

CHAPTER IV

TRANSACTION AUDIT OF ULBs

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URBAN DEVELOPMENT DEPARTMENT

4.1 Misappropriation of Government money

The Ex-Chairman, Sapatgram Town Committee (STC) misappropriated Government money by withdrawing ₹2.47 crore from the banks without recording it in the Cash Book and without maintaining any records in support of any expenditure incurred out of withdrawn amount.

Financial Rules (FR) provide that Drawing and Disbursing Officer (DDO) is personally responsible for accounting of all moneys received and disbursed and for the safe custody of cash. Besides, it provides that every payment must be supported by a claim and supporting vouchers/ acknowledgement and all monetary transactions should also be routed through Cash Book which should be closed daily under the signature of the DDO.

Test check (September 2013) of records of the Chairman, STC revealed that, Cash Books maintained for the Own Fund and Swarna Jayanti Shahari Rozgar Yojana (SJSRY) for the period from 01 April 2007 to 16 April 2009 recorded expenditure of ₹9.16 lakh only. The Cash Books were not attested by the DDO. However, six bank pass books/ statements furnished to audit revealed that, ₹2.59 crore was received by the then Chairman, STC in two bank accounts and an amount of ₹2.47 crore was withdrawn from the banks during the above mentioned period. No plans, estimates, Measurement Books, vouchers, tenders, agreement etc. in support of the expenditure of ₹2.47 crore were available with the STC. The present Chairman, STC stated (September 2013) that he was not aware of the purpose of withdrawal and whereabouts of the above mentioned fund and this matter was verbally informed to the Director, Municipal Administration (DMA) and the Secretary to the Government of Assam, Urban Development Department. During scrutiny it was also revealed that a Magistrate was deputed by CM's vigilance Cell in November 2009 to conduct an enquiry against the same Ex-Chairman for an outstanding payment of ₹45.00 lakh for various works which were not supposed to be due. It was however, resolved in a Board meeting (29 January 2010) that the Board shall wait till the result of Magistrate enquiry is received. However, no follow up action was initiated in this regard.

Thus, improper maintenance of Cash Book and other basic records in the STC has facilitated misappropriation of ₹2.47 crore of Government money.

The matter was reported (October 2013) to the Government. In reply the Government stated (March 2014) that the Deputy Commissioner, Dhubri has been requested to file criminal case against the Ex-Chairman and his staff involved in the said misappropriation. However, the misappropriated Government money is yet to be recovered.