

To *Ref: KPS/L-I*

Date : 13.7.2004.

The District Magistrate  
Uttar Dinajpur District

Dear Sir,

I Like to inform you the fact that –

1. I was appointed as *Statutory Auditor of the aforesaid District Leprocy Society, Uttar Dinajpur for the year 1994-95 to 2000-01.*
2. As per the guideline of Government , the District Magistrate hold the post of the Chairman and the Chief Medical Officer of *health (C.M.O.H.) of the district holds the post of member-secretary of the society.*
3. As per provision of the society registration act and the fundamental principle of accounting the society has to maintain books of accounts properly under double entry system of accounting and preserve the same at their own custody.
4. As per provision of the Society Registration Act and fundamental principle of accounting, *the member-secretary and the chairman of the society authenticates the annual financial statements for each year before submission to the auditors for audit or to Govt. or any other authority.*
5. The audit of each of the *aforesaid financial year was completed within the immediate subsequent financial year as per the norms as well as the requirement of audit for placing of the same to annual general meeting, registrar of the society, C & AG auditor and to Govt. for grant for subsequent year.*
6. After a long time gap of statutory audit of the accounts of the society, a suit have been filed in September, 2001, on the basis of allegation *about financial irregularities for the year 1994-95 to 1996-97 and April to October, 1998 raised by the Member-Secretary under the garb of vigilance enquiry against him inspite of his authentication*

*of aforesaid account along with the Chairman of the society. It is to be noted that the member secretary raised the allegation after one and half year from his transfer from the post with the help of vigilance officer of the enquiry.*

7. The cash register, not produced for our audit, was built up purposefully, improperly, in violation of accounting principle during the period of vigilance enquiry within the knowledge and support of the investigator.
8. As per the fundamental principle of accountancy, no balance sheet can be prepared from aforesaid cash register having no corresponding ledger accounts for the transaction however recorded therein. Alternatively the facts and figure of balance sheet and auditors report thereon cannot be confirmed from or correlated with that cash register. So how the member secretary and investigator draw conclusion on balance sheet and audit report ?
9. No opportunity of being heard was given to the auditor. But the investigator working under District Vigilance Officer has purposefully stated as the auditor Mr. K.P. Sarkar has been absconding and is not available for interrogation without making any communication or effort to that effect and also ignoring the fact of our continuous services to the different societies run under the chairmanship of the District Magistrate in addition to other clients. Further the investigator remain totally silent about the opinion of the chairman in connection with the case and investigation.
10. During the course of audit of aforesaid account the savings bank account no. 7/6778C with SBI, Karnajora Branch along with other necessary records and documents were verified before expressing our audit opinion on the accounts of aforesaid society.
11. The Society has availed the Govt. Grant for not less than 25 lacs in aforesaid years. Hence the accounts of the society must have been audited by the C & AG in addition to the audit of the Chartered Accountant Firm as per the provision of the C & AG Act, 1971.
12. The C & AG had to submit the report to the society and to the Governor of the State which are sent to the concerned minister for being laid before the State Legislature for scrutiny of the Public Account Committee.
13. It is also within the power and duty of the C & AG Auditor and the society to give direction to the Statutory Auditor. However no such direction from the end of C &

AG or from the society had yet been received by us till the completion of Statutory Audit of the society for the year 2000-01 in the month of April, 2001.

In view of the fact stated here above, I request you *to issue me* –

- a) Certified copy of the bank statement stating clearly the name of the payee of the cheques or give necessary instructions to your banker to issue me the same.
- b) Certified copy of the C & AG Report relating to the financial year and also the opinion of C AG Auditor on the so-called cash register, if produced to them for their verification.
- c) Your opinion report on the statement given by the investigating agency *declaring me as an absconding not available for interrogation as stated above.*
- d) Opinion of the chairman about the aforesaid allegation in the light of Chairman's role and responsibility to the society.

I like to ensure you that to the best of our knowledge and belief that the aforesaid *facts and related audit report are true and I shall be available at your convenient time to furnish necessary information and evidence in support of my views stated here above.*

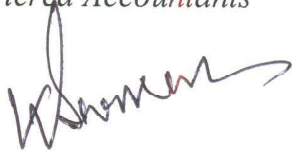
*Please do the needful for the interest of the truth.*

*Thanking you,*

*Yours faithfully,*

*For K.P. SARKAR & CO.*

*Chartered Accountants*



*(K.P. Sarkar)*

*Proprietor*

