



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

RBA No.31/2017

No. 2017/AC-II/25/2

New Delhi

8-03-2017

FA&CAOs,  
(All Zonal Railways)

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

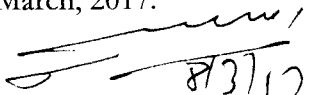
FA&CAO/SR vide D.O. letter No. C6/SN/UTS Fraud/2016-17 dated 8.2.2017 addressed to Adviser/Accounts has brought out frauds detected at various UTS locations in Southern Railway, as brought out below:-

- a) Conventional modus operandi adopted is by way of generating low value Plat Form tickets in the system, saving the CPT stationery by not printing them immediately and thereafter generating and issuing high value ticket in the saved stationery to the passenger and thereafter nullifying the high value transaction through NI or Special cancellation. The money collected from the passenger is thus permanently misappropriated;
- b) Recently, a different type of fraud has been reported in UTS tickets, detected during the check of collected tickets at Pondicherry station, SR. A CPT generated under carbon process and with mismatched CD number, issued at UTS/Banaswadi station of SW Railway was detected;

2. In this regard copies of modus operandi of both the above frauds detected by Southern Railway are enclosed. It is desired that FA&CAO and CCM of all the Zonal Railways may kindly peruse the reports and introduce appropriate safety measures in the System to curb frauds and ensure foolproof ticketing system.

3. Compliance of the above is to be sent to Accounts Directorate by 15<sup>th</sup> March, 2017.

Encl: As above.

  
(Naresh Salecha)  
Adviser/Accounts  
Railway Board

Copy for information and necessary action to:-

- a) Additional Member/Commercial, Railway Board;
- b) EDFC, Railway Board
- c) Managing Director, Centre for Railway Information System, Chanakyapuri, New Delhi

✓

**SOUTHERN RAILWAY**

No.C6/SN/UTS FRAUD/SWR/2016-17

DATE : 05-12-2016.

**SPECIAL REPORT**

**FA & CAO / SN / MAS**

Sub : New types of Fraud in UTS ticket transactions – reg.

-X-X-X-

1. **Conventional frauds** – Hitherto, the usual modus operandi adopted by the Delinquent Booking clerks for permanent misappropriation of Railway earnings, which were detected at various UTS locations, was by way of generating low value PF tickets in the system and saving the CPT stationary by not printing them, and immediately generating a higher value ticket in the saved stationary and issuing to the passenger. The higher value transaction is thereafter nullified through NI or Special cancellation. The money collected from the passenger was thus misappropriated.
2. **New Modus Operandi by way of carbon process** – Recently, in July 2016, Sr.TIA/TBM-III during his periodical inspection at PDY, has reported collection of a mismatched UTS ticket issued from UTS / Banaswadi (BAND) station of SW Railway, vide CPT No.17029809 / 9817 dt. 09/7/2016, ex. BAND to PDY for 3 adults in II M/E for Rs.405. Apart from the mismatch, the **said CPT is suspected to be of carbon print.** The collected ticket has been forwarded to Traffic Accounts Office of SW Rly for detailed investigation.
3. **UTS fraud at BO/KZT during 2011-2012.** Cases of frauds of similar nature, viz., issue of duplicate UTS tickets through carbon process was detected and reported earlier during November 2011 at UTS / KZT. By way of single print command, two tickets were found printed simultaneously, the duplicate being printed in another saved CPT stationary through carbon process. Such cases were detected in nine cases. In these cases, it is pertinent to note that there was abnormal / unusual generation of low value Platform tickets (77 PF tickets on 23-10-2011), which could have probably been utilised for committing such frauds.
4. **Fraud through Sharing of Output.** At BO/KZT numerous unused ticket printers were available. The possibility of printing a single transaction in two different ticket printers, one genuine printer and the other unused printer, by way of modifying data cables was also pointed out. The saved CPT stationaries could be utilised for printing duplicate high value tickets and issued to the passenger duly collecting money. Test tickets were also generated using unused printers to prove that this mode of frauds also cannot be ruled out. A Special Report on this was already appraised to FA & CAO/MAS & CCM/MAS.

In the light of detection of UTS fraud by way of printing duplicate tickets through carbon process at BAND station of SW Rly, it is felt appropriate to appraise Railway Board of the same so that Other Railway's too can be made aware of such frauds.

Submitted for kind information and further necessary orders please.

  
Supdt / RF / SN

सं/No.A.76/AFA/T/TPJ/GK/Inspn/KZT

दि./Dt.: 9.02.2012

**SPECIAL REPORT ON FRAUDULENT ACTIVITIES AT UTS/KUZHITHURAI**

**1. Brief history**

A serious fraud in the UTS transactions with a clear intention to embezzle Railway cash at Kuzhithurai station came to light and a special check was conducted at KZT on 17.11.2011 and 18.11.2011.

Arrangements were also made to get the Photostat copies of collected tickets and they were scoured thoroughly along with the detailed transaction check-list of 29.10.2011.

**Modus operandi**

On scrutiny, the modus operandi of the above fraud seems to be unique. A lot of blank tickets have been saved (simply getting them accounted as 'PF' tickets) and the saved stationery have been utilized to print higher value tickets in such a fashion that two tickets got printed simultaneously for the same transaction. The amount collected through the duplicate print (i.e., other than the genuine one) has been pocketed.

**2. Detailed case study**

Initially, the printing of duplicate ticket was suspected to be a carbon process. However, a detailed technical analysis was undertaken to review the case.

**a. Sharing of output**

The very possibility of printing a single transaction in two different printers simultaneously using a single print command was revealed. It was found that the same output could be shared by suitably modifying the data-cables so as to get it printed in two printers simultaneously. Copy of test tickets generated in the above fashion is enclosed (Annexure).

**b. Damage to Printers**

Frequent intentional modification of data cables could damage the printer's logic board. Perhaps, this could be the reason why 9 damaged printers were found dumped at Kuzhithurai station. All these damaged printers were got packed, sealed and kept in the custody of SMR/KZT.

c. **Irregular use of rolls but no mismatch**

The ticket rolls have been taken irregularly. Some instances are given below:-

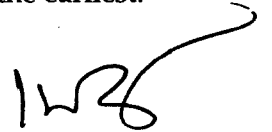
<u>Date of usage</u>	<u>Ticket Rolls used</u>
14.09.2011	678617000-678617499 121707500-121707999
23.09.2011	122156000-122156499
24.09.2011	122166500-122166999

The intention behind such irregular use of rolls is to forestall the occurrence of "mismatch" in the Check-digit Number. The Check-digits would have been the same in the sample rolls mentioned above.

3. **Other observations**

- a. The employee involved in the above fraud is Shri Ramkumar. Incidentally, the same employee was caught involved in fraudulent activity at Sankarankovil during 2010. The above staff has once again been posted to KZT and assigned with sensitive (cash handling) duties for reasons not known.
- b. In view of the unique strategy adopted and in the absence of collected tickets, detection of the subject fraud during the base level of internal check was not possible. Also, the quantum of cash misappropriated could not be assessed.

As such, it is felt that the entire system needs to be revamped to ensure such frauds are not committed in future. In this context, it is imperative to strengthen the machinery of ticket checking/collection and submission of collected tickets to Traffic Accounts Office to unearth and curb such fraudulent activities at the earliest.



वि.स.एवं मु.ले.घि/यातायात/चेन्नै/  
FA&CAO/T/MAS

वि.स.एवं मु.ले.घि/चेन्नै/FA&CAO/MAS  
मु.वा.प्र/चेन्नै/CCM/MAS

