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## **In Leningrad Region, head of a public utilities company to stand trial for large scale swindling with subsidies**

The Leningrad Regional Directorate of the Investigative Committee of the Russian Federation has concluded the investigation into the Director-General of a public utilities company. He is accused of committing offences under Part 4 of Article 159.2, and Paragraph B of Part 3 of Article 174.1 of the Criminal Code of Russia (swindling with subsidies on especially large scale; legalization (laundering) of funds by a person using their official position).

According to the investigation, from January 2013 to December 2015, the head of a company had been rendering services on utilities provision to Tikhvinsky District of Leningrad Region. In order to steal the funds through receiving them in the form of subsidies from the Government of Leningrad Region in an illegal way, he had instructed the employees to make documents with false information on provided utilities, namely drainage, being aware of the fact that, within his powers, he had not actually rendered that service. Thus, the Government of Leningrad Region had been receiving false documents proving information on organization expenses for rendering these services, which had been the basis of the decision of the relevant authorities to pay out subsidies.

Upon the factual amount of the rendered service on drainage, the monetary funds exceeding 16.7 million rubles had been illegally transferred to the accounts of the organization, and the defendant had used them to his benefit and allocated them at his sole discretion.

In addition, the preliminary investigation revealed the involvement of this official to the legalization of funds acquired by him in an illegal way, namely:

After committing the swindling, the defendant had instructed his employees to transfer monetary funds from the accounts of the organization to the account of a transport company, which had not rendered delivery services for public utilities needs due to the fact that it had had no vehicles. Under sub-lease agreements, these services had been actually rendered by a third party, the founder of which is the defendant's wife. In the course of financial operations, the monetary funds amounting to over 1.9 million had been transferred to the personal account of the defendant's wife.

During the preliminary investigation, a massive amount of investigative actions were carried out: several dozens of persons were questioned, searches were conducted in the offender's places of residence and work, company documents were seized, and a technical and economical examination was carried out, the results of which allowed the investigation to conclude that the defendant was

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guilty of committing the offence.

Currently, the investigation gathered enough evidence; therefore, the criminal case with the approved indictment was sent to the court to be tried on the merits.

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