

Complaint No.LA/COM/3592/2021 (T-1)
Shri Vishnu Dattatray Barve & others

Hearing on 28.04.2023

Present : (1) Complainant Shri Vishnu Dattatray Barve; (2) Shri Sunil Pawar, Commissioner, Sangli Miraj Kupwad City Municipal Corporation

The complaint has been filed on behalf of the complainant, in which 17 objections have been raised. Today, arguments were advanced in respect of one point, which he has raised in his complaint. It is alleged by him that after investigations were made by him and his colleagues, they found that the cheques, which were given by the Corporation for payment of MSEDCL bills, were collected by the agents of MSEDCL. These cheques were deposited by the Corporation, but the credit was given not to Corporation, but to some small electricity users and in the next month, some of the amount was shown to be an outstanding in the bill. After this fact was brought to the notice of Corporation by the complainant and his colleagues, the matter was investigated and it was found that there was a fraud of Rs.3.44 crores. I am informed that the matter is now being investigated by the Economic Offences Wing. A separate audit also is being conducted.

2. In my view, this is a very serious matter and it needs further investigation from an independent agency. It is unconceivable as to how the cheques received by the MSEDCL can be diverted and credit can be given to other persons. This appears to have happened for a long period of time. In my view, obviously, this could not have happened without assistance of the employees of bank, on whose cheque book this amount was

drawn. The MSEDCL deposits the cheques received by them in Union Bank of India, M. D. Pawar Peoples' Co-operative Bank Ltd. and Vasantao Chaugule Urban Co-operative Credit Society. Without connivance of the employees of these banks, such a fraud could not have taken place.

3. I, therefore, direct the Director General of Police, Maharashtra State, Mumbai to constitute a SIT consisting of one senior Police Officer, who is not from that area; one senior officer of the Corporation, one Chartered Accountant. The SIT may take the assistance of the complainant Shri Vishnu Dattatray Barve and also the Commissioner of Corporation or his delegate. During the course of investigation, if it is found that some people from the banks are also involved, an FIR may be registered against all such persons, if already not registered. The preliminary report of the investigation be submitted to me within eight weeks. The Government in Urban Development Department shall also ensure that such type of fraud does not happen in other Corporations all over the State and may carry out the separate audit, if necessary.

4. So far as the other points, which are raised by the complainant, are concerned, they will be heard on subsequent date.

5. The Corporation is permitted to engage an Advocate to represent the case.

6. Adjourned to 03.07.2023 at 11.15 a.m.

(Justice V. M. Kanade)
Lokayukta
28.04.2023