

KERALA

Malabar Cements MD denied bail in corruption case

SPECIAL CORRESPONDENT

THRISSUR: , SEPTEMBER 07, 2016 01:55 IST

UPDATED: SEPTEMBER 22, 2016 17:25 IST

Inquiry Commissioner and Special Vigilance Judge P. Jayachandran on Tuesday denied bail to K. Padmakumar, managing director of public sector Malabar Cements Limited, who was arrested in Palakkad on Monday by the Vigilance and Anti-Corruption Bureau (VACB) on charges of corruption and irregularity.

The judge also remanded him in judicial custody till Friday on the condition that he must be subjected to expert treatment at Government Medical College Hospital here for acute diabetes.

Though the judge had allowed his custodial interrogation by the VACB in the morning, Mr. Padmakumar was diagnosed of acute diabetes during medical examination at the district hospital. The doctors there also recommended his admission to the medical college hospital for specialised treatment and observed that he was not physically fit for custodial interrogation at least for the time being. The judge then allowed his judicial custody.

Mr. Padmakumar is accused of irregularities in fixing dealers for the products of the cement company located at Walayar in Palakkad. In his bail plea, Mr. Padmakumar contended that whatever actions he had taken as the managing director of the profit-making PSU were in accordance with collective decision and approval of the director board.

He also said the director board was also responsible for the alleged loss of Rs.2.7 crore in the irregularities in awarding dealership rights. The judge who advised the Vigilance to take into consideration the arguments of Mr. Padmakumar seriously denied bail saying that the managing director was found prima facie responsible for the losses.

The judge said he was allowing the custodial interrogation after going through 60 documents submitted by the VACB proving his involvement in the irregularities. The VACB had told the judge that Mr. Padmakumar was facing three other corruption cases registered by it

On Monday, the arrest of Mr. Padmakumar was recorded after summoning him to the Vigilance office in Palakkad. VACB sleuths also conducted raids at his office and residence.

Raids were also conducted at the offices and houses of deputy marketing manager G. Venugopal and legal officer Prakash Joseph.

VACB claimed that these officials had caused severe loss to the company by importing fly ash violating applicable rules and allotting dealerships violating norms. It said that this was for the first time that the Vigilance was seeking custodial interrogation of an accused in corruption cases.

The case was initiated by the Vigilance on a complaint filed by a former employee of the company and an outfit that worked for the protection of the PSU.

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