(2000) 08 PAT CK 0056

In the Patna High Court

Case No : C.W.J.C. No''s. 3105 of 1998 (R) and 2657 of 1999 (R)

Rajnish Kumar Singh, etc. APPELLANT

Vs

State of Bihar and Others RESPONDENT

Date of Decision : 28-08-2000

Acts Referred:

Citation : (2001) 1 BLJR 109

Hon'ble Judges : M.Y. Eqbal, J

Bench : Single Bench

Judgement

M.Y. Eqbal, J.—Heard earned Counsel for the petitioner and the earned Counsel for the Corporation and the Government Advocate.

2. These writ applications in the nature of public interest litigation have been filed seeking appropriate order from this Court directing the C.B.I. to inquire and investigate into the matter regarding fraudulent withdrawal/fraudulent transaction/financial irregularities to the tune of crores of rupees by the officials of the Ranchi Municipal Corporation and also about fraudulent assessment of tax of thousand of holding and mutation of thousand of plots of tribals land falling outside the Municipal area.

3. On 17.5.99, this Court directed the Counsel for the C.B.I. to accept notice and file counter-affidavit. The Counsel for the Accountant-General of Bihar was also directed to seek instruction regarding auditing of the accounts of the Ranchi Municipal Corporation and to file necessary counter-affidavit. A counter-affidavit has been filed on behalf of respondent Nos. 9 and 10, the Auditor-General, II, Office of the Accountant General, Patna and the Local Examiner, Local Audit, Ranchi stating inter alia that the outstanding advance of 1995-96 being 172.20 lakh have been pointed out in the audit through objection memos and incorporating the same in the audit report, but no action has been taken either by the Municipal Corporation or by the State Government.

4. This matter was heard on 2.12.99 when a Bench of this Court has gone

through the affidavit filed by the Municipal Corporation and observed that the allegations made in the writ petition have not been denied rather those allegations have been admitted particularly in respect of the irregularities in the matter of financial transaction and also in the matter of basic amenities to the public. Since the C.B.I. expressed their inability because of over burden, this Court constituted a Committee consisting of Commissioner, South Chhotanagpur Division as chair person of the Committee along with Sri L.N. Prasad, retired Accountant-General, Bihar and the Garisan Engineer, namely, Mr. Poply. The Committee was directed to inquire into the allegations indicated above from the period 1985 onwards and submit a report. Pursuant to that, the Committee headed by the Commissioner, South chhotanagpur Division submitted a report. From perusal of the report, it appears that in a meeting of the committee held on 9.2.2000 under the Chairmanship of the Commissioner, it was decided that the allegation regarding valuation of houses/taxation may be inquired into by the Administrator, Ranchi Municipal Corporation, Deputy Director (Food) and Mr. L.N. Prasad. The Report and the finding consists of three parts.

5. Part ''A'' relates to irregularities in the matter of collection of revenue/holding tax, etc. Finding is that allegation regarding non-maintenance of demand of collection register since 1992-93 and also allegation of mis-management in the matter of tax collections are correct. It is also reported that valuation of the holding and tax assessment have been revised without there being any approval by the Government. It is further reported that all the reports regarding mutation, collection of holdings and expenditure outside the territorial limit of the Corporation are available in the Corporation. It was also found that various plots belonging to the members of Scheduled Castes and Scheduled Tribes have been converted into holding in order to give undue benefits to the interested persons.

6. Part ''B'' of the report relates to advances given for non-technical matters. In this regard, it was found that the Bihar Municipal Accounts Rules, 1926 particularly Rules 1975, 1976 and 1997, were never followed by the Corporation in the matter of grant of advances, their timely adjustment and balancing of advance. It is further reported that the procedure of receipt and disposal of vouchers does not exist in the Accounts Section of the Corporation and there is no documents to justify the transaction made by the Corporation on this head.

7. Part ''C'' of the report relates to the works done by the Ranchi Municipal Corporation through their agents or employees for the period 1995 onwards. For better appreciation, the report is quoted herein-below:

It has been noticed that the working system of the Ranchi Municipal Corporation is not streamlined. Proper records with detail sketch drawing are not being maintained. Same work at one place might have been done repeatedly by the same or other official/Agencies which can''t be ascertained in the absence of proper records at the later stage. That is why for most of the work, it has been mentioned in our report that work can''t be ascertained at this stage.

8. After having gone through the affidavits filed by the respective parties, reports submitted by the Committee and the submissions made by the earned Counsel appearing for the parties, we are of the view that prima facie, it appears that there are serious financial irregularities, fraudulent transaction, fraudulent withdrawal of crores of rupees without any adjustment and further embezzlement of and/or mis-appropriation of huge amount of money either by the officials of the Corporation or person deputed by the Corporation for executing the scheme or work. It further appears that much bunglings have been done in the matter of the mutation of the land and holding belonging to the members of Scheduled Tribe. These acts of the officials of the Corporation and its agents constitute gross financial indiscipline verging on fraud on the constitution and the people. We take judicial notice of the facts that there is no road, drainage, proper sanitary system, water facilities and basic amenities in the Ranchi town which falls within the Corporation. In our view, therefore, it is a fit case in which direction should be issued for inquiry and investigation of the above matters by the Central Bureau of Investigation.

9. We therefore direct the Central Bureau of Investigation (CBI) through the Director to inquire and scrutinise all cases of financial irregularities and the fraudulent assessment/mutation of thousands of plots of tribals land falling outside the municipal area and to take appropriate action against the person found responsible for those fraudulent acts omissions and commissions in the financial matters of the Corporation as indicated above. Let this matter be placed after four months, so that by the time, the C.B.I. could complete the inquiry.

10. Let a copy of this order be handed over to Mr. P.P.N. Roy, earned Counsel for the C.B.I. for immediate communication of the order to the Director, C.B.I.