashyap. In the tape, Mr Jogi allegedly offered Rs 20 lakhs as the first payoff.

According to the tape, Mr Jogi and Mr Khunte had even offered to make Mr Kashyap the chief minister of a government formed by BJP rebels and supported by the Congress from outside.

Mr Jogi, who has since been suspended by the Congress, has denied the charge. But the former CM admitted having met Mr Pandey and giving a letter to the governor extending the Congress' support in the formation of a government headed by Mr Kashyap.

Mr Jogi said in Delhi on Sunday that he had given a letter to Mr Pandey on the condition that it would not be handed over to the governor until he visited Delhi to discuss the matter with the party leadership.

Mr Jogi described the tape as "fake" and said the controversy had been created to divert attention from former Union minister Dilip Singh Judeo's cash-on-camera episode.

Asked why he was suspended from the party without being heard, he said the party was supreme and that he had sought an appointment with party chief Sonia Gandhi to explain his version.

Mr Jogi met Ahmed Patel, Sonia Gandhi's political secretary, in Delhi. After meeting Mr Patel, Mr Jogi told reporters that he would request the Congress Working Committee, which was meeting in New Delhi to review the party's performance in the recent assembly elections, to hear his version before arriving at any decision.

According to sources, the CWC constituted a three-member committee of senior leaders to go into the tape controversy. The committee comprises Manmohan Singh, Pranab Mukherjee and Ahmad Patel.

Asked if he would accept a CBI inquiry into the whole affair, Mr Jogi said, "The CBI has lost its credibility. But I will not boycott any investigation."

Meanwhile, an upbeat BJP on Sunday de-

Entrapment in Chhattisgarh

The denouement

With great drama on Saturday night in Raipur, Union law minister Arun Jaitley 'reveals' Jogi tape to media:

- Jogi tried to bribe Bastar BJP MP Baliram Kashyap to defect

- Kashyap and BJP leader Virendra Pandey 'trap' Jogi

- In the tape, Jogi is heard talking to Pandey, offering money

- Jaitley displays the Rs 25 lakhs he claims Jogi sent to buy the MLAs



Arun Jaitley



Ajit Jogi

Jogi's defence

- Says he's been framed, it's all a fraud

- Admits he promised in writing to Pandey that he'd support a govt headed by Kashyap, but had told him not to write to governor until he checked with his bosses

No friends in Cong either

- Jogi's letter to the governor, confirming that the party was bent on splitting the state BJP upset Sonia as it went against the party's line of accepting the people's verdict

- Congress suspends Jogi, orders probe by Manmohan Singh, Pranab Mukherjee and Ahmad Patel



Sonia Gandhi

mandated that the Congress and its president "come clean" on their role in Mr Jogi's attempts to "subvert" the public mandate in Chhattisgarh.

Having scored the "Jogi equaliser" to the sting operation against Mr Judeo last month, BJP chief M. Venkaiah Naidu told reporters that both the cases should be thoroughly probed.

The two cases, he said, were different since Mr Judeo's involvement was still a subject of inquiry, while Mr Jogi's case was of "admission of guilt".

BJP brings bribe-for-defection charge ■ Congress suspends ex-chief minister

Jogi gets a reverse sting

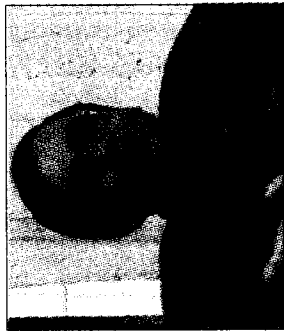
STATESMAN NEWS SERVICE

RAIPUR/NEW DELHI, Dec. 6. — Delivering a body blow to Mr Ajit Jogi, the BJP today played an audio tape that contained a conversation allegedly between the caretaker chief minister and a Congress MP on how to engineer defections from the BJP so that a Congress government could be installed in the state. The two were even heard mentioning Mrs Sonia Gandhi's name.

Mr Arun Jaitley, BJP's

Chhattisgarh in-charge, said in Raipur late tonight that the party had laid a trap to expose Mr Jogi. He said, on the basis of the "conversation between Mr Jogi and PR Kunte", that Rs 25 lakh had been spent to buy BJP MLAs. The Union law minister submitted a copy of the tape to the Governor this evening and demanded a CBI probe.

Though Mr Jogi denied that the voice on the tape was his, the Congress high command decided to suspend him. "The party has taken a



MEASURE FOR MEASURE: Mr Jaitley and Mr Jogi

serious note of it," general secretary Mrs Ambika Soni said. She, however, condemned the use of Mrs Gandhi's name by BJP leaders in connection with the allegation and demanded that the law should apply

equally on Mr Dilip Singh Judeo as well. Mrs Gandhi's political secretary, Mr Ahmad Patel, said the matter would be probed and the guilty punished.

Denying the charges, Mr Jogi said he would talk to Mrs Gandhi tomorrow. But he admitted having a telephonic talk with BJP MLA Mr Virendra Pandey via Mr Kunte, a BJP-turned-Congress MP.

Mr Jaitley said Mr Jogi had been told by Mr Kunte that a tribal should be the

CM and that the Congress should come forward to support such a move. Mr Kunte had suggested that BJP's Mr Baliram Kashyap be projected as the CM, Mr Jaitley said. Mr Jogi reportedly agreed to the proposal.

Mr Jogi even wrote to the Governor that the Congress would support a tribal as CM. Mr Jogi admitted to having sent the letter.

Mr Jaitley wondered whether Mr Jogi was acting on his own or on Mrs Gandhi's orders.

Bihar DGP removed, vows to move court

STATESMAN NEWS SERVICE

PATNA, Dec. 6. — The Bihar government removed the state's Director General of Police Mr DP Ojha today, who had earned the wrath of ruling party leaders by repeatedly speaking against the reigning criminal-politician nexus in Bihar.

Mr Ojha had launched a "crusade" against "don" and Siwan MP Mohammed Shahabuddin. Incarcerated in Siwan jail, Mr Shahabuddin was directly feeling the heat of the DGP's efforts to nail him. The DGP was replaced by another senior IPS officer Mr WH Khan, who took charge immediately. The Siwan don had been all along backing Mr Khan's candidature for the post.

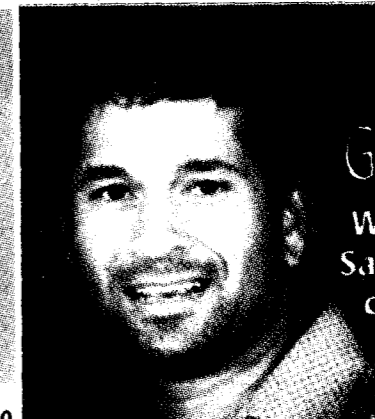
An unfazed Mr Ojha said: "The state is being ruled by the mafia. I'm neither shocked nor surprised at the action (against me)." He announced: "I will now put the facts related to the state of affairs in Bihar in the High Court, Supreme Court and before the people who are suffering at the hands of the mafiosi." Mr Ojha said he had written a letter to the government informing it about the inter-state, ISI and other anti-national links of the Siwan "don" and had sought permission to step-up

7112
Corruption
action against the MP only two days ago. "Instead of permitting action against the infamous gangster, the government has removed me" he said. "My removal is malafide."

The DGP earned the wrath of the ruling RJD after he said in public that "rogues and rascals" were running Bihar and extraordinary steps were needed to meet "the extraordinary situation prevailing in Bihar".

A visibly irked RJD boss, Mr Laloo Prasad Yadav, gave a pungent reaction to the charges. "Mr Ojha had crossed all limits. Chief minister Mrs Rabri Devi and I repeatedly requested him to stop speaking against the leaders. But he didn't listen. He wants to become a Khairnar or a Kiren Bedi. Now he's free to become so." Observers opined Mr Yadav had succumbed to the Siwan don's pressure. The resounding victory of the BJP in the three states' Assembly polls also played a role, they felt.

Within hours of Mr Ojha's removal, excise minister Mr Shivanand Tiwari was attacked by a mob at a book fair here after he allegedly made uncharitable remarks against Mr Ojha at an interactive session. The mob threw slippers and brickbats and chased the minister who was escorted by his security to a small cabin.



In her one-room Delhi flat, behind IIT, the last person Dubey spoke to recalls her close friend

And he wrote: If you die, go so quietly that no one gets to know

SONU JAIN
NEW DELHI | DECEMBER 6

SHE was the last person in Delhi he talked to, half an hour before midnight, before they got to him in Gaya on November 27. For three days after that, she says, her hand, virtually on its own, would go to the redial button with his mobile number.

Today, she sits in her one-room windowless, rented flat in the crammed Jia Nagar area—appropriately behind IIT Delhi—saying she doesn't want to cry because that would be a "dishonour to his ideals."

Rashmi is a tough woman. This 28-year-old from Dehra Dun (she didn't want her last name to be used) has nothing to do with IIT, nothing to do with the National Highway Authority of India. But she had a lot to do with Dubey's life and his vision—as a close friend, they exchanged ideas, talked about the



WE KNOW WHO WON: A frame from the album: Dubey (right) with a friend in a hostel room

He wrote to friend Rashmi: Don't remember my name, don't remember my work, just one request, remember my message

SPEAK UP

past and the future.

Today, she has for company his letters, in Hindi and English, a few photographs and a past marked by his vision for the future.

Since the day *The Sunday Express* exposed how Dubey had been killed after he blew the whistle and the Government didn't honour his request for se-

17,000
ANGRY CITIZENS



crecy, Rashmi says she has been reading responses from all over the world for comfort. "I will give you mine, too," she says, "can you include it?"

Her house, at the end of a small bylane lined with one-room sets and coaching centres, is the same house where Dubey lived for five years when he was with the Ministry of Road

CONTINUED ON PAGE 2

SPECIAL TO THE EXPRESS

For talks to move, please say no to whisper campaigns, petty leaks, hostile press briefings

Writes Sajad Lone, son of Abdul Gani Lone who was killed for standing up to jihadis in Kashmir. As the stage is set for first-ever Hurriyat-New Delhi talks, Sajad drafts the To-Do and Not-to-Do lists—for both sides

PEACE is universally becoming fragile. It's a desperate reality in South Asia and the resolution of the Kashmir issue is an even more desperate and correlated reality. In a welcome move, the political quarantine is off. India has explicitly expressed its intentions to invite the Hurriyat for talks and the Hurriyat has reciprocated by accepting the offer. This is a rare move depicting politics on the upswing.

The parameters of success of the current talks offer need to be identified and unambiguously defined. Instant results cannot be and should not be the measuring rod for success or failure of the dialogue process.

Institutionalisation of the concept of conflict-resolution through dialogue should be the long-term objective. To rely solely on the yardstick of results as success or failure is to deny the natural process of peace a chance and open ourselves to the agenda of inveterate, incorrigible impediments to peace, whose definition of conflict resolution is very different from ours and whose appetite

CONTINUED ON PAGE 2



Talk or there may be civil war: Mirwaiz

Apparently referring to the rival Hurriyat faction of Syed Ali Shah Geelani, Mirwaiz Umer Farooq on Saturday warned of a "civil war" if leaders keep opposing talks with the Government

Geelani was on Saturday put under house arrest while planning a march in Srinagar to protest against denial of permission to hold a public rally

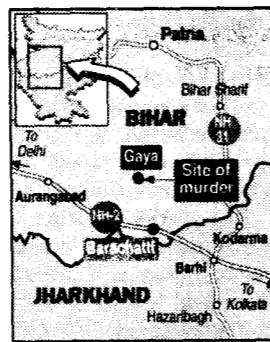
Clues put murder probe team on road to Koderma

SUBRATA NAGCHOUDHURY
GAYA/KODERMA | DECEMBER 6

AS the police struggle to piece together the story of Satyendra Dubey's murder at Gaya, there are some missing links — and there are a few that lead to Koderma where he was to return as National Highway Authority of India's (NHAI) Project Director.

Senior officers in the investigation team say that they are looking into an anonymous call which came a couple of days ago. The caller told a Gaya police officer that the plot to murder Dubey was hatched in Koderma and some of Dubey's staff were also involved.

Dubey, in fact, was to go back and take charge of



IE Map/B.K. Sharma

an office from where he was transferred out in August 23 under "unusual" circumstances. Having promoted as the deputy general manager (tech) and project director, Dubey might have headed the NHAI at Koderma which was without a boss for some time. And he would have been the man who would release funds.

The news of Dubey's transfer and promotion had sent Koderma into a tizzy. "After all, in public sector units one does not move so fast from one post to another," say investigating officers.

Dubey had fast emerged as the odd man out in Koderma and gave the contractors and consultants a tough time. The

police are examining a number of letters written by Dubey to his then project director.

NHAI sources said that, during Dubey's tenure in Koderma, about three engineers from the contractor's side had to face the music for serious lapses. Dubey had summoned the three engineers and one from the consultant to the Koshma camp laboratory of the contractor to witness certain quality tests.

CONTINUED ON PAGE 2

Corruption Index: Who's Dirty, How Dirty?

Politicians, judges, bureaucrats, doctors, contractors, stock brokers, top cops, petty clerks, sports administrators... Is everybody on the take in India? As more and more worms creep out of the nation's woodwork, 'Sunday Times' zeroes down on:

- Which are the three most corrupt sectors?
- Which institution/profession is still relatively clean?

N. Vittal, former CVC

- Bureaucracy: Their sheer numbers and years in service makes their corruption much more than their political bosses. Politicians: All political parties are based on corruption. They require funds for elections and therefore the scope for accumulating and using black money is much more. Business: Most businesses came up during the licence-permit raj when the scope for making money out of licenses was ample. Even after liberalisation, corruption took on new avatars; now even policies are suited so as to encourage corruption. With the involvement of private players, more scams have been unearthed. Use of IT too has led to more corruption in the form of e-crimes. Corruption has now become part of the DNA of this sector.
- Institutions carrying out constitutional functions like the Election Commission (EC) and the Central Vigilance Commission are still clean.

Global Taint

Transparency International Corruption Perceptions Index 2003 charts corruption levels in 133 countries. Seven out of 10 countries score less than five out of a clean score of 10, while five out of 10 developing countries score less than 3 out of 10. India's rank is a dismal 83!

Top 10 Clean Govts

Finland
Iceland
Denmark New Zealand
Singapore
Sweden
Netherlands
Australia, Norway, Switzerland

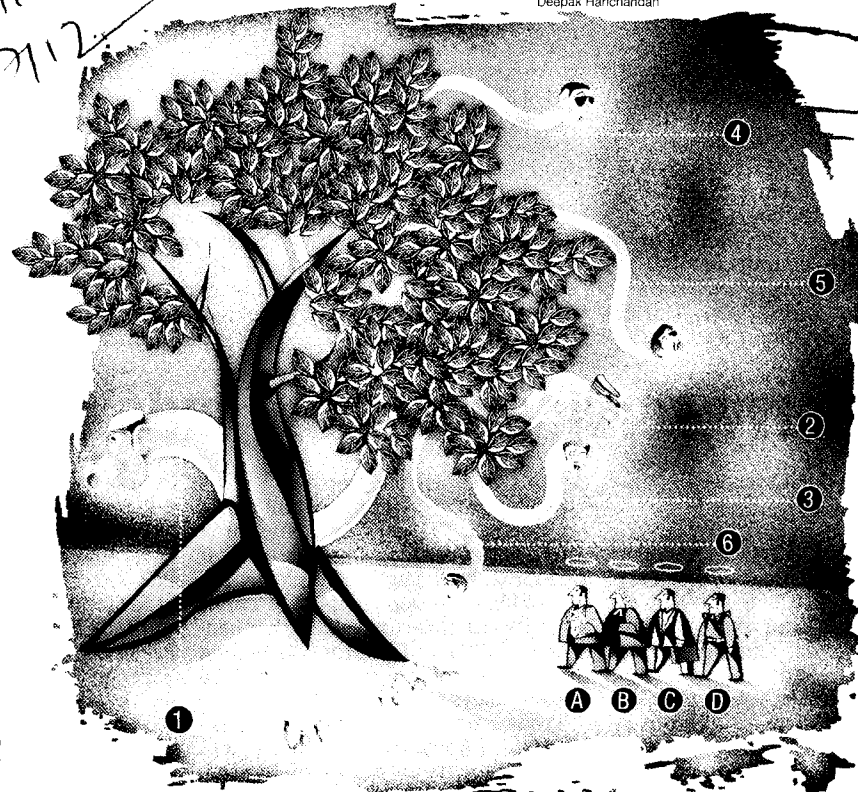
10 Most Corrupt Govts

Bangladesh
Nigeria
Haiti
Myanmar, Paraguay
Angola,
Azerbaijan,
Cameroon,
Georgia,
Tajikistan

(Reports from Shobha John, Piali Banerjee, Sakina Yusuf Khan, Rajesh Chandramouli)

Tree of Public Life

Deepak Harichandan



DEADLY SINNERS

1. Politicians
2. Police
3. Bureaucracy
4. Contractors
5. Arms Industry
6. Health Services

CLEAN GUYS

- A. Election Commission
- B. Supreme Court
- C. Working Classes
- D. Armed Forces

Dr Anil Wilson, principal, St Stephen's College

- Politicians are the most corrupt; this is across party lines. The police come next. Recent incidents of police corruption only go to show how difficult it must be for an upright officer to survive within this system. Then comes infrastructure—contractors, builders, etc—where there's lots of money to be made and hardly any checks and balances. In my 12 years of tenure here, I have never had a contractor coming back a second time—they got tired of my constant checking! Corruption has acquired a legitimacy in construction. The ends seem all important, damn the

sphere on a much larger scale.

- The armed forces. Any department which does not have too much public contact remains uncorrupted.

Admiral Tahiliani, chairman, Transparency International India

- The civil works sector is the most corrupt. One only has to see the Municipal Corporation of Delhi and the Delhi Development Authority. Next is the arms industry where the remuneration is very high. Also, with big wigs being involved in it, there's less fear of getting caught and punished. Health services are none too clean. The extent of their interaction with the public is more and therefore the scope for corruption more.
- Any institution where there's transparency

- The Supreme Court and the Election Commission are institutions which are uncorrupted. That's because they are not manned by elected people. We are to blame for electing corrupt people—we vote for those who can give us sops.

Harsh Mander, CEO, Action Aid India

- It is not professions but policies that are the fountainhead of all corruption in society. I hold right-wing policies which distort state accountability, legitimise pro-rich policies and promote sectarian hatred responsible for the rot in the system.
- The poor and working classes still remain the strongest safeguard of truth in very adverse circumstances.

Govind Nihalani, film-maker

- Which sector is free from corruption? But high levels of it can be found in the government, the bureaucracy and the police. Nothing can happen without the knowledge and connivance of these three.
- Our higher courts, in their dealings so far, have shown that they are above manipulation.

Julio Ribeiro, former Mumbai police commissioner

- Most sections of the government are corrupt. Municipalities and the police too have their hand in the till as they come in daily contact with the public. Departments like the PWD or the Revenue Department operate in this

How to curb corruption...

- Pay special attention to education, especially value education. How else will children learn to discern and discriminate? Getting into IITs and IIMs is fine, but what about making them better human beings? All schools should offer the humanities stream so that life in all its hues is imbibed. Are we producing a nation of just book-keepers and pipette wielders?
- Simplify rules and procedures. The more rules there are, the more scope for corruption. Red tape has now been replaced by green tape. All kinds of environmental clearances are now needed — all the more scope for corruption.
- Punish the corrupt. Why should people break the law and get away? The legal system has to get its act together. If you don't discipline yourself, the world should discipline you.
- Nothing like a committed media to expose scams. Make the common man aware of the details of corruption to start a movement against it.
- Dilute the powers of appointing and transferring officers. How about involving the public in selecting important officials?
- Enact the Lok Pal Bill and see the 'ig fish get caught and brought within the purview of law.
- Implement the Citizen's Charter to ensure accountability and quality of services in various government organisations.
- Have an integrity pact in all government dealings.
- * Have alert and committed citizen's organisations. A lone ranger's voice is rarely heard.

To
**The Prime Minister
Republic of India
Prime Minister's Office
New Delhi - 110 001**

Sub: National Highways Development Project (Golden Quadrilateral and North-South, East-West Corridors) — A dream project of unparalleled importance to the Nation but in reality a great loot of public money because of very poor implementation at every state.

Hon'ble Sir,

Through this letter, I wish to draw your kind attention towards great lapse in the implementation of above project. Since such letters from a common man are not usually treated with due seriousness, I wish to clarify at the outset that this letter is being written after careful thought by a very concerned citizen of the country who is also very closely linked with the project. I request you to kindly go through

my brief particulars (attached on a separate sheet to ensure secrecy)

before proceeding further.

Instead of writing at length, I would be very specific and to the point highlighting the areas where there have been great lapses and would suggest certain remedies to the best of my abilities. I have been posted both at NHAI, HQ and at site on NH-2 Projects and therefore my direct experience is with NH-2 Projects (World Bank Funded). However, the story is almost same with all other projects which are under implementation and would be no different for forthcoming Projects unless we take certain corrective measures immediately. I have gone through most of the files (even closed ones) dealing with NH-2 projects (their design consultancy, procurement of civil contractors, selection of supervision consultants, the mobilisation of contractors and consultants, etc.). The areas of concern are highlighted below.

Preparation of detail project reports (DPRs) by the Design Consultants

The DPRs prepared by the design consultants are in very poor shape and cannot be implemented in the field without major modifications. It appears that the design consultants have made the designs and drawings with little consideration for the actual ground conditions and the same have been accepted by NHAI without any scrutiny. The proof consultants (deployed for checking DPRs submitted by Design Consultants) appear to have done only cosmetic work and it appears that the officers in NHAI have not even opened the final DPRs submitted by the consultants before putting the works to tender. The result is that the DPRs, on the basis of which tenders have been called, are like garbage. When the problems are being noticed in DPR at the implementation stage and the design consultants are being requested to clarify them, we are getting a very cool and negative response from them. This is contributing to delay in the implementation of projects.

A good DPR is one of the foremost requirements for the smooth implementation of the Project and we are faltering at the very initial stage. In the present system there appears to be no accountability on the part of Design Consultant.

The DPRs, on the basis of which tenders have been called, are like garbage

To ensure this, we should evolve a system whereby the design consultant can be made accountable for any problem in the implementation of DPR and their consequent implications in terms of time and cost overruns. A system of insurance may be devised to address this issue. The Design Consultant may be asked to keep his establishment at site in the initial stage of implementation of project, so that any design issue may be addressed speedily. Alternatively, we may link substantial portion of payment of Design consultants to the implementation of DPR in the field. Another way may be to award design consultancy (for preparation of DPR) and supervision consultancy (to supervise the execution of project) to the same consultancy firm so that any discrepancy noticed in DPR at the execution stage is corrected by the same firm. We may deliberate further to arrive at the most suitable option.

Procurement of civil contractors

The process of procurement appears to have been completely manipulated and hijacked by the big contractors. Many contractors are submitting forged documents to justify their technical and financial capabilities to execute the project. The big contractors have been able to get all sorts of help (including even the most secret information and documents) from the officials in NHAI and even the note sheets carrying approval of chairman have been leaked outside. (This mostly appears to have been done by lower officials and supporting staff).

The letter is neat, as you would expect from someone working on lines and space. It begins with the addressee's name and address, hand-written in one corner; it ends with a blank space for the writer's name. In between is a severe indictment of the Prime Minister's dream project, six points "highlighting lapses and

suggesting remedies". And the attached sheet has the writer's details, including name and address; the covering note, from the Ministry of Road Transport and Highways, is the standard one-liner: "for such action as deemed fit". It has eight signatures; each, presumably, did as they deemed fit: nothing



SPEAK UP

GUN DOWN

Little thought has been given to the ability & sincerity of some of the contractors to do the work they have quoted for. The three striking examples are awards of NH-2 to M/s Centrodorstroy of Russia, M/s China Coal of China and M/s LG of South Korea which are all working like commission agents by collaborating with local incompetent and inexperienced firms and trying to get the work done through them. M/s Progressive Constructions Ltd is another contractor which appears to have completely manipulated the system to get the award of 2 projects on NH-2. This company is not organised on professional lines and it runs like a family business. They get one work and assign it to one relative, the second is assigned to another and the story goes on.

Mobilisation of Contractors and Mobilisation Advance to them

There is an urgent need to have a fresh look at the whole procurement process and utmost care needs to be exercised at the time of selection of contractors. The whole process should be made more transparent and any official found colluding with the contractors should be severely punished.

NHAI officials have shown great hurry in giving mobilisation advance to the selected contractors (no surprise, as the commission to officials for award of work are linked to the contractors getting their first mobilisation advance). In some cases the contractors have been given mobilisation advance just a day after signing the Contract Agreement. The entire mobilisation advance of 10 per cent of contract value (which goes up to Rs 40 crores in certain cases) has been paid to the contractors within a few weeks of award of work but there has been little follow-up to ensure that they are actually mobilised at site with the same pace. The result is that the entire mobilisation advance remains lying with contractors (or get diverted in their other activities) for months—a way for contractors to make easy money and for client to loose interest charges on them. Most of the contractors have not mobilised even up to 50 per cent, a year after getting their mobilisation advances.

Similar diversion or idling of funds are taking place in case of equipment advances to the contractors, another 10 per cent of the contract value. In many cases, the equipment is not being purchased and, even if purchased, is being used somewhere else. The contractors are getting customs and excise duty exemptions on most of the road construction equipment. However, because of laxity on the part of NHAI, the contractors in many cases are buying equipment on behalf of or for other parties and appropriating a portion of the excise/custom duty exemptions in their pocket.

We need to be vigilant and careful in giving advances to the contractors. The advances are given to the contractors to mobilise them quickly in the interest of project and therefore the same should be linked to their actual mobilisation at site. The advances should be given in installments and the release of next installment should be made dependent on utilisation of the previous installment. A

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Other details: After graduating from IIT Kanpur in Year 1994, I was selected in Engineering Services Examination, 1994 conducted by UPSC and joined the Ministry of Road Transport and Highways (MORTH) in March 1996. I was also selected in Civil Services Examinations 1997 (Rank-258) and 1999 (Rank 198) but decided to continue with the MORTH. Presently, I am on deputation to National Highways Authority of India.
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Selection of Supervision consultants and Design consultants

The concept of supervision consultancy is a step in very right direction and the amount spent on them (roughly 2-3% of the cost of civil works) is a good investment. But here again we are faltering at the implementation stage. There is a big fraud in the selection of Supervision/Design consultants which mainly depends on their technical manpower. To get the consultancy work, the consultants are proposing to deploy well-qualified and senior professionals in their technical proposals (many times their qualification and experience are being forged and NHAI officials are not taking any pain to ask for the documentary proof in support of their claims).

Many a times, the same professional figures simultaneously in technical proposals forwarded by many consultants and NHAI officials are doing little to discourage it. However, once that work is awarded to them, they are invariably coming with the request for replacement of their proposed personnel with professionals of much less qualification & experience.

To our shame, we in NHAI are giving least resistance to this trend and the proposals for replacement of professionals are being approved freely. The curriculum vitae of professionals are invariably being fabricated and manipulated by consultants to get approval, as the NHAI officials are not asking for any documentary proof in support of the qualification & experience claimed. Instead they are abetting this crime.

The consultants in first instance come with the replacement CV to have an informal discussion with the officials. However, once they are given the feeling that the same can't be approved on file, the CV of same man is properly fabricated (in connivance with NHAI officials) and submitted formally and the approval is granted. This is the state of affairs.

The end result is that the consultants propose to deploy the most qualified, experienced and senior men in their organisation (or outside their organisation) to get the work and, once awarded the work, replace them by much inferior persons. They propose the same senior team to get another work and repeat the same story of replacement and the drama goes on.

This way, the consultants are completely manipulating the system. The well-qualified persons in head offices of consultancy firms are thus being used simply to get the work, but they are not being sent to the site, where they are being proposed to be deployed. The field units of these consultancy firms are instead being asked by their Head Offices to look for the required personnel. The result is that many key professional posts are lying vacant for months or are being filled by unqualified person. In all these, it is the project which ultimately suffers.

This whole drama can be very easily checked provided we have the will. It is all the more easy in the totally computerised system at NHAI. A few steps outlined below will go a long way in remedying this ill.

- (i) No consultant should be allowed to propose the deployment of same professional in more than one technical proposal.
- (ii) It should be ensured that the same person is not proposed to be deployed by more than one consultancy firm.
- (iii) It should be ensured that the person proposed by a consultancy firm is actually working in the firm or is having a bond with the firm to work in the project if the firm is awarded the project.

(iv) Replacement should be approved only under very extraordinary circumstances and a penalty should be imposed on the firm for their inability to deploy the proposed professional.

(v) All documentary proof in support of the qualification & experience claimed by a person should be asked.

In summary, it should be ensured that the supervision consultants deploys a well qualified & experienced team for proper supervision of the work. This becomes all the more important, because the supervision consultant (known as Engineer in FIDIC contract document) has been given immense powers & responsibilities under FIDIC conditions of contract which we are following.

The NHAI is going for International Competi-

The problem of subletting or subcontracting

Subcontracting to procure the most competent Civil Contractor for execution of its projects. The works are usually being awarded at high cost and the contractors are assuring the best quality in the execution of projects. However, when it comes to the actual execution of works, it is found that most of the works (sometimes even up to 100 per cent) are being sublet or subcontracted to small petty contractors who are not at all capable to execute such big projects and ensure the quality of construction assured by the Civil Contractors. As a result, the entire process of shortlisting & pre-qualification of contractors and International Competitive Bidding are being nullified and what we are getting are the numerous petty contractors working at site and making a mockery of the prestigious project. The main Civil Contractors who have been awarded the work by NHAI are doing all these under the veil of labour contract which is permissible under the Contract Agreement. But in reality, they are getting most of the work done through numerous small petty contractors (main contractors are supplying only critical equipment & materials) at 50-60 per cent of the price quoted by them and the rest 40 per cent of contract price is being pocketed by them with much effort. In the process, the main contractors are working just like commission agents.

I would like to mention here that the phenomena of subletting and subcontracting is not a new phenomenon. It has been existing since long. It is a studied silence. It would not be inappropriate to say that all these mouths have been kept shut by these big contractors who are manipulating the system and individuals alike. These petty contractors are bringing poor equipment & materials, a big setback to the progress & quality of work. The main contractors are least bothered about the timely completion of projects (and penalties if they are unable to finish the work in time) as they are quite sure of getting time extension by manipulating the individuals. They have already started making various claims to make grounds for the compensation and cost overruns. If this issue of subcontracting is not taken up with urgency, the above project will be a very big failure both in terms of quality of construction and cost overruns.

This issue cannot be expected to be tackled by field units of NHAI as the decision to sublet the works are being taken by Head offices of the contractors & not their field units. To address this, the top administration in NHAI has to take up the matter aggressively with the top management of contractors.

NHAI organisation & office system

It would not be inappropriate to say that there is no system in NHAI, there are only individuals. There is an urgent need to review and restructure the office procedure and office set up including the file system. Record keeping is very poor and it would be difficult to trace even the most important papers after some time.

The entire organisation is almost based on sourcing people on deputation basis. There is a need to have some permanent cadre strength in NHAI. In its zeal to maintain a lean and thin organisation, one Accounts Officer/Manager (Finance) is allotted to two Project Implementation Units spaced around 200-300 kms apart, which is a mere nonsense. There is an immediate need to deploy one Accounts Officer/Manager (Finance) in each PIU, which have to manage projects of around Rs.1,000 crores.

The earlier we take up these issues, the better it is for the health of NHAI. If some well-planned measures are not taken soon, the NHAI as a system is headed for big failure.

As a concerned citizen of the country, I have brought these issues to your notice for your kind intervention and necessary action. Looking at the enormity of public fund involved in the project, the matter needs your urgent attention.

I have written all these in my individual capacity. However, I will keep on addressing these issues in my official capacity in the limited domain within the powers delegated to me. If any elaboration/clarification is needed on above issues I would be glad to render all my assistance in the interest of this very prestigious National Highways Development Project, which is undoubtedly the biggest ever project undertaken in India after independence.

Thanking you,
Your sincerely,

(For particulars please refer to the separate sheet)

[SEE BOX]



Contractors fabricating claims for time extension and cost overruns

Engineer death on CBI radar

K.C. PHILIP

Patna, Dec. 5: The Bihar government has recommended a CBI probe into the murder of Satyander Dubey, an IIT alumnus and anti-corruption crusader who was shot dead a few days before he was scheduled to monitor a part of the Prime Minister's Golden Quadrilateral highway project.

The killing of the 31-year-old Dubey, a civil engineer from IIT Kanpur, on November 27 had fuelled charges that a contract gang operating in the Jharkhand-Bihar belt was responsible. The Centre said it would not object to a CBI probe.

Dubey was the project manager of the National Highways Authority of India's (NHAI) Gaya segment when he was gunned down. He was supposed to take charge as the deputy general manger-cum-project director of the Golden Quadrilateral project's Koderma unit in Jharkhand within a few days.

His brother Dhananjay did not name anybody in the FIR but blamed the contract mafia and

corrupt people in the NHAI for the murder. During an earlier stint at the Koderma unit, Dubey had initiated action against several contractors and engineers. Dhananjay said his brother once made a contractor rebuild a stretch of 6 km.

Last year, Dubey wrote directly to the Prime Minister, complaining about the mess in the department.

"National Highways Development project (Golden Quadrilateral and North-South, East-West Corridors) — a dream project of unparalleled importance to the nation but in reality a great loot of public money because of very poor implementation at every stage," he wrote.

Despite a plea for confidentiality, the PMO passed on the letter, along with a separate sheet containing his identity, to the road transport ministry, from where the contents reached the NHAI, according to a letter Dubey wrote later.

"This disclosure has exposed me to undesirable pressures and threats," he said in the letter to the NHAI.

THE TELEGRAPH

6 DEC 2003

Centre plans paperless stamps

OUR BUREAU

New Delhi, Dec. 5: The government today unveiled plans to create a dematerialised (paperless) system for the issue of judicial stamp paper within six to eight weeks.

The move follows the Telgi scam in which stamp paper worth thousands of crores was faked.

Finance minister Jaswant Singh said the issue of stamp paper in demat form would work in much the same way as shares,

but refused to spell out details.

The demat system in shares uses a depository that records transactions in shares as they are bought and sold without actually giving them out in physical (paper) form. Shareholders continue to retain the right to hold on to shares in physical form, but this practice has gone out of vogue almost completely.

To hold shares in paperless form, however, an investor has to open what is called a demat account in a bank that is linked to the central depository.

It isn't known if the ministry is planning to replicate such a system. If it is, it could create more problems for the common man than it seeks to solve.

Ordinary people, who need to buy stamp paper to register property deeds, rent agreement and other everyday transactions, will find the process extremely cumbersome.

"It (the demat system) will be safe, secure and easy to transact," Singh said.

The finance minister denied reports that his ministry had

prior information of the stamp paper scam but had deliberately ignored it.

Last week, there was a report that Karnataka chief minister S.M. Krishna had written to Singh as early as July informing him about the possible involvement of government security press officials in the scam.

Besides buying printing machinery from the Nashik security press under the control of the finance ministry, Telgi is also believed to have bribed employees into selling him negatives and

positives to produce fake stamp paper.

Singh said there had been some correspondence between the states and the Centre but did not reveal if there was an exchange with Krishna.

He said the issue had reached Parliament and whenever the debate took place the ministry would place the facts before the House. "Investigations are going on at several levels and in states. The finance ministry has already done many things," Singh said.

Ex-Additional Chief Secretary of Maharashtra interrogated

By Our Special Correspondent

MUMBAI, DEC. 4. The Special Investigation Team (SIT), led by the Bombay High Court-empowered Director General of Police, Sukhvinder Singh Puri, today interrogated for the second time the former Additional Chief Secretary (Home) of Maharashtra, Asoke Basak, in connection with the Telgi stamp paper scam and the alleged connivance of the former Police Commissioner, Ranjit Singh Sharma, in it.

Mr. Basak now heads the Maharashtra State Electricity Board. He was in charge of the Home Department when the investigation into the Telgi case was being reportedly derailed.

According to Article III of the charge sheet that Mr. R.S. Sharma, is facing, Mr. Basak allegedly alerted him that Pune's Assistant Commissioner of Police (Crime), M.C. Mulani, had demanded bribe from Abdul Telgi. Mr. Sharma, however, did not remove Mr. Mulani from the investigation team or take any action against him.

Mr. Basak is said to have accompanied Mr. Sharma

when he travelled to Bangalore to persuade the Karnataka Government to hand over the custody of Telgi to Maharashtra. A Home Department source said Mr. Basak's information, assessment and views could throw light on why senior and highly responsible officers like Sharma and Mulani behaved the way they did.

The SIT has also summoned the former Director-General of Police, Subhash Malhotra. He was sent a set of questions earlier to which he replied. The investigators are expected to seek corroboration of what they have learnt from the taped conversations of Telgi supplied by Karnataka.

Mr. Malhotra is said to have favoured the appointment of Mr. Sharma as police commissioner of Mumbai despite the adverse report of DIG, Subodh Jaiswal. Mr. Malhotra's depositions would help the SIT get to the root of the nexus among criminals, police and politicians.

The SIT has been questioning Mumbai's former Deputy Commissioner of Police (Crime), Pradeep Sawant, for the past two days.

Mr. Sawant is being faulted for allegedly making the Crime Branch give special treatment to Telgi. His superior, Joint Commissioner (Crime), Wagal, and several of his juniors have been arrested.

The Leader of the Opposition in the State Legislative Council, Nitin Gadkari, demanded today that the SIT look into the role of the Additional Advocate General, P. Janardan.

He told reporters here today that it was the Chief Secretary of Karnataka who had informed Mr. Basak that Mr. Mulani's credentials were doubtful.

Mr. Janardan allegedly accompanied Mr. Mulani to Bangalore around September 17, 2002.

He wanted to know what precisely the brief of the Additional Advocate General was for the Bangalore visit when he had no legal work or court appearance there. He said it was also necessary to find out at whose behest the State lawyer accompanied the 'tainted' police officer. Mr. Gadkari claimed that the duo had called on the Chief Secretary of Karnataka.

Cricketgate: Probe says Kale is guilty

TIMES NEWS NETWORK

Mumbai: Cricketer Abhijit Kale is unlikely to play for his state or country in the near future after the BCCI inquiry by D.V. Subba Rao said that there is a prima facie case against the middle-order batsman for having allegedly offered two national selectors a bribe of Rs 10 lakhs.

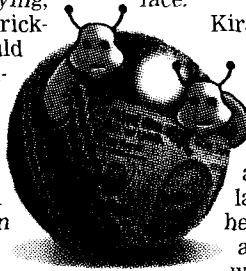
Mr Subba Rao, whose report was read out in the high court on Thursday, during the hearing of a petition filed by the player challenging a Pune district court order that prevented him from playing,

said that the Board of Cricket Control of India could proceed with disciplinary action against Kale. "There is material to show that Kale spoke to selectors Kiran More six times since June and Pranab Roy four times on August 5 and that his mother visited Mr. More's Baroda residence," said Mr Subba Rao's report.

The report also brushed aside Kale's assertion that he came from a middle class family and would not be able to pay Rs 10 lakhs as bribe. "One has to take into account that

Kale (30) was keen to get on the national side and that age would be against him." It also noted that Kale also had a sponsor and had played league cricket in England and Northern Ireland.

The report was read out to the court by advocate general Goolam Vahanvati who represented BCCI. The judge directed the Pune court which is scheduled to hear the matter on Friday to decide the appeal on merits within ten days. Kale who was present in court heard it all without any expression on his face.



Kiran More had alleged that Kale's mother had first approached him before selection for the World Cup and had allegedly called him in May 2003, and offered to pay Rs 10 lakh. More said, "I ignored her offer as it was a mother's anxiety, and I was familiar with such obsessions."

Mr. More told the inquiry he received calls from Kale in June, July and August with the bribe offer if selected in the national side. "Mrs Kale visited my Baroda house in my absence and spoke to my wife," Mr. More added.

SC order covers all states and Centre

Stamp scandal goes national

OUR BUREAU

Dec. 2: The stamp paper scanner has gone national, covering the entire country.

All states, Union territories and the Centre will come under the scrutiny of the Supreme Court in the scam whose size is growing by the day and has touched Rs 39,000 crore at last count.

The court today asked a petitioner to make all of them respondents in a public interest litigation that seeks a CBI inquiry into the racket under the court's supervision.

Chief Justice V.N. Khare and Justices Ashok Bhan and A.R. Lakshmanan gave two weeks to the petitioner, Ajay Aggarwal, a former standing counsel of the Uttar Pradesh government, to amend his petition and make the states and Union territories respondents.

The political overtones in the scandal also came under glare today. R.S. Sharma, the former Mumbai police commissioner arrested yesterday, would be put through a lie-detector test and narco analysis to find out whether politicians are involved as the fallen officer's lawyer had claimed last week.

"We want to probe whether Sharma was under political pressure to give patronage to the (mastermind Abdul Karim) Telgi syndicate while probing the scam and, if yes, who were the politicians involved," prosecu-

SCAM SHEET

● **Sharma strikeback:** I have been pinned down and those responsible have been left out, arrested former police commissioner R.S. Sharma tells court before being remanded in police custody in Pune

● **CBI call:** Finance minister Jaswant Singh says the Centre will seek a directive from the Supreme Court on whether the scam should be investigated by the CBI

● **Calcutta connection:** Bihar police say mastermind Abdul Karim Telgi's printing machine was shifted to Calcutta from Patna

tor Raja Thackre told a Pune court which sent Sharma to police custody till December 9.

Sharma himself added fuel to the fire lit by his lawyer's claim that Telgi's diary had mentioned 19 politicians and policemen.

"Those responsible for helping the Telgi syndicate were left out and I have been pinned down in this case," Sharma said in the packed courtroom.

The Centre, too, stepped in. Finance minister Jaswant Singh said the government would move the Supreme Court to seek guidance on whether the CBI should probe the scam, which today claimed one more top Mumbai police officer.

Assistant commissioner R.B. Yenam, of the police commissionerate in Navi Mumbai, was

arrested by his department for his alleged role in the scandal. He will be produced in court tomorrow.

In the petition before the Supreme Court, Aggarwal had named the CBI, the Centre and the states of Karnataka and Maharashtra as respondents.

According to him, a CBI inquiry was needed as the Telgi scam involved several politicians and ministers and because the two states were not allowing the bureau to probe the matter and were continuing investigations with their own police departments.

The apex court tagged another petition by one Mukesh Manubhai Vashi with Aggarwal's PIL. Vashi had sought transfer of all Telgi-related cases pending before various high courts to the apex court.

Aggarwal, a practising lawyer in the Supreme Court, alleged that the "swindler's story" involved "almost all the states" of the country and was not restricted to a few states.

"This scam is the biggest ever in India... and this is a case where national security is at stake," he contended.

"Thousands of persons across all the states of India have been involved in the racket" and several "police officials, including senior police officers of the rank of commissioner of police, were found to be involved", the petition said.

■ See Page 8

Another top cop held in Telgi scam

Ex-DGP comes under scrutiny

TIMES NEWS NETWORK

Mumbai: Assistant commissioner of police, Navi Mumbai, R.B. Yennam was arrested on Tuesday evening for his alleged role in the Rs 3,000-crore fake stamp paper scam.

Sources said Yennam had connived with scam kingpin Abdul Karim Telgi and "gone slow" on investigations when he was posted with the Mumbai crime branch in 1998. He was arrested by the Mumbai police following a directive from the Special Investigating Team probing the scam.

Meanwhile, former state director-general of police Subhash Malhotra has come under SIT's scanner for giving a clean chit in April to former Mumbai police commissioner R.S. Sharma, who was arrested on Monday for his role in the racket.

Sources said the SIT recovered certain incriminating documents against Mr Malhotra from the state police headquarters on Tuesday. The sources said Mr Malhotra may be summoned for questioning in the next few days.

Sharma, who was remanded to police custody by a Pune court on Tuesday till December 9, has been charged with conniving with an organised crime syndicate and with dereliction of duty as Pune police commissioner in 2002.

Similar charges had been levelled against Sharma in the Subodh Jaiswal report submitted in April this year. Mr Jaiswal was in charge of the earlier SIT probing the scam.

Senior IPS officers, including the then additional director-general of police O.P. Bali, had agreed with the contents of Mr Jaiswal's report, but Mr Malhotra had given Sharma a clean chit, SIT sources

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- Sharma appears in Pune court, blames "bad luck" P5
- FM sat on warnings from Karnataka P5
- Telgi's printing machine was in Patna for 4 years P7

said. In a letter to the state government in April, Mr Malhotra had said that Sharma "cannot be held responsible for any specific acts of commission or omission although the commissioner is responsible for overall supervision of the investigation".

Mr Malhotra, who is away in New Delhi, was unavailable for comment.

"Mr Malhotra had then discussed the report with deputy chief minister Chhagan Bhujbal, who subsequently declared Sharma innocent at a hurriedly convened press conference at Mantralaya in April," the sources said.

The Jaiswal inquiry had been initiated against Sharma in November 2002, after former Pune additional commissioner S.M. Mushrif blew the whistle on the stamp-paper scam. A senior IPS officer said, "The Pune police commissionerate comes directly under the supervision of the state DGP. Mr Malhotra knew about the progress of the probe against Telgi in 2002, but why didn't he question the irregularities?"

Hobby tag on currency cartons

OUR CORRESPONDENT

Mumbai, Dec. 2: Police are at pains to explain their ignorance about the 200-odd cartons of currency notes and stamps found in the house of Abhay Bansal, alias Prasoon Agarwal, an accused in the fake stamp paper racket, in Nashik yesterday. A senior police officer said the consignment could have been the result of a "long lasting hobby".

Crisp currency notes and stamps from at least 13 countries were found packed in the Cidco house of Bansal. Earlier, the police had recovered fake stamps worth Rs 72 lakh from another house — close to this one — belonging to Bansal.

The amount is so large that a police team is still opening the cartons almost 24 hours after they confiscated it.

The befuddled Nashik and Mumbai police have announced that the stamps were out of circulation for long and were "completely useless now". However, Mumbai police chief P.S. Pasricha said links with Abdul Karim Telgi, the alleged mastermind behind the Rs 39,000-crore fake stamp paper scam, cannot be denied. Bansal was arrested last week for his role in the scam.

To add to their embarrassment, the police have found 426 small boxes containing old, used stamps and coins from a house in Panvel (Navi Mumbai), reportedly belonging to Bansal.

"The stamps were cancelled and had no market value," Nashik police commissioner P.T. Lohar said, adding that the 90 boxes containing the stamps have been sealed. Some of them belonged to the pre-Partition era, he said.

But the question mark over the currency notes, from countries like Burma, Bangladesh, Pakistan, the Netherlands, India and Brazil, remained. The police department has requested the Reserve Bank of India to check the authenticity of the notes. The Indian currencies were in small denominations.

Officials of the Nashik-based India Security Press — some of whom are being investigated for helping Telgi — will be examining the currencies. Two officers were arrested last week for aiding Telgi with their expertise. The proximity of the press and Bansal's house has raised more uncomfortable questions. The government has ordered a high-level inquiry into the haul.



Sharma being taken to Pune after his arrest in Mumbai on Monday. (PTI)

Sharma scapegoat cry in court

ANAND SOONDAS

Mumbai, Dec. 2: For 35 years, Ranjit Singh Sharma sent criminals to jail. Last night, he had them for company.

For the scam-tainted former Mumbai police chief, who spent last night in a Pune lock-up barely 24 hours after retiring as an additional director general, it could well be the beginning of a long haul behind bars.

A Pune court today remanded the IPS officer, arrested in the Rs 39,000-crore fake stamp paper scam, in police custody for another seven days.

Sharma, arrested after five sessions of intense grilling by the special investigation team (SIT) which is probing the Abdul Karim Telgi scam, was produced before judicial magistrate M.N. Bondre, who sent him to police custody till December 9.

The 1968 batch IPS officer would have retired as Mumbai police chief holding the rank of a director general had he not been

sucked into the scandal. The retired officer, arrested under the Maharashtra Control of Organised Crime Act, has been charged with shielding Telgi and some of the police officers who helped him out. There is also talk that Sharma took an unspecified but large sum of money from Telgi as bribe.

In court, Sharma said he was being "singled out" for unfair treatment by the SIT and that he had an "unblemished record" of 35 years in the police department. "Those responsible for helping the Telgi syndicate have been left out and I have been pinned down in this case," he said.

He said the SIT had charged him for the same lapses, which had been mentioned in the government chargesheet served on him in the departmental inquiry. Hence this amounted to "double jeopardy".

His lawyer Vijay Nahar chipped in, saying: "This is like putting the cart before the horse."

Sharma had earlier said that

19 ministers and politicians, along with some policemen, figured in a diary confiscated from Telgi, a charge the scamster refuted from Bangalore. "There are no politicians named in the diary," Telgi said.

The prosecution, however, seemed well armed in its argument against Sharma, the first police commissioner in the country's history to be arrested for links with organised crime.

"We will have to investigate whether Sharma was under political pressure to give patronage to Telgi and, if so, who are the politicians involved," prosecutor Raja Thackre said, adding that the former police chief knew quite well what Telgi was doing.

Thackre also said police officers known to have cosied up to Telgi were put in charge of investigations in the scam. After the court proceedings, Sharma was rushed to a city police lock-up.

If what has happened to Sreedhar Vagal, another senior

IPS officer under arrest in the scam, is any indication, Sharma will not have it easy in jail.

Vagal, a joint commissioner of police, has been refused special treatment by the court and his pleas to be treated as a class A undertrial has been repeatedly dismissed.

The court did not entertain Vagal's appeal even when he said his life would be in danger if he shared the same space with hardened thugs and underworld elements.

In Mumbai, policemen from the Anti-Corruption Bureau and those in the SIT jointly raided Sharma's house and confiscated some documents.

Sources said that if convicted, Sharma — arrested under Sections 3(2) and 24 of the Maharashtra crime act, usually reserved for underworld figures, and charged with abetting organised crime and criminal conspiracy under the Indian Penal Code — could be sentenced to life imprisonment.

Worth Rs 4000 crore, Badal and son in jail

GAJINDER SINGH

Ropar/ Chandigarh, Dec. 1: Three-time Punjab chief minister Parkash Singh Badal and his son Sukhbir, a former Union minister, were sent to jail today on corruption charges.

Ropar special court judge S.K. Goyal sent the president of the Shiromani Akali Dal and his son, a Rajya Sabha MP, to judicial custody till December 13 in a Rs 78-crore disproportionate assets case filed by the Punjab vigilance bureau on November 22. The chargesheet has put the total worth of the family at Rs 4,326 crore.

Badal's wife Surinder Kaur, who also figures in the chargesheet, failed to appear in court saying she was ill. Fresh summons have been issued, asking her to appear on December 13.

Chief minister Amarinder Singh, who said the Congress had fulfilled its promise of netting the biggest fish in the crusade against corruption, has asked the vigilance bureau not to oppose Surinder's bail plea.

"I have asked them not to oppose her bail or harass her. I have also asked the jail authorities to treat Badal and Sukhbir with respect and provide them with whatever they desire," he said.

As 24 people were injured, one of them seriously, during protests by Akali Dal workers, the chief minister said: "I will not tolerate any agitation against the arrest of the two."

Badal and Sukhbir had earlier today moved an application seeking regular bail, which was opposed by the vigilance bureau. The plea will be heard on Wednesday.

High drama was witnessed on the route from Badal's official residence in Chandigarh to the Ropar court with dozens of barricades along the way. Buses were stopped and cars searched by armed policemen, inconveniencing people.

Badal's motorcade of 80 vehicles was stopped before it could enter Ropar. Only he, Sukhbir and some senior Akali leaders were allowed to proceed to the court.

Among those who accompanied Badal were Shiromani Gurdwara Prabandhak Committee (SGPC) president G.S. Tohra, former finance minister Kanwaljit Singh, former advocate-general H.S. Mattewal and a battery of lawyers.

The police lathicharged to disperse Akali Dal workers outside the special court, which was turned into a fortress. As many as 1,700 Akali workers were arrested, among them former SGPC president Jagir Kaur.



Badal

A beaming Amarinder said: "My job has ended. It was a promise the Congress party made to the people of the state and we have kept it. We had begun a crusade against corruption and had said during the run-up to the Assembly polls that we would catch the biggest fish and we have done it. The Badals have looted the state. Now it is up to the court to decide. But we will oppose any move for bail of the Badals."

Cash-starved Punjab has already released Rs 25 lakh to institute fast-track courts to try corruption cases. The courts will be set up in Jalandhar and Patiala. The Badals have been sent to Patiala jail.

Badal said he would abide by the court verdict. "I have nothing against the judiciary. The truth will prevail," he said before being led away.

The Rs 78-crore chargesheet is the first against the Badal family. Vigilance bureau chief A.P. Paley had earlier said supplementary chargesheets would be filed "whenever we are able to gather evidence".

The Akali Dal is meeting tomorrow. Sources say the party would keep a low profile till the Badals get bail.

■ **Continue on Page 6**

POLITICS...

PARKASH SINGH BADAL'S ASSETS*

Market value: Rs 4,326 cr
Overseas assets: Rs 3,825 cr
or \$850 million
Property disproportionate
to income: Rs 78,39,35,503

PROPERTIES

Orbit Resorts, Gurgaon;
Balasar farmhouse, Sirsa;
Two houses and an office,
Chandigarh;
Petrol pump and bank
building, Killinanwalli (near
Hissar);
Two flats, New Delhi;
Poultry farm, Palampur

*According to chargesheet

...TO POLICE

CHARGES AGAINST R.S. SHARMA

- Did not maintain absolute integrity and devotion to duty
- Sat quiet when officers under him shied away from applying a stringent anti-crime act in the stamp paper case
- Did not take measures even after inclusion and deletion of names from chargesheet against mastermind Abdul Karim Telgi was brought to notice
- Failed to remove an assistant commissioner accused of asking for a bribe from Telgi
- Could not maintain discipline in the police force
- Failed to suspend an officer caught waiting on Telgi at his Cuffe Parade home

Stamp scam top cop retires into lockup

ANAND SOONDAS

Mumbai, Dec. 1: In one of the darkest moments for Mumbai police, the Maharashtra government today arrested Ranjit Singh Sharma, the force's chief until a few days ago, for his role in the Rs 39,000-crore fake stamp paper scam.

Sharma has been accused of shielding and going soft on scam mastermind Abdul Karim Telgi. He is the only police commissioner in the history of the country to be charged for his links with the underworld.

The special investigation team (SIT), set up by Bombay High Court to look into the interstate racket, placed Sharma under arrest around 4.15 pm after intensive grilling. The arrest came under the stringent Maharashtra Control of Organised Crime Act, usually reserved for underworld dons and their henchmen.

Ironically for Sharma, the SIT grilled him for hours in its Worli office yesterday as the city's IPS officers were hosting a farewell party for their former chief. Sharma skipped the celebrations, as did many other officers who didn't want to be associated with their tainted boss.

It wasn't the best way for Sharma to end his career in the police force, from which he retired only yesterday as an additional director-general of police. Ever since the SIT let out his name in connection with the scam, he has been questioned relentlessly.

First the government stalled his promotion to the director-general's post; then he was forced to go on leave 14 days before retirement. He was also transferred twice in the last couple of weeks, both times in what is euphemistically called "side postings".

Soon after his arrest, Sharma was driven off to Pune where he will join his deputy, joint

commissioner Sreedhar Vagal, in jail. A Pune court has refused to entertain Vagal's plea to be treated as a Class A inmate. Sharma's official residence was raided later.

Both Vagal and Sharma face similar charges of patronising Telgi and keeping a protective eye over his murky empire. Eleven other police officers have been arrested. Sleuths from the SIT are questioning others, some of whom may be arrested in the coming days. On Saturday, assistant commissioner of police Ramakant Padaval was suspended from service for abetting Telgi in his crime.

The crime branch went into a tizzy after news of Sharma's arrest broke. Senior officers were inundated with phone calls — from politicians as well as the man on the street. The top brass held an emergency meeting to discuss the fallout of what has been the biggest development in the Telgi case.



Sharma

The government has already filed an eight-point chargesheet against Sharma, holding him responsible, among other things, for "not doing his utmost as police commissioner in Pune and Mumbai" and for "dereliction

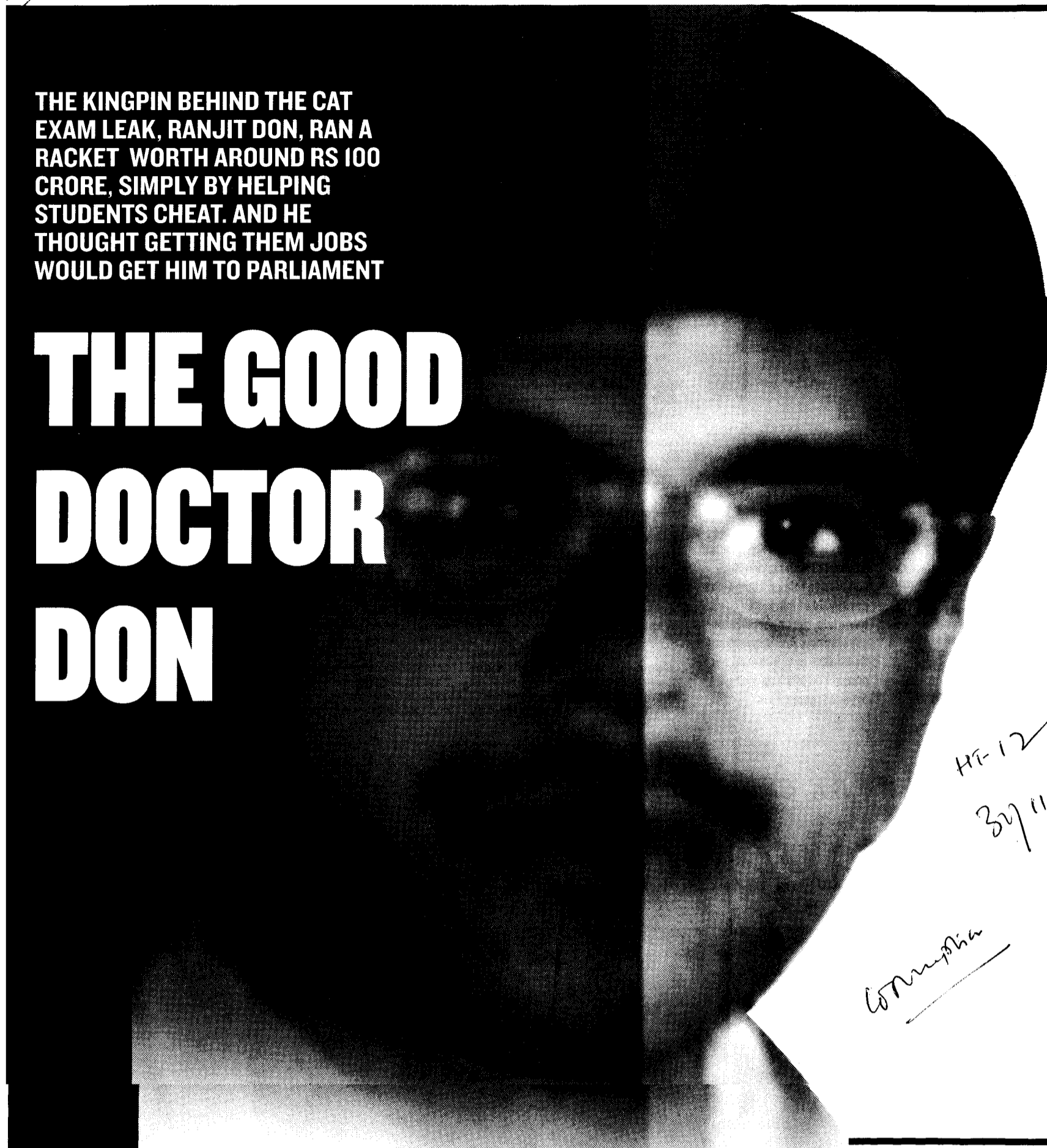
of duty, poor professional response and failure to intervene and take immediate correctives in several such situations". Sharma will have to file his reply by Thursday.

The action against Sharma — during whose term a raiding police team found crime branch officers fussing over Telgi in his Cuffe Parade house when he was supposed to be in jail — has to an extent vindicated the state's contention that the SIT should handle the probe, not the CBI.

Chief minister Sushil Kumar Shinde, who earlier said the SIT was doing a "wonderful job", claimed the Centre could use the CBI to further its political motives and target Congress and Nationalist Congress Party leaders. (See Page 8)

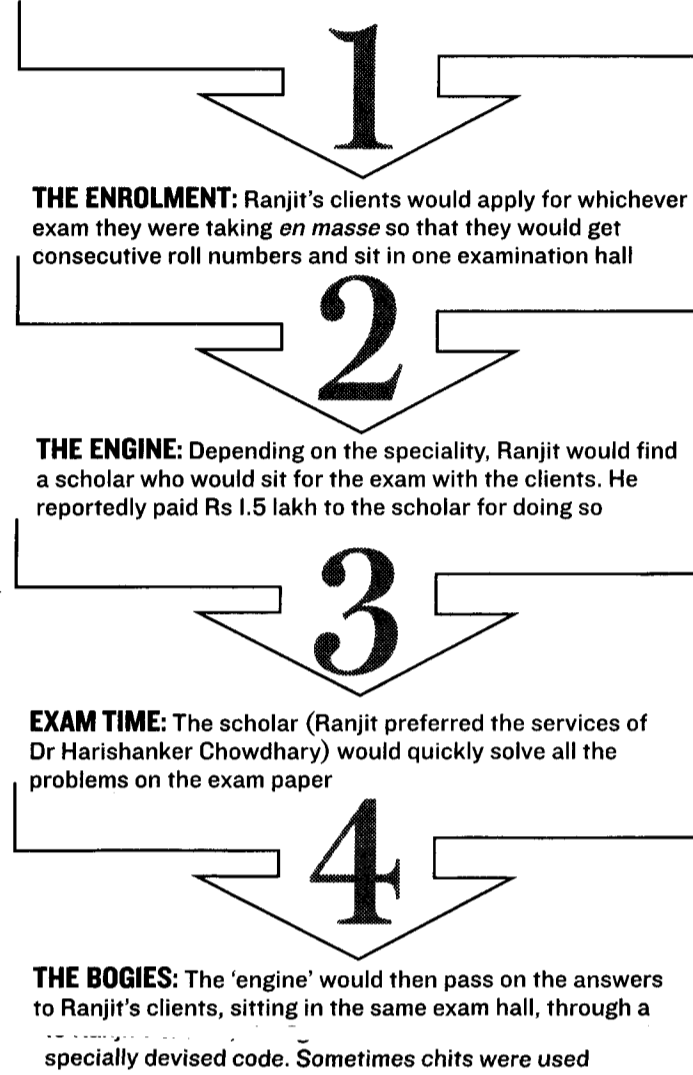
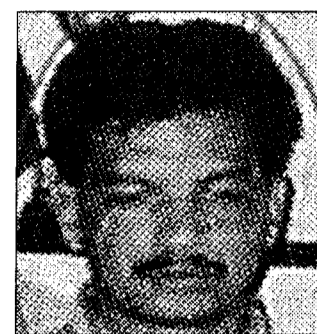
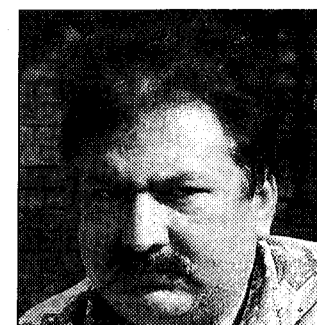
THE KINGPIN BEHIND THE CAT EXAM LEAK, RANJIT DON, RAN A RACKET WORTH AROUND RS 100 CRORE, SIMPLY BY HELPING STUDENTS CHEAT. AND HE THOUGHT GETTING THEM JOBS WOULD GET HIM TO PARLIAMENT

THE GOOD DOCTOR DON



ENGINE AND BOGIE SYSTEM

One of Ranjit Don's favourite modus operandi. He learnt it from his guru, Dr Irshad Khan (top). Dr Harishanker Chowdhary (below), Don's choice of 'engine', could solve any tricky question



Ranjit Don perfected a system of beating the system, and his services were much sought after, not just by Bihar's elite but by professionals around the country. A report on his meteoric rise, and how he got there

Giridhar Jha
Patna

RANJIT DON recently wanted to buy a helicopter. He was already flying high: huge mansions in different locations, a fleet of expensive cars and a lavish lifestyle, he led the life of a king for nearly a decade. But he was grounded when the Central Bureau of Investigation (CBI) arrested him in New Delhi last Sunday in connection with the exam scam.

Ranjit Kumar Singh, or Doctor Don, as he was popularly known, at the centre of the leakage of question papers for the Common Admission Test (CAT) had a meteoric rise. Born in a peasant's family in Khaddi Lodipur, in Nalanda, Bihar, Ranjit founded his own pharmaceutical company, Mumbai-based Radons, estimated to be worth Rs 60 crore. Along the way, his 'awe-inspiring' success story became part of his village's folklore.

To Khaddi Lodipur, Ranjit was a successful doctor who did not forget his roots and did them proud. Many of them thought he had a roaring practice as a medical practitioner and his profitable drug company. Most endearing, however, was his helping scores of youth gain employment in various services over the years.

Little did they realise that Ranjit never had to use his stethoscope to make money, and the drug profits were just a pittance to him. His primary vocation was the art he learnt during college and honed to perfection in later years - the art of subverting the nation's competitive exam system. The CAT exam papers leak showed his art was not an isolated incident of official lapse exploited by a gang of amateurs - it was the handiwork of professional racketeers with a countrywide network who went about their business without any fuss for over a decade.

Avoiding the midnight oil
The racket is estimated to be worth over Rs 100 crore. It leaked questions of medical, engineering, banking and other key exams, helping affluent clients to respectable jobs without having to burn the midnight oil. The fee charged ranged from Rs four lakh to Rs 15 lakh depending on the service.

Dr Don had a well-oiled machinery: nearly 100 agents formed a network in the metros and state capitals. Over the years he picked up on all the loopholes and secrets of the exam system till he mastered the art of doctoring them. He would even help clients obtain the degree after enrolment in the particular course; for instance, if someone wanted to get a medical degree, Ranjit showed the way. For a price.

Like any underworld don, Ranjit started small in the 1980s when he met some 'exam setters' in Bihar. After matriculating in 1979, he changed his name from Suman Kumar Singh to appear in the Bihar School Secondary Board exam again a few years later. He also sat twice for the intermediate degree exams, first as an arts student, then as a science student, so that he could become a doctor.

When he arrived in Patna, 'setting' was the buzzword in university circles. Students would collectively apply for different exams (like the civil service or bank probationary exams), sending them in a single envelope so that they would get consecutive roll numbers. Some of them would be experts in different subjects. In the exam hall they would consult one another through a code. Many made it through.

Meeting his guru

It wasn't foolproof, and after the UPSC and the banks caught on, they stopped giving running roll numbers to candidates applying together. Undeterred, many students simply went to the UPSC headquarters in Delhi and deposit their forms en masse to ensure they were in the same exam room.

Ranjit hired a room in Kankarbagh where he came into contact with a 'setting' gang. It was led by Dr Irshad Khan, the man who became Ranjit's guru in teaching the tricks of the cheating trade. In fact, the 'engine and bogie' method of cheating was Khan's brainchild. A meritorious student was hired, for Rs 1.5 lakh, to sit for the exam with the clients. The 'engine' would solve all the questions, and pass the answers to the 'bogies'.

Ranjit worked with Khan for three years before branching out on his own. Khan, who also owns a pharmaceutical company, denies any link with Ranjit or the racket: "I

Price of Admission

CBSE Medical examination:

Rs Ten lakh

Engineering examination:

Rs Ten lakh

State medical or dental college:

Rs Eight lakh

CDS/NDA:

Rs Four lakh

Staff Selection Grade exam:

Rs Three lakh

BPS Commission:

Rs Five to Eight lakh

Bank probationary exam:

Rs Five to Eight lakh

am ready to answer all questions of the CBI," he said.

He's had practice: the state vigilance department interrogated Khan in 1996, in connection with the leak of exam papers for Bihar's Medical and Dental Test (MDT) at Darbhanga. An examinee, who was caught with the solved questions in the exam hall, had named Ranjit to the police. Khan says he was quizzed after someone named him in an anonymous letter. The CBI also grilled Khan about the recruitment of para-medical staff at AIIMS. Khan claims he got a clean chit, but again, the anonymous letter did him in. He was also suspected in the medical papers leak cases in Lucknow and Chandigarh.

Khan is said to have employed female agents to locate female clients. He was generous to fellow professionals: wards of doctors would get a 30 per cent discount on the usual Rs 10 lakh fee, and one out of three was free.

And why not? Ranjit saw how easy cracking the MBBS exam was, and thus decided

to become a doctor. Darbhanga medical college admitted him in 1994, and six years later, he got his degree. He then set up his drug firm, and financing was no problem, because by now, he was the Don. His elder brother Subhash, who ran a PDS shop, was made Radon's director.

The company's purpose was said to be money-laundering. Still, he pushed his firm's products, enticing many doctors to prescribe his drugs through gifts, commissions, and even women. His trump card, however, was the promise of securing the admission of the doctors' wards in the medical college of their choice.

Mugging on how to cheat

Ranjit went the whole hog in understanding the nitty-gritty of exams. He bribed the lower staff at printing presses and influenced members of question coordination panels. He kept tabs on the questions' route to the banks. When he failed to get the papers in advance, he simply bribed exam centre superintendents to get his clients in a single room.

Searching for scholars for the 'engine and bogie' scam, he turned people who ran Patna's coaching centres into allies; Dr Harishanker Chowdhary, arrested last week, was Ranjit's favourite, as he mastered many tricky questions. Another accomplice now in custody, Sanjeev, worked in a Mumbai press which printed many exam papers.

Ranjit was extremely secretive about the operation. He would lock clients in a hotel room the night before the exam and ask them to mug the answers. His trusted associates would drop the clients at the exam centre the next morning. He would retain their admit cards to thwart any foul play later.

Often he would demand post-dated cheques before the exam, and return them on receipt of cash. He would operate from his car, equipped with state-of-the-art gadgets like a fax machine. He simultaneously used four or five cellphones. After receiving the papers, he would call up his agents in other cities, saying "mission accomplished".

In Pune last week however, Ranjit ran out of luck. The arrest of key members led to the bust of the nationwide racket. But whether it would affect the fate of his army of 'qualified' doctors and engineers, time alone will tell.

Dreams of a political career



Ranjit Kumar Singh
Promised jobs for all



George Fernandes
Don wanted to unseat him

Ranjit wanted to be one of Laloo's MPs

POLITICS WAS next on Ranjit Don's agenda, and his target was the Parliament of India.

Since his native Nalanda is represented by Defence Minister George Fernandes, Ranjit was angling for the Rashtriya Janata Dal ticket. He was hopeful that well-placed connections in Bihar's ruling party would help him get the ticket.

Right from securing admission of their wards to prestigious institutions to funding their campaigns, Ranjit obliged many politicians. He often boasted that a ticket from any recognised party would be no big deal.

The grapevine has it that he helped a Bihar minister buy a flat in a post Mumbai locality, and that he had funded the campaign of a Union Minister from Bihar during the last Lok Sabha elections.

Stepping up political activities recently, Ranjit

formed the Magadh Vikash Manch to do grassroots political work. He convened meetings of the Manch twice a month, and the turnouts were said to be impressive.

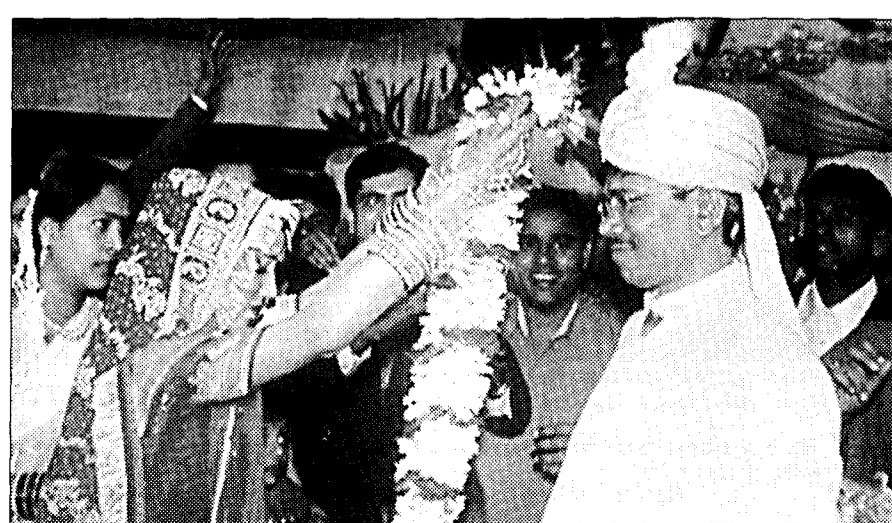
Ranjit organised three meetings in Hilsa subdivision in September, to take stock of the current political situation. He openly said that the local MP and MLA would have to answer for the area's underdevelopment. He promised every youngster a job if he won the next Lok Sabha polls, and this ruffled many feathers.

Ranjit wanted to contest the last assembly polls on a Samata Party ticket, but held back on the promise of a seat in the legislative council. But when he realised the ticket wasn't forthcoming, he switched loyalties to the RJD.

His in-laws think his political ambitions led to his downfall: ma-in-law Bachchi Devi warned him, but to no avail.

Dhoom-dhaam shaadi

Forty-two-year-old Ranjit Don married college student Deepika (Dolly) on March 5 in an ostentatious ceremony that was attended by leading doctors, bureaucrats and politicians. Hundred-rupee notes were tagged to rockets and other firecrackers. Deepika's family claims it did not know Ranjit before the wedding. Deepika did not even know what CAT stood for before the scam broke.



Ranjit's irresistible offers to the police

RANJIT DON'S empire was not built overnight, but over a decade with help from politicians, bureaucrats, police officers and, above all, doctors.

During raids, the CBI found a diary which names recipients of his 'magnanimity'. The details of the Bihar police's previous investigations have been sought. Ranjit's links with the high and mighty is under probe.

On February 23, 1999, D.P. Ojha, then Bihar's additional Vigilance Commissioner (and now its police chief), asked his bosses to hand a medical exam question paper leak case to the CBI. His letter said almost 60 per cent of the seats in MBBS and post-graduate courses were sold off while five per cent of the seats were offered free of cost to the wards of influential people.



A month later, Chief Minister Rabri Devi recommended a CBI inquiry, but it did not take up as it was too busy. The CBI's refusal has now become a weapon against the Centre.

In July 2002, the Nalanda police came tantalisingly close to busting Ranjit when they arrested ten persons

from a Biharsharif hotel with the solved question papers for the State Bank Probationary Officers recruitment exam, to be held the next day.

According to Nalanda SP Amit Lodha, the police filed a chargesheet against the accused but they were later released on bail.

In 2000, Ranjit's name had also figured in the loot of question papers of the All-India Medical Entrance Examinations, conducted by the Central Board of School Examination (CBSE), in Patna but the case was hushed up at the behest of a senior police officer.

... THE ... BUREAU OF INVESTIGATION ... BASIS, ... SAID.

CBI not to probe all fake stamp paper cases

Aloke Tikku in New Delhi

which has been trying to pressure the Congress governments in Karnataka and Maharashtra into transferring the politically-sensitive cases to the agency.

Nov. 27. — The CBI has decided against acting on a finance ministry "request" to probe all fake stamp paper cases on the basis of the Allahabad High Court order.

The CBI suggested that the finance ministry had misunderstood the order. Though the HC had made observations on the effect of the fraud on the economy, a CBI officer said, the operative part of the order only directed the agency

to register two cases relating to Ghazipur that comes under the court's jurisdiction. "We're willing to probe any case with serious implications, provided the state government is willing," he said. He wondered how could anyone think that the HC order would force all state governments to give up their cases.

More reports on page 4

THE STATESMAN

28 NOV 2003

Conviction politics

When will a political scam produce a guilty

If there was such a thing as conscience in Indian politics, the Tamil Nadu chief minister, Ms Jayalalithaa, would have postponed her thanksgiving visit to the deity following the Supreme Court (coram, Babu, Reddy, JJ) exonerating her of criminal involvement in the Tansi land scam. The court's long and pointed observations on propriety, responsibility and norms of chief ministerial conduct leave little doubt that only evidenciary technicality stood between Ms Jayalalithaa and a different verdict. Such a judgment should have had a devastating effect on a politician since political verdicts do not need to wait for cast iron proof. But Ms Jayalalithaa is perhaps the best demonstration that multiple malfeasance has begun to have a wearying effect on Indian politics and the Indian public.

So, the apex court revisiting the details of the Tansi case — firms owned by the chief minister buys government land at excellently convenient prices — and adding its caustic observations have already been reduced to irrelevance as far as public discourse goes. Therefore, Ms Jayalalithaa's supporters can point out, with a straight face and hinting at the lady's grace and wisdom, that she had anticipated the court direction on giving the land back. There's still a fly in Ms Jayalalithaa's ointment, though. The Supreme Court had earlier transferred the disproportionate asset case from the Tamil Nadu trial court to Karnataka, where a trial court will be set up under the supervision of the state's chief justice.

State prosecution in Tamil Nadu had shown manifest reluctance to prosecute — the chief minister was exempted from personal appearance, government lawyers did not object when witnesses turned hostile. A Bangalore court, the Supreme Court and every right thinking citizen hope, will be less predisposed to find innocence when the prosecution's job is to establish guilt.

Courts, of course, have to treat every case on its merits. But from a broader political perspective, a desideratum is that a few, or even just one, big time politico gets convicted for a scam. Politicians need to feel a little scared. And the people need to feel a little less hopeless. A less populist and perhaps more effective way of saying the same thing is to call for another institutional mechanism for scrutiny of public office holders.

The Lok Pal Bill that dies a fresh death every parliamentary session — it has been listed again for the winter session starting 2 December — is an imperfect therefore improvable but eminently doable option. Little wonder MPs have found reason to postpone it repeatedly. If it ever becomes law, and the institution is not made structurally weak by design, it can do the same for political corruption what the Election Commission has done for electoral malpractice. Remember that the EC was thoroughly subverted by politicians till its office holders like Peri Sastri and then, more flamboyantly, TN Seshan insisted on doing their job. Now, the EC is an institution politicians can only grumble about. In fact, the needle sometimes arguably swings a bit too much the other way, for example, when JM Lyngdoh comes across as an arbiter of public morality and not a constitutional office holder. An effective Lok Pal can take off similarly if honest, unafraid people are appointed to it and they investigate a few headline cases.

Releasing soon: 2nd Judeo tape?

SNS & Agencies

NEW DELHI/CHENNAI, Nov. 26. — There may be a second “Judeo tape,” a result of a “sting operation” conducted before the one whose results are now known. CBI officials said the first “operation” was probably conducted a few months before the second one and CBI would reach a conclusion on the matter “shortly”.

Sources said Mr Dilip Singh Judeo and his aide Mr Natwar Rateria were possibly “trapped” by the same set of people twice. The first time in August, the second time in early November. Both “operations” were part of a “larger plan,” CBI officials said and some people shown on the tape of the second operation were, perhaps, present in the first operation too.

On the authenticity of the Judeo CD, CBI officials said so far it had been established that the footage was edited. They also indicated that mobile phone conversations of the “main players” were the biggest investigation clues in the case. Most of the persons associated with the planning

and implementation of the “operation” have been identified, sources said. “We’re in the process of identifying the others (the unknown ones),” said an official. The CBI was “moving quite cautiously as the issue has strong political overtones,” he said.

In Chennai, CBI director Mr PC Sharma today denied the Congress charge that the CBI had fabricated evidence against Mr Ajit Jogi in the case. He said the CBI was examining the e-mail purportedly sent by Mr Amit Jogi, son of Mr Jogi, to his friends, informing them that the “sting operation is a success”. The CBI also has the tape showing Mr Judeo accepting money. It was trying to get the original, he said. And even if the original could not be traced, the copy of the tape would be sent for forensic tests, Mr Sharma said. “Only after completion of the investigation, will we be able to say whether the person shown on the tape is Mr Judeo,” he said. And on charges levelled by political parties, Mr Sharma said: “We’re accountable to law... our cases are commented upon by courts and we are judged by our results.”

Reverse sting!

BANGALORE, Nov. 26. — In a role reversal of Tehelka and Judeo episodes, a Mysore-based photojournalist joined hands with a JD-S politician to record on tape charges that a senior official of Karnataka Exhibition Authority has made against his boss, a political appointee. Mr KP Parameshwarappa, the official, was shown admitting on tape that his boss had allotted a contract for demolishing over 120 shops on the Mysore Dussehra Exhibition ground recently, leading to a severe loss for the state. He said the contractor deposited Rs 1.6 lakh with the KEA, while the material he collected after the demolition was worth over Rs 25 lakh. Details of other alleged irregularities given unwittingly by the official were also captured on video. Mr Parameshwarappa went to meet Mr R Narayan, JD-S leader and former Mysore mayor, at his home where the photojournalist was hiding in the puja room. Mr Narayan played the tape at a press meet and may hand it over to the Lokayukta and chief minister. Mr Parameshwarappa, however, said the voice on the tape was not his. — SNS

Parting kick to stamp cop

ANAND SOONDAS

Mumbai, Nov. 26: The Maharashtra government has ordered an inquiry against R.S. Sharma, the Mumbai police commissioner who was shunted to a transport corporation following an uproar over the fake stamp paper scandal.

The departmental probe order came four days before Sharma's retirement and on the eve of a high court deadline on the government to detail the action taken against the senior police officer.

The flurry of activity has also fuelled speculation that the government is exploring the possibility of chargesheeting Sharma before he leaves the force.

The special investigation team probing the scam indicted Sharma on nine counts of omission and commission, holding him responsible for shielding and going soft on Abdul Karim Telgi, the main accused.

Soon after the investigation report was handed over to the high court, the officer had gone on indefinite leave.

When Sharma was on leave, the government transferred him from his high-profile post to administration as additional director-general. His promotion as director-general was stalled, and he was posted as chief vigilance officer in the Maharashtra State Transport Corporation.

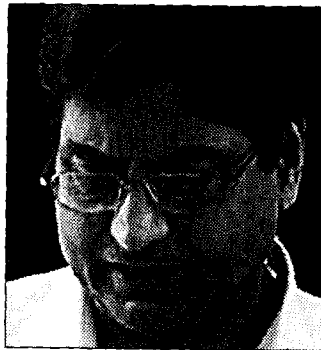
Sources said the notice for the departmental inquiry was cleared by Shinde on November 24 before he left for campaigning

for the Assembly polls.

If the probe finds him guilty, Sharma will be the first police commissioner in Mumbai to have his gratuity and pension blocked.

Sharma's indictment has shaken the government, which has shuffled the police force, forcing the chief minister to say at a number of public meetings that "what is happening is not good".

The investigation team has arrested 11 police officers, am-



Sharma

ong them Sreedhar Vagal, an IPS officer who was a joint commissioner. Now lodged at a Pune jail, Vagal has pleaded before a court to treat him like a Class I undertrial as he was a high-ranking officer.

Tomorrow's high court proceedings will be keenly watched to see whether the classified investigation report on Sharma will be made public and whether the judge will make any observation on efforts to hand over the probe to the CBI.

Chhattisgarh channel link in Judeo tape

S.P. 26/11 *corruptive*
NEW DELHI Nov. 25. — The hotel room where ex-Union minister Mr Dilip Singh Judeo had allegedly received money for doling out mining concessions, was booked in the name of a TV executive who has “close relations” with Mr Amit Jogi, the son of Chhattisgarh chief minister, Mr Ajit Jogi. CBI sources said that the agency has “established” this during the course of its investigations into the Judeo tape case. The hotel room, CBI sources said, was booked by one Rajat Prasad, a director of Akash TV, a local cable TV station in Chhattisgarh. The rooms in Taj Palace Hotel - rent Rs 15,000 per day - were booked on various days in July, August and September.

CBI sources said that the e-mail and telephonic communication between Mr Amit Jogi and directors and staffers of Akash TV “indicate” “close relations” between the two.

One e-mail in possession of the CBI, dated 8 October and from Mr Amit Jogi to Mr Reginald Jeremiah, an Akash TV director, and others read: “Do everything to ensure the Bandh is highlighted as (a) total (b) spontaneous (c) unprecedented, extended to rural areas and (d) from the look of it (Ajit) Jogi has succeeded in gaining sympathy of his core constituents (rural, dalit, tribal) by portraying himself as the victim of a massive conspiracy to malign him, and in so doing, has managed to to get the party - both at the state and the national level - to back him unequivocally.” CBI sources said this e-mail was “in the context” of the charges framed against Mr Ajit Jogi in the forged IB document case. They also said the agency has more e-mails between Mr Amit Jogi and Akash TV brass.

Another e-mail from Moksh Sinha, an Akash TV staffer, according to CBI sources, to Amit Jogi complains of funding and perquisites. This, and similar electronic and telephonic communication, agency officials said, indicate “close coordination” between Amit Jogi and Akash TV. Repeated efforts to contact Akash TV directors failed. CBI director Mr PC Sharma refused comment. — SNS

Apex court asks CBI to probe Haryana scam

By Rakesh Bhatnagar
TIMES NEWS NETWORK

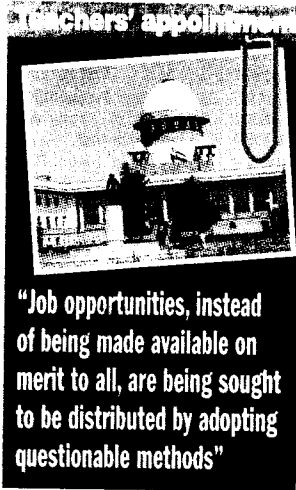
New Delhi: In yet another case of "rampant corruption in the corridors of politics and bureaucracy", the supreme court on Tuesday asked the CBI to probe allegations of forgery, manipulation and corruption by the Haryana government and chief minister Om Prakash Chautala in the appointment of teachers.

Justices R.C. Lahoti and Ashok Bhan asked the agency to complete the probe within six months and register a formal case if it found that the material collected during the investigation disclosed the commission of an offence.

The order is the fallout of a petition by a senior IAS officer, Sanjeev Kumar, a former director of primary education in Haryana, who had defied the political leadership's "direction" to substitute the original selection list of 4,000 primary teachers with an unofficial list three years ago. The court has already stayed departmental inquiries against Mr Kumar and ordered that he be given police protection.

The court also asked the CBI to look into certain criminal cases filed by the Haryana government against Mr Kumar.

Perturbed about the exploitation of jobless people, the bench said, "Unemployed persons belonging to the lower strata of society are taken for granted and job opportunities, instead of being made available according to merit and with equal opportunity to all, are being sought to be



distributed by adopting questionable methods."

The court noted the allegation that in August-September 2000 at Panchkula and in Haryana Bhavan in New Delhi, all members of the 19 district selection committees were called, fake lists of the selected candidates were prepared and the members forced to sign such lists.

On or about September 28, 2000, these lists were handed over to Mr Kumar with the direction that such lists be substituted in place of the original lists of selected candidates for appointment as primary teachers. However, on November 7, 2000, Mr Kumar opened the sealed cover containing the original lists of selected candidates and got them video-taped and photographed. He then appointed persons pursuant to the original list. Less than a month later, Mr Kumar was transferred.

"SHE MUST ATONE ... BY ANSWERING HER CONSCIENCE"

Supreme Court acquits Jayalalithaa in TANSI cases

By J. Venkatesan

NEW DELHI, NOV. 24. The Tamil Nadu Chief Minister, Jayalalithaa, was today acquitted of all charges in the "two TANSI cases", with the Supreme Court holding that the property belonged only to a government undertaking and not to the government, and hence no offence was made out in the purchase.

A Bench, comprising Justice S. Rajendra Babu and Justice P. Venkatarama Reddi thereby rejected the two appeals filed by the legal wing secretary of the DMK, R.S. Bharathi, and the Janata Party president, Subramanian Swamy, challenging a Madras High Court judgment acquitting her of the charges.

A special court in Chennai had sentenced Ms. Jayalalithaa, her close aide, N. Sasikalaa, and four others to three years imprisonment in one case and two years in another.

However, the Court noted that with respect to the sale of the TANSI properties, there was a "conflict of interest" and conduct "opposed to the spirit of the Code of Conduct if not its letter."

Writing the judgment for the Bench, Mr. Justice Rajendra Babu said the facts of the case that Ms. Jayalalithaa was a public servant and that the properties bought by the firm in which she was a partner would be insufficient to establish a charge under Section 169 of the Indian Penal Code (IPC), which barred public servants from bidding for Government properties.

The Bench said, "The High Court is justified in holding that Ms. Jayalalithaa is not guilty of the offences under Sec. 169 of the IPC and the other respondents not guilty of abetment."

The Bench noted that to attract the provisions of Sec. 13(1)(d) of the Prevention of Corruption Act, a public servant "obtains for himself or any other person any valuable thing or pecuniary advantage by corrupt or illegal means or by abusing his position as a public servant or without any public interest."

The circumstances under which the properties were bought by Jaya Publications and Sasi Enterprises could not be treated as one obtained in the circumstances arising under Sec. 13(1)(d), it added.

The Judges pointed out that



the purchase was effected through open sales held by TANSI and it was not established that Ms. Jayalalithaa or any other person obtained for herself any valuable thing or pecuniary advantage by abusing her position as a public servant.

The sale had been held pursuant to various resolutions of the Government since 1985 and the putting up of the properties in question for sale itself was not against any public interest.

"If the properties in question were sold by TANSI in the public interest, the obtaining of the same through purchase in such a transaction for valuation consideration which does not fall below the market value does not come within the scope of Sec. 13(1)(d). Thus the charge under Sec. 13(1)(d) is not established and we concur with the findings recorded by the High Court in this regard," the Court

said. The judges also said that in the present case, it could not be said that the accused acted dishonestly because there was no wrongful gain or wrongful loss and hence it could not be said that they acted fraudulently.

On the conspiracy charge under Sec. 120B of IPC, the Bench said, "how there have been meeting of the minds of different accused at different stages and what the common design has been is not clear".

It observed that "even if we assume for the purpose of argument that some of the officers of the Government were circumspect in their attitude having come to the conclusion that Ms. Jayalalithaa was interested in purchase of the properties and have put their seal to such act either tacitly or overzealously by being too expressive of the same, we cannot hold that there was a conspiracy amongst various persons."

Rejecting the charge of criminal breach of trust levelled against Ms. Jayalalithaa, the Court said there was no supervision of the properties of TANSI by the Chief Minister as the corporation was a separate entity.

"In a case of this nature, where there is no dominion over the properties by a Chief Minister or a Minister, it cannot be treated as entrustment of the properties creating a trust which is an obligation annexed to the ownership of the properties and arises out of the confidence reposed and accepted by the owner."

But the Bench said that by buying the property, Ms. Jayalalithaa had not committed an offence as the Code of Conduct did not have a statutory status. The "property of a government company, which has a distinct legal identity, cannot be equated to the property of the government though the government may have control over the corporation. The prohibition must be clear and unambiguous to give rise to the offence."

The Judges observed that the code not having a statutory force and not enforceable in a court of law, nor having any sanction or procedure for dealing with a contravention thereof by the Chief Minister, could not be construed to impose a legal prohibition against the purchase of property of the government to give rise to a criminal offence under Sec. 169 IPC. "In law, there must be a specific provision prohibiting an act to make it illegal," they said.

'Conflict of interest'

At the same time, the Judges said that with reference to the purchase of a TANSI property, Ms. Jayalalithaa had breached the Code of Conduct, prohibiting Ministers from buying government properties since there was a "conflict of interest" between the office she held and the acts she committed.

They observed that "irrespective of the fact whether we reach the conclusion that Ms. Jayalalithaa is guilty of the offences with which she is charged or not, she must atone for the same by answering her conscience in the light of what we have stated not only by returning the property to TANSI unconditionally but also ponder over whether she had done the right thing in breaching the spirit of the Code of Conduct and giving rise to suspicion that rules and procedures were bent to acquire the property for personal benefit, though trite to say that suspicion, however strong, cannot take place of legal proof in a criminal case and take steps to expiate herself," the Bench said.

Soon after the pronouncement of the verdict, K.K. Venugopal, Senior Counsel for Ms. Jayalalithaa, brought to the notice of the court that the property had already been returned by her.

JUDGMENT HIGHLIGHTS

- ◆ TANSI land not a government property.
- ◆ No pecuniary loss to government, no pecuniary gain to the accused.
- ◆ Jayalalithaa not guilty of offences under Section 169 of Indian Penal Code barring public servants from bidding for government properties.
- ◆ Sasikalaa and others not guilty of abetment charge.
- ◆ Jayalalithaa not guilty of breach of trust charge.
- ◆ Evidence does not establish the ingredient of dishonest disposal or conversion of property for personal use.
- ◆ None of the offences charged against the accused is established.
- ◆ Code of Conduct has no statutory status.
- ◆ Although not guilty, ready government approval was given to the sale of TANSI land to a firm of which Chief Minister Jayalalithaa was a partner.
- ◆ Jayalalithaa should return the property to TANSI unconditionally and ponder over whether it was right to breach the spirit of the Code giving rise to suspicion.

Telgi diaries mum on political links

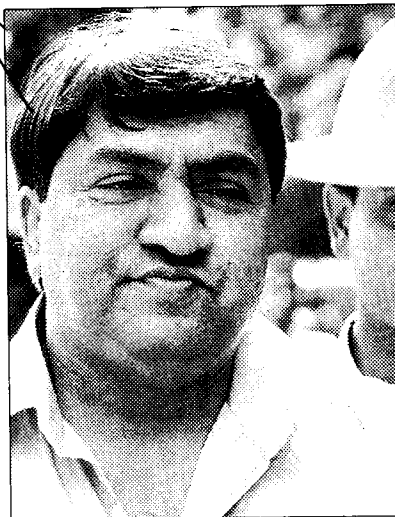
Girish Kuber
MUMBAI 24 NOVEMBER

THE political connections in the Telgi scam may never be revealed as the case diaries that are to be maintained by the investigating officers are conspicuously silent on instructions received from political masters. The special investigation team (SIT) in its report — which is available with ET — has noted the criminal negligence on the part of the police in not bringing relevant details on record.

"The case diaries have a large number of infructuous entries that are certainly in no way connected to the investigation," the report noted and further said: The entries regarding political dignitaries, government officials and instructions from them about investigations have not been mentioned in the case diaries. Shockingly, the investigating officers while deposing before the SIT have admitted that "they were guided on professional investigation from those who were in no way connected to it." In fact, one of the officers probing the Telgi scam confessed before the SIT that "he is investigating the case as per their (politicians) guidance."

However, the SIT found that despite this the contents of their instructions have not been mentioned in the case diaries. Also missing are oral instructions from senior officers about the investigations.

"These instructions should have been part of the diaries," the report noted. The SIT found that the additional commissioner of police, crime branch, Pune, advised the investigating officer to "to keep diaries short." It observed that "if at all such a direction was issued, it's patently wrong."



STAMP-ED OUT: Abdul Karim Telgi, who is HIV positive, walks out of the Bowring and Lady Curzon Hospital in Bangalore on Monday. — AFP

"The quality of supervision of investigation by addl CP S.M. Mushrif was obviously selective to say the list," it observed. The SIT also found that there had been no effort made in the case diaries to categorically list out the suspects and prioritise the investigations in order to establish their culpability.

It also pointed out how irresponsible the police were in handling the case of this magnitude. "During initial seizures, a large number of documents were taken in. However, no attempts were made to link these documents to different accused involved in it," the report said. All these documents were found packed in bags without screening.

Let CBI probe stamp scam, says Shinde

Our Political Bureau
MUMBAI 24 NOVEMBER

CRITICISING the Centre for its much delayed response on the multi-state, multi-crore fake stamp scam, state chief minister Sushilkumar Shinde on Monday said he has no objection to handing over the probe to CBI, provided the Mumbai High Court also approves the move.

Mr Shinde added that while the Maharashtra government is not averse to the Centre's proposal to hand over the probe to CBI, the decision would have to be taken by the Mumbai High Court. Mr Shinde said the Centre has awakened late in the multi-crore fake stamp paper scam as it was going on since 1998 and has its roots in various states besides the security press, which is a central government body." He also said the state government would extend all cooperation to the investigating agency.

Mr Shinde had said in August when there was a discussion to hand over the matter to CBI, the agency had communicated to the Solicitor General that it was facing a staff crunch and that Maharashtra was probing the matter effectively. "As the Centre has decided to hand over the probe to CBI, the state has no objection to this move," he added.

Judeo case a Cong sting operation?

Arun Anand & Sudesh
K Verma in New Delhi

Nov. 24. — Is the Judeo bribery case a Congress sting operation?

Central Bureau of Investigation sources say there are substantial indications that the sting operation which showed Mr Dilip Singh Judeo accepting money on camera was the handiwork of Congress leaders in which Chhattisgarh chief minister's son, Mr Amit Jogi, played a principal role.

Besides an e-mail purportedly written by Mr Amit Jogi to a friend that is in The Statesman's possession, in which Mr Jogi refers to the successful completion of a "Tehelka-like mission" on 24 August, a CBI source said there were clear indications that a core team of the chief minister's son could be involved in the case.

"We are still trying to identify all of them (team members)," an official said, pointing out that the person who handed over the money to Mr Judeo had used a fictitious name, Rahul, and Delhi-registered mobile phone. The room at the five-star hotel in central Delhi where 'Rahul' played host to Mr Judeo and paid the money also was booked under a fictitious name.

A senior official said there were two sets of people who appeared to have figured in the operation. The first knew exactly what was happening and

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were the ones who were involved in the planning; the other group had a role to play but may not have really known what they were up to, he explained, pointing out that the putative conspiracy was hatched reportedly not only in Raipur but also at "a central Delhi office of Amit's friends".

Inquires by the agency have, however, suggested that chief minister Mr Ajit Jogi may not have been in the picture when the sting operation was still in the planning stage. E-mail records accessed by investigators have already made clear that Mr Jogi's camp was digging for dirt that would stick on Mr Judeo.

Congress leaders were quick to dismiss the allegations, with one of them accusing the Centre and the BJP of resorting to "dirty tricks to spin rumours as a diversionary tactic". Asked for his reaction, the Congress spokesman, Mr Anand Sharma, refused to comment, saying the party would only react when the CBI comes out with "an official statement". "We hope the Central government, the CBI and others will not get involved in this political battle," Mr Sharma said.

The BJP, on the other hand, alleged that the Congress had evolved a technique of "defame and rule" but refused to say why — even if what the CBI suggests is true — the minister accepted the bribe.

CAT paper leaked, exam cancelled

By Anita Joshua

ND-1 24/11

NEW DELHI, NOV. 23. For the first time in the 42-year-old history of the premier Indian Institutes of Management (IIMs), its Common Admission Test (CAT) for the MBA programme was cancelled today after the Central Bureau of Investigation nabbed four touts leaking the question paper here a few hours ahead of the examination in 26 cities across the country.

Though the CBI nabbed the foursome — “all MBBS doctors from Bihar” — in the wee hours of this morning, a decision on the fate of the examination was taken much later as the seized question papers had to be tallied with what was distributed to the candidates. This could be done only after the sealed bundle of question papers was opened at the designated hour at various examination centres. Since the process of tallying took a while, officials decided against disrupting the examination midway, and the cancellation was announced late in the afternoon.

The paper leakage came to light after the CBI — acting on a tip-off that a gang was leaking papers of various all-India level competitive examinations — conducted a surprise raid on a hotel near Mahipalpur on the Delhi-Gurgaon road. Four candidates were found in the company of four touts with a copy each of the question paper and answer sheet for today's CAT examination.

Investigations revealed that the touts charged Rs. 2.4 lakhs from each student for showing them the paper. Their modus operandi was to approach candidates ahead of the examination with the promise of showing them the paper in advance. The candidates who bit the bait were asked to gather at a guest house/hotel on the eve of the examination. They would be shown the paper and to ensure that the candidates did not pass on the information, the students were allowed to leave the premises only in the morning when there was just enough time for them to reach their respective examination centres. And, to ensure against dummy candidates, the touts entertained only students with valid admission cards.

The four touts — said to be led by Ranjit Singh who was among those arrested today — are suspected to be part of an organised gang having a nationwide network with stakes running into several crores of rupees.

Questions for a price, CAT cancelled

Statesman News Service

NEW DELHI, Nov. 23. — The Common Admission Test (CAT) for IIMs and other premier management institutes of the country was cancelled today after the CBI busted a racket involved in leaking the CAT question papers.

While the CBI arrested four touts, including three doctors from Bihar in Delhi, Maharashtra police arrested five persons, including a girl, in Pune for

selling leaked papers to candidates.

Union HRD minister Dr. Manohar Joshi ordered the cancellation of the test held this morning in which more than a lakh students appeared across the country and ordered a ministerial probe into the scandal.

The multi-crore racket also involves leaking of question papers of other national-level competitive tests like that of CBSE pre-medical entrance and bank PO.

The CBI unearthed the racket

last evening when acting on a tip-off from Patna, the agency conducted a raid at a hotel near Mahipalpur on the Delhi-Gurgaon road. From the four persons arrested, the CBI recovered a copy of the question paper meant for today's CAT exam along with the answer script. Four candidates were accompanying the touts. The scamsters had demanded Rs 2-4 lakh from each candidate for leaking the CAT question paper.

The CBI confirmed that the

question paper recovered, completely tallied with the copy of today's exam. The agency suspects the arrested touts to be a part of a country-wide organised gang. Apart from registering a case against them, the agency also raided five places in Patna, including some residential premises and nursing homes.

The director of IIM Ahmedabad, Mr. Bakul Dholakia, said the printing press could have been the "weak link" in an otherwise fool-proof CAT exam

mechanism. The CAT committee will meet in a few days to deliberate on re-examination.

The CBI said the kingpin of the racket is Ranjit Singh, a resident of Bihar, who owns a Mumbai-based pharmaceutical company. As part of their modus operandi, the scamsters would approach prospective candidates and get them checked in some hotel on the test eve. They would then supply the leaked question paper along with the answers.

Another report on page 4

Racket rules

■ The multi-crore racket also involves leaking of question papers of other national-level competitive tests like that of CBSE pre-medical entrance and bank PO

■ Acting on a tip-off from Patna, CBI officials raided a hotel near Mahipalpur on the Delhi-Gurgaon road. Four touts with a copy of the question paper meant for CAT were caught. The scamsters had demanded Rs 2-4 lakh from each candidate for leaking the question paper to them.

THE STATESMAN

24 NOV 2003

Sensitive machinery in good order sold: Finance Ministry

By Our Special Correspondent

NEW DELHI, NOV. 23. Irregularities and inadequate security precautions at the Indian Security Press (ISP) at Nashik in Maharashtra are suspected by the Union Government to be important factors in the large-scale multi-crore fake stamp paper racket unearthed in several States in the country.

The Finance Ministry has officially admitted that "sensitive machinery" in "good order" was sold to the alleged conspirators in the racket now estimated to be running into Rs. 20,000 crores. The Government has said that the normal precaution of destroying sensitive dyes before selling the machinery was not taken.

The Finance Ministry, under whose control and supervision the security presses function, was first alerted on a widespread and well-organised crime syndicate in fake stamp papers worth thousands of crores of rupees when a report was presented to it by the Karnataka Special Investigation Team (SIT) in January this year.

However, information about the forgery

of stamp papers was officially given at a meeting by the Karnataka Government as early as in November 2000 and a working group on non-judicial stamp paper was set up in February 2001. Its report was made available in December 2002 and approved by the Finance Ministry in February this year.

The Finance Ministry has confirmed that a crime syndicate in fake stamp papers did exist and with which there was active connivance of certain officials of the security press at Nashik. These officials were found to have disposed of sensitive machinery in good order, after terming them as condemned, and without dismantling them. Three such machines were sold between March and April 1998.

Besides, these officials had parted with sensitive dyes, negatives of stamps and technologies for printing to the conspirators. There were also lapses in maintaining proper records and supervisory measures pertaining to materials entering or leaving the factory premises.

In March this year, the Finance Ministry first transferred Ganga Prakash, the General Manager of the ISP, and subsequently placed him under suspension. In August, orders were passed for his summary dismissal. Also, two other officials were placed under suspension and three Deputy General Managers transferred from the ISP. Action was also initiated against five retired officials under the Pension Rules.

The security system at the Nashik press has also been upgraded. All departmental security personnel have been removed from the outer-periphery work and the Central Industrial Security Force (CISF) personnel have been inducted in their place.

The Finance Ministry has also approved a second phase induction of the CISF, but the CISF was yet to place personnel there. It seems that only now instructions have been issued that disposal of old machinery from security presses should be done only after dismantling and crushing them in the presence of responsible officers and then selling the machinery as scrap.

Corruption makes a political comeback

SNS AND AGENCIES

NEW DELHI/INDORE/AMBIKAPUR, Nov. 22. — Smarting under the Congress offensive on corruption in the BJP via the Judeo affair and the alleged PSU scam, the Deputy Prime Minister today resurrected the Bofors bogey while the Prime Minister reiterated his demand for Mr Ajit Jogi's resignation.

On another front, BJP president Mr Venkaiah Naidu accused the chief ministers of Rajasthan, Madhya Pradesh and Chhattisgarh (all Congress) of lowering the level of campaign and raised the foreign origins of Mrs Sonia Gandhi. (Former Prime Minister Mr Chandra Shekhar too joined in, saying there was "global unanimity" that no person of foreign origin should be allowed to lead a country, adds PTI from Ballia.)

"Will the people forget the corruption of Quattrochhi?" Mr LK Advani asked at a press conference in Indore before embarking on a poll campaign in Khandwa, Khargone and Ujjain districts. He was referring to Italian businessman Ottavio Quattrochhi, accused in the Bofors pay-off case and said to be close to the Gandhi family. Taking a dig at the Congress, Mr Advani said Jayaprakash Narayan had described the Congress as "the fountainhead of corruption. That party is levelling charges of corruption against the BJP, which had joined hands with other parties in the 1970s to fight corruption."

He defended Mr Dilip Singh Judeo, saying the Chhattisgarh leader had voluntarily resigned and asked for a CBI probe into the bribery charges.

In Ambikapur, Chhattisgarh, Mr Vajpayee demanded the chief



5/11 *22/11*

The BJP, stung to the quick by a succession of corruption charges against party leaders and allies, hit back today with both the PM and his deputy upping the ante on the Congress, "the fountainhead of corruption", and the BJP president raising Sonia's foreign origin

minister's resignation in the wake of the chargesheet filed by CBI against him in a forgery case. "Jogi should have resigned and faced the charges. But the charge-sheeted chief minister is still in office."

CVC denies, PM hits back

In the midst of the controversy over his meeting with the Prime Minister, central vigilance commissioner Mr P Shankar today said he had not named any minister as having "milked" PSUs. He said he had only spoken of subjects such as interference, decision-making in PSUs and autonomy for executives. Following the CVC denial, the Prime Minister described as "baseless" the Congress allegation against the six Union ministers and demanded an apology from the party.

'Badal & Co. worth Rs 4,326 cr

STATESMAN NEWS SERVICE

CHANDIGARH, Nov. 22. — Estimating the value of properties of former chief minister Mr Parkash Singh Badal, his wife, son and close friends at Rs 4,326 crore in India and abroad, Punjab Vigilance Bureau today filed a chargesheet in a Ropar court accusing them of having "created assets" of Rs 78.39 crore during the tenure of the Akali Dal-BJP government in 1997-2002.

The market value of their entire assets — including those that's still being probed — is pegged at Rs 4,326 crore. The chargesheet, filed in the court of district and sessions judge Mr Inderjeet Singh, said the inland assets were worth Rs 501 crore and the overseas assets Rs 3,825 crore.

The chargesheet was referred to special judge Mr SK Goyal, who issued summons to Mr Badal and three others for 1 December. The other three are Mr Badal's wife Surinder, son Sukhbir and Narrottam Singh Dhillon (an NRI relative of the family).

The other two accused named in the chargesheet — Harbans Lal, a manager of the Badal family, and Jagnandan Singh, their associate — are in judicial custody, which ends on 1 December.

Chief director of vigilance Mr AP Pandey said Mr Badal had claimed that he had made investments of around Rs 54 crore. But the probe revealed that his investments were to the tune of Rs 132 crore.

Terming the chargesheet as "a bundle of lies", Mr Badal said in Moga that the "drama" was enacted at the behest of the Congress high command, PTI adds.

His son Mr Sukhbir Badal, Rajya Sabha member, said his family was prepared to face "any probe" by any agency.

CVC denies naming any Minister

By Our Special Correspondent

NEW DELHI, NOV. 22. The controversy over the alleged corruption in the public sector undertakings (PSUs) took a dramatic turn today with the Chief Vigilance Commissioner, P. Shankar, denying that he had named any Union Minister during his meeting with the Prime Minister, Atal Bihari Vajpayee, several weeks ago.

Mr. Shankar's denial was promptly followed by the Bharatiya Janata Party president, Venkaiah Naidu, demanding that "the Congress party apologise to the President, the Union Ministers concerned, the Bharatiya Janata Party and the people," for levelling baseless charges and taking the "totally false" matter to the President, A.P.J. Abdul Kalam.

In an interview to PTI and some television channels, Mr. Shankar said he had made "no complaints to the Prime Minister, orally or in writing." He de-

scribed news reports on the issue as "total lies" and added that in his discussion with Mr. Vajpayee he talked of some issues related to investigation on which there were misgivings. He also discussed "decision-making in the PSUs," interference in their affairs, autonomy for executives and the question of "bringing about corporate governance in PSUs."

Mr. Shankar is reported to have said: "I am not a 'lok pal' or a 'lok ayukt' to complain

about people... our job is to monitor the functioning, not to lodge complaints... I do not know why such rumours or cards are spread." The CVC said he had been quoted to have allegedly named Ministers such as the Law and Commerce Minister, Arun Jaitley, and the Petroleum Minister, Ram Naik. "These [allegations] were wild, baseless and totally absurd."

He said he had worked under Mr. Naik and he would not have made such a complaint against

him. He had hoped that after the Prime Minister's denial of the allegation last week, the matter would be buried, but it was unfortunate that the issue was continuing to be discussed.

The so-called "scandal" surfaced in newspapers three weeks ago. The allegation was that Mr. Shankar had met Mr. Vajpayee and mentioned that several PSU chiefs had been approached by the Ministers concerned for personal and undue favours, including money for party funds.

The PSUs under the control of several BJP Ministers as well as those of allied parties were mentioned in the reports.

More recently, a Congress delegation met Mr. Kalam and gave him a representation asking that the matter be inquired into.

The Opposition demanded a parliamentary probe into the matter.

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CBI traces duo in Judeo scam

DALIP SINGH

New Delhi, Nov. 22: The CBI has identified the man who cost Dilip Singh Judeo his crown as Rahul Suroagi, a businessman with interests in Chhattisgarh.

A week ago, the former junior environment minister was caught on video CD accepting a bundle of notes from one Rahul — who introduced himself as a representative of an Australian firm — in return for a mining lease. Judeo had to step down after the scandal erupted.

Sources said though they were definite that Suroagi was the man's surname, they were yet to verify whether his first name was Rahul or it was an alias for a sting operation. But they were certain he belonged to

Chhattisgarh, the state Judeo comes from.

The CBI has also managed to establish that the meetings were fixed up by a businessman, one Sekhar Singh.

Judeo's additional private secretary Natwar Rataria, who was also caught on the dirt disc, has been tracked down, sources said. After *The Sunday Express* broke the story, Rataria had been on the run. The bureau traced him to Sarguja district in Chhattisgarh.

Rataria is believed to have disclosed vital information, including names and telephone numbers of two persons clued in on the goings-on behind the scenes.

The CBI has not been able to trace the duo so far. But it is optimistic about a breakthrough

next week.

Some preliminary leads point to the son of a leading Chhattisgarh politician, who sent an e-mail to a friend abroad that a Tehelka-like sting operation was being planned. The CBI has traced the message.

The son is also understood to have handed a copy of the VCD to a Delhi-based TV channel. The CBI has seized this disc as well as the edited version beamed by the channel, sources said. Both will be sent to the Central Forensic Science Laboratory to test whether they have been doctored.

Sources said the CBI has already traced the room — no. 822 — of the five-star hotel in Delhi where the video was filmed. Apart from Judeo, Rataria and Rahul, there were four others in

it. The bureau is trying to track the person who booked the room.

The CBI suspects the whole thing is a sting operation behind which there is a larger conspiracy. That the Chhattisgarh government has no record of any Australian firm approaching it for mining rights is an indication of a larger design, sources said.

Union information and broadcasting minister Ravi Shankar Prasad today jumped to Judeo's defence, alleging that Chhattisgarh chief minister Ajit Jogi "knew something more" about the episode than was disclosed by the media at the time of breaking the news. "The CBI should take the help of Jogi on the issue and the chief minister should co-operate with the agency," he said.

Abhijit Kale rubbishes graft charge

By Sanjeev Samyal
TIMES NEWS NETWORK

Mumbai: It was a home-dreamt about all his life—to be mobbed by the media on arrival. At the CST Airport, Santacruz, on Friday evening, the media was out in full force—not to greet him, but to grill him.

The script of his dreams had gone horribly wrong. In his fantasy, Kale would have been answering questions about a heroic innings, but here he was being questioned about his alleged attempt to bribe his way into the national team.

At that moment, he could well have been the most condemned cricketer in the world. "It is the most embarrassing moment of

my life," agreed Kale, who appeared to be shaken but answered all the questions hurled at him with aplomb.

He stuck to his earlier stand and refuted all allegations of his family members having met any of the selectors with offers of money. "It is a baseless allegation and I am shocked. I have always played on my merit." He rubbished rumours of his mother having met selector Kiran More in Baroda or of a deal having soured. What then was the reason for the two selectors (More and Pranob Roy) accusing him? "I am myself surprised," said Kale.

The Maharashtra Ranji Trophy player also denied that he was aware of the controversy before leaving

Samtoosh Bane



Maharashtra batsman Abhijit Kale at Mumbai airport on Friday.

for the Rajkot game, or that he had been spoken to on the subject by an MCA official before Thursday.

'Kale was eyeing a senior berth'

Kolkata: The Board of Control for Cricket in India has announced an inquiry committee headed by the chairman of the Bar Council of India, D.V. Subba Rao, to probe the Kale graft case.

In a startling revelation, BCCI chief J. Dalmiya clarified that the reported bribery offer of Rs 10 lakhs to the two senior selection committee members, Kiran More and Pranob Roy, was made by Kale to seek entry into the senior Indian team and not the India 'A' team, as reported earlier. ^{TNN}

Cong fires PSU scam salvo at six ministers

Statesman News Service

22/11
C. D. M. S. R. I. A.

NEW DELHI, Nov. 21. — If the Dilip Singh Judeo affair hasn't embarrassed the BJP enough before the 1 December Assembly polls, here is another potential scam.

Congress spokesman Mr Jaipal Reddy, quoting Andhra Pradesh-based daily *Varthaa*, today named six Union ministers who were "either mixed up with chairpersons of PSUs or were putting pressure on the heads of PSUs to extract undue favours". This act of the Union ministers had reportedly prompted the CVC to take up the matter with the Prime Minister and the Cabinet secretary.

One of the six ministers, Mr Arun Jaitley, slapped a legal notice on the daily for allegedly defaming him.

Besides Mr Jaitley (law, commerce and industry), the other ministers are Mr Ram Naik (petroleum and natural gas), Mr Karia Munda (coal), Mr Anand Geete (power), Mr Subodh Mohite Patel (heavy industries) and Mr Braj Kishore Tripathi (steel). Mr Tripathi is from the BJD, while Mr Geete and Mr Patel are from the Shiv Sena. The rest are from the BJP.

Mr Reddy circulated copies of today's edition of *Varthaa* that carried the report at the press conference. The Congress is not just endorsing the report, "we've our own detailed information about it", he said. He demanded the resignation of the ministers, or else they could try to withhold evidence. A Congress delegation also called on the President, seeking a parliamentary probe into the matter.

Mr Reddy said the memorandum the Congress delegation handed over to the President didn't name the ministers "because we didn't have the full details then". But the team members "did indeed bring to the President's attention the report in the Andhra daily." He claimed that his party now had all the details, including the names of the PSUs — "MMTC, STC, BHEL, Coal India, ONGC, IOC, GAIL and NHPC".

A national daily had recently reported that the CVC had taken up the issue of six ministers "putting pressure" on the PSUs with the Prime Minister and the Cabinet secretary. The Prime Minister had stated that the CVC had "not named any ministers". Today, Mr Reddy quoted the Andhra daily as having reported that the CVC "has not contradicted the report".

The BJP denied the Congress allegation, saying it was aimed at deflecting attention from real issues in the four poll-bound states. The Congress is trying to act as an extra-constitutional body, Mr Mukhtar Abbas Naqvi said.

CBI begins probe into Judeo tape

Statesman News Service

NEW DELHI, Nov. 20. — The CBI today started its probe into the video tape purportedly showing former minister of state Dilip Singh Judeo taking money from a person in a five star hotel.

The CBI also seized the records of the five-star hotel where the entire episode was said to have been shot. In the tape a representative of an Australian company was shown giving money to Mr Judeo.

CBI officers today went to the five-star hotel and took the name and the address of the person who had booked Room No 822, where the former minister was caught on camera allegedly accepting money. The investigating agency is verifying the address of the person who booked the room. It would question the person to find the actual purpose behind the entire episode. Preliminary questioning of the hotel waiter revealed that there were seven persons present in the room when the 'deal' was struck. The CBI also got a copy of videotape which the agency has sent for examination at the Centre for Forensic and Scientific Laboratory. A CBI team is also leaving for Chhattisgarh tomorrow to question some more people there and to find the 'missing links' in the entire episode.

IAF officers chargesheeted: The CBI today chargesheeted three Air Force officers — Air Vice-Marshal (retd)

Stamp scam

NEW DELHI, Nov. 20. — In an attempt to confront the BJP campaign charge that the Congress state governments were not allowing the CBI to probe the Telgi scandal, the AICC today alleged that the CBI itself had informed the Mumbai High Court, through the additional solicitor general, that it should not be asked to investigate the scandal. The party spokesman, Mr Anand Sharma, while charging the Deputy Prime Minister, Mr LK Advani, and senior BJP leaders "with a deliberate attempt to mislead the people", said the CBI had expressed its unwillingness to probe the scandal saying it was spread over too many states and that the state governments' agencies were already conducting a 'sufficient' investigation into the scam. He read out from the HC order: "On behalf of the CBI, the learned additional solicitor general stated that he has received a D.O letter from the CBI stating that the investigation should not be ordered to be conducted by the CBI". — SNS

JS Kumar, Sergeant KC Saini, Wing Commander (retd) YS Tomar for indulging in anti-national activities. According to the charge-sheet filed under the Prevention of Corruption Act, and another complaint filed under the Official Secrets Act, the officers were giving out secret and sensitive information from the Air Force HQ connected with various Air Force contracts and other vital information.

Telgi ripple in Delhi corridor

JAYANTA ROY CHOWDHURY

New Delhi, Nov. 19: Worried that the CBI may come calling chasing leads in the stamp paper scam, finance ministry top brass today held a meeting to take stock of the Rs 3,000-crore scandal and its explosive fallout.

Nashik's government press, from where Abdul Karim Telgi obtained dyes and other material used in forging judicial stamp paper, is under the control of the finance ministry's coins and currency division. Questions have been raised how Telgi penetrated the establishment and whether Delhi-based ministry officials had colluded with him.

Ministry officials insisted that the scam was confined to the state level, mainly Maharashtra and Karnataka, and that managers at the Nashik press could have a role.

Security agency sources,

however, do not rule out the involvement of officials in Delhi. Late last year, finance minister Jaswant Singh had carried out a reshuffle in the division.

The officials said the meeting discussed the revenue loss to the government from the scam. The ministry is also concerned about security at Nashik and other coin and currency minting and printing units.

Telgi had used printing machines junked by the press to perpetrate what is being called the biggest scam in modern India. The presses, it is alleged, were in good condition and he had used his influence with officials in Nashik to have them discarded.

Besides buying printing machinery, Telgi is also believed to have bribed employees into selling him negatives and positives to print the fake stationery.

■ See Page 8

Mafia-Telgi link possible: CBI

11-20-11
corruption

Agency probing fallout on security

New Delhi: The Central Bureau of Investigation does not rule out a link between the Indian underworld based in Dubai and the fake stamp paper scam, CBI director P.C. Sharma said on Wednesday, adding that the agency was also looking into the ramifications of the scandal from the national security angle.

He also said that the money involved in the scam could be "much more" than the Rs 39,000 crore already estimated.

"As far as our cases (in the stamp scam are concerned)...so far, there is no such linkage, but we cannot rule (that) out because a man who is doing it in such a large way, who was connected to all kinds of people, be it underworld or over the ground...it is just possible," he said.

Sounding a note of caution on its ramification vis-a-vis national security, he said, "In fact, when you look into these kind of cases, it is important that you must look into the security aspect of the cases—whether, apart from being a money-spinning exercise, it is having an impact on security. It is a very important issue."

He made it clear that the CBI would not be able to probe the scam in Maharashtra and Karnataka unless the governments concerned sought its assistance. "But we can investigate any of the accused or persons if they figure in our cases."

The CBI has registered three cases in Andhra Pradesh, Delhi and Gujarat and the links of scamster Abdul Karim Telgi have figured in the Ahmedabad case very prominently. The CBI has already secured a production warrant against Telgi in connection with the case registered in Ahmedabad. A CBI court in Ahmedabad issued the production warrant on Tuesday evening asking

Finmin goes into huddle

New Delhi: Top finance ministry officials met on Wednesday to discuss follow-up measures in the Rs 39,000 crore Telgi stamp paper scam involving top officials and politicians in several states.

The officials were tight-lipped on the deliberations, which lasted for about an hour, describing it as an "internal meeting".

Finance secretary D.C. Gupta had earlier said the government was contemplating incorporating more security features in stamp papers besides amendments to stamp paper laws.

The meeting is understood to have discussed measures to investigate the possible involvement of income tax officials as well. CBDT chairman P.L. Singh and joint secretary U.K. Sinha were among those who attended the meet. PTI

the authorities to produce him on or before January 7 in the court.

The CBI will now get in touch with the authorities in Karnataka, where Telgi is lodged in judicial custody, and produce him in the designated court to seek his remand.

Meanwhile, Maharashtra governor Mohammed Fazal said on Wednesday that he had written to chief minister Sushilkumar Shinde, on November 10 suggesting that it was "advisable" to hand the probe to the CBI to "clear public perception". He told newsmen in Mumbai that he had not received any reply from the chief minister so far. PTI

CBI registers preliminary enquiry in Judev case

By Our Special Correspondent

NEW DELHI, NOV. 18. The Central Bureau of Investigation (CBI) has registered a Preliminary Enquiry (PE) regarding the controversial allegations showing the Union Minister of State for Environment and Forests, Dilip Singh Judev, on a video CD accepting cash. The 'expose' by a national daily led to the resignation of the Minister.

According to a brief communication to the agency by the Cabinet Secretariat, the CBI would look into all aspects of the allegations. A CBI spokesman said the agency would probe whether the video CD was doctored or fabricated, how many persons were shown in it and if the Minister was involved in the 'bribery' incident.

The communication to the CBI also appended a few news-

paper clippings, asking the agency to probe the affair from all angles. It would be the second high-profile case from the new State of Chhattisgarh - the first being against the Chief Minister, Ajit Jogi, in which the agency recently filed a chargesheet in a Delhi court.

Sources said experts of the Central Forensic Science Laboratory would look into the VCD's authenticity.

THE HINDU

19 NOV 2003

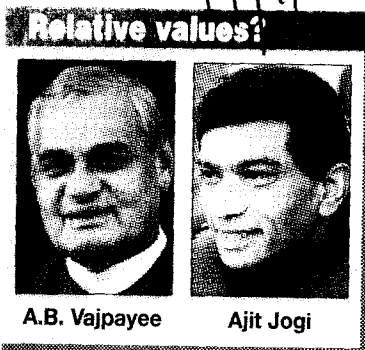
PM targets Jogi to fight Judeo fire

TIMES NEWS NETWORK

Bikaner\New Delhi: Prime Minister Atal Bihari Vajpayee on Tuesday asked Chhattisgarh chief minister Ajit Jogi to step down as BJP leader Dilip Singh Judeo had done and told the Congress there could be no double standards in dealing with corruption in public life.

Addressing an election meeting in Bikaner in Rajasthan, Mr Vajpayee said Mr Judeo had quit as Union minister of state for environment and forests soon after the allegations of bribery had surfaced against him and there should be no different standard for Mr Jogi, who has been accused in a forgery case.

"Why should the standards which apply to Mr Judeo not be applicable to the Chhattisgarh chief minister?" he said. "There is a chargesheet against Mr Jogi. He should not only resign but the case against him should go on. Why should the policy be different in Mr Jogi's case? This is a question I ask (Congress president)



Sonia Gandhi," he said.

Rejecting the Prime Minister's demand, the Congress cited a Delhi court order exempting Mr Jogi from personal appearance in the alleged forgery case. "Even the court has given Mr Jogi exemption until January 15. We in the Congress do not interfere in judicial pronouncements," party general secretary Ambika Soni told reporters when asked about Mr Vajpayee's demand.

Meanwhile, the anti-corruption

unit of the CBI has decided to collect the CD catching Mr Judeo in the bribe-taking act and examine it forensically to ascertain its authenticity. Responding to a communication from the cabinet secretariat, the investigating agency on Tuesday registered an inquiry and, as the first step, moved to collect the available evidence.

"To begin with, we will collect the tape shown on television channels and newspaper reports. A forensic test is called for," a CBI official said. This will be followed by the identification of the other persons on the video CD and their voice test.

After the completion of this standard procedure, the question of interrogating Mr Judeo will be considered. CBI sources indicated that there was no immediate possibility of grilling him. Asked if any other prominent politician would be probed for his possible role in the scandal, a CBI source said it would depend on the course of inquiry.

SC SAYS FAILURE OF JUSTICE, TRANSFERS CASES TO KARNATAKA

Jaya graft cases cross the Cauvery

Our Legal Correspondent

NEW DELHI, Nov. 18. — In a major setback to the Tamil Nadu chief minister, Ms Jayalalitha, the Supreme Court (coram, Variava, Sema, JJ) today transferred trial of two disproportionate assets cases against her to neighbouring Karnataka across the Cauvery, as it were, and asked her to be personally present in court when called upon to do so.

"There is strong indication that the process of justice is being subverted....Justice should not only be done but it should be seen to have been done. If criminal trial is not free and fair and not free from bias, judicial fairness and the criminal justice system would be at stake shaking the confidence of the public in the system...." the court said in its judgment.

The apex court directed Karnataka to constitute a special court under the Prevention of Corruption Act, 1988, in Bangalore within a

Best Bakery



"The petitioner has raised many justifiable and reasonable apprehensions of miscarriage of justice and likelihood of bias, which would require our interference in exercise of our power under Section 406, CrPC," the court said justifying the transfer of the case outside the state, in a statement that legal experts said, could have a significant bearing on the Best Bakery case. The NHRC has sought transfer of the case for trial outside Gujarat.

month in consultation with the Chief Justice of the state for this purpose. "...Trial before the special judge will commence as soon as possible and will then proceed from day-to-day till completion," the court said.

The court asked Karnataka to appoint in consultation with the Chief Justice of the state a senior

lawyer with experience in criminal trials as public prosecutor (PP) to conduct these cases. He shall have the liberty to recall all witnesses, declare any of them hostile and proceed against some or all for perjury, the court noted. The petitioner, DMK MP, Mr K Anbazhagan, had alleged that the public prosecutor was hand in glove with the Jayalalitha government.

"It does appear that the new public prosecutor is hand in glove with the accused thereby creating a reasonable apprehension of likelihood of failure of justice in the minds of the public at large," the court said, noting that of the 76 witnesses recalled by the PP, 64 had turned hostile.

The apex court also frowned upon the exemption granted to the chief minister from personal appearance on grounds of ill-health and asked all accused in the case, including Miss Jayalalitha, to be present in court when asked to do so for recording their statements under Section 313, CrPC.

TUESDAY, NOVEMBER 18, 2003

CORRUPTION ON CAMERA

IN THE FACE of another Tehelka-type exposé, Prime Minister Atal Bihari Vajpayee has done the right thing in obtaining the resignation of the Union Minister of State for Environment and Forests, Dilip Singh Judev, without taking cover behind the need to complete a full-edged inquiry. The video compact disc released by *The Indian Express* showed Mr. Judev accepting cash from persons who claimed they needed help in getting mining contracts in Chhattisgarh. The Bharatiya Janata Party, worried about the impact of the exposé in Chhattisgarh where Mr. Judev would have been its chief ministerial candidate, quickly went into denial mode, terming the VCD "doctored and fabricated". However, the Prime Minister, brushing aside petty electoral considerations, made it clear that Mr. Judev would have to go "if found guilty". Pending the authentication of the VCD and the completion of a probe, it was imperative that Mr. Judev stepped down as Minister. Mere counter-charges about the doctored images and accusations against Mr. Judev's political rival, the Chhattisgarh Chief Minister, Ajit Jogi, would not have been enough at this stage. With nothing to show that the VCD was doctored, there was only one course available to Mr. Judev — resignation.

While the Prime Minister did well to act quickly to limit the damage and not erode the people's confidence in the system of public accountability, the same cannot be said of Mr. Judev or the BJP. Mr. Judev's denials failed to carry conviction. Without giving any convincing reason for doubting the authenticity of the VCD, Mr. Judev and his party sought to reduce the exposé to the political machinations of Mr. Jogi. They could not go beyond making a political point of referring to Mr. Jogi's involvement in a forgery-related case. While the Assembly election in Chhattisgarh might have something to do with the video trapping of Mr. Judev, this

by itself does not detract from the authenticity of the VCD. *The Indian Express* acknowledges that it received the VCD but does not say it carried out the sting. There is thus some room for speculation that the authors of the video trap might have had political motives. However, the question is whether Mr. Judev accepted cash in return for promising help in the grant of mining rights. The charges against Mr. Jogi or the motives of those who laid the trap for Mr. Judev are not relevant to the issue.

More importantly, the exposé must be commended as yet another instance of the role of the media in keeping a sharp investigative eye on the political establishment and acting as a watchdog of the public interest. Coming after *L'affaire Tehelka*, the *Express* VCD is a timely reminder of the prevalence of corruption in high places. At one level it merely confirms what is well known: deals with the government are fixed with money. But the use of hidden cameras in capturing images of money changing hands brings home the truth incontrovertibly and powerfully. Such methods have now become necessary to ensure transparency in the functioning of the elected representatives. Politicians can no longer get away by rubbishing the media and blaming their rivals when allegations of wrongdoing surface. They now need to demolish the authenticity of their own images caught on camera for all to see. However, the larger issue, which is linked to political corruption, is the public funding of elections. Unless there is greater transparency in the funding of election campaigns, it will be impossible to check the use of unaccounted money in the conduct of politics. Hidden cameras might catch one or a few politicians taking bribes but the malaise is systemic. It will take much more than a sting operation to put an end to corruption in high places but the sting itself makes this plain for everyone to see.

THE HINDU

18 NOV 2003

Jogi assails Centre for not seeking Judev's resignation

RAIPUR, NOV. 16. The Chhattisgarh Chief Minister, Ajit Jogi, today assailed the Centre and the BJP for not seeking the resignation of the Union Minister of State for Environment and Forests, Dilip Singh Judev, for allegedly taking bribe, because he belonged to a "royal family".

At a press conference here, he said he would move court for defamation against the BJP for levelling "baseless charges and falsehoods" that he was behind the taping of the episode in which Mr. Judev was involved.

"The Centre promptly filed a CBI case against me because I had only written a letter to the Prime Minister that the IB was trying to implicate me. They were also in asking for the resignation of the former BJP president, Bangaru Laxman, for a much lower amount [of alleged bribe].

"But so far, nothing has been done in the

spokesman, Rajendra Tiwari, said here that the corruption allegation against the Union Minister had affected the image of the State.

"Because of Judev, over two crore people of the State are ashamed." — PTI

BJP's stand

UNI reports from Hyderabad: The BJP president, M. Venkaiah Naidu, today alleged that the expose on Mr. Judev accepting bribe was a "creation" of the Congress.

When newsmen pressed him to comment on the episode further, Mr. Naidu parried questions stating that he was yet to go through the purported video CD that showed Mr. Judev accepting the bribe.

"It is not proper to comment without having full knowledge of the incident," he said.

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PAPER CHASE

IT WAS ALWAYS evident that the stamp paper scam could have taken place only with the existence of massive official collusion. There was no other way that such a brazen and extensive operation of printing and selling fake judicial stationery could have operated virtually unhindered for over a decade. It is no secret that the mastermind behind the scam, Abdul Karim Telgi, had influential friends within the corridors of power. To many, the recent developments in Maharashtra — where the stamp scam has taken a sensational twist with the arrest of Mumbai's Joint Commissioner of Police and the questioning of its Commissioner of Police — will seem like further evidence of the powerful patronage he enjoyed. Of the scores of people already arrested in this connection are two State legislators (from Maharashtra and Andhra Pradesh) and a few other police officials. Karnataka's Special Investigating Team, which in many ways has been in the forefront of the investigations into the nationwide racket, estimates that the amount of fake stamp paper seized by police in different States is worth over Rs. 3,000 crores. Astonishingly, this appears to be the proverbial tip of the iceberg. With almost every passing month, some evidence emerges to suggest that the web of forgery and deceit spun by Telgi was wider and more insidious than earlier believed.

The initial revelations about Telgi's network and influence in Maharashtra came from the Karnataka police, who arrested the scamster in late 2001. The police claimed they possessed tapes of Telgi's telephone conversations with police officials in Maharashtra. Suspicions that the Maharashtra administration was dragging its feet over the stamp paper scam case acquired a ring of truth when a senior State police official cast serious doubts about the manner in which the investigations into the case were handled.

However, the events that led to the Mumbai Police Commissioner proceeding on leave and his deputy being remanded to judicial custody are the result of a public interest litigation filed only a few months ago to identify and set right the lapses in the investigations into the scam. Without the intervention of the Bombay High Court, which demanded and received a report on these lapses, the matter might not have proceeded as far as this.

The Maharashtra Government is not the only State administration that has been accused of attempting to soft-pedal, even derail, the investigation into the scam. Similar charges have been levelled against the Andhra Pradesh Government. Given the existence of such allegations and the fact that the scam has inter-State ramifications (more than 10 States have been affected), the case for handing over the matter to the Central Bureau of Investigation cannot be summarily ignored or dismissed. The need for a centralised investigative process may become even greater if there is proof of Telgi's links with mafia don Dawood Ibrahim. However, the evidence marshalled to support this allegation thus far has been tenuous. The Deputy Prime Minister, L.K. Advani, has declared that the Centre is prepared to offer CBI assistance, but as things stand more than one State Government seems wary about bringing the investigating agency into the picture. At a more abstracted level, the scam raises the issue about why the country should rely so much on judicial stationery to conduct certain transactions. At a time when other countries have taken steps to dematerialise more and more instruments, India continues to be much too reliant on judicial paper-based transactions. The Telgi scam should serve as a wake-up call to modernise the process by which the country transacts its business, legal and related matters.

CBI to question stamp scam kingpin Telgi ^{17/11} ^{Subramaniam}

New Delhi: The Central Bureau of Investigation (CBI) is planning to seek the remand of scamster Abdul Karim Telgi in connection with the three cases registered for the alleged distribution of fake stamp papers in Andhra Pradesh, Delhi and Gujarat. Highly placed CBI sources said Telgi's role had come to the fore in the case registered by the CBI in Gujarat last year, after a kingpin, Sadiq Ibrahim, who was arrested by the agency, allegedly named Telgi as the brain behind the scam.

The sources said that the CBI would soon approach an Ahmedabad court to seek Telgi's remand in that case. The case relates to the arrests of seven people, who were allegedly selling fake non-judicial papers in Ahmedabad. During investigations, the CBI arrested some more people and recovered a stock of fake stamp papers worth Rs 8.57 crore.

The CBI has seized various bank accounts and is tracing transactions from them to beneficiaries, after it was suspected that money was allegedly routed to Telgi.

The CBI also recently registered a reg-

ular case on November 12 against three persons—Venkateshwara Rao, Ram and Subramaniam—after the Andhra Pradesh police recovered fake stamps and non-judicial papers worth Rs 1.25 lakhs. After the case was transferred to the CBI, three more persons were arrested and the agency is probing Telgi's possible role there as well, the sources said.

The CBI was looking for another associate in this case, whom the agency believes to be a link between the Andhra racket and Telgi. The agency has so far recovered fake stamp papers worth Rs 3.4 lakhs in that case.

The third case, concerning Delhi, was transferred to the CBI at the instance of the Delhi police. The CBI arrested one Narinder Singh Thakur for allegedly selling and printing fake government stamps.

During the probe, the CBI also arrested an accountant with a pharmaceutical company and an employee of a courier company and recovered fake stamp papers worth Rs 1 lakh. The case was registered by the CBI in September this year. PTI

All stamped with the same scam

SET a thief to catch a thief, or so says the maxim. But if the two join hands, the enterprise could result in a counterfeit stamp paper scam of gigantic proportions wherein the investigators themselves could be under more intensive search than the real forger.

As the special investigation team under DGP Sukhvinder Singh Puri and DIG Subodh Jaiswal - two highly respected officers of unquestionable probity - dig deeper, they find some of their own colleagues more deeply involved than the forger himself. Abdul Karim Ladsaheb Telgi, printer and sole agent of the counterfeit sheets, began his career as a vendor of government stamp paper with a valid license obtained in 1994. The scam set off on a small scale in 1995 with the Telgi-police nexus first hitting the headlines in mid 2002.

Only a crack team of SIT officers could have ably handled the case since it raised disturbing questions about the integrity of Mumbai's police commissioner, Ranjeet Singh Sharma. Sharma was allegedly unenthusiastic about delving deep into the scam though it was brought to his notice while he was commissioner in Pune by his colleague, additional commissioner Shamsuddin Miyalal Mushrif. Mushrif had named two others, assistant commissioner MC Mulani and inspector Prakash Deshmukh, as being associated with Telgi. Surprisingly, Sharma did not object to Mulani and Deshmukh investigating the scandal.

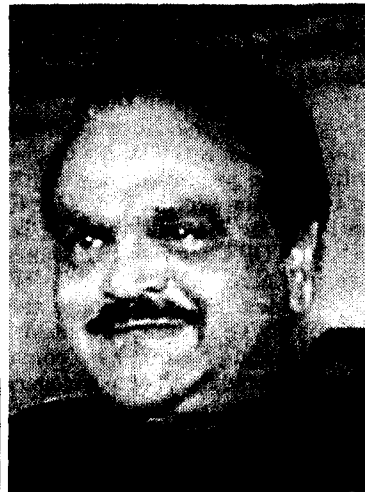
Overlooking Sharma's acts of omission and commission, deputy chief minister Chhagan Bhujbal promoted him as police commissioner, Mumbai. Even before the SIT could start probing Sharma's past, Bhujbal had declared that Sharma was clean and did not bear stains of the scam. On 12 November, the Bombay High Court apparently dismissed what Bhujbal had to say about Mumbai's top policeman and asked chief minister Sushilkumar Shinde to initiate action and also complete it by the 27th. Sharma is due for superannuation on 30 November.

Once it has cleansed the police department, the SIT could investigate the complicity of politicians. The Shiv Sena-BJP Opposition has alleged that a senior minister in the Democratic Front government had been paid Rs 20 crore by Anil Totla and Girish Chedda on behalf of Telgi at a farmhouse near Pune on the night of 29 December 2002. BJP's Nitin Gadkari, Opposition leader in the legislative council, had written to SIT chief Puri about the deal. The question was directed to home minister Bhujbal, but he is yet to answer.

The assessment of the loss to government revenue is yet to be complete. The SIT will produce its results in due course but insiders say that it could be anything above Rs 30,000 crore, considering the extent to which Telgi-manufactured stamp paper had been circulated in Maharashtra, Karnataka, Andhra Pradesh and beyond. In late 1990, the police received several complaints about shortage of stamp paper in official outlets in Mumbai. This was not taken seriously but in retrospect, the reason for the scarcity is clear: brisk sale by Telgi and his men with the connivance of the authorities.

The complaints did not lead to investigation

The Maharashtra stamp paper swindle has touched one and all — and no scandal of such proportions is possible without political backing, says NANDU R KULKARNI



ROLES FOR ALL: Abdul Karim Ladsaheb Telgi, Chhagan Bhujbal and Ranjeet Singh Sharma.

but certainly made unscrupulous police officials admire Telgi's skill at making fast buck. Some Mumbai Police officials saw a goldmine in Telgi's ingenuity; Telgi made them run around like errand boys. The complicity would not have been disclosed in the SIT's investigation but for the arrest of a key person, Dilip Kamath, some months ago. Once in custody, the assistant inspector, crime branch, booked under Maharashtra Control of Crime Act, started singing. He readily provided names of his superiors under whose orders he operated as a go-between, often shuttling by plane between the jailed Telgi in Bangalore and his masters in Mumbai. The flight expenses were, of course, paid by Telgi.

The investigation, in the face of covert resistance from within the force and indirect political pressure, got a shot in the arm three months ago when social activist Anna Hazare filed a PIL in the Bombay High Court praying for expeditious inquiry against the police officials who have been lackeys of Telgi. Once the matter became sub-judice, there was no stopping the Puri-Jaiswal duo and their team of select officers, some drawn from the district level. The biggest break came with the arrest of erstwhile joint commissioner Sridhar Sampat Vagal, an officer of the rank of inspector general.

Police top brass and the home minister were casual in their response when DIG Subodh Jaiswal compiled his findings which, for the

first time, cast aspersions on Sharma. Sharma slammed the report saying Jaiswal was too junior to investigate him. When the Jaiswal findings were submitted, a portion of it related to Sharma found place in the print media. This gave Bhujbal an opportunity to deflect the main issue who asked the then DGP, Subhash Malhotra, "to investigate how the investigation report has been leaked."

Some serving and retired cops approached social activists including Anna Hazare with a request to move the Bombay High Court. Hazare's PIL was admitted. The Court named Puri with the designation of DGP as the head of the SIT. What the commissioner had asked for was thus granted!

The SIT found that some Mumbai Police crime branch officials were in the employment of Telgi for marketing the forged stamp paper. They provided service to the best of their collective ability: from not registering any case to covering up Telgi's deeds. Of course, they were hand-

somely rewarded.

Dilip Kamath earned Rs 9,000 a month salary. But today, he is worth Rs 100 crore. Joint commissioner Vagal had once received Rs 76 lakh. These officers own properties in Lonavala and in Mumbai. Other senior inspectors held under MCOCA are Vasisht Andhale and Dattatreya Dhal. Senior police inspector Ramakant Padwal is said to be in the waiting list. Pradeep Sawant, a DCP-rank officer asso-

DIG Subodh Jaiswal compiled his findings which, for the first time, cast aspersions on Sharma. Sharma slammed the report saying Jaiswal was too junior to investigate him

ciated with the crime branch for over five years, was questioned along with Vagal. Sawant was moved out of crime branch and put on a job to collect local intelligence. He also faces action at least for looking the other way when aware of what was going on in his department.

Degeneration in the crime branch, supposed to be the eyes and ears of Mumbai Police, has been rapid under Bhujbal as home minister. He has been frequently accused of posting police officers on considerations proportionate to rank. Bhujbal has, of course, denied the allegations. But the home minister is a disturbed man ever since the SIT under the supervision of the High Court has become professionally ruthless. Barely 15 days ago, he crossed swords with the chief minister over the new DGP's appointment. The home ministry had recommended just one name - that of SM Shangari - as Bhujbal's only choice. The chief minister sat on the file asking the chief secretary to name other senior IPS officers who could also be considered. But ultimately, Bhujbal prevailed. Shinde had Kamal Kashyap in mind, but sources in the ministry say that he is too upright to secure the home minister's approval.

The situation has changed drastically after 12 November. The chief minister has pledged to galvanise the police department. And Bhujbal meekly conceded. With the belligerence gone, Bhujbal has now threatened action against commissioner Sharma if found guilty.

The 200 odd IPS officers in Maharashtra are clearly divided. The SIT's no-nonsense approach has created further divisions in the lobby of honest and efficient officers who till last month were marginalised by the authorities. Expressing his satisfaction at the SIT's performance, Shinde ruled out handing over the matter to the CBI.

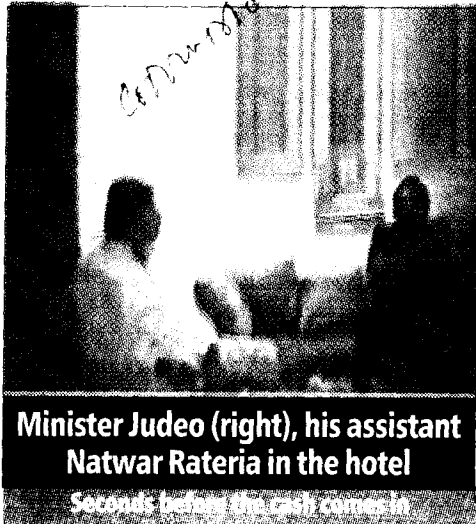
The ramifications of the scam have spread to other states as well. The Union home ministry sees a case for Central investigation. The Intelligence Bureau suspects agents from across the border to have guided Telgi. Dawood's name is being mentioned in some quarters as having met Telgi on several occasions during his pilgrimage to the Gulf. The issue is seen as a move to destabilise the Indian economy. What will be the sanctity of deeds and contracts signed on fake stamp paper?

A serious political fallout is also expected as no scandal of such proportions is possible without political backing. Within the Nationalist Congress Party, Bhujbal is still looked upon as an outsider imposed by Sharad Pawar. There have been enough complaints against Bhujbal but Pawar has always ignored them for reasons best known to him. Political observers believe that if the investigation unearths the home minister's role in protecting the police officers who in turn wanted to save Telgi, the NCP will not hesitate to isolate Bhujbal. And the man has sensed it too. In a recent outburst, he said: "I am not the only minister in the home ministry. Two junior ministers, Kripashankar Singh and Darda, also run the department... and they belong to the Congress."

(The author is the Mumbai-based Special Representative of The Statesman.)

Caught on tape: Union Minister taking cash, saying money is no less than God

The Sunday Express receives a video CD featuring Union Minister of State for Environment Dilip Singh Judeo accepting bundles of cash. From a man who claims he represents Australian mining company seeking licence rights in Chhattisgarh and Orissa



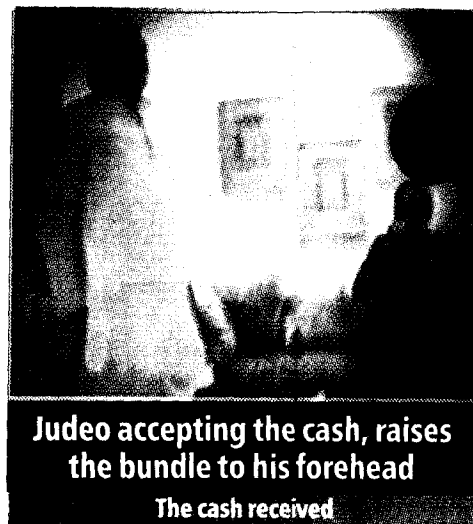
Minister Judeo (right), his assistant Natwar Rateria in the hotel

Seconds before the cash comes in



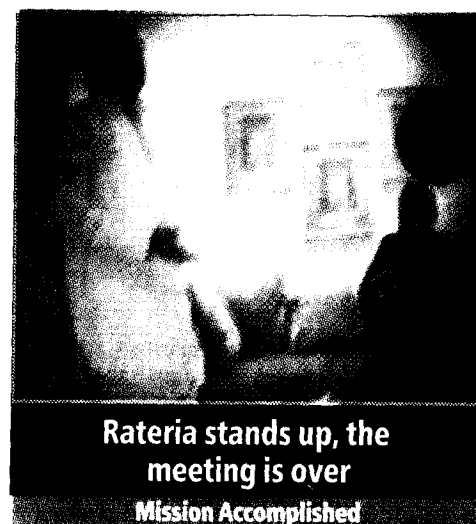
Man walks in with cash, goes to Minister, offers it

The cash



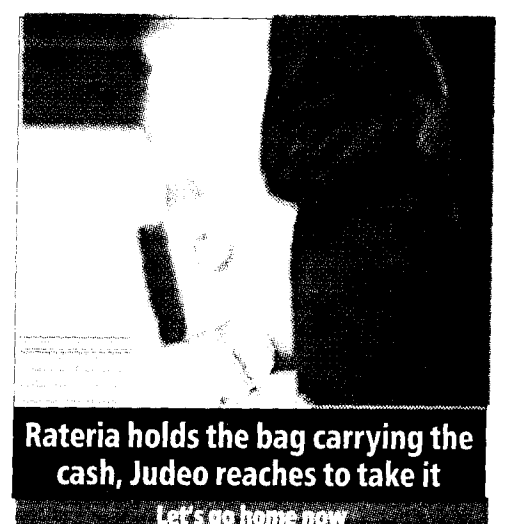
Judeo accepting the cash, raises the bundle to his forehead

The cash received



Rateria stands up, the meeting is over

Mission Accomplished



Rateria holds the bag carrying the cash, Judeo reaches to take it

Let's go home now

SONU JAIN, KAVITA CHOWDHURY & TOUFIQ RASHID, NEW DELHI | NOVEMBER 15

AS the polls draw near, the dirt has begun to fly faster and thicker. Union Minister of State for Environment Dilip Singh Judeo, considered a strong BJP Chief Ministerial candidate for Chhattisgarh, has been caught on camera accepting cash in a hotel room—if a video CD tape made available to *The Sunday Express* is to be believed. Next to him sits his assistant personal secretary

"As long as I don't see the VCD, I will contradict it," Judeo told *The Sunday Express* from Raigarh in Chhattisgarh late tonight.

When contacted, his party chief Venkaiah Naidu, speaking from Hyderabad, said: "I haven't seen it (the VCD) so I can't comment."

The CD, running for a little over 35 minutes, received at this newspaper's office, shows from the 23rd minute to the end, Judeo accepting money from a man called Rahul. This man is heard claiming to be working for an Australian mining company seeking leases in Chhattisgarh and Orissa.

The recording is in a hotel room in New Delhi—Rateria indicates it's in Delhi—with waiters coming in and out. The plausible date some-

time in the first week of November since the TV in the room is heard reporting on the Safdar Hashmi case. Also, there are several topical references to the election process in Chhattisgarh.

EXPRESS
EXCLUSIVE

Judeo is seen sitting on a sofa, next to him is Rateria who does most of the talking. The operative part of the transcript:

Fabricated by nervous Cong: BJP



Minister of State for Environment Dilip Singh Judeo: "As long as I don't see it, I will contradict it." He confirmed that he was in New Delhi on the evening of November 5.

BJP president M Venkaiah Naidu: "I am not aware of it. I have just returned from a tour of Jharkhand."

General Secretary Mukhtar Abbas Naqvi: It's doctored. We take it as a sign of nervousness in the Congress camp in anticipation of its poll rout. We had anticipated this.

bhi mukhya mantri declare kar diya hai (Even the Opposition has declared him Chief Minister)

A man walks into the frame from the left with a bundle of rupee notes. Rateria shoos him away)

Rateria: Aisa mat karo, please...aap roz roz aisa karte hain. (Don't do this, you do this every day)

Rateria accompanies the man out of the frame saying, "Idhar aa jayeeye, idhar aa jayeeye (this way, please, this way, please).

Seconds later, the man with the money returns, walks towards Judeo. And hands the bundle over to the Minister who accepts it, raises it to his forehead and then keeps it by the side on the sofa.

CONTINUED ON PAGE 2

NEW DELHI

16 NOV 2003

15 NOV 2003

Runu Ghosh

dismissed

Statesman News Service

NEW DELHI, Nov. 14. — Ms Runu Ghosh, a former director of Department of Telecommunication and close aide of former Union minister Sukh Ram, was today dismissed from service after a departmental inquiry found her guilty. She was earlier sentenced to two years rigorous imprisonment and fined Rs 50,000 for her involvement in the telecom scam in which Sukh Ram was also chargesheeted.

The CBI registered the case and she was subsequently chargesheeted for her role in the scam. According to the chargesheet, she along with Mr. Sukh Ram, entered into a criminal conspiracy with Mr P Rama Rao, managing director of Advanced Radio Masts, and conferred pecuniary advantage of Rs 1.68 crore. Advanced Radio Masts purchased 2/15 MARR systems and caused a loss to the DoT.

After the conviction, the government constituted a departmental inquiry, which found her guilty and recommended her dismissal. Ms Ghosh had also appealed against the conviction. She was posted as GM (Finance) at Ahmedabad. She will now have to relinquish her office. Her dismissal from service would also be a bar for her future employment in the government, the government order says.

Mumbai top cop goes on leave

Statesman News Service

MUMBAI, Nov. 13. — Mumbai police commissioner Mr RS Sharma today went on a leave, which Secretariat sources see as a prelude to his exit. He is due for retirement on 30 November 2003 but was pressured to opt for leave after the special investigation team in its report on the Telgi stamp paper scandal nailed him guilty on nine counts of omission and commission.

Mr Sharma, it is learnt, would like to resign rather than face ouster. The Bombay High Court yesterday asked the chief minister through advocate general Mr Goolam Vahanvati to act in Mr Sharma's case within 15 days. A copy of the SIT classified report was given to the chief minister to facilitate action.

The commissioner called upon Mr Sushilkumar Shinde at his res-

Pak hand hint

ON BOARD SPECIAL IAF AIR-CRAFT, Nov. 13. — Deputy Prime Minister Mr LK Advani today hinted at Pakistan's involvement in the fake stamp-paper scam. "Our enemies, who are trying to destabilise our country through cross-border terrorism, are also suspected to be involved in this crime," Mr Advani said, without naming Pakistan. — SNS

idence. Chief secretary Mr Ajit Nimbalkar and additional chief secretary Mr UK Mukhopadhyaya also participated in the 35-minute-long meeting. Later, Mr Sharma visited home minister Mr Chagan Bhujbal.

Mr Shinde, who received the SIT report today, is working on a total overhaul of Mumbai police. The High Court mandate to the chief minister has left the home minister, Mr Bhujbal, with little to say in the proposed changes in

the force. The two main contenders for the post are Mr PS Pasricha, additional DGP, general administration and Mr VN Deshmukh, additional DGP, commissioner state intelligence.

Joint Commissioner of Police Mr Sridhar Vagal, arrested for his alleged complicity in the racket, was today remanded in magisterial custody till 27 November.

Delhi Police held two persons today in the stamp-paper scam from the Capital outskirts. Sushant Kumar Das and Lalit Patodi were arrested for "facilitating" Abdul Karim Telgi's deals.

The BJP today demanded the Congress chief, Mrs Sonia Gandhi, ask the chief ministers of Maharashtra and Karnataka to resign on moral grounds and hand over the probe into the scandal to the CBI. The BJP will rake up the stamp scam as part of its corruption plank against the Congress in the Assembly polls.

PSUs ISSUE: SONIA FOR PROBE

CVC did not name any Minister: PM

By Our Special Correspondent

NEW DELHI, NOV. 11. A clarification by the Cabinet Secretary, Kamal Pande, notwithstanding, the Congress today demanded a parliamentary inquiry into a complaint allegedly made by the Chief Vigilance Commissioner (CVC), P. Shankar, to the Prime Minister, Atal Bihari Vajpayee, about "Union Ministers demanding money and other favours from public sector undertakings".

The issue also saw Prime Ministerial intervention today when Mr. Vajpayee told presspersons before leaving for Moscow that no Minister's name was mentioned in the discussions the CVC had with him last month. "I don't understand how such reports have appeared. The Cabinet Secretary

and the various initiatives taken in the past year. "In that meeting, the CVC also dwelt on the need to remove the misplaced fear of vigilance in the minds of senior public sector executives which often led to hesitation on their part in making decisions. The CVC delineated various measures which could be taken to build both autonomy and accountability in the functioning of the public sector undertakings (PSUs)," Mr. Pande had said in his note.

Notwithstanding the Cabinet Secretary's clarification, the Congress president, Sonia Gandhi, has written a letter to the Prime Minister demanding an immediate, independent parliamentary inquiry into the allegations made against the Ministers and also the revelation of their identities. Ms. Gandhi's letter, dated November 10, was released today.

In the letter, Ms. Gandhi said she was "shocked" to read about "interference" in the affairs of PSUs by Cabinet Ministers. "The reported misuse of the PSUs for personal or political benefits has apparently been played to such a degree that it has forced the Chief Vigilance Commissioner to personally bring the matter to your notice. Of equal concern is the fact that, even after the issue has been highlighted by the media for several days, no action seems to have been taken at your level," the letter added.

Ms. Gandhi also alleged that instead of strengthening the PSUs through professionalisation and greater autonomy, the members of the Cabinet had "apparently attempted to run them as their personal fiefdoms". She also criticised the disinvestment policy saying that the Government was keen on disposing of and privatising PSUs without a clear declared policy or parliamentary scrutiny, without any thought to strategic industries or workers' interests. At the same time, it was allowing "exploitation of those very PSUs by its Ministers". Ms. Gandhi said serious thought needed to be given to the framing of rules and regulations to protect the PSUs from ministerial interference amounting to misuse and to make such interference punishable with severe penalties.

'No differences on talks with Hurriyat'

By Our Special Correspondent

NEW DELHI, NOV. 11. The Prime Minister, Atal Bihari Vajpayee, today denied reports of "differences" within the Council of Ministers on the Centre's decision to hold talks with the Kashmiri separatist conglomerate, the All Parties Hurriyat Conference.

"There are no differences within the Council of Ministers on the issue of talks with the Hurriyat Conference. The Deputy Prime Minister, L.K. Advani, has been given the responsibility of holding parleys and on that basis the talks will take place," he told reporters at the airport here before leaving for Moscow.

has already given his clarification and after that everything is clear. No Ministers were named in the discussions," he said.

Mr. Pande, who was also present at the meeting, issued a clarification on Monday that at no point did Mr. Shankar mention any name or make any allegation against any Central Minister. He said the CVC briefed the Prime Minister last month on the completion of one year of the reconstituted Central Vigilance Commission

12 NOV 2003

12 NOV 2003

THE HINDU

PM Denies Involvement, Says No Minister Named

Sonia asks Atal to come clean on CVC allegations

Our Political Bureau
NEW DELHI 11 NOVEMBER

THE CVC complaint to Prime Minister Atal Behari Vajpayee about ministers seeking favours from PSUs appeared to be snowballing into a major controversy with Congress president Sonia Gandhi seizing on it and asking Mr Vajpayee to come clean on the issue.

The Congress attack, clearly with the intention of using it for the Assembly elections campaign, came despite Mr Vajpayee's denial on Tuesday.

Before explaining for Moscow on a three-nation tour, Mr Vajpayee told reporters that chief vigilance

commissioner P. Shankar had not made any mention about any central minister seeking undue favours from any PSU. "No name of any minister figured during the meeting I had with the CVC and the Cabinet secretary," Mr Vajpayee said.

Expressing surprise at the media reports, Mr Vajpayee maintained that the Cabinet secretary had already given his clarification. "The Cabinet secretary and other officials keep meeting. The officials of vigilance department are also there. But media, somehow, tries to speculate and create sensational stories. This is not right," Mr Vajpayee said.

However, the main Opposition remained unconvinced, contending that Prime Minister Vajpayee's

remarks on the issue were carefully worded and the denial merely focusing on the aspect that no names were dropped.

"The shadow of doubt remains. What was the urgency for CVC to seek a meeting with the Prime Minister. After all there cannot be smoke without fire," party spokesperson Anand Sharma said.

That the party seemed intent on persisting with

the issue was evident from the demand for an independent parliamentary probe into the allegation made by Sonia Gandhi in her letter to Mr Vajpayee.

"In the interest of probity and accountability, I urge you to agree to immediately institute an independent parliamentary inquiry into the allegations made against

the ministers and reveal their identities," the Congress President wrote.

The letter dated November 10 also said serious thought should be given to the framing of rules and regulations to protect public sector undertakings from ministerial interference. Ms Gandhi also said this kind of interference amounts to misuse and should be dealt with severe penalties.

"The reported misuse of public sector undertakings for personal or political benefits has apparently been played out to such a degree that it has forced the chief vigilance commissioner to personally bring the matter to Prime Minister's notice," Ms Gandhi pointed out.



FACE OFF: SONIA VS ATAL

Police sink deeper in stamp scam

ANAND SOONDAS

Mumbai, Nov. 9: The shocking role reversal continued for Mumbai police commissioner Ranjit Singh Sharma when he was put through a fresh round of interrogation by the special investigation team (SIT) looking into the Rs 3,000-crore fake stamp paper scam.

The police chief, who will retire at the end of this month, was questioned for six hours yesterday over two sessions for his alleged links with Abdul Karim Telgi, the scam mastermind.

The team today also arrested two sub-inspectors — Jangle of Thane police and Nemade of Nasik — from their respective headquarters, SIT sources said. The number of arrests in the scam has risen to 61, including joint commissioner of police Sreedhar Vagal.

The sources said Sharma, one of the seniormost police officers in the state, was called to the team's Worli office and questioned by S.S. Puri, a retired director-general of police. Bombay High Court has vested Puri with powers akin to that of a working director-general of police while directing the team to file its report by November 12.

In probing Sharma's role, the team is focusing on an affidavit filed by senior IPS officer Samshuddin Mushrif. He has alleged that Sharma — then the Pune police commissioner — shielded corrupt officers and failed to investigate the scam when it was unearthed two years ago with the seriousness it warranted.

The sources said Sharma was questioned on what he did in his capacity as the Pune police chief when he heard about the scam and why he had given additional commissioner M. Mulani, now suspended, a free hand despite knowing there was a case pending against him.

“What was more surprising was the fact that neither the government nor the DGP nor the CP (Sharma) found it necessary to inquire into the conduct of ACP Mulani for about one and a half months after the Karnataka government informed the Maharashtra government on September 2, 2002, about his telephonic conversation with Telgi. Not only was Mulani retained in the investigating team, but was also sent to Bangalore on September 18, 2002, for expediting the transfer of Telgi to Pune,” Mushrif, now sidelined as State Reserve Police Force deputy inspector-general, has said in his affidavit.

Another major charge against the Mumbai top cop is that he recommended Mulani's felicitation knowing fully well his role in the scam. The interrogators were curious about the other tainted persons put in charge of the preliminary probe.

Sharma was also asked why certain persons — mostly Telgi's associates and relatives — were mentioned in the chargesheet though they were not prima facie found to be involved in the scam.

Mushrif, who was in Pune as an additional police commissioner when Sharma was the chief, has further accused his senior of “overlooking” certain facts crucial to the case.

“(Certain documents) had been intentionally not brought on record and were being misused as an instrument of extortion,” he has said. “...What was more important was the revelation that Sharma was also aware that some important documents were intentionally not brought on record.”

An earlier panel probing the cop-criminal nexus in the stamp paper scam, the S.B. Jaiswal committee, had in its report held Sharma guilty of “acts of omission and commission”.

Sharma grilled in stamp scam

City police commissioner terms it 'routine questioning'

TIMES NEWS NETWORK

Shriram Vernekar

Mumbai: The special investigating team probing the fake stamp paper scam grilled city police chief R.S. Sharma for most of Saturday in connection with a case registered by the Pune police in 2002 against scam kingpin Abdul Karim Telgi. Mr Sharma was then the Pune police commissioner.

He was questioned in two sessions at the State Police Housing Corporation on Pochkhanwala Road, Worli, where inspector-general of police Shridhar Wagal was questioned and later arrested on Friday.

Emerging from the interrogation, Mr Sharma said, "It is routine questioning. In fact, I had written to SIT chief S.S. Puri that I am willing to co-operate with the investigating team."

A state police inquiry in 2002 had indicted Mr Sharma for "dereliction of duty in the probe against Telgi". However, deputy chief minister Chhagan Bhujbal had given him a 'clean chit' in the action-taken report.

Sources in the SIT, which has already arrested six police officers from Mumbai and Thane, said the investigators wanted to ascertain whether Mr Sharma was in cahoots with two of his former subordinates in Pune—assistant commissioner M.C. Mulani and inspector P.R. Deshmukh, both of whom have been suspended for their role in the scam.

In an affidavit before the court, Mr Sharma's additional commissioner in Pune, S.M. Mushrif, had alleged that "Mulani and Deshmukh had taken bribes from Telgi to hush up investigations. The two had demanded Rs 3 crore from Telgi for not arresting the latter's wife, daughter and ailing brother". Mr Mushrif also alleged that the duo had already extorted Rs 15 lakhs from Telgi.

"Since I was one of the supervisory officers, I learnt about the extortion racket. Despite submitting a departmental report about the mala fide acts committed by the two officers, Mr Sharma did not take any action against the two. He often held special meet-



SIT-ting duck: Police commissioner R.S. Sharma is driven out after his first round of questioning by the Special Investigating Team at Worli in the fake stamp paper case on Saturday. Mr Sharma was questioned for more than six hours in two sessions

ings with Mulani and Deshmukh. In fact, he recommended the name of ACP Mulani for being felicitated by the deputy chief minister despite knowing about the latter's misconduct," Mr Mushrif's affidavit said.

Replying to the charges, Mr Sharma said, "ACP Mulani was the investigating officer, which is why I had to hold meetings with him. As far as the state felicitation programme is concerned, I did not recommend ACP Mulani's name for any award." Mr Mushrif alleged that vital evidence in the form of documents found during the raids at Telgi's house in Pune had intentionally not been brought on record. Mr Sharma said he was not aware of "any such documents".

Meanwhile, Wagal, was produced before an MCOCA court in Pune on Saturday and remanded to police custody until November 13. The SIT also recovered five guns—a licenced revolver and four unlicenced pistols—from his Bandra flat.

DRAMATIS PERSONAE

Abdul Telgi: Prime accused in the Rs 3,000 crore fake stamp paper racket. He is currently lodged in a Karnataka jail.

S.M. Mushrif: Former Pune additional police commissioner who blew the whistle on the stamp paper scam. His brother is a minister in the state government.

Anna Hazare: The anti-corruption crusader's PIL in the Bombay high court in July 2003 resulted in the court directing the Special Investigating Team

to probe all cases involving Telgi. **S.S. Puri:** Upright officer who was bypassed for selection as Mumbai police chief and retired as head of the anti-corruption bureau in December last year. Now appointed by the high court to head the Special Investigating Team (SIT) probing the scam.

Pradeep Sawant: DCP of Mumbai crime branch until two days ago. He was questioned by the SIT after three officers from his department were arrested in the scam.

Subodh Jaiswal: Deputy IGP, who was appointed by the DGP to look into the allegations made by Mr Mushrif against Mr Sharma. His report in April 2003 indicted Mumbai police commissioner R.S. Sharma and others in the scam.

Anil Gote: A former journalist and sitting MLA from Dhule, he allegedly used his political clout to help Telgi in getting a stamp paper vending licence. He is believed to be the middleman between Telgi and various politicians.



Police chief under stamp paper scanner

Scam shadow on top cops

ANAND SOONDAS

Mumbai, Nov. 8: The special investigation team probing the Rs 3,000-crore stamp paper scam has now turned its attention to the role of senior Maharashtra police officers in the scandal.

Mumbai police commissioner Ranjit Singh Sharma was subjected to two sessions of intense "questioning" here today for his alleged links with Abdul Karim Telgi, the scam mastermind.

In Pune, Sreedhar Vagal, joint commissioner of police (intelligence), was remanded in police custody till November 13. The IPS officer was arrested yesterday for "conniving" with Telgi.

Sources said Sharma — who was Pune commissioner at the time the scam was unearthed two years ago — will be questioned further. The commissioner would not say what he had been quizzed about, but added: "I will cooperate with the SIT (special investigation team)."

It is learnt that Sharma was asked why he had deputed a tainted officer to "talk" to Telgi when the latter was lodged in a Bangalore jail last year.

Samshuddin Mushrif, who was Pune additional commissioner when the scam came to light, has stated in an affidavit that Sharma shielded corrupt officers and did not properly investigate the racket.

Although it appears likely

TELGI-TAINTED COPS

- **R.S. Sharma:** Mumbai police commissioner. *Questioned*
- **Sreedhar Vagal:** Joint commissioner of police (intelligence). *Arrested*
- **Gokul Patil:** Assistant commissioner of police. *Arrested*
- **M.C. Mulani:** Assistant commissioner of police. *Suspended*
- **Datta Dhal and Vashisht Andhale:** Inspectors. *Arrested*
- **Dilip Kamat:** Assistant inspector. *Arrested*
- **Pratap Kakade:** Sub-inspector. *Arrested*

that more senior police officers will be arraigned, Vagal has achieved the dubious distinction of being the first IPS officer to be charged under the Maharashtra Control of Organised Crime Act, which covers underworld crimes.

The joint commissioner, known for his swagger and his penchant for casual dressing while on duty, is the sixth police officer to be arrested in the scam.

The fall of Vagal, a brilliant officer with degrees from IIT Delhi and IIM Ahmedabad — he has an MSc in nuclear physics — has not come as a surprise.

The officer is alleged to have received Rs 90 lakh from Telgi to go soft on him and cover up some of his other crimes. It was dur-

ing Vagal's tenure as crime branch chief that Telgi was put up at a Mumbai hotel while in police "custody".

The scam mastermind, who was here on transfer remand from Karnataka police from October 2002 till January this year, did not spend a single day in jail during that period.

In September 2002, Vagal mysteriously let 23 bookies off the hook after they were arrested during the ICC tournament in Sri Lanka. The bookies later said they had paid Rs 50 lakh to the officer. Vagal was shunted out of the high profile crime branch for a year.

Some of those who functioned as his deputies then — assistant inspector Dilip Kamat, inspectors Datta Dhal and Vashisht Andhale — have already been arrested.

Adding to the officer's woes, policemen from the investigation team and the anti-corruption bureau today seized five guns — some of them believed to be unlicensed and of foreign make — from his Bandra residence.

Police sources said if Vagal fails to satisfy them about the ownership of the weapons, he could also be hauled up under the Arms Act.

The investigation team also found some documents about Vagal's investments stuffed inside three suitcases hidden in the boot of his car.

■ See Page 7

Mumbai top cop held in stamp scam

ANAND SOONDAS

Mumbai, Nov. 7: Sreedhar Vagal, joint commissioner of police (intelligence), was today arrested under the tough Maharashtra Control of Organised Crime Act for his alleged role in the Rs 3,000-crore fake stamp paper scam. The senior officer is believed to have shielded prime accused Abdul Karim Telgi.

Vagal is the senior-most police officer to be arrested, and today's developments have left the elite Mumbai crime branch in shock and fear. Insiders in the department believe more skeletons will soon tumble out, for Telgi — currently lodged in a Bangalore jail — had links with a number of officers.

Vagal, a 1976 batch IPS officer, is the sixth police officer and the 59th accused to be arrested in connection with the scam that involves nine states. He was arrested by the special investigation team set up recently to probe the scam and the police-criminal nexus that helped it flourish.

Vagal — who had been questioned intensively over the last two days — has been booked under Section 24 of the Maharashtra crime act. The provision is usually reserved for underworld dons and contract killers.

"My god, who next?" a senior IPS officer said on learning of the arrest of Vagal, who was chief of the crime branch when Telgi was expanding his empire.

Vagal was taken today to Pune, the main theatre of Telgi's illegal activities. He will be produced before a Maharashtra Control of Organised Crime Act

Comptroller
7-6
8/11
court soon.

The arrest comes a day after Pradeep Sawant, deputy commissioner of police (crime detection), was shunted to an unimportant post in the special branch. Sawant's role in the stamp-paper scam is being probed concurrently and it is rumored that his arrest is imminent.

The rot doesn't end there. The Bombay High Court recently ordered the investigation team to submit a report on the police-criminal nexus and probe the role of Mumbai police commissioner R.S. Sharma in the scam.

The court wants the report on Sharma to be filed before he retires on November 30 — the officer was Pune commissioner at the time the scam came to light. The probe team has been given till November 12 to submit the report.

The team is likely to question former director-general of police Subhash Malhotra in the next few days.

In what is one of India's biggest scams, Telgi was running his parallel stamp business for nearly a decade. His empire spread across nine states and he sold everything from judicial stamp papers, revenue stamps, foreign bills, insurance bills and stamps in the Re 1 to Rs 5,000 range.

Investigations have revealed that Telgi had "bought" many officers in the Mumbai crime branch as well as politicians in Maharashtra, Goa, Karnataka and Andhra Pradesh. Two MLAs — one from Andhra Pradesh and another from Dhule, Maharashtra — are already in jail for conniving with Telgi.

CBI registers preliminary enquiry into 'visa racket'

7/11
By Our Special Correspondent *Chandrasekhar*

NEW DELHI, NOV. 6. The CBI has registered a preliminary enquiry (PE) into the "illegal visa racket", allegedly involving some officials posted in the Indian High Commission in Britain, well-placed agency sources said today.

The PE was registered by the agency following a request by the Ministry of External Affairs as certain allegations had been levelled by the Scotland Yard that some officials posted in the Indian mission in Britain were involved in forging travel documents. A team from the Scotland Yard had visited the CBI headquarters here recently and sought its assistance in the probe as Britain's Immigration Department had registered a case in this connection. The passports, meant for emergency purposes, were often stolen and issued to the people allegedly in connivance with travel

agents. In a separate but related case of similar allegations, two officials posted in the mission at Trinidad and Tobago were booked by the CBI for stealing passports meant for emergency purposes.

Sources said the CBI probe could be widened as illegal human trafficking was on the increase worldwide and could take into account similar cases reported from the U.S., Canada, Ethiopia, Greece and the Commonwealth of Independent States (CIS). The CBI could also look into the cases of forgery and cheating related to foreign travel that have surfaced in cases being probed by the Punjab police and allegedly involving the pop singers, Daler Mehndi and Sukhvinder alias Sukkha Dilliwalla. It was alleged that several persons were assured of travel and settlement abroad by the singers who took substantial amounts.

coram
S-1
4/4

SC asks Centre to explain Single Directive

Our Legal Correspondent

NEW DELHI, Nov. 3. — The Supreme Court (coram, Khare, CJ, Sinha, Lakshmanan, JJ) today sought an explanation from the Centre on a petition alleging that it had revived in the CVC Act, 2003, core provisions of the "Single Directive", under which the CBI cannot embark on an inquiry or investigation against any highly-placed official without the Centre's prior sanction.

The court was hearing a petition, filed by Dr Subramanian Swamy, challenging the validity of Section 26 (C) of Central Vigilance Act, 2003, on the ground that it was violative of its judgement in the Vineet Narain case, which struck down the administrative orders containing the Single Directive as invalid, giving CBI the liberty to go after officials without government consent.

The court asked the Centre to state its stand in four weeks after hearing the submissions of amicus curiae Mr Anil Divan

on the matter. "It's necessary to invalidate and strike down the impugned provisions to preserve the creative contribution to rule of law made by the Vineet Narain judgement," he said.

"The CBI has been investigating without any impediment of prior sanction since 18 December 1997, when the above judgement was delivered, till the CVC Act, 2003, was enacted, except for a short break from 28 August 1998 to 27 October 1998."

"The position should be at once restored by appropriate interim direction." Mr Divan drew the court's attention to the fact that a petition had come up before the SC in 1988 challenging the validity of a similar clause in the CVC Ordinance 1998, which sought to restore provisions of the Single Directive and prescribed prior approval of the CVC before investigation. At that time, the court had intervened. Subsequently, the government deleted the offending provision from the Ordinance on the Attorney General's advice to bring it in line with the Vineet Narain judgement, he stated. Section

26(C) of the 2003 Act, he said, was more restrictive than similar provisions of the 1998 Ordinance as it provided for prior government sanction. The 1998 Ordinance only provided for prior CVC sanction, he said. The 2003 Act provides for prior government sanction.

Section 26(C), he said, was an attempt to revive provisions similar to the Single Directive by legislation. Section 26(C) inserts Section 6A in Delhi Special Police Establishment Act 1946, which governs the functioning of CBI. Section 6A (1) reads: "The Delhi Special Police Establishment shall not conduct any inquiry into any offence alleged to have been committed under Prevention of Corruption Act 1998 where such allegation relates to a) employees of Central government of the level of joint secretary and above, b) such officers as are appointed by the Central government in corporations established by or under any Central Act, government companies, societies and local authorities owned or controlled by that government."

Court directive to Centre on CVC Act

By Our Legal Correspondent

NEW DELHI, NOV. 3. The Supreme Court today directed the Centre to file its response in four weeks on an application seeking a stay of the "single directive" in the Central Vigilance Commission Act, under which the Central Bureau of Investigation (CBI) was required to take prior approval of the Central Government for embarking on any inquiry or investigation against senior bureaucrats.

A three-Judge Bench, comprising the Chief Justice V.N. Khare, Justice S.B. Sinha and Justice A.R. Lakshmanan, gave this direction to the Solicitor-General, Kirit Raval, after amicus curiae in the case, Anil Divan, pleaded for a stay of the provisions.

Mr. Divan who has been appointed amicus curiae in the petition filed by the Janata Party president, Subramanian Swamy, in 1997 in his application brought to the notice of the court the notification of the CVC Act, 2003, after it received President's assent on September 11.

He said the apex court in the "Vineet Narain case" had struck down the "single directive" but it had been restored in the CVC Act. He said that by Sec. 26 (c) certain amendments had been made in the Delhi Special Police Establishment Act by inserting a new Sec. 6 A. (The CBI has been constituted under this Act).

He said the CBI had been investigating the cases without any impediment of prior sanction from the Central Government since December 18, 1997, when the apex court delivered its judgment.

He said the present proceedings were inter-connected with the "Vineet Narain case" and formed part of a continuing mandamus to monitor and ensure independent, unbiased and unhindered investigation and enforcement of the law by investigative agencies. The amendments to the CVC Act had revived the core provisions of the single directive by which the CBI could not even embark on an inquiry or investigation without prior approval of the Central Government in relation to certain highly placed bureaucrats above the rank of Joint Secretaries. He said that though these provisions were not incorporated in the CVC Bill 1999, they had found their place in the 2003 Act.

Mr. Divan argued that by incorporating these provisions there was no confidentiality and insulation of the investigative agency from political and bureaucratic control and influence because approval of the Central Government would involve leaks and disclosures at every stage.

He said the criminal-bureaucrat-politician nexus, which

was subverting the whole polity, would be taken into account in granting or refusing prior approval before an inquiry or investigation could take place.

He argued that the status quo prevailing from December 18, 1997 till date was in favour of the CBI being allowed to function without any prior approval of the Central Government. He said that during this period, various bureaucrats had been investigated and arrested, and prayed for staying the "single directive" provision.

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THE HINDU

Quattrocchi account takes CBI to Britain

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State's News Service

NEW DELHI, Nov. 2. — A two-member CBI team left for Britain today to assist the British Crown Prosecutor General in connection with the freezing of two bank accounts of Italian businessman Ottavio Quattrocchi, who is wanted in the Bofors case here.

The team comprising a CBI official and the agency's additional legal advisor left for London to help the Crown prosecutor's office in preparing the argument for the hearing scheduled for 4 November. The CBI team will apprise the British authorities of the details of charges levelled against Quattrocchi.

The CBI briefing to the Prosecutor General will focus on Quattrocchi's role in the Bofors payoff case and his continuous attempt to evade appearance in the court, sources said. The CBI contends that Quattrocchi, one of the main accused in the Rs 133 crore Bofors scam, "in a deceitful manner... had been transferring funds from one account to another to evade detection by law". Britain, while acting swiftly to India's plea, froze two bank accounts having deposits of Rs 21 crore of the Italian businessman. A court in London will hear the arguments of either side about freezing of bank accounts.

THE STATESMAN

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Mayawati free to hold inquiry: Vajpayee

completing

Statesman News Service

NEW DELHI, Oct. 12. — The Prime Minister today said the Bahujan Samaj Party chief, Miss Mayawati, was "free to have an independent inquiry" into her allegation of corruption against his family members.

"I have already expressed anguish over such statements. She is free to have an independent inquiry," he said at the airport on his return from the India-Asean summit in Indonesia when asked about Miss Mayawati's allegations which came after the CBI raids against her.

Mr Atal Behari Vajpayee described as "baseless" Miss Mayawati's allegation about government interference in the CBI investigations against her. "There is no truth in such allegations."

He patted the NDA government for providing stability to the nation and indicated this to be a major achievement. "It

was important that the coalition regime had achieved this distinction," he said.

His statement comes on the eve of his government completing four years in office at the Centre tomorrow. If Mr Vajpayee's previous term is taken into consideration, the continuous term would be of five-and-a-half years.

"There was a feeling earlier that if at all a coalition government was formed, it would not last long. But our government is continuing. It has provided stability to the country which is continuing to progress....It is in itself important that a coalition government has completed four years despite hurdles," Mr Vajpayee said.

Asked about the achievements of his government, he shot back, "Should I sum up in four minutes." On how long Miss Mamata Banerjee would remain a minister without a portfolio, he quipped, "As long as you keep asking such questions."

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'SINGLE DIRECTIVE' COMES INTO FORCE

Statutory powers for CVC to supervise functioning of CBI

By Vinay Kumar

NEW DELHI, OCT. 10. The Central Vigilance Commission (CVC) Bill has become an Act about two months after Parliament passed it. It has restored what is called the "Single Directive".

A gazette notification, amending the Delhi Special Police Establishment (DSPE) Act, which governs the functioning of the Central Bureau of Investigation (CBI), was issued on September 11. With this, a statutory status has been conferred on the CVC to exercise superintendence over the functioning of the CBI and the vigilance organisation would also be empowered to probe offences committed by Central Government officers, corporations, societies and local authorities.

It has replaced the Government resolution of April 1999 under which the CVC

was functioning till now as a non-statutory body.

The "Single Directive" was struck down by the Supreme Court in December 1997 in its judgment in the Vineet Narain case on the ground that it was "unconstitutional". It has been restored now with statutory sanction, making it mandatory for the CBI to seek prior Government approval for conducting an inquiry into offences committed by officers of the rank of Joint Secretary or above in any government department or public sector undertaking.

Well-placed sources in the CBI confirmed that the "Single Directive" had come into force after the agency received the notification on September 12.

Sources pointed out that the anti-corruption branches of the police force in the States, usually headed by a Deputy Commissioner of Police, would have

greater autonomy than the CBI and its Director, as the "Single Directive" would not be a constraint to the State-level vigilance departments.

Also, if it was not for the Supreme Court's judicial activism and its order in the Rs. 175-crore Taj Corridor scam, the CBI would not have been able to lay its hands on senior bureaucrats of Uttar Pradesh. However, the agency would still need to obtain sanction for prosecution when it files chargesheets against the former U.P. Chief Minister, Mayawati, and others.

During a discussion on the CVC Bill in the Rajya Sabha on August 7 last, Opposition members expressed concern over the return of the "Single Directive" as it would curtail the powers of the CBI. They termed the provision "obnoxious" and "shameful" as it aimed at giving an "in-built immunity" to bureaucrats and

encouraging an unholy bureaucrat-politician nexus.

Several Members of Parliament also demanded that they should not be treated as public servants and corruption cases against them should be registered only after proper permission. They did not take kindly to the fact that while the provision allowed investigation against all public servants, including MPs, it failed to bring within its ambit government officers of the rank of Joint Secretaries and above.

The Minister of State for Personnel, Haren Pathak, had told them that necessary amendment to the Representation of the People Act was under the Government's consideration.

The Union Law Minister, Arun Jaitley, argued that decision-makers and civil servants should be protected against frivolous complaints.

Forging a strategy

Conspiracy
Jogi, Maya charges not only politics

Irrespective of the timing of the chargesheet against Ajit Jogi and the first information report against Mayawati, the government could not have avoided accusations of politicising the CBI. But the Centre could have certainly handled the fallout better had it maintained a longer temporal distance between the Election Commission announcing the poll dates and the two investigative milestones. On Mayawati, the government is on stronger ground since the FIR follows Supreme Court directives. But here, too, questions can be raised why it was delayed for so long — the court order came on 18 September after it considered a detailed CBI report — and whether the FIR “follows” Mayawati-Congress mutual overtures. The chargesheet against Jogi, coming as it did a day after assembly elections dates for five states, including Chattisgarh, were announced, fairly reeks of political opportunism.

Given the long-established traditions of not keeping the CBI completely free of political considerations, two minimum criteria must be fulfilled while charging political opponents. First, which has not been fulfilled, is avoiding the appearance of gross political machinations. Second, that the charges be substantive. Thankfully for the much-abused Indian system, although a little uncomfortably for the politicians charged, both cases stand up to initial scrutiny. The Taj corridor project has already been examined by the Supreme Court and found to be seriously amiss, from the point of view of both environmental and financial regulation. The charge against Jogi is not frivolous either, if only because the document the CBI says was forged was given to the government by Jogi himself. It stands to reason that had a genuine Intelligence Bureau memo got leaked to an Opposition chief minister and if that memo detailed secret investigations of Opposition leaders' assets, as Jogi had alleged, the chief minister's party colleagues would have brought the both proverbial house and the legislative House down. The Congress reaction to Jogi's first allegation and to subsequent developments — the Prime Minister angrily denying IB witch hunt and asking the CBI to probe the matter — had been muted. The Congress and Jogi are betting that the forgery issue is too complicated to play well at the hustings and they may be right. The consolation prize for the BJP would be that having defended Jogi, the Congress will find it difficult to raise the Ayodhya charges issue vis a vis Union ministers.

Mayawati raided, CBI denies political motive

Statesman News Service

NEW DELHI, Oct. 8. — Even as the CBI today raided the residences of former UP chief minister Ms Mayawati and 18 others in Delhi and Uttar Pradesh, the agency chief denied that the cases against her and Mr Ajit Jogi were politically motivated.

There is no "extraneous influence" and the allegations levelled over the past two days are "totally unfounded and unjustifiable", the CBI director said. The press conference was called to "clearly dispel any impression" of "CBI misuse".

The CBI raided 21 places in Delhi and Uttar Pradesh, including the residences of Ms Mayawati in Delhi and Lucknow, and residences of her relatives in Khurja and Bulandshahar in connection with the Rs 175 crore-Taj Heritage Corridor scam.

The other places raided were the homes of the former environment minister in the Mayawati government, Mr Nasumiddin

Baseless: PM

BALI, Oct. 8. — The Prime Minister has been "saddened" by Ms Mayawati's "baseless" allegation that he was responsible for the CBI raids against her.

"Whatever be our political differences, I'm very saddened by these allegations," Mr Atal Behari Vajpayee told journalists here, before leaving for Bangkok.

"These allegations have been brought to my notice and these are baseless. The CBI doesn't work under the government and it's an autonomous body. It works as per the rules and the Constitution." — PTI

Siddiqui, and the former principal secretary to Ms Mayawati, Mr PL Punia, in Lucknow, and that of the former principal environment secretary, Mr RK Sharma, and the former environment secretary, Mr VK Gupta.

The raids, which started at around 8 a.m., continued till afternoon. The CBI took the help of the income-tax department.

"We have made some seizures. But it is difficult to say what evidence we have got. It will take some time to compile and study these documents," Mr Sharma said.

The BSP, however, claimed that the CBI did not seize any illegal or incriminating document. "The CBI took away Rs 5.5 lakh kept to pay the medical bills of BSP leader Mr Kanshi Ram," Ms Mayawati said. Calling the raids "politically motivated", Ms Mayawati said they were part of the BJP's political vendetta against Dalit leaders. She also alleged that the raids were conducted at the behest of the Prime Minister.

The CBI chief, visibly upset over the charges made by Mr Jogi and Ms Mayawati said: "I feel bad that the CBI, which enjoys the trust of people, is being represented in an unfair manner. When we register a case, we do not see the political affiliation."

BSP, Cong cosy up,
page 4

Mayawati seethes as CBI raids her homes

TIMES NEWS NETWORK AND AGENCIES

Lucknow/New Delhi: The CBI on Wednesday raided several properties owned by or under the possession of former UP chief minister Mayawati, her former cabinet colleague Naseemuddin Siddiqui and three bureaucrats—suspended chief secretary D.S. Bagga, suspended principal secretary to the CM P.L. Purnia and suspended principal secretary (environment) R.K. Sharma—in connection with the Taj Heritage Corridor scam.



Mayawati

A furious Mayawati lashed out

at Prime Minister Atal Bihari Vajpayee for the raids and warned that the BJP would pay a heavy price for this in the coming assembly elections. Holding Mr Vajpayee responsible for the raids, she demanded an "independent inquiry" into the assets of his foster daughter and son-in-law.

Mayawati wondered why the CBI was not taking action against the PM's foster daughter Namita and son-in-law Ranjan Bhatnacharya, who, she alleged, had acquired "huge properties" in several places, including Nainital.

Addressing a press conference in New Delhi, she said the raids had been ordered under political pressure with the purpose of sullying her image and that of her party and charged the PM with misusing the official machinery, including the

CBI, for settling political scores.

Reacting to her allegations, the Prime Ministers told reporters in Bali that the charges were "baseless" and that he had been "saddened" by the charges. "The CBI does not work under the government and it is an autonomous body. It works as per the rules and the constitution," he said.

During the raids, the CBI sleuths were accompanied by officials of the income-tax department.

In Lucknow, 14 CBI teams fanned out for the raids. At the 13, Mall Avenue government accommodation of Mayawati, the team seized details of property worth Rs 7.60 crore. At her Humayun Road residence in New Delhi, the CBI recovered Rs 5 lakhs, which the former chief minister said was meant for the payment of hospital bills of

BSP leader Kanshi Ram.

The CBI claimed that it had so far recovered assets worth Rs 15 crore in the name of Mayawati or her close relatives. Documents relating to the purchase of property in New Delhi and in Uttar Pradesh during April 1, 1995, and August 29, 2003, were also recovered. She had resigned on August 27.

The residences of some close relatives of Mayawati were also raided along with the premises of one Naresh Kumar, who allegedly acted as a front man for the BSP leader.

Apart from naming Mayawati as a co-accused in the Taj Heritage Corridor scam, the CBI had lodged a separate FIR under section 1(B) and 2 of the Prevention of Corruption Act (possessing assets disproportionate to the known sources of income) against her on September 6.

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8/10

Jogi gets a charge-sheet

Complaint

Statesman News Service



Mr Jogi can contest the state polls despite the charge-sheet. But he'll have to mention in an affidavit that he has been chargesheeted.

NEW DELHI/RAIPUR, Oct. 7. — A day after the declaration of the Chhattisgarh Assembly poll dates, the CBI today chargesheeted the chief minister, accusing him of using a forged document to claim that the IB had launched a covert operation to tarnish his image.

This is the first instance of the investigating agency registering a case against the complainant himself. Accusing Mr Ajit Jogi

of harming the reputation of the Centre and IB special director, the CBI filed the charge-sheet against him under IPC Sections 471, 465 and 469.

The charge-sheet says Mr Jogi had deliberately tried to pass off a forged note as a genuine IB document to make his allegations. On 2 April, the CBI had registered a case on a complaint from the Cabinet Secretariat alleging forgery of a document, purportedly issued by the IB relating to the acquisition of movable and immovable properties of Mr Jogi.

Ruling out Mr Jogi's resignation, Congress spokesman Mr Jaipal Reddy launched an attack on the CBI and NDA government. Dehying the charges, Mr Jogi accused the BJP and Centre of attempting to nail him on false charges. He charged the BJP of adopting "cheap tactics" against him "after having realised that it could not take him on in the coming polls". He also played the tribal card, saying his tribal identity seemed to be the "main problem" for the BJP and Centre.

If convicted, Mr Jogi might be punished with imprisonment of either description, which may extend to two years, or with fine or both.

The issue surfaced on 31 March, when Mr Jogi claimed that the Union home ministry commissioned the IB to launch "Black Sea operation" to malign "select Congress leaders" in the states ruled by the party. He circulated the alleged IB document to back his claims. The document talked about a joint account of Mr Jogi and his wife in a Swiss bank and their amassing of huge assets and bank deposits in the country.

Mr Jogi had then written to Mr AB Vajpayee, protesting against the "dubious machinations and dirty manipulations" aimed at defaming political opponents. Mr Vajpayee wrote back the next day, denying the charges. He also ordered a CBI probe into the "forgery" and asked Mr Jogi to cooperate with the agency.



'PM's third rate act'

NEW DELHI, Oct 7. — Ms Mayawati today threatened to "teach a lesson" to former ally, the BJP, holding the Prime Minister "squarely responsible for this third rate political act" of filing an FIR against her in the Taj corridor case.

The CBI has taken action almost three weeks after the Supreme Court's go-ahead for filing an FIR in the Rs 175-crore Taj Heritage Corridor scam. The former UP chief minister and seven others have been booked for criminal conspiracy, forgery, prevention of corruption charges and under the UP Pollution Act, 1974.

The court on 18 September ordered the CBI to lodge an FIR against all those involved in the scam.

Describing the CBI's action of filing an FIR against her and seven others as "politically motivated", the BSP president accused the Prime Minister of "misusing" the agency for political purposes against her to exert pressure on the BSP to bail out the BJP in the next Assembly polls.

She said: "The CBI is no more an independent agency. It has now become a political agency." — SNS

Taj corridor FIR against Mayavati

Corruption

OUR SPECIAL CORRESPONDENT AND PTI

Lucknow, Oct. 6: The CBI tonight lodged a first information report against Mayavati and seven others in the Taj heritage corridor scandal.

The FIR comes nearly a month-and-a-half after the Bahujan Samaj Party chief quit as Uttar Pradesh chief minister in the wake of the controversy.

The others named are former state environment minister Nasimuddin Siddiqui, former chief secretary D.S. Bagga, former principal secretary to Mayavati P.L. Punia, former principal secretary (environment) R.K. Sharma, former environment secretary

V.K. Gupta, former Union environment secretary K.C. Mishra and National Project Construction Corporation chairman N.C. Bali, bureau sources said.

Bagga, Punia and Sharma were suspended by the Mulayam Singh Yadav government and Gupta had been suspended by Mayavati during her tenure.

The FIR, lodged in a CBI court here, came three weeks after the Supreme Court directed the bureau to take such action against the eight concerned for their alleged involvement in the scam.

The CBI began investigating the irregularities in the clearance given to the Rs 175-crore

project following an apex court order of July 16.

Amarmani bail blow

The special CBI today rejected the bail application of former Uttar Pradesh minister Amarmani Tripathi, the prime accused in the Madhumita Shukla murder case, and remanded him in judicial custody till October 20.

A member of Mayavati's erstwhile council of ministers, Tripathi was arrested by the CBI last month after DNA tests confirmed that he fathered the unborn child the Hindi poet was carrying when she was shot dead in her flat on May 9.

Tripathi was produced before special CBI court magis-

trate Ram Murti Yadav after 14 days of grilling in Delhi and Lucknow during which he was subjected to a lie detector test and confronted with other witnesses, including Madhumita's family members.

The magistrate rejected the bail application after hearing both bureau and defence lawyers. He also turned down the CBI's request for extension of remand and ordered that Tripathi should be held in judicial custody for 14 days.

The court said the defence had not been able to substantiate its claim that Tripathi should be released on bail because of his illness. It said the matter was such that it could only be decided by the sessions court.

The magistrate also rejected an application by Tripathi's wife, Madhumani, seeking permission to surrender in the court to prevent her arrest by the CBI. Madhumani has moved Allahabad High Court, too, for a directive to the CBI not to arrest her. The court has fixed October 9 for hearing the petition.

CBI sources said Tripathi's interrogation had not only confirmed his intimate relationship with the slain poet but also provided important clues pointing towards hired killers.

While in CBI custody, Tripathi had been brought face to face with Madhumita's mother and sister as well as IIT Kanpur student Anuj Mishra whom he allegedly tried to frame.

Centre sets CBI on UP chief secy

STATESMAN NEWS SERVICE

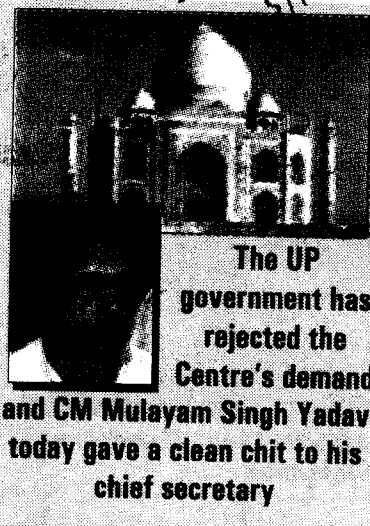
NEW DELHI, Oct. 4. — The Uttar Pradesh chief minister, Mr Mulayam Singh Yadav's new-found understanding with the BJP seems to have hit a roadblock with the Centre recommending a CBI probe against the UP chief secretary on corruption charges.

The CBI is already conducting an inquiry against the former UP chief secretary Mr DS Bagga in the controversial Taj Heritage Corridor scandal.

The Centre has asked the Mulayam Singh government to give its consent for a CBI probe against the state chief secretary, Mr Akhand Pratap Singh, sources said.

The Union minister of state for home, Mr Harin Pathak, recently sent a letter to Mr Yadav in this connection.

A state minister had lodged a complaint with the Prime Minister's Office in December 2001 levelling corruption charges against Mr Singh.



The Centre has also asked for the details of the state government's probe against Mr Akhand Pratap Singh in the graft case against him.

The UP government has rejected the Centre's demand for a CBI in-

quiry against Mr Singh. Mr Yadav today gave a clean chit to his chief secretary. He said he had gone through the Centre's letter thoroughly, but maintained that Mr Singh was "innocent". "The chief secretary was found innocent in the inquiry conducted by the government's vigilance bureau in the alleged disproportionate assets case against him," he said, adding that no one should have any confusion on the issue.

He also said that he would respond to the Centre's letter if there was "any need" for it. The disproportionate assets case against Mr Singh has been pending for the last few years.

The Union personnel department had earlier asked the Uttar Pradesh government to give its clearance for a CBI probe against Mr Singh, but it was rejected by the latter. The Mayawati government is said to have scuppered the vigilance bureau's probe altogether against Mr Singh last year.

Maya's Taj Mahal

SC asks CBI to lodge an FIR

BSP leader Mayawati's cup of woes is brimming over. She first loses the UP chief ministership and what is worse, 35 of her MLAs walk out of the party and join hands with the Samajwadi Party to help to make Mulayam Singh Yadav chief minister. The second blow is when her mentor Kanshi Ram suffers a cerebral stroke, and now the Supreme Court tells the CBI to lodge an FIR against her, another of her ministers and six top bureaucrats in connection with "serious irregularities" in the Rs 175-crore Taj Heritage Corridor Project. The scam is the beginning of a long-drawn entanglement with the law for the former UP chief minister. CBI also seems to be unearthing other land deals which involve either Mayawati or close associates. When allegations surface of "wealth disproportionate to known sources of income", the income tax department can't be far behind.

It is only right that the courts take a very serious view of a possible scam which would have endangered the Taj Mahal, a heritage monument, one of the seven wonders of the world and India's principal tourist attraction. Mayawati's government quietly pushed the project — to build a 2 km long corridor along the banks of the river Yamuna linking the Taj Mahal to the Agra Fort to be filled with shopping malls, restaurants and parks — and acquired the land around the Taj. Work on the project began in a hurry and Rs 17.5 crore were spent without obtaining clearances from statutory authorities including the Centre and the Union environment ministry when the scandal broke. Mayawati made it worse by trying to distance herself from the deal saying she had no knowledge of what was happening. The CBI dug out proof of her approval of the project. Union minister Jagmohan stopped the work and Mayawati demanded his ouster but had to leave office herself.

There are two issues here which need to be examined. How can an elected government wilfully harm one of its prime public assets? The project could have caused enormous ecological and environmental damage to the Taj, the Yamuna, and the Agra Fort. Secondly where did the money go? The murky saga promises to throw up another scandal of kickbacks. Governments are seen to be little more than money-making rackets for politicians; none of them give a damn as to what they are damaging in the process.

THE STATESMAN

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Corridor of scams stares at Mayavati

19/9

OUR BUREAU

New Delhi/Lucknow, Sept. 18: As the CBI prepared to file first information reports after the Supreme Court today ordered it to move against Mayavati, it appeared that this may only be the beginning of a long-drawn entanglement with law for the former Uttar Pradesh chief minister.

The court told the CBI to take "appropriate action" against Mayavati and her erstwhile cabinet colleague Naseemuddin Siddiqui in the Rs 175-crore Taj heritage corridor scandal. The CBI counsel said the order indicated that cases should be registered.

An interim CBI report on Mayavati's assets, suggesting there could be "wealth disproportionate" to her known sources of income, led to the order. The income-tax department was directed to co-operate with the CBI.

Mayavati said: "I have not read the Supreme Court judgment. Only after reading it will I be able to give a reaction."

CBI director P.C. Sharma said FIRs would be registered on grounds of "misuse of official position, causing undue advantage to someone and undue loss to the government exchequer. This would be the limited scope of our inquiry".

In the Taj corridor project, Rs 17 crore was spent without sanction when Mayavati was chief minister.

Samajwadi Party leaders, exuberant at their rival's tribula-

tion, said the CBI probe into the Taj scam had helped identify 131 land deals during her regime that could be called into question.

The deals — ranging from a bungalow in a posh New Delhi neighbourhood to hundreds of acres in Uttar Pradesh — involve either Mayavati or her family members, sources said.

They added that the CBI questioned her family, including father Prabhu Dayal, at a farmhouse in Bulandshahr of western Uttar Pradesh.

The 350-acre farm was transferred to a "third person", Tej Singh, who was present with Prabhu Dayal when the CBI conducted its search.

Another deal is under CBI scrutiny. "We have been able to close in on the prime land, along the New Delhi-Agra Taj Expressway, that was transferred in the name of Mayavati's family members a few days before her exit from office," said a CBI official.

Official records have apparently confirmed that hundreds of acres, initially transferred to the former chief minister, were "re-transferred" to her father and brothers.

In some cases, the property was transferred again to outsiders as late as on August 28, three days after her government collapsed. Mayavati is alleged to have also purchased a bungalow in the heart of Delhi.

"We have asked the income-tax department to carry out a parallel probe into the properties," the CBI source said.

SC puts Mayawati, 1919 IH ^{corruption} six others in dock

I-T dept directed to 'fully cooperate' in Taj probe

TIMES NEWS NETWORK

New Delhi: The supreme court on Thursday ordered the CBI to register criminal cases against former Uttar Pradesh chief minister Mayawati, her former environment minister Naseemuddin Siddiqui, and six other top bureaucrats for alleged irregularities and malpractices committed by them in the Rs 175-crore Taj Heritage Corridor project.

Besides Ms Mayawati and Mr Siddiqui, the FIRs would be registered against former Union environment secretary K.C. Mishra, former UP chief secretary D.S. Bagga, former UP principal environment secretary R.K. Sharma, former UP environment secretary V.K. Gupta, former principal secretary to Mayawati, P.L. Punia and National Project Construction Corporation (NPCC) managing director S.C. Bali.

A bench comprising justices M.B. Shah and B.N. Agrawal perused three CBI probe reports and said that regis-

Caught in the corridor



I have not read the supreme court judgment. When I get a copy of the judgment through my lawyer, and only after reading it will I be able to give a reaction because I do not know what is written in the judgment

—Mayawati

tration of FIRs were necessary for carrying out further investigations as to how the work was undertaken and Rs 17.5 crore was sanctioned when the project itself was not cleared by the statutory authorities. The scam was exposed by 'The Sunday Times of India' in July.

The CBI said Mayawati had approved launch of the project work. It also disclosed the alleged roles of Mr Siddiqui and other officials in the irregularities and malpractices committed in the project.

The agency also revealed that the project, envisaging the linking of Taj Mahal with four other monuments—Agra Fort, Itmad-ud-Daula, Chini-ka-Roja and Rambagh—was started on the verbal orders of Mr Sharma and that the NPCC had unauthorisedly sub-contracted the work to a firm, Ikshwaku.

The bench also asked the Centre and the state government to initiate departmental inquiries against the bureaucrats within a week and complete it within four months. The bench said it would be open for the governments to order suspension of the officers, if called for, in accordance with the rules.

On the request of additional solicitor-general and CBI counsel Altaf Ahmad and P. Parameswaran, the court asked the Income-Tax department to "fully cooperate" with the CBI in carrying out further investigations into the scam.

CBI will toe SC line

TIMES NEWS NETWORK

New Delhi: The CBI will register FIRs against former Uttar Pradesh chief minister Mayawati and some officials in accordance with the supreme court directive in the Taj Heritage Corridor case.

CBI director P.C. Sharma said on Thursday that the agency would have to register the FIRs.

The officials have been accused of committing irregularities and misusing their official position, he said adding that the CBI was of the view that the project had taken off without proper approval and appraisal from the appropriate authorities.

Union secy doctored Taj files: CBI

HT Correspondent & PTI
New Delhi, August 31

THE CENTRAL Bureau of Investigation (CBI) has accused K.C. Mishra, the Union environment and forests secretary, of doctoring files relating to the controversial Taj Heritage Corridor project.

According to the CBI, which is investigating the Rs 175-crore scandal following Supreme Court orders, Mishra made "interpolations and tampered with

the file in order to cover up his omissions".

The official was trying to hide his failure to approve the "proposal of the joint secretary and special secretary" to ask the Uttar Pradesh government to proceed with the work of the project only after getting statutory clearances and approvals, the investigating agency has alleged.

Efforts to get Mishra's comment on the CBI allegation did not succeed because he refused to take calls. During question-

ing by the CBI, Mishra is reported to have denied tampering with the files.

On the directive of the Supreme Court, the "interpolated and tampered" files were being sent to the Central Forensic Science Laboratory (CFSL) so that the notes made on the files could be verified by a handwriting expert.

The CBI now plans to question former Chief Minister Mayawati, since it has found that work was started at the site only after

her office gave the go-ahead for the project. According to CBI, the Mayawati government started the project with undue haste and the work at the site began on the basis of "oral orders" from the then state environment secretary, R.K. Sharma.

The CBI has found no reason why the project cost should have been estimated at Rs 175 crore.

The CBI, which has questioned several persons who dealt with the project, including the then state environment minister

Naseemuddin Siddiqui, claims to have found papers that were doctored by Mishra to cover up his sanction for the release of Rs 20 crore for the project in May 2003. Along with another official of the state government, Siddiqui pressured a subordinate to "make interpolations and to tamper with the file so that his note was in line with the interpolations", the CBI said.

According to the CBI's investigations, Siddiqui sent a file to Mayawati for her approval.

HT-1
C.M. Mishra

Govt kept key defence files from CVC

HP
27/8

Sudhi Ranjan Sen
New Delhi, August 24

Commission

WHILE THE Parliamentary Accounts Committee (PAC) was denied access to the Central Vigilance Commission (CVC) report on defence purchases; it has emerged that the CVC itself did not receive several important documents from the Centre.

The commission in its report has pointed out that a number of relevant files relating to suspicious deals are "incomplete", and in some cases, the commission has been allowed access to only "part files".

Remarking that the "procurement process lacked transparency, standard norms, and stipulations in the tender process were absent", the CVC has noted in its report that "uniform practice relating to terms and conditions of the contract" were missing, and in many cases, preference had been given to certain traders.

The report has stressed the "urgent need for streamlining systems and procedures in defence procurement and advised the defence ministry to fix responsibility in cases examined by it for taking suitable disciplinary action".

It goes on to note that "protracted correspondence with the MoD notwithstanding, not much progress has been made in the pinpointing of responsibility of officials in individual cases.

"As a result of further discussions held by the commission with the MoD, it was decided that expeditious action in various cases will be taken ... And the commission will continue to look into the cases submitted by the MoD."

In February 2000, the ministry

George defiant

DEFENCE MINISTER George Fernandes said on Sunday that he was ready to face any evidence against him in court relating to the purchase of defence equipment or the coffins for the Kargil martyrs. "I am prepared to face any evidence anywhere ... In court, on the streets, on television" and respond to it, he told NDTV.

Details on Page 4

asked the CVC to investigate defence deals since a ban was imposed on the involvement of agents. Later, the ministry asked the CVC to look into contracts worth more than Rs 75 crore.

"The commission, while examining these cases decided that it will also look into the above cases in which advances of 10 per cent or more has been made," the report says.

Though the BJP denied at the outset that purchases made during Operation Vijay had figured in this probe, Parliamentary Affairs Minister Sushma Swaraj clarified to Parliament during the recent Congress-sponsored no-trust debate that the CVC had probed two purchases made during the Kargil war. It is understood that these deals concerned the purchase of 12.7 mm and 130 mm shells from Russia and the 155 mm Kranspol shells.

Former central vigilance commissioner N. Vittal, who supervised the investigations, refused to comment on the report.

Protest over PAC issue continues

3
Dasmunshi
D.A.M.

1978
Parliament
A.D. - 13

By Our Special Correspondent

NEW DELHI, AUG. 14. The Opposition demand for a statement by the Prime Minister on the Public Accounts Committee (PAC) imbroglio led to a stalemate in both the Houses of Parliament. In the Rajya Sabha, the Opposition Benches remained empty till the presiding officer enforced an early closure, while the Opposition disrupted all official business in the Lok Sabha and relented when the turn came for private members' business.

It was a full House in the morning but Opposition Members, barring those of Samajwadi Party and the AIADMK, silently filed out just before the Rajya Sabha Chairman, Bhairon Singh Shekhawat, was about to take his seat. The MPs were continuing the protest that began on Wednesday against the Government taking up official business before settling issues arising out of denial of the Central Vigilance Commission (CVC) report on major defence deals to the PAC. They later submitted a letter objecting to the Rajya Sabha Chairman's ruling.

The CPI(M) leader in the House, Nilotpal Basu, told presspersons that the Opposition would boycott the rest of the session "as of now" and continue to sign the attendance register but not draw any allowances for the period. It would also not attend the Business Advisory Committee (BAC), an all-party composition which draws up the weekly schedule.

In the Lok Sabha, Priya Ranjan Dasmunshi (Congress) raised a point of order as soon as the House assembled. He pointed out that according

to rules, the conduct of a Lok Sabha member or that of a committee of the House like the PAC could only be commented upon by the Lok Sabha Speaker. In this context, he referred to the Wednesday's ruling by the Rajya Sabha Chairman on the PAC and appealed to the Speaker to intervene: "The dignity and honour of the House is in your hands."

The Congress and Left party MPs made the point that such a thing had never happened before. This was countered by V. K. Malhotra (Bharatiya Janata Party) and other BJP MPs.

The Speaker said that though the point raised by them was pertinent, he could not suspend question hour. Within minutes, Opposition MPs entered the well of the House, raising slogans against the Government. BJP and Samata MPs also countered with slogans against the Leader of the Opposition, Sonia Gandhi. In the din, the Speaker adjourned the House till noon.

When the House reassembled, the Parliamentary Affairs Minister, Sushma Swaraj, objected to the references made to the Rajya Sabha Chairman by Mr. Dasmunshi. "What he has said is unpardonable," she said. The Speaker assured the Minister that he would examine the records and expunge anything objectionable.

He asked some of the Ministers to table the papers listed in their names and later adjourned the House till 2 p.m.

When the House met again to take up the private members' business, Mr. Dasmunshi said the Opposition was not in favour of transgressing the rights of the private members and would not prevent the proceedings in any manner.

1 5 AUG 2003

THE HINDU

Corruption
D.S.N. files

GOVT. 'HIDING' CVC REPORT: CONG.

Stalemate continues over PAC issue

HD-1
14/8

2

2-Parliament

By Our New Delhi Bureau

NEW DELHI, AUG. 13. The denial of the Central Vigilance Commission's (CVC) report on defence purchases to the Public Accounts Committee (PAC) dominated both Houses of Parliament today.

The issue remained unresolved in the Lok Sabha leading to its adjournment for the day while in the Rajya Sabha, the Chairman, Bhairon Singh Shekhawat, rejected the demand for a statement from the Prime Minister.

The main ground for Mr. Shekhawat's refusal for a discussion was that the PAC had finalised its report on defence purchases during the Kargil conflict (Operation Vijay) without considering a CVC note especially prepared for the purpose.

"As consideration by the PAC at this stage does not appear complete, a discussion now on this matter in this House, would, therefore, not be appropriate," he observed.

Moments after Mr. Shekhawat finished reading a seven-page statement, the Opposition MPs got up and walked out of the House.

However, the Congress Chief Whip in the Rajya Sabha, Pranab Mukherjee, later explained to newsmen that the walkout was not to protest the Chairman's observation but against the move of taking up official business.

Mr. Mukherjee said the party would not be able to cooperate with the Government unless the Prime Minister replied to the demand for a discussion on the PAC report and the verbatim proceedings of the PAC meeting were tabled in the House.

Mr. Shekhawat's statement mainly touched upon two aspects of the controversy. The first, that the CVC has neither conducted the investigations nor given a report on the procurements for 'Operation Vijay' or the Kargil operations.

With regard to the core of the dispute — the CVC probe into defence deals and denial of the

report to the PAC — he said that out of all the items taken up for investigation by the CVC, only two appeared to relate to procurements for 'Operation Vijay'. These items were mentioned in a "factual note" submitted by the CVC to the PAC Secretariat on June 27. However, this note was not considered by the PAC even though its Secretariat had "expeditiously" requisitioned the note from the CVC.

While the Rajya Sabha returned to transacting official business without the Opposition, slogan-shouting MPs forced the adjournment of the Lok Sabha for the day. Trouble started as soon as the House met with MPs belonging to the Congress, the Left parties and the Rashtriya Janata Dal storming into the well of the House demanding the resignation of the Defence Minister, George Fernandes.

The Lok Sabha Speaker, Manohar Joshi, held out the promise of a Government statement on the matter if question hour was allowed to continue, but the Opposition showed no signs of relenting, leading to the first adjournment.

Similar scenes were witnessed when the House met again after an hour. The Opposition continued to raise slogans against the Government and Mr. Fernandes. In the midst of all this, the Speaker allowed the tabling of a statement on the ONGC helicopter crash and the House adopted a motion moved by Mr. Fernandes.

He also asked the Finance Minister, Jaswant Singh, to introduce the Bill relating to banking regulations and miscellaneous provisions. Mr. Joshi was pleading with the members to resume their seats, but sensing their mood he ordered all the special mentions to be tabled and adjourned the House for the day. Meanwhile, reacting to the comment by the BJP parliamentary party spokesman, Vijay Kumar Malhotra, that the Rajya Sabha Chairman's ruling was a vindication of their stand, Mr. Mukherjee said it was a "sad commentary" on the part of the Government.

14 AUG 2003

THE HINDU

That Kargil ghost

Defence preparedness should not fall victim to political gamesmanship

THE unprecedented step by the Public Accounts Committee in expressing its inability to furnish its findings on defence procurement has raised the Kargil ghost again. It is possible to argue that the Defence Ministry is right in refusing to part with the CVC report on the grounds that it is based on secret documents. Incidentally this was the reason why the CVC itself reportedly refused to provide a copy of its report to the PAC. It would also be reasonable to ask why the government which has been committed to transparency and the right to information should hold back such details from a key parliamentary committee. But this is not the first time the Defence Ministry has had to fall back on Rule 270 of Rules of Procedures and Conduct of Business in the Lok Sabha.

The ordinary citizen would naturally ask why a high-powered committee of Parliament like the PAC could not have access to classified information which could be available to the CVC. Surely the PAC could be sworn to secrecy and allowed access to highly classified information of national security importance? Classified briefings to House committees in the

United States on highly sensitive matters are cited as an example. One also wonders why the conclusions or action taken by the Ministry of Defence on the CVC report could not be made available to the PAC? Given the existing rules, the apparent answer would be to modify them. And that issue squarely rests with the Parliament itself! In any event, little effort has been made to find a solution to a problem that has existed for long.

The PAC incident also highlights another issue. National defence cannot be made credible without a bipartisan approach. Unfortunately, defence policy and acquisitions for defence preparedness seem to have fallen victim to political gamesmanship. This is likely to slide deeper into egocentric tussles as we move into an election year. Procurement decisions are already suffering at great cost to the nation's defence capability. One hears frequently of scams in defence. But very little is heard of any action taken against those culpable for wrongdoing. The ghost of Kargil should not be allowed to stymie all efforts to ensure credible defence for the future.

INDIAN EXPRESS

INDIAN EXPRESS

08 AUG 2003

'No interference in CBI work'

By Our Special Correspondent

107
5/8

NEW DELHI, AUG. 4. Rejecting the Opposition charge of Government interference in the working of the Central Bureau of Investigation (CBI), the Prime Minister Atal Behari Vajpayee, today said the agency was never given any direction or order during its probe of the Babri Masjid demolition case.

In his reply to a short duration discussion on the Government's responsibilities vis-a-vis its investigative agencies, the Prime Minister asserted that there was no interference in the CBI probe and that no charge had been withdrawn in the Ayodhya case.

"The case has been going on in the court since 1993. The CBI is attending to it and the Government has not given any order or directive to the agency. What kind of evidence it has gathered against whom, all these decisions solely rest with the CBI. An investigating agency should have total freedom to function in accordance with the law. The CBI has full autonomy to take any action," the Prime Minister said in his reply to the almost three-hour long discussion.

His office had only administrative supervision over the CBI and there was no question of any interference.

"This (Ayodhya) case is sub-judice and pending before the court for a long time. Assessment of the evidence is something which falls under the jurisdiction of the court," he added.

He appealed to the members to check the tendency of raising in Parliament of such sensitive issues which were pending in the courts. "I think such a practice should end here," he said.

Referring to his speech at the cremation of Ramchandradas Paramhans at Ayodhya, Mr. Vajpayee said there was no question of giving "any kind of provocative speech" and asserted that he had not said anything objectionable.

Earlier, the Opposition parties alleged that the Government was "misusing" the CBI to protect its top leaders who were

accused in the Ayodhya case. The Rashtriya Janata Dal (RJD) leader, Laloq Prasad Yadav, demanded the resignation of the Prime Minister.

Members of the Congress and Left parties accused the CBI of withholding several videotapes and not presenting them as evidence in the Babri Masjid demolition case.

The Government had "misused" its influence over the CBI to water down the charges and take out Section 120-B pertaining to the conspiracy charge against senior BJP leaders.

Kapil Sibal and Suresh Pachouri, both from the Congress, alleged that 29 tapes had not been given to the Rae Bareilly court by the CBI and all the statements of 700 witnesses had also not been presented before the Court.

Nilotpal Basu (CPI-M) described it as an "orchestrated conspiracy" to drop Section 120-B. "Who mobilised the crowds? Who organised them? Who took them to Ayodhya?" he asked.

Brushing aside their charges, the Union Law Minister, Arun Jaitley, said the "CBI will move as per record in the case" and the Government "has not and will not" give any direction to the agency under which section to prosecute.

"The Centre had no role to play in the working of the CBI under the federal polity.

It would be wrong to suggest that the CBI had "doctored" the tapes. "Since 1993 all the tapes have been in the custody of courts and not with the CBI," he added.

Mr. Jaitley said: "It appears there is a conspiracy to add the conspiracy charge. For some reason there were two FIRs in the incident. While one named others, the second named Mr. Advani and other leaders. Later, a composite chargesheet was filed. Consent of the High Court was not taken and the adviser to the U.P. Governor had given detailed reasons why the two cases cannot be clubbed."

Mr. Jaitley said that it was for the CBI to see what documents were relevant in the case and what sections were attracted.

03 AUG 2003

This would have come between you and the Taj

conjunction

sq



By AJIT KUMAR & PRARTHINA GAHILOTE

The Sunday Express has obtained blueprints of the proposed Taj corridor, currently

ONLY IN THE EXPRESS

being looked at by the CBI. And still on paper thanks to the Court stepping in to save the monument

Quattrocchi's U.K. bank accounts frozen

By Our Special Correspondent

NEW DELHI, JULY 28. Authorities in the U.K. have frozen two bank accounts of the Italian businessman, Ottavio Quattrocchi, acting on a request by the Central Bureau of Investigation (CBI).

The two accounts have some £3 million in them.

The CBI has reasons to believe that the money in the two accounts could be part of the Rs. 64 crore Bofors pay-offs. Mr. Quattrocchi, who is an accused in the Bofors case, is believed to have taken refuge in Milan, Italy, after the CBI's attempts to extradite him from Kuala Lumpur, Malaysia, failed recently.

The CBI took up the matter in the higher courts, and it is now before the Court of Appeals in

Kuala Lumpur. The agency is also in touch with the Italian authorities for ascertaining his whereabouts through the Interpol and the diplomatic channels. Mr. Quattrocchi also faces a chargesheet filed against him in a Delhi Court.

Hindujas allowed to stay abroad

By Our Legal Correspondent

NEW DELHI, JULY 28. The Supreme Court today permitted the three Hinduja brothers — G.P. Hinduja, P.P. Hinduja and S.P. Hinduja — to go abroad together and stay there till August 27, when the trial in the Rs. 64-crore Bofors pay-off case is slated to begin.

A Bench, comprising Justice M.B. Shah and Justice A.R. Lakshmanan, thereby extended the court's earlier order when the brothers were allowed to remain abroad till July 15.

The Bench, which had observed last week that it would request the trial court to speed up the trial, kept the matter pending and adjourned the hearing on the application of the Hindujas to August 29. Initially, the proceedings were stayed by the apex court. But last month, it directed commencement of trial by setting aside a Delhi High Court judgment quashing the charge-sheet against the brothers. The trial court then fixed August 27 for the trial.

Information about the bank accounts was received from Interpol in the last week of June. A Letter Rogatory was then issued by a competent court here for investigation into the accounts. A request was also sent for freezing them. Interpol-London informed the CBI today that the Crown Prosecution Service had obtained the requisite restraint order, putting a freeze on the operation of the accounts, official sources said here.

Investigations revealed that Mr. Quattrocchi received about \$7 million from AB Bofors through AE Services, a U.K.-based company. After receiving the money, he had transferred the funds from one account to another and from one jurisdiction to another to avoid detection and to evade the due process of law.

THE HINDU

7 5 1111 2003

Maya okayed Taj project: documents

By Arvind Singh Bisht
TIMES NEWS NETWORK

Lucknow: The denial by chief minister Mayawati that the Rs 175-crore Taj Heritage Corridor (THC) project was approved without her knowledge appears to be a blatant lie. The conclusion can be drawn safely on the basis of documents handed over to the Central Bureau of Investigation (CBI) probing the THC project controversy at the behest of the Supreme Court.

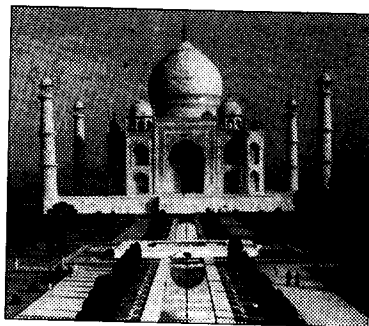
What is most startling is that necessary approval for the project was given by Ms Mayawati on October 30, 2002. Page number 107 of the file sent to her in this regard bears testimony to this fact. And this demolishes her claim that she was totally ignorant about the project.

In fact, the note prepared for her perusal categorically states that certain decisions taken by the mission management board at its meeting held in Agra on October 12 had been approved by chief secretary D.S. Bagga who presided over the meeting.

The note contains the details of the minutes of the board meetings and also underlined the decisions taken at them. They include approval to the preliminary drawings

and estimates submitted to it by different departments responsible for executing various schemes, release of necessary funds for preparing techno-feasibility report and detailed project reports (DPR) for all the approved schemes.

While the board authorised the



Agra commissioner for examining all the schemes before submitting them for the approval of the chief secretary, it was also decided to implement only such schemes, duly approved by the CCEA or fit into the guidelines of the Centre and the Central Pollution Control Board in the Taj Trepezium zone heritage corridor covering the areas of the Taj Mahal, Agra fort, Ram Bagh, Etmad-ud-Daula and Chinna-ka-Rauza and the Yamuna.

The file was sent to the CM on October 29 through Naseemuddin Siddique, minister attached to the CM, and it was duly approved on her behalf by her secretariat the next day. The note in this regard categorically speaks of the approval of the CM.

In pursuance of this, principal secretary, environment, R.K. Sharma, who is now suspended on the charge of alleged 'lapses', issued the order on November 1 for releasing Rs 17 crore for the project.

Notably, Ms Mayawati could not escape from her responsibility, as she herself holds the portfolio of environment ministry.

The fund of Rs 17 crore was released in two instalments—Rs 10 crore on November 8 and Rs 7 crore on November 23.

Corridor Conundrum

- Note checked by Mayawati clearly states decision taken about project, according to documents given to CBI
- Chief secretary presided over meeting at which decision was taken
- Rs 17 crore fund released in two instalments

'Misuse' of CBI continues to rock Parliament ⁽²⁾

By Our Special Correspondent

Corrupt Parliament
10-13
22/7

NEW DELHI, JULY 22. The alleged misuse of the CBI in the Babri Masjid demolition case continued to dominate both Houses of Parliament for the second successive day.

In the Lok Sabha, a determined Opposition forced the adjournment of the House, soon after an impromptu debate on the latest terrorist strike in Jammu-Kashmir. The day's proceedings also saw the Opposition upping the ante by demanding the resignation of both Deputy Prime Minister, L.K. Advani, and Human Resource Development Minister, Murlidhar Manohar Joshi.

In the Rajya Sabha, the Opposition extracted the promise of a discussion on the CBI tomorrow.

Soon after a discussion on the terrorist strike in J&K, Opposition members stormed into the well of the House demanding the resignation of the Ministers. Though the adjournment motion moved by them was disallowed by the Speaker, Manohar Joshi, the Opposition MPs created a din, forcing the adjournment of the House.

The Rajya Sabha will discuss a truncated version of the Opposition-sponsored motion tomorrow. This became clear after the Chairman, Bhairon Singh Shekhawat, revised his earlier ruling, turning down a discussion and adjourned the House for the day to allow the members to prepare for the debate.

While allowing a debate on "administrative matters of the CBI that could include dropping of charges against Mr. Advani and others", Mr. Shekhawat told the members that he changed his mind because he did not want to stifle discussions. Indeed in the morning, Mr. Shekhawat allowed seven members to discuss the merits of an Opposition-sponsored motion for an hour before ruling that the subject was sub-judice.

The Chair relented after the Opposition members met him during the lunch break and pleaded their case. While permitting a discussion, Mr. Shekhawat advised the members to confine themselves to discussing the administrative role of the CBI and refrain from sub-judice issues.

Drawing on his personal experience, the Rashtriya Janata Dal MP, Laloo Prasad Yadav, supported by another member from Bihar, Kapil Sibal, assured the Chairman that they wished to

draw the Parliament's attention to the "double standards" adopted by the CBI without straying into the judiciary's domain. "The Army was out on stand-by even after I had assured the CBI that I would surrender the next day — in the fodder scam — and nothing was done in this case. The Prime Minister is directly involved," alleged Mr. Yadav, recounting his experiences of 1997.

Anti-climax

Mr. Shekhawat's revised ruling was an anti-climax to the proceedings earlier in the day. The House was first adjourned for an hour after the Opposition remained unrelenting in demanding that question hour be suspended. When the House re-assembled, Mr. Shekhawat declined to allow the Opposition raise the matter till all papers had been laid on the table of the House and the schedule for the week decided by the business advisory committee was read out by the Rajya Sabha Secretary General, Yogendra Narain.

Once the minimum business got transacted the Rajya Sabha Chairman allowed Pranab Mukherjee (Cong.) to speak. He said the Opposition did not intend interfering with the functioning of the judiciary. However, it wanted the Government to respond to its charge of "misuse of the CBI and subverting of the rule of law".

"Please allow the motion to be debated. Let the legal and political aspects be debated without reflection on the court of law," he observed. His views found support from among the Left benches with the CPI(M) leader, Nilotpal Basu, pointing out that since the prosecution and the accused were the same, "subversion" of the judicial process was apprehended.

Mr. Laloo Yadav and Mr. Sibal also spoke in favour of the motion being admitted with the former drawing on his personal experience to allege "double-standards" by the CBI.

From the Treasury Benches, Sanjay Nirupam (Shiv Sena) and S. S. Ahluwalia (BJP) argued the same point, but the pitch arose when the Union Law Minister, Arun Jaitley, took on Mr. Mukherjee and Mr. Sibal to contend that the ongoing Babri Masjid demolition case was a "textbook case where the concept of sub-judice will apply." In the end, the Opposition's appeals appeared to bear fruit.

Save Taj Mahal

Scrap the heritage corridor project

The Supreme Court (coram Shah and Lakshmanan, JJ) directing the CBI to inquire into the serious irregularities surrounding the construction of the Rs 175-crore Taj Heritage Corridor Project of the Mayawati government and submit a report within two months is very welcome. The megaproject has assumed the dimension of a major scandal since it would not only be endangering the Taj, but has already eaten into the Yamuna bed behind the world heritage monument and the Agra Fort. There is no doubt that a powerful coterie comprising ruling politicians of UP, the state's senior bureaucrats and private money bags is working closely and covertly to execute the project whose ultimate objective seems personal profit. Suspicion gains ground as the coterie has tried to suppress the Archaeological Survey of India's complaint with the Agra police against "illegal" construction and even dared to violate the Supreme Court's order stopping all construction forthwith. Initially the ASI's FIR was not entertained by the state government on the absurd plea that the construction of the project had been entrusted to National Project Construction Company, a central PSU, and not a private contractor. In fact the involvement of the NPCC has given an added twist to the scandal. The PSU had put up a board at the site declaring that the construction is under Supreme Court directives although the apex court had ordered a complete halt to all the project work from 1 May.

But what is more intriguing is that Rs 40 crore has already been spent without approval from the Union environment ministry, the Central Pollution Control Board and other relevant nodal agencies. The CBI must make a thorough investigation and make public the names of those trying to destroy the Taj Mahal. Already the Supreme Court has been requested to set up a nodal authority headed by Union tourism and cultural ministries for protecting this priceless treasure from personal greed of politicians and public servants. We demand immediate, complete and total compliance with the Supreme Court order.

Swimline
16/7

WORSE THAN A CRIME

Corruption
40-10

BY ORDERING THE Central Bureau of Investigation to inquire into the monumentally unwise Taj Heritage Corridor project, the Supreme Court has made one thing clear. Even if the project has been aborted, thus saving the Taj Mahal and its environs from a mindless spree of construction, it is important to unearth the full truth about this scandalous venture. The so-called heritage corridor was in reality a proposal to construct a string of entertainment parks, restaurants and shopping complexes just behind the country's most famous monument, and even worse, to do so on a two-kilometre stretch that is very much a part of the riverbed of the Yamuna. By entrusting the inquiry into this project to the CBI, the Supreme Court has implied that a probe ordered by the State Government into the matter is not appropriate in the circumstances. This is not surprising. It is true that there still remains some confusion about exactly how this project — for which the required Central clearances were not obtained — was sanctioned. But attempts by those at the helm of the Uttar Pradesh Government in Lucknow to plead ignorance about it or to suggest that Agra's civic bodies mishandled it lack credibility. How could a project of such importance and worth as much as Rs. 175 crores be given the nod without approval, tacit or otherwise, at the top?

It was largely because of the strong intervention of the Union Minister of Tourism and Culture, Mr. Jagmohan, that the Uttar Pradesh Chief Minister, Ms. Mayawati, called a halt to the project. Under severe pressure and faced with the threat from UNESCO that the Taj Mahal could be delisted from its roster of world heritage monuments, the Chief Minister ordered the stoppage of work, which had already begun by the raising of a stone embankment. She also announced a probe into the project

and suspended a senior official in the State Environment Ministry, probably believing that such measures would stem the growing tide of criticism and stave off a serious inquiry into the heritage corridor.

However, as things stand, her Government will now be the focus of an inquiry about a project that did not have proper sanctions and which, given the unseemly haste with which it was pushed through, has given rise to grave suspicions about the very purpose for which it was undertaken. Shockingly, the project, which would have altered the flow of the Yamuna and which some believed could have posed a threat to the Taj Mahal during the monsoon season, was carried out without even conducting an environment impact study. *9 Lopi*

While hearing the public interest litigation that pleaded against the construction of the so-called corridor, the Supreme Court had ordered that the status quo be maintained and that no further work, after May 1 this year, be undertaken on the Yamuna riverbed. Although the Uttar Pradesh Government has denied this, media reports have clearly revealed that work on the five-foot-high stone embankment carried on in defiance of the apex court's order. Ironically, this work was contracted to a Central public sector undertaking that in turn sub-contracted it to private firms. The project is a veritable can of worms and the CBI should have no trouble in finding out how it went ahead without the required clearances and which laws it contravened in doing so. It is true that the threat to the Taj Mahal receded once the Mayawati Government declared that the heritage corridor project was, for all practical purposes, mothballed. However, the purpose of the Supreme Court-ordered inquiry is to find out who was responsible for placing it in peril and why they did so.

THE HINDU

SC orders CBI probe into Taj heritage project

9.8.03
By J. Venkatesan

NEW DELHI, JULY 16. Coming down heavily on the Mayawati Government in Uttar Pradesh, the Supreme Court today ordered an inquiry by the Central Bureau of Investigation into the Rs. 175-crore Taj Heritage Corridor Project near the Taj Mahal in Agra. NO 1777

A Bench, comprising Justice M.B. Shah and Justice A.R. Lakshmanan, did not accept the submission of the Uttar Pradesh Government's counsel that the court should await the outcome of a probe ordered by the State Government through the Comptroller Auditor-General. Committed

The Bench observed that "the powers in U.P., instead of creating something new which could be classified as a world heritage monument, are trying to demolish or endanger an existing world heritage monument by their hasty or irregular activities".

The Bench asked the CBI to identify officials/persons who gave the green signal to the project without the mandatory environment and other statutory clearances for fixing responsibility. The Bench expressed anguish that Rs. 17 crores had been spent on the project and asked how the National Projects Construction Corporation could undertake it without clearance.

Counsel for the State Government, Rakesh Diwedi, said that on the basis of the Mission Management Board's decision to draw up a detailed project report, the then Principal Secretary, R.K. Sharma, had gone ahead with the construction work without seeking any mandatory clearance. He said Mr. Sharma had since been suspended.

The chairman of an expert committee, Krishan Mahajan, submitted that the Taj Heritage Corridor encompassed five important monuments — the Taj Mahal, the Agra Fort, Rambagh, Itmad-ud-Daula and the Chini ka Roja — and said the massive project work, including reclamation of river bed, would endanger these monuments.

The Bench said: "Considering all the aspects as well as the allegations made by ex-standing counsel of the U.P. Government, A.K. Agarwal, it appears that a detailed inquiry is necessary to be carried out by the CBI." The Bench directed the CBI Director to see that the inquiry with regard to illegalities and irregularities was conducted at the earliest and report to the court within two months.

ONE FINDS

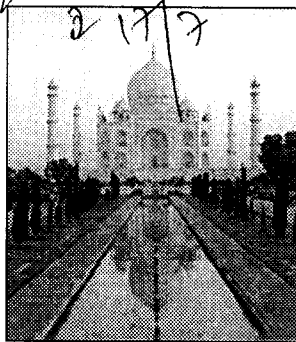
17 JUL 2003

SC orders probe into Taj Heritage Corridor

New Delhi
16 JULY

THE Supreme Court, on Wednesday, ordered a CBI probe into the controversial multi-crore Taj Heritage Corridor project of Uttar Pradesh government after it noticed major irregularities and illegalities and asked the agency to submit its investigation report within two months.

Rejecting the state government's plea to await the outcome of an investigation ordered by it through the comptroller and auditor general, a bench comprising Justice M.B. Shah and Justice A.R. Lakshmanan, asked the CBI to identify officials who gave the green signal to the project without the mandatory environment and other



WAH TAJ

statutory clearances.

Giving full credit to the media reports exposing the scam, the Bench took note of the court commissioner, Mr Krishan Mahajan's report that largescale reclamation work of the Yamuna river bed, on which the 17th cen-

tury Mughal monument Taj Mahal stands, was taken up without any survey or assessment regarding the impact that the project may have on the Taj.

The bench wondered how Rs 17-crore could have been spent on the project already.

It also wondered how the National Project Construction Company, carrying out the project, could put up a sign board saying that work was being undertaken on clearance of the Supreme Court, when no such order was passed.

The Uttar Pradesh government conceded that the Mission Management Board headed by the chief secretary had taken a decision to draw a detailed project report of the Heritage Corridor and had not taken any required clearance for it. — PTI

The Economic Times

17 JUL 2003

17 JUL 2003

SC voices concern over Taj project

TIMES NEWS NETWORK 9/11

New Delhi: The supreme court on Monday hinted that it might order a CBI probe into the Taj Mahal heritage corridor scam as it felt that "something is wrong somewhere".

During a crucial hearing of environmentalist lawyer M.C. Mehta's petition seeking protection for the Taj, a bench of Justices M.B. Shah and A.R. Lakshmanan took note of some news reports regarding the construction of the controversial corridor.

Although UP government counsel Rakesh Dwivedi said the government had not violated the apex court's May 1 order—directing the

status quo in the mega project and allowing only erection of sand embankments—the bench expressed its unhappiness at media reports about the magnitude of the construction. "Something is wrong somewhere. Some action is required to be taken in this matter—against whom we do not know," an anguished bench said and indicated that it might have to entrust an inquiry into the entire controversy to the CBI.

The state government said it would respond on July 16 to court commissioner Krishan Mahajan's application accusing the state of blatantly violating the apex court's order and spending over Rs 17 crore in a project which had not got any kind

of sanction from the authorities.

On the other hand, the executor of the Heritage Corridor Project, National Project Construction Corporation, said it had already spent Rs 40 crore under an agreement with the state government but had not been paid so far.

Mr Mahajan's application said the state government had betrayed the faith and trust reposed in it by the court by going ahead with the unapproved heritage corridor project. Mr Mahajan, himself a former journalist, lauded the role played by the media in exposing the irregularities and the unscrupulous manner in which the project work was carried out.

WEDNESDAY, JULY 9, 2003

BOFORS REVIVED

Communi

49-18
9/7

BY SETTING ASIDE the controversial Delhi High Court judgment quashing the CBI chargesheet against the three Hinduja brothers, the Supreme Court has paved the way for the trial to begin in the Bofors case. The chargesheet was shockingly quashed during the middle of last year on grounds that were wholly procedural and egregious misconstruction of the procedure at that. The single judge of the Delhi High Court held that the CBI had flouted a requirement laid down by the Supreme Court (in the Vineet Narain/Jain hawala case) by neither seeking nor receiving the consent of the Chief Vigilance Commissioner before filing the chargesheet. The erroneous nature of this judgment has now been clearly shown up, with the Supreme Court declaring it "confusing and self-contradictory" and ordering the special court to proceed with the trial.

In the pre-trial stage, the Hinduja brothers went to extraordinary lengths to frustrate the investigation; they even tried, for example, to block the Swiss bank documents required to frame the chargesheet from reaching India. Since the chargesheet was readied, the three accused brothers have resorted to a series of manoeuvres to obstruct the trial. The failed attempt to invalidate the chargesheet is only one example of legal filibustering. Another challenge against the framing of charges is scheduled to come up in the Delhi High Court on July 18, around the same time the trial in the main case will commence in the special court. Such behaviour, to put it mildly, is extremely odd on the part of individuals who repeatedly profess their innocence, speak in favour of speedy justice and paint themselves as victims of a political conspiracy.

It is a shame that progress in the Bofors case, undisputedly the most important corruption case in the country's history, has been so tardy. It has been 16 years since the scandal relating to

the multi-crore howitzer deal first came to public attention and four years since the first chargesheet was filed. Apathy and cynicism are the inevitable result of excessive delay and it is squarely in the public interest to deal with an important case such as this expeditiously. Having said that, it is imperative to understand that the significance of the Supreme Court's ruling on Monday goes well beyond Bofors. From the CBI's point of view, it has a bearing on well over a thousand cases for which chargesheets have been filed since the Supreme Court's 1997 judgment in the Vineet Narain/Jain hawala case (which vested the superintendence of the CBI with a statutory and autonomous CVC). Since the formal consent of the CVC was not sought for filing chargesheets in any of these cases, the CBI had a lot riding on its appeal against the Delhi High Court ruling. If the appeal had been turned down, the investigative agency would have been forced to file fresh chargesheets in all these cases — a predicament that would have resulted in unimaginable complexities and crippling delays.

The Vineet Narain judgment laid down that "the CBI shall report to the CVC about cases taken up by it for investigation; progress of investigations; cases in which chargesheets have been filed and their progress." The Supreme Court has now clarified that this power of "superintendence" is limited to ensuring that the CBI discharges its duty fairly and without outside interference. In other words, the ruling upholds the CBI's contention that the CVC's role is largely advisory and that it does not include the direct monitoring of investigations or reviewing the chargesheets before they are filed in court. After all, the main purpose of the Vineet Narain judgment was to free the CBI from political interference. It was not to put the CVC in charge of managing the CBI or overseeing its day-to-day concerns.

9 JUL 2003

THE HINDU

SC revives charges against Hinduja

Syed Liaquat Ali
New Delhi July 7

THE SUPREME Court on Monday revived the charges against the three Hinduja brothers in the Rs 64-crore Bofors case, which the Delhi High Court had dropped on a technicality.

A Bench comprising Justice S. Rajendra Babu and Justice G.P. Mathur overturned the High Court's verdict and asked the special court to proceed with the trial against them.

Now, Europe-based Hinduja brothers — who are on bail — will have to face trial under Sections 120-B (criminal conspiracy) and 420 (cheating) of IPC and Sections 5(2) and 5(1)(d) of the Prevention of Corruption Act.

The CBI charged them with receiving kickbacks from Swedish arms manufacturer A.B. Bofors, since named Celsius, for securing a contract to supply 155-mm howitzers to the Indian Army. The Supreme Court

on Monday termed the High Court judgment as "quite confusing and self contradictory". On June 10 last year, the High Court had quashed the proceedings against the Hinduja brothers on the ground that the CBI failed to place before the Central Vigilance Commission (CVC) the charge-sheet seeking its sanction in accordance with a Supreme Court directive in the Vineet Narain case.

The High Court accepted the contention of the Hinduja brothers that the CBI had bypassed the CVC by filing the charge-sheet directly in the special court, which was allegedly a violation of the SC directive.

The Supreme Court Bench interpreted the Vineet Narain judgment to conclude that the verdict does not state that the CBI would have to take "concurrent or sanction" from the CVC before filing a charge-sheet in a court.

It rejected the contention of the Hinduja brothers that the SC

judgment has given the CVC powers to direct the CBI not to submit a charge-sheet in a given case if it finds that there is no sufficient material to prosecute an accused.

"The accused has absolutely no right to approach the CVC for taking any steps to stop the CBI from either proceeding against him or from launching prosecution against him by filing a charge-sheet," the Bench added.

It said the SC judgment does not confer any right upon the accused to assail the charge-sheet on the ground that the CBI has not reported the progress of its probe to the CVC.

"The (SC) direction never meant to create or confer some kind of additional rights in favour of the accused as held by the High Court," the Bench said.

Even the CVC in an affidavit submitted to the apex court confirmed that the CBI had forwarded its investigation report to the panel.

8 JUL 2003

STATE OF CORRUPTION

Corruption
(P-10)

A secret is defined in Oxford as something one can share with one person at a time. In Indian public life, a secret is something that everyone knows but cannot prove. The secret becomes news when proof is forthcoming. Corruption in the higher echelons of Indian bureaucracy is something that is well known and talked about everywhere from tea stalls to dinner parties. Yet the arrest of Mr R. Perumalswamy, the personal assistant of Mr Gingee Ramachandran, the minister of state for finance, is a major piece of news. This is because

Mr Perumalswamy was caught with his hands in the till when accepting a bribe of Rs 4 lakh to get Mr Anurag Vardhan, an Indian Revenue Service officer, a favourable transfer. For most knowledgeable people, the arrest has not come as a shock but as relief. The relief grows from the expectation that more corrupt persons in the administration will be caught and exposed. This

expectation belies the old question about who guards the guards. It cannot be assumed that the various law-enforcing agencies are free from the cancer of corruption. The face of the law that is commonly known to most Indians does not engender that confidence. Quite the opposite.

The giving and taking of bribes is a common practice at all levels of public life in India. Bribes are taken by bureaucrats and officials as a show of the petty power they enjoy; otherwise ordinary honest citizens offer bribes to avoid unnecessary harassment and to expedite matters. This does not exonerate the bribe-giver, but it does offer a glimpse into the way Indian

officialdom functions and the way in which power is deployed and used. The case of Mr Vardhan is, however, different. The bribe that Mr Vardhan paid was, from his point of view, a kind of investment since, in return, he expected a lucrative posting where he would be able to make more money through illegal means. The initial bribe was only the first link in a chain of corruption. Corruption has become a major sociological phenomenon in Indian public life. It cannot be understood unless it is seen as part of a wider network. This network consists of a nex-

us between politicians and officials. It is not uncommon to find corrupt bureaucrats enjoying the patronage and protection of powerful politicians. Politicians too make money with the help of the position and the power they hold.

Even this network has a wider context. In India since independence, the state has been given too much power, the power to decide on things that could

have been left to the operation of civil society and market forces. The classic example of this was, of course the licence-permit *raj* that held sway before the era of liberalization. The prevalence of this regime and the powers that politicians and bureaucrats enjoyed in it made businessmen and corporate houses seek unusual and often illegal means to get on with their business. A nexus of illegality thus developed. This regime is in the process of being dismantled but there are enough vestiges of it to permit corruption to thrive. A rollback of the state may not uproot corruption but will create the necessary condition for its removal.

Recent events have highlighted the presence of corruption in high places. This is related to the excessive power enjoyed by public officials

THE TELEGRAPH

25 MAY 2003

Searchlight on 100 babus

25/5
NANDINI R IYER & BHAVATOSH SINGH
STATESMAN NEWS SERVICE

NEW DELHI, May 24. — Investigative agencies have been given the green signal to mount surveillance on over 100 government officials, many in sensitive posts, including three of secretary rank. Also, new officers are being posted in key places.

The CBI today started investigating into the "activities of some officials" of the Central Board of Direct Taxes and the Central Board of Customs and Excise. Both CBDT and CBCE were under Mr Gingee Ramachandran, the sacked MoS, finance.

A new CBCE chairman, Mr AK Singh, will be appointed. Mr UC Sen will be appointed director-general, economic intelligence.

The CBI director, Mr PC Sharma, today briefed Mr LK Advani about the arrest of Mr R Perumal Swamy, Mr M Ramachandran's personal assistant. Mr Ramachandran may be questioned soon.

The transfers of all IRS officers cleared along with that of Mr Anurag Vardhan, arrested for bribing Mr Swamy, have been stopped. Another IRS officer on the list, Mr CM Naik, is being questioned. "Documents found at seven places during raids suggest that Mr Vardhan and Mr Naik were not the only officers willing to pay for postings," an official said.

Around 50 more IRS officers and an equal number from other services have been "under observation over the past fortnight". Private secretaries of all ministers are also being watched.

Four Central ministers are already under surveillance as it is suspected that close relatives were taking bribes allegedly on their behalf. Specific complaints were received about bribes demanded from ministry officials for transfers or quashing department inquiries to demanding money from others for getting files cleared by the minister.

"The department of revenue, the ministries of commerce and industry, urban development and external affairs are the ones where the most activity was observed," a senior official said.

■ Halt to transfers: page 10

25 MAY 2003

THE STATESMAN

4 Union ministers under bribe cloud

Nandini R Iyer in New Delhi

May 22. — At least four Central ministers — apart from three dozen Indian Revenue Service officials — are under watch by various agencies. Complaints have been received that “ministers’ close family members are receiving bribes to get things moving”, an official said.

These complaints have been “forwarded from the top for investigation and a preliminary report will be submitted before the cabinet reshuffle”, an official said. The Prime Minister is to change his council of ministers on 24 May.

Allegations about most ministers are similar: “good postings, transfers, suppressing staff complaints against officers, vigilance matters are usually the issues on which bribes are being paid and received,” an official said. Bribes vary between Rs 2 lakh and Rs 2 crore, depending on the nature of work to be executed, sources said.

One minister’s children are allegedly receiving cash to ensure favourable postings for officers in the ministry. In another case, a minister’s brother is reportedly collecting money from non-government concerns for facilitating meetings.

Explaining one case, an official

said: “It is quite simple. There are some posts which no officer wants. Either an official is posted there and then gets hints to pay up if he or she wants to be transferred out of that post. Alternately the minister’s children call up some senior officers and say they heard that the officer is being posted to such a post and demand money”.

Officials said they are in the process of establishing whether the ministers have direct knowledge of the activities of their kin.

On 17 May, **The Statesman** had reported that private secretaries of all ministers are being watched by intelligence agencies for excessive interaction with brokers and middlemen. This is being done by a cell set up to monitor the “politician bureaucrat criminal nexus”.

In the case of ministers and a few former ministers, leaders want “preliminary investigations completed by the weekend so that a decision can be taken if the matter is serious,” a senior official said.

While investigating agencies have reportedly established that a basis for these complaints does exist, evidence is yet to be collected. Officers, however, are guarded, saying “even last week, a complaint against a Cabinet minister was proved false”.

Report on Cabinet reshuffle, p4

PA held for graft

NEW DELHI, May 22. — The CBI today arrested Mr R Perumal Swamy, personal assistant of MoS for finance Mr Gingee N Ramachandran, for taking Rs 4 lakh as bribe from a Revenue Service official. The official, Mr Anurag Vardhan, and a chartered accountant who facilitated the deal were also arrested.

The CBI said Mr Vardhan, posted in Delhi, had struck a deal with a Chennai-based CA, Mr A Krishnamurthy, to facilitate a posting to Mumbai.

Mr Vardhan had agreed to pay over Rs 5 lakh for his transfer. The CBI found Mr Vardhan was shown as transferred from Delhi to Mumbai in the I-T department’s transfer list. A further probe showed Mr Swamy was to be the bribe recipient.

The CBI suspects that Mr Krishnamurthy was Mr Swamy’s chartered accountant.

In Chennai, the MoS claimed innocence. On his PA’s arrest, Mr Ramachandran said: “Legal action would be taken against him.” — SNS & PTI

54 TRANSFER ORDERS PUT ON HOLD

CBI arrests Minister's PA for 'taking bribe'

By Our Special Correspondent

NEW DELHI, MAY 22. A personal assistant of the Union Minister of State for Finance, Gingee Ramachandran, was arrested by the Central Bureau of Investigation here today while allegedly accepting a bribe from a senior Indian Revenue Service officer here.

Official sources said R. Perumalswamy alias Babu was caught while accepting Rs. 4 lakhs from the IRS officer, Anurag Vardhan, for facilitating a posting of his choice. Mr. Vardhan, a Deputy Commissioner posted in New Delhi, was also arrested by the CBI for giving the bribe.

In a damage control action, the Finance Ministry immediately put on hold the transfer orders involving 54 Deputy Commissioners and Assistant Commissioners of Income Tax which were issued on May 21. The decision to keep in abeyance the postings came from the Union Finance Minister, Jaswant Singh, who has initiated the process of systematising, ra-

tionalising and making the system of transfer and postings of the IRS transparent.

The arrest of the Minister's PA comes close on the heels of the CBI busting a scam in the Delhi Development Authority in which top officials, including the DDA Vice-Chairman, were arrested.

Sources said that Mr. Vardhan struck a deal with a Chennai-based chartered accountant, Krishnamurthy, according to which he would pay Rs. 5 lakhs to a "tout" in the Finance Ministry.

In return, Mr. Krishnamurthy would facilitate the transfer of the IRS officer to Mumbai.

Sources said Mr. Vardhan's name was on the transfer list of officers issued by the I-T Department last evening. The tout was to collect Rs. 4 lakhs as part payment for the deal from Mr. Vardhan's residence in Delhi. The residence was kept under surveillance and investigation showed that the "tout" was the first PA to Mr. Ramachandran, who belongs to the MDMK, a constituent of the ruling NDA coalition. Searches were con-

ducted at the office and residence of Mr. Perumalswami, Mr. Vardhan and Mr. Krishnamurthy.

The CBI claimed it had seized Rs. 3.05 lakhs from Mr. Vardhan's house, and Rs. 69 lakhs and blank cheques for Rs. 85 lakhs at the residence of Mr. Krishnamurthy.

I have maintained probity: Minister

Our Chennai Special Correspondent reports:

Reacting to the arrest of his PA, Mr. Ramachandran said in a statement that legal proceedings would be initiated and that the law would take its own course.

Mr. Ramachandran said that in his 40-year public life he had maintained probity and the Prime Minister "knows about it". However, he was "very much pained" at the news that his PA had done a wrong thing. A "proper" transfer policy had been laid out for the Central Board of Excise and Customs and the Central Board of Direct Taxes and none could interfere in the transfers.

23 MAY 2003

THE HINDU

Schroeder backs US on lifting UN sanctions

Berlin: German Chancellor



G. Schroeder

Gerhard Schröder, among the fiercest critics of the US-led war against Iraq, said on Friday he supported America's desire to remove United Nations sanctions against Iraq.

"We believe the sanctions no longer make any sense and that they should be removed as soon as possible," Mr Schröder told reporters after meeting US secretary of state Colin Powell.

Mr Powell held talks with Mr Schröder and foreign minister Joschka Fischer on Friday morning offering to patch up relations soured by disagreement over the US-led Iraq war, as long as Germany supports the United States in post-war Iraq.

The United States is looking for support for a UN Security Council resolution that would lift blocks on Iraqi oil exports and Mr Powell made it clear he hoped for backing from Germany, one of the non-permanent members on the council.

"We are friends and allies. The last several months have been very, very difficult. We had a basic disagreement," Mr Powell said, in an interview on German TV. Reuters

Former Delhi HC judge fails to get immunity

TIMES NEWS NETWORK

New Delhi: Vinod Khatri: "Tomorrow is the date in court..".



S. Mukherjee

Dharambir Khattar: "Send me the saman (bribe).."

Vinod Khatri: "...I had sent the saman to you earlier but I learnt it has not reached the boss (Shameet Mukherjee)..he said ask DK to see me.."

The transcript of this taped conversation between master fixer Khattar and property dealer Khatri is in the CBI's custody. It was read out to a packed courtroom on Thursday by the agency's lawyer, T.P. Singh, who contended that former Delhi HC judge Shameet Mukherjee, Khattar and Khatri were involved in dubious deals.

Following this submission, special judge V.K. Jain declined to grant Mukherjee immunity under the Judge Protection Act, 1985 and sent him to CBI custody until May 7. He said, "I have not been able to convince myself that the law gives a judge immunity from prosecution if he indulges in corrupt practices and misuses his official position."

He did not concede the plea of lawyers, including Delhi high court bar association president D.C. Mathur, appearing on behalf of Mukherjee. About seven advocates argued for Mukherjee, claiming he could not be arrested because he was protected under the act.

Mr Jain, however, said the section which the lawyers had referred to gave protection to judges against private action. The central government, the state government, the supreme court or the Delhi high court were empowered to prosecute a judge, he added.

Senior advocates, including R.K. Anand, former president of the high court bar association A.S. Chandioke, secretary of the association, D.K. Sharma, and I.U. Khan were present in Mukherjee's defence.

DDA scam: CBI arrests former Delhi HC judge

By Vinay Kumar
NEW DELHI, APRIL 30. The CBI today arrested the former Delhi High Court judge, Sha-meeet Mukherjee, for his alleged involvement in the multi-crore Delhi Development Authority (DDA) corruption scam. He will be produced before a Delhi court tomorrow, official sources said.

Mr. Mukherjee had to resign as judge of the Delhi High Court about a month ago when the scam came to light. Though he cited his wife's ill-health as the reason behind his quitting, it was clear that his links with several of those accused in the scam had been probed by the CBI and a report submitted to the Union Home Ministry.

The Chief Justice, V.N. Khare, was kept posted of the details. Mr. Mukherjee, whose confirmation as full judge was only a few days away, tried to withdraw his resignation but that was not allowed.

Mr. Mukherjee's arrest came after day-long raids by CBI sleuths at his official residence on Zakir Hussain Marg and two premises in South Delhi's Chittaranjan Park colony. According to CBI sources, a case has been broadly registered against him under Sections 13 (2) and 13(1)(d) of the Prevention of Corruption Act, 1988 and Section 120-B of the Indian Penal Code for allegedly taking gratification other than legal remuneration in respect of an official act, for criminal misconduct by a public

servant and criminal conspiracy.

The CBI searched a total of 11 premises, including three premises of Mr. Mukherjee, two of Vinod Khatri, hotelier, four premises of Dharamvir Khattar, middleman, and the residence and office of Anshu Aggrawal, a local advocate practising at the Delhi High Court. Two locker keys were also seized from Mr. Mukherjee's premises, the CBI said. Documents seized during the searches were under examination.

The CBI has also registered cases against four others — Subhash Sharma, former DDA vice-chairman and IAS officer of the 1970 batch, Mr. Khattar, Mr. Khatri and Astok Kapur, a former personal secretary to the DDA chief.

Respite for Quattrocchi

DALIPSINGH

New Delhi, April 30: The Malaysian Court of Appeal today rejected India's request to extradite Bofors case prime accused Ottavio Quattrocchi.

The court rejected the Indian plea to review the Kuala Lumpur High Court ruling dismissing their request for Quattrocchi's extradition.

The three-judge bench of the court also quashed its earlier order asking Quattrocchi to surrender his passport.

CBI sources said their only option now was to approach the top Malaysian court at a later date when the case takes its final shape since the extradition request was rejected on "technical grounds".

India had moved the highest court through the Malaysian attorney-general, following the high court's rejection of the extradition plea on the grounds that the offences allegedly committed by the Italian businessman were "open to doubt".

"In my view, the failure to supply the court and the respondent with the charges is fatal," high court judge Augustine Paul had said in his December 13 order last year.

CBI officials said the failure to extradite Quattrocchi would not have much impact on the Bofors case, as they have got information on the kickbacks in the purchase of howitzer gun.

The agency has also written to Italy, asking them to confirm if Quattrocchi was in the country.

CBI sources said they had information that Quattrocchi had left Kuala Lumpur for Italy before December 16, 2002 — the day he was asked to surrender

his passport pending India's appeal against the high court ruling quashing the extradition request.

But the CBI has not received a reply. It is believed that Italy is not in favour of extraditing its nationals.

Hinduja acquittal row

Counsel for the CBI and the Hinduja brothers clashed in the Supreme Court today on the acquittal of the three brothers in the Bofors kickback case.

Appearing for the CBI, solicitor-general Kirit Rawal argued that the Delhi High Court order acquitting the brothers — Srichand, Prakashchand and Gopichand — was wrong as prior approval from the Central Vigilance Commission (CVC) to prosecute an accused in a corruption case need not be taken by the CBI.

Counsel Ram Jethmalani, appearing for the Hinduja brothers, countered this by saying that the CVC was entrusted with the "superintending power" and that the CBI was to report to the CVC before chargesheeting the Hinduja brothers.

The high court had quashed the chargesheet last May on the ground that the CBI had not taken prior approval from the CVC before filing chargesheets against the three brothers.

Rawal contended that the high court had "misconstrued" the Supreme Court's judgment in the Vineet Narain case, also known as the Jain hawala case. The apex court had settled the law relating to investigating agencies and made the CVC a "superintending body", to whom the CBI, the IB and other prosecuting agencies should report.

This, Jethmalani said, was not followed in the Bofors case.

1 MAY 2003

THE TELEGRAPH

SF-A CVC Bill ✓ likely to go back to LS

Aloke Tikku and H Bula Devi in New Delhi

April 22. — The Central Vigilance Commission Bill is likely to go back to the Lok Sabha. The government is thinking of amending the Bill to extend the selection procedure spelt out by the Supreme Court for appointment of the CBI director to all officers of the rank of SP and above.

In its present form, the CVC Bill provides for a similar mechanism for appointment of police officers of the rank of joint directors — equivalent to IGP — in the premier investigating agency where a committee headed by the Central Vigilance Commissioner short-lists candidates for the post. This is the procedure that has been followed for several years in wake of the Supreme Court directive in the Vineet Narain case.

Police officers of the rank of SP and DIG, on the other hand, are handpicked by the CBI director and their names sent to the administrative ministry which forwards them for clearance to the CVC committee.

Earlier this month, Cabinet Secretary Kamal Pande initiated a move that could limit the role of the CBI director in the selection of police officers. As in the case of joint directors, the Cabinet Secretariat is reported to have suggested empowering the committee headed by the Central Vigilance Commissioner to recommend officers for appointment to these posts after consulting the director.

A CBI officer said it wasn't the best way to select SPs for the investigating agency as government officials would only be able to go by a police officer's record. "A young SP rank officer wouldn't have too many years in the service to form the basis for the best decision," a CBI officer said. The CBI director, on the other hand, had several sources of information to identify the best police officers in the states and bring them into the agency, the CBI said, arguing that the CVC Board did not have a reason to disagree with the CBI director's recommendation in the last two years.

Defence ministry under scanner: The CAG today took the defence ministry to task for violating the Vigilance Commission's guidelines about purchase of rounds of 57-mm rockets and laser-guidance kits with reduced shelf life.

It asked the Centre to stay with purchase procedures and added that the violation was for a contract for the supply of 82,491,57 rockets for the IAF at a total cost of Rs 93.13 crore from Kintex, a Bulgarian firm. The IAF also bought from a single vendor for precision-bombing of targets during the Kargil War involving an estimated additional expenditure of 36.4 crore. Though the defence ministry said it had bought the material during an emergency, the CAG said delays in procurement of penetration bombs had led to the shelf life of these kits been reduced considerably by the time deliveries were completed, adds SNS from Delhi.

23 APR 2003

THE STATESMAN

THURSDAY, APRIL 17, 2003

POLICE AS POLITICAL WEAPON

Mayawati

EVERY TIME SHE faces a challenge from her political opponents, the Uttar Pradesh Chief Minister, Mayawati, wields the State police as an instrument of intimidation and punishment. The filing of cases against the Samajwadi Party leader, Mulayam Singh Yadav, soon after he released recordings of her meetings where she made controversial remarks on the utilisation of Local Area Development Funds and the offerings to Hindu deities, is but the latest instance of Ms. Mayawati using the State machinery to serve narrow political interests. The very fact that more than a 100 cases were registered in less than 24 hours of the 'Mahapardaphash' rally organised by Ms. Mayawati betrays the political motives of the Government action against the political rivals of the BSP. Earlier, the arrest under POTA of the independent MLA, Raja Bhaiya, came after his efforts to topple the BSP-led Government. In such a situation, the general impression is that the Chief Minister first identifies the accused, and then looks for the crime. Such tactics could deter individual politicians for some time, but they cannot yield dividends, even in political terms, over a period of time. Apart from the compact disc recordings, Opposition parties now have more ammunition to embarrass the Government.

As is to be expected, there have been widespread protests against the manner in which the Government is hunting down Opposition members over the use of discretionary funds. Mr. Yadav has responded with more allegations over sale of prime land. Indeed, he has dared the Chief Minister to arrest him, describing the Government action as revenge for the Samajwadi Party releasing the CD that showed Ms. Mayawati asking party MPs and MLAs to donate to BSP coffers from the Local Area Development Fund. But what must have irked Ms. Mayawati more was the second CD that showed her ask-

ing partymen not to waste money by making offerings to Hindu deities. Ms. Mayawati has a lot of explaining to do with BJP leaders many of whom were in any case not comfortable with the alliance with the BSP. In ordering the filing of cases, she, in effect, created a fresh controversy, conveniently diverting attention away from the one over offerings to Hindu deities which could have been politically more damaging. Obviously, the BSP and Ms. Mayawati believe that a belligerent Samajwadi Party would be a lot easier to handle than a sulking BJP. Mr. Yadav could so easily drive a wedge between the BSP and the BJP actually exposes the inherent incompatibility of the alliance. Indeed, taking the BJP central leadership one meeting after another with State leaders to persuade it to persist with the alliance. Many of the regular BJP leaders have openly stated that the alliance is eroding their support base. If, despite everything, the BSP-BJP coalition still pulls along, credit should go to the political opportunism of the top leadership of the two parties.

Lost in this politics of short-term interests is the issue of the use or misuse of discretionary funds by successive Governments. What is a serious concern is that too often, arbitrariness and not discretion, characterises the distribution of benefits from these funds. In the absence of any systemic checks on the use of such funds, the only way of preventing misuse would be to do away with the 'discretionary' element. If, however, there is need for more transparency and accountability in the disbursement of benefits from 'discretionary' funds. Otherwise, the Government would continue to lend themselves readily to the hands of the ruling establishment for repressing political opponents who were in power earlier. While none can object to legal action against corrupt politicians, such action must be a part of a credible exercise, and not mere witch-hunting.

17 APR 2003

THE HINDU

THURSDAY, APRIL 17, 2003

POLICE AS POLITICAL WEAPON

EVERY TIME SHE faces a challenge from her political opponents, the Uttar Pradesh Chief Minister, Mayawati, wields the State police as an instrument of intimidation and punishment. The filing of cases against the Samajwadi Party leader, Mulayam Singh Yadav, soon after he released recordings of her meetings where she made controversial remarks on the utilisation of Local Area Development Funds and the offerings to Hindu deities, is but the latest instance of Ms. Mayawati using the State machinery to serve narrow political interests. The very fact that more than a 100 cases were registered in less than 24 hours of the 'Mahapardaphash' rally organised by Ms. Mayawati betrays the political motives of the Government action against the political rivals of the BSP. Earlier, the arrest under POTA of the independent MIA, Raja Bhaiya, came after his efforts to topple the BSP-led Government. In such a situation, the general impression is that the Chief Minister first identifies the accused, and then looks for the crime. Such tactics could deter individual politicians for some time, but they cannot yield dividends, even in political terms, over a period of time. Apart from the compact disc recordings, Opposition parties now have more ammunition to embarrass the Government.

As is to be expected, there have been widespread protests against the manner in which the Government is hunting down Opposition members over the use of discretionary funds. Mr. Yadav has responded with more allegations over sale of prime land. Indeed, he has dared the Chief Minister to arrest him, describing the Government action as revenge for the Samajwadi Party releasing the CD that showed Ms. Mayawati asking party MPs and MLAs to donate to BSP coffers from the Local Area Development Fund. But what must have irked Ms. Mayawati more was the second CD that showed her ask-

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Lost in this politics of short-term interests is the issue of the use or misuse of discretionary funds by successive Governments. What is of serious concern is that too often, arbitrariness, and not discretion, characterises the distribution of benefits from these funds. In the absence of any systemic checks on the use of such funds, the only way of preventing misuse would be to do away with the 'discretionary' element. Surely, there is need for more transparency and accountability in the disbursement of benefits from 'discretionary' funds. Otherwise, these would continue to lend themselves readily to the hands of the ruling establishment for suppressing political opponents who were in power earlier. While none can object to legal action against corrupt politicians, such action must be part of a credible exercise, and not seem like witch-hunting.

17 APR 2003

THE HINDU

Disclosure by candidates

By K.C. Sivaramakrishnan

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THE MARCH 13 Supreme Court judgment on disclosure by candidates contesting elections to the Lok Sabha and the State Assemblies has been generally welcomed by the public. However, some opinions have also been expressed that this marks yet another confrontation between the Judiciary and the Legislature.

The November 2000 judgment of the Delhi High Court, in the petition filed by the Association for Democratic Reforms, directing the Election Commission to secure for the voters information about the antecedents of candidates was one benchmark. The appeal filed by the Union of India challenging this judgment in 2001, the May 2002 decision of the Supreme Court upholding the Delhi High Court's judgment and the June 2002 notification by the Election Commission prescribing the format of the affidavits by candidates followed.

An opportunity was indeed available to the Government between May and June to consider the Supreme Court's judgment and see how best it could be implemented. The Election Commission did ask the Government in the first instance to prescribe the notification and later on to react to a draft notification prepared by the Commission itself. The Government did not respond but merely asked the Commission to seek more time from the court, despite the fact that the subject had been traversed extensively for two years. When the Commission issued the notification, the reaction of the political parties was near panic.

The reaction of the parties, efforts to evolve the so-called consensus in favour of a law to nullify the notification — denied by the main Opposition party — promulgation of an Ordinance ignoring the President's advice for a second look and eventually the challenging of the Ordinance through a PIL are all now a part of the course of events.

What the Supreme Court has struck down as unconstitutional is only section 33B of the Representation of the People (Third Amendment) Act, 2002. This is the Act which replaced the Or-

inance. Some other provisions such as 33A do stipulate that a candidate must furnish information on whether he is accused of any offence punishable with imprisonment for two years or more in a pending case in which a charge has been framed or whether he has been convicted of certain other offences and sentenced to imprisonment for one year or more.

The Representation of the People

a contesting candidate is recognised as an integral part of a fundamental right, it follows that its ambit, amplitude and parameters cannot be changed and circumscribed for all time to come. The right to information should be allowed to grow rather than being frozen and stagnated."

Another reason why the court struck down Section 33B as unconstitutional was that its only intent and

ing the vote and access to information for this purpose is a basic feature of our democratic structure. To that extent, Parliament's right to change the basis of the court's judgment in violation of these rights is not permissible.

The question that remains is what next. Should this be viewed as a confrontation between the Judiciary and the Legislature? If at all there is a confrontation, it can only be between the Legislature and the people. It is now the task of the Government and the Election Commission to implement the judgment. Some revisions to the Commission's notification of January 2002 may be necessary. It did suffer from one major blemish — power given to the Returning Officer to reject a nomination if he found that the information furnished by a candidate was incomplete, wrong, or suppressing material information. In its present judgment, the Supreme Court has held that this provision was not justified and called upon the Election Commission to suitably revise it. Section 125A of the RP Act also provided in the third amendment that concealing or giving false information in the affidavit would be punishable with imprisonment up to six months.

As for information on financial antecedents of candidates, Parliament has already accepted the principle of disclosure and provided for it in the third amendment. Oddly enough, the related provision in the Ordinance covered members of both the Lok Sabha and the State Assembly but in the Law, reference to the Assembly was omitted. Since information on financial antecedents is considered to be part of the essential information to be made available to the voter, the difference of view is limited only to the timing. The effort needed is the same, before or after the elections.

There is a case for the Election Commission to consider whether the pro forma for the affidavit prescribed in this regard can be simplified. It is open to the Commission to specify what documents are needed.

(The writer is a former Secretary to the Government of India, and adviser, Lok Satta, Hyderabad.)

Members of a democratic society should be sufficiently informed about the antecedents of a candidate.

Act itself contains a list of 16 offences under the Indian Penal Code and there are other Acts under which conviction would disqualify a candidate. In a separate amendment, also titled RP (Second Amendment) Act, 2002, a person is disqualified if convicted and fined for offences relating to sati, corruption and POTA and a further period of six years from the date of release if jailed for such offences. Taken together, the main RP Act as well as the second and the third amendments provide for a system of disclosures and disqualifications so far as various criminal offences are concerned.

Unfortunately, when it came to financial assets and liabilities, the Government did not consider disclosure necessary at the time of contesting elections. Parliament, however, did recognise this requirement in principle because the third amendment requires a successful candidate to furnish the information to the Lok Sabha Speaker after the election. It is a moot point whether the law would have passed the test of constitutional validity if it had stopped there. But, it went further.

Section 33B stated that a candidate was not liable to disclose any information other than that required under the Act. This amounted to a blanket ban on dissemination of information, irrespective of future needs. In the words of the Supreme Court "when the right to secure information about

purpose appeared to be to nullify the Election Commission's instruction and the May 2 court orders. This intent is more than apparent considering that in both the Ordinance and the Act, Section 33B was preceded by an insertion clause stating that this Section shall be deemed to have been inserted with effect from May 2, 2002. The question is whether Parliament has the right at all to nullify any court order. It has been held in the past that Parliament can indeed do so but only by changing the basis of the law which prompted the judgment.

In this particular case, the Government argued that the right to vote was only statutory, subject to statutory restrictions. The extent and nature of information needed for exercising such a right was also therefore limited to statutory provisions only. This is where the Supreme Court not only reiterated the position taken in May 2002 but also laid down clearly that the right to vote is not merely statutory but constitutional, and very much a part of the basic democratic system. The court also held that the exercise of vote is indeed an expression of the voter's choice and is thus a part of the fundamental right to freedom of speech and expression. Members of a democratic society should be sufficiently informed about the antecedents of a candidate so that they may cast their votes intelligently. In essence, the court found that exercis-

THE HINDU

5 APR 2003

Jogi's letter: PM orders CBI probe

By Our Special Correspondent

NEW DELHI, APRIL 1. Describing the document attached along with the Chhatisgarh Chief Minister, Ajit Jogi's letter to him as "forged", the Prime Minister, Atal Behari Vajpayee, today ordered a CBI inquiry into the case of forgery.

Mr. Jogi had on Monday accused the Union Home Ministry of using agencies such as the Intelligence Bureau to "harass and defame" Congress leaders in the run-up to the elections. He had alleged that the IB was commissioned to launch an operation "Black Sea" to fabricate cases of corruption against

Congress leaders. Taking a stern view of Mr. Jogi's allegations, the Prime Minister described the document enclosed with the letter as "obviously forged" and vehemently denied any such operation by the IB.

"It follows that the allegations you have made against my Government are false," Mr. Vajpayee said.

In his reply to Mr. Jogi, the Prime Minister said that it was hardly necessary for him to "write that your insinuations and allegations, particularly against the Ministry of Home Affairs, are baseless and politically motivated."

Mr. Vajpayee further said: "I

am informed by the Director of Intelligence Bureau that there is no Special Directorate in the IB and that it has not launched an operation code-named Black Sea, as mentioned in your letter.

In the circumstances, I have asked the Central Bureau of Investigation (CBI) to go into this case of forgery and take appropriate action against the person or persons connected with the forgery. I am sure that given the high constitutional office you hold, you will readily and fully cooperate with the CBI."

Since Mr. Jogi had published his letter, the Prime Minister said that he was also releasing his reply to the media.

THE HINDU

2 APR 2003

THURSDAY, MARCH 6, 2003

BRAZEN ABUSE OF POWER

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THE CONTROVERSY OVER the videotapes showing the Uttar Pradesh Chief Minister, Mayawati, allegedly exhorting her party MPs and MLAs to contribute a share of their "earnings" out of the Local Area Development Funds to the party's coffers reveals the extent of her contempt for norms of probity in public life. The evidentiary value of such tapes notwithstanding, the episode only brings to the fore how brazen sections within the political class could turn and abuse their powers to shore up their own and their party's resources. The fact that Ms. Mayawati went on, as revealed in the tapes, to condone siphoning of funds meant for development projects by her party MPs and MLAs and to instruct them to part with a portion of such funds for the party is an affront to democratic values. The entire episode calls for a thorough enquiry into the freewheeling ways of elected representatives.

The videotapes as well as charges against Ms. Mayawati (levelled by a whole lot of public spirited individuals in the form of a PIL before the Lucknow Bench of the Allahabad High Court demanding that the Chief Minister be ordered to disclose details of the "gifts" received by her during her birthday celebrations and that the court order her to deposit such articles in the State treasury) are issues that the political leadership of the ruling coalition in Uttar Pradesh will have to respond to immediately. The usual refrain that the charges are politically motivated will not do in this instance. The stand taken by the top leaders of the BJP, including the Prime Minister, A.B.Vajpayee, and the Deputy Prime Minister, L.K. Advani, that Ms. Mayawati has explained her position on the tapes in a letter to them and that the letter's contents shall be revealed only in the event of the Lok Sabha Speaker calling for it is clearly an inadequate response. The point at issue here is not about the functioning of the Government in Uttar Pradesh or about the privileges of the MPs. Instead, there are allegations of malfeasance of funds meant for de-

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Corruption

velopment works. Hence, the imperative for the political leadership of the BJP-BSP combine is to ensure transparency of all the works purportedly carried out using funds drawn under the MPLADS during the relevant period. Any attempt to evade the main issue and bringing a breach of privilege charge against those who produced the tapes will only add to the perception that the scheme as such is open to abuse.

Be that as it may, the experience with the working of the scheme and the facts revealed by a performance appraisal by the Union Department of Programme Implementation (in 1997) had confirmed the apprehensions of critics of the MPLADS regarding execution of the works. Apart from the larger issue of unfairness involved in pampering incumbent MPs, the working of the scheme itself was found to be unsatisfactory. Uttar Pradesh, for instance, recorded a fund utilisation ratio (between 1993-94 and 1995-96) of 76 per cent, surpassing the performance of several other States that can claim to have a far better administrative infrastructure in their districts. The implementation of the scheme has a lot to do with an efficient district administration. The figures, in this sense, should reveal that all is not well with the implementation of the MPLADS and the fact that there is no mechanism to audit the projects carried out under this scheme creates ample scope for diversion of the funds. Apart from these, there is a serious anomaly with the MPLADS in that the funds transacted under this scheme are not placed for scrutiny by any agency including the Comptroller and Auditor General (CAG) as is the case with all other schemes for which funds are sanctioned by Parliament. All these factors and the remarks of the Uttar Pradesh Chief Minister on how the elected representatives are profiting should lead those at the helm to rethink on the merits of persisting with a scheme such as the MPLADS which is so blatantly unfair, vests spending discretion in individual MPs and is prone to large scale abuse.

ONE FINDS

6 MAR 2003

Schroeder dubs war supporters in EU 'Gang of Eight'

DAVID CROSSLAND
BERLIN, FEBRUARY 5

GERMAN Chancellor Gerhard Schroeder on Tuesday criticised the eight European leaders who signed a declaration last week backing US stance on Iraq.

He said France and Germany were right to cooperate in spearheading a common foreign policy for Europe and, in a television interview, denied that Germany's outright opposition to an Iraq war had divided Europe.

He said the declaration, signed by the leaders of EU members Britain, Spain, Italy, Portugal, Denmark and future members Poland, Hungary and the Czech Republic, ran counter to an EU Foreign Ministers' common position on Iraq agreed just two days earlier, not in substance, but in form.

"It's not as a result of my policy that Europe is divided," Schroeder told ZDF television. "You know that 15 European Foreign Ministers, ours among them, decided on a joint European position regarding Iraq which two days later was departed from by seven European states, not in terms of substance, but in terms of form."

"That wasn't my action — it was the action of colleagues who have used their right to free speech, which I cannot criticise, but who of course know that in doing so they countered the position of their Foreign Ministers, maybe less in substance if you read it closely, but in terms of form."

"This has got to be put right, and it shows we're only at the beginning of a common European foreign policy and France and Germany rightly sense a special responsibility to go down this path that leads to a common European foreign policy."

The "Gang of Eight" declaration undermined an effort by France and Germany to



Schroeder grimaces ahead of a weekly Cabinet meeting in Berlin.
Reuters

Chirac rejects Blair's plea for war support

PARIS: French President Jacques Chirac rebuffed a British appeal for support of swift military action against Iraq, standing his ground against an Anglo-American campaign to win over world leaders on the eve of a crucial meeting of the UN Security Council. British PM Tony Blair met with Chirac hoping to soften France's opposition before Secretary of State Colin L. Powell presents evidence to the council on Wednesday. —LATWP

form an anti-war axis as the US and Britain build up forces in the Gulf in preparation for a military strike on Iraq.

Schroeder was speaking as British PM Tony Blair failed on Tuesday to win French backing for an early war at a summit meeting with French President Jacques Chirac.

France, unlike Germany, has not ruled out joining a war or voting in favour of it in a UN Security Council vote. But the two countries agreed last month to coordinate their positions closely.

Political analysts say Schroeder has manoeuvred himself into a dangerous position with his outright opposition to an Iraq war because he cannot go back on that pledge without wrecking his authority in Germany, yet risks isolating Germany in the world if he stands fast. —Reuters

Jaya on Tansi land return track

comment
G-1
2/1/02

M.R. VENKATESH

Chennai, Jan. 1: Tamil Nadu chief minister Jayalalithaa and her friend, Sassikala, are believed to have returned the two controversial plots of land purchased from the Tamil Nadu Small Industries Development Corporation (Tansi) during her previous tenure. The land was purchased by Jaya Publications, in which the two were partners.

The duo proposed to "surrender the two pieces of land without seeking the return of the money (Rs.1.68 crore) they had paid for the purchase of the properties" in a recent affidavit to the Supreme Court.

However, there was no official confirmation on this till late this evening, though the papers are said to be in an advance stage for "reconveyance". A senior state government official was very guarded when he said the "actual position will be known only tomorrow".

The purchase of land from the small industries development corporation had stirred a political storm, leading to the conviction of Jayalalithaa and Sassikala by a special court — constituted by the previous DMK regime — for causing a revenue loss to the state exchequer from underevaluation of the properties.

Jayalalithaa and Sassikala were subsequently acquitted in December 2001 by Madras High Court in the two land deals. This paved the way for Jayalalithaa's return to chief ministership through a byelection in Andipatti in February 2002.

The Supreme Court, however, is yet to give its verdict on the DMK's appeal against the high court decision.