



(भारत सरकार) GOVERNMENT OF INDIA
(रेल मंत्रालय) MINISTRY OF RAILWAYS
(रेलवे बोर्ड) RAILWAY BOARD
Rail Bhawan, New Delhi

RBA No.32/2017

No. 2017/AC-II/25/3

New Delhi

8 -03-2017

FA&CAOs,
(All Zonal Railways/Production Units)

Sub :- Report on embezzlement of Railway money by Accounts Staff.

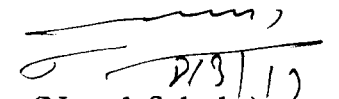
FA&CAO, Southern Railway has reported a probable misappropriation of Railway's fund by a staff working under Sr. DFM/Salem to the tune of Rs. 1.28 crore. The modus operandi of the fraud is altering the actual beneficiary account number and IFS code with his own/Associate's account number and IFS code, while sending the list of beneficiaries under NEFT mode of payment to IDBI Bank as detailed below:-

- Re-issue of cancelled and unencashed cheques issued to the local bodies (payment meant for Professional Tax, etc);
- Preparation of pay-order for the cancelled cheques;
- Alteration of the name of the Payee (beneficiary) in records given to Bank for payment.

2. While detailed report of the above mentioned fraud cases is pending to be submitted by Southern Railway, Board (FC) desires that following action should be taken by all the Railways:-

- a) The system of test check for different types of work, as laid down in para 803 of Accounts Code Volume-I needs to be reviewed by all the FA&CAO's periodically and strengthened.
- b) To carry out a quick review in the respective Railway's to ensure that there is no such fraud prevalent in Railway Units.
- c) To ensure that the accompanying documents enclosed with Cheque authorizing the Bank to make the payment through NEFT/RTGS, is also signed by the Accounts Officer signing the cheque.

3. Compliance of the above information is to be sent to Accounts Directorate by 15th March, 2017.


(Naresh Salecha)
Adviser/Accounts
Railway Board

Copy to :- GM/Aims/CLS