

KARNATAKA LOKAYUKTA

No.COMPT/LOK/BCD-727/2014/ARE-3

M.S. Building,
Dr. B.R. Ambedkar Veedhi,
Bangalore.

Date: 26.7.2019.

**REPORT UNDER SECTION 12(1) OF
KARNATAKA LOKAYUKTA ACT, 1984**

Sub: Complaint of Sri.Ramesh Rao.P, R/o.Vijayanagar, Bangalore against M/S. Vijaya Film Institute regarding mismanagement and contravention of the conditions of grant as provided in grant-in-aid code, misutilisation of the grant sanctioned by the Government etc.,- reg.,

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1. One Sri.Ramesh Rao.P, R/o.No.489/B, 10th Main, M.C. Layout, Vijayanagar, Bangalore (hereinafter referred to as 'Complainant') has filed the complaint against Respondent-Secretary to Government, Kannada, Culture & Information department, Vikasa Soudha, Bangalore, making allegations that, despite the direction by Hon'ble Lokayukta directing that, no further grant in aid should be made to the Vijaya Film Institute, without compliance of requirements mentioned in the said report, a further sum of Rs.66,02,224/-has been released to the said Vijaya Film Institute thereby disobeyed the order of the Hon'ble Lokayukta, and thereby committed an act of dereliction of duty and further by releasing that amount, the respondent was responsible for misappropriation of funds, etc.
2. The same complainant Sri.Ramesh Rao.P, had earlier filed a complaint against the Director, Kannada and Culture department, Principal



Secretary, Finance department making allegations that, a Film Institute by name Vijaya Film Institute has been receiving Government aid for conducting course in acting, direction, videography etc., and though the said Institute is drawing the grant in aid on the basis of fraudulent vouchers and documents and though this fact was brought to the notice of the Director and the Finance Department, no action was taken against the said Institute, but grant in aid was released in favour of the said Institute. The said complaint was registered in complaint/LOK/BCD/ 140/2010 and taken up for investigation.

3. It is to be noted that, though M/S. Vijaya Film Institute was admitted to Government grant from the year 1991-92 onwards, the Institute failed to develop the infrastructure and the rules and regulations of grant in code are blatantly violated. Hence, the State Government vide order dated 26.6.2003 had appointed an Experts Committee to examine the aspect of providing yearly grant to the said film institute. The experts committee after inspecting the said institute submitted a report stating that there are large scale irregularities in the said institute and the grant released are misused. On the basis of the said report of the Experts Committee, the State Government passed an order dated 30.3.2005 stopping the grant-in-aid to the said Institute.

The institute challenged the said order dated 30.3.2005 by filing the Writ Petition before the Hon'ble High Court of Karnataka in W.P. No. 12946/2005. The said Writ Petition came to be allowed vide order dated 8.7.2005 which reads as follows:

" The order at Annexure-A dated 30.3.2005 is quashed. I direct the first respondent to release the grant for the Academic Year 2004-05 within 30 days from the date of receipt of the copy of the



order. The matter is remitted back to the first respondent for fresh disposal according to law. I direct the 1st respondent to issue a show cause notice to the Petitioner-Institution, indicating the proposed action and pass appropriate orders thereon."

But no action appears to have been taken in terms of the order of the Hon'ble High Court dated 8.7.2005, but grant for the subsequent period have been released for the year 2004-05, 2005-06, 2006-07 and also arrears of grant for the above period, and also for the period 2007-08 and 2008-09.

4. The Government, on the basis of a similar complaint filed against the said film institute during 2009 had constituted a fact finding committee, vide memorandum dated 26.6.2009 with a direction to go into the details of the activities of the said film institute and to submit a report regarding the allegations made against the said film institute, by the complainant. The fact finding body so constituted having conducted detailed investigation, submitted its report dt.20/11/2009 stating that, the said film institute has been provided with Government grant, though it is flouting all the rules and regulations required to be complied with for availing the financial aid from the Government and the said film institute is not following the rules and regulations governing the grant of Government aid and flouted the rules and regulations both administratively and financially, and further holding the said Institute responsible for misutilising the grants of the Government etc.,
5. On the basis of the said report of the fact finding committee, the Director, Kannada and Culture department, addressed a letter to the Secretary to Government, Kannada and Culture department dt.09/14-





12-2009 emphasizing that, the said film institute has misappropriated Government grant and recommended for taking suitable action against the said Institute. Despite writing such letter by the Director, the Government proceeded to release 4.00 Lakhs on 20/02/2010 and Rs.5,72,250/- on 24/09/2010 to the said film institute, by way of grant.

6. Hence it was observed that, as per the report of the fact finding committee, the allegation of misappropriation of grant in aid fund by the Vijaya Film Institute, has been established and there is dereliction of duty on the part of the concerned officials and officers of the Kannada Culture department, who are responsible for release of the funds to Vijaya film institute, in spite of report of the fact finding committee, and accordingly, a report u/s 12(3) of Karnataka Lokayukta Act, dt.05/04/2013 was forwarded to the State Government with the following recommendations;

- a. Since Grant-in-aid has been released to the said Vijaya Film Institute in violation of the mandatory requirement, as reported in the above said fact finding committee report, the steps should be taken for recovery of the alleged irregular payment made from Vijaya Film Institute, after giving a fair opportunity to represent and defend the said Institute.
- b. No further grant-in-aid should be made to the said Vijaya Film Institute, without compliance of requirements mentioned in the above said report.



- c. To hold departmental disciplinary enquiry against the officers/officials who were responsible for release of grant-in-aid of Rs.5,72,250/- and Rs.4,00,500/- under order dt.20/02/2010 to Vijaya Film Institute, for their dereliction of duty.
7. Despite making such a recommendation by sending a report u/s 12(3) of Karnataka Lokayukta Act, dt.05/04/2013, a further sum of Rs.66,02,224/- came to be released towards arrears of grant in aid, in favour of M/S. Vijaya Film Institute for the period from 2007-08 to 2010-11. Hence, the complainant has filed the present complaint, against Secretary to Government, Kannada and Culture department requesting to take action against the Secretary who has released the amount, despite the direction from the Hon'ble Lokayukta, not to release the further grant-in-aid to the said Institute, without compliance of the requirements, by the said Institute.
8. In this regard, the comments of respondent/Secretary to Government, Kannada and Culture department was called for. The respondent/Secretary has submitted his reply stating that, the said amount of Rs. 66,02,224/- was released in favour of the said Institute earlier to receipt of the report from the Hon'ble Lokayukta dt.05/04/2013. Even the rejoinder from the complainant was called for, who has denied the said contention taken by the respondent/Secretary contending that, there is dereliction of duty on the part of the respondent/Secretary in releasing the said amount to the said Institute, despite the order of the Hon'ble Lokayukta.
9. In order to ascertain the veracity of the allegations made in the complaint, the complaint in BCD/727/2014 was referred to Technical



and Audit cell to go into the allegations made in the complaint and to submit a report. The said complaint file was entrusted to Dy. Controller (Accounts) to investigate the allegations made in the said complaint and to submit a report. The DCA during his investigation has noticed various irregularities committed by Vijaya Film Institute and also noticed that, the grant-in-aid has been claimed by the said Institute on the basis of false and fabricated documents. The various irregularities and omissions pointed out by the Investigation officer/DCA in his report are as follows:

- 1) ಸರ್ಕಾರದ ಆದೇಶ ಸಂಖ್ಯೆ:ಕಸಂವಾಪ್ರ 30 ಪಿಐಎಫ್ 2012 ದಿ:27-03-2012ರಲ್ಲಿ ಬಿಡುಗಡೆ ಮಾಡಿದ ಬಾಕಿ ವೇತನಾನುದಾನ ರೂ.66,02,224-00ಗಳಲ್ಲಿ ರೂ.50,39,933-00ಗಳನ್ನು ಸಿಬ್ಬಂದಿ ವೇತನವೆಂದು ಪಾವತಿಸಿದ್ದು, ರೂ.3,65,651-00ಗಳನ್ನು ಆದಾಯ ತೆರಿಗೆ (TDS) ಎಂದು ತೋರಿಸಲಾಗಿದ್ದು, ಒಟ್ಟು 54,05,584-00 ವೆಚ್ಚ ಮಾಡಿರುವುದಾಗಿ ಲೆಕ್ಕಗಳನ್ನು ಸಲ್ಲಿಸಿರುವರು. ಈ ಸಂಬಂಧದಲ್ಲಿ ತನಿಖೆಗೆ ಸಲ್ಲಿಸಿರುವ ಸಿಬ್ಬಂದಿ ವರ್ಗದವರಿಗೆ ಬಾಕಿ ವೇತನವಾಗಿ ಪಾವತಿಸಿದ ಪುಸ್ತಕವನ್ನು ಪರಿಶೀಲಿಸಲಾಗಿ ಶ್ರೀ ತಿಪಟೂರು ರಘು, ಪ್ರಾಂಶುಪಾಲರು ಇವರಿಗೆ ಕನ್‌ಸಾಲಿಡೇಟೆಡ್ ವೇತನವೆಂದು 2007-08ನೇ ಸಾಲಿನಿಂದ 2010-11ನೇ ಸಾಲಿನವರೆಗೆ ಒಟ್ಟು ರೂ.9,66,996-00ಗಳನ್ನು ಕ್ಲೈಮು ಮಾಡಿದ್ದು ಆದಾಯ ತೆರಿಗೆ ರೂ.1,68,482-00ಗಳನ್ನು ಖಟಾಯಿಸಲಾಗಿದೆ. ಉಳಿಕೆ ಹಣ ರೂ.7,98,514-00ಗಳನ್ನು ಅವರಿಗೆ ಚೆಕ್ ಮೂಲಕ ಪಾವತಿಸಲಾಗಿದೆ. ಶ್ರೀ ಎ.ಎನ್. ಸುಧೀರ್‌ಕುಮಾರ್ ರವರ ಬಾಕಿ ವೇತನ ಬಿಲ್ಲಿನಲ್ಲಿ ರೂ.29,280-00ಗಳನ್ನು ಶ್ರೀ ವೆಂಕಟಸ್ವಾಮಿ ಅವರ ಬಿಲ್ಲಿನಲ್ಲಿ ರೂ.29,280-00ಗಳನ್ನು ಶ್ರೀ ಇ.ವಿ. ಕುಮಾರ್ ಅವರ ಬಿಲ್ಲಿನಲ್ಲಿ ರೂ.50,493-00ಗಳನ್ನು ಶ್ರೀಮತಿ ವಿಜಯಲಕ್ಷ್ಮಿ ಇ. ಅವರ ಬಿಲ್ಲಿನಲ್ಲಿ ರೂ.18,168-00 ಗಳನ್ನು ಪ್ರಭು.ಪಿ. ಅವರ ಬಿಲ್ಲಿನಲ್ಲಿ ರೂ.69,998-00ಗಳನ್ನು ಒಟ್ಟು ರೂ.3,65,701-00ಗಳನ್ನು **TDS** ಎಂದು ಆದಾಯ ತೆರಿಗೆ ಹಣವನ್ನು ಖಟಾಯಿಸಿದ್ದು, ಈ ಹಣವನ್ನು ಆದಾಯ ತೆರಿಗೆ ಇಲಾಖೆಗೆ ಜಮಾ ಮಾಡಿರುವುದಿಲ್ಲ. ಬಾಕಿ ವೇತನದ ಬಿಲ್ಲುಗಳಲ್ಲಿ ವೃತ್ತಿ ತೆರಿಗೆಯನ್ನು (P.T.) ಖಟಾಯಿಸಿರುವುದಿಲ್ಲ. ವೇತನ ಬಾಕಿ ಪಾವತಿಸಿರುವ ಯಾವುದೇ ಹುದ್ದೆಗಳ ನೇಮಕಗಳಿಗೆ ರಾಜ್ಯದ, ಚಲನಚಿತ್ರ ಸಂಸ್ಥೆಗಳ ಸಹಾಯಾನುದಾನ ಸಂಹಿತೆಯ ನಿಯಮ 10 (ಐ) ಪ್ರಕಾರ ನಿರ್ದೇಶಕರಿಂದ ಅನುಮೋದನೆ ಪಡೆದಿರುವುದಿಲ್ಲ.



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- a) 2007-08ನೇ ಸಾಲಿನಿಂದ 2010-11ನೇ ಸಾಲಿನವರೆಗೆ ಪಾವತಿಸಬೇಕಾದ ವೇತನದ ಬಾಕಿ ಅನುದಾನ ಹಾಗೂ ಉಪಕರಣ ಅನುದಾನ ಇತ್ಯಾದಿಗಳ ವಿವರಗಳ ಪುಸ್ತಕವನ್ನು ಪರಿಶೀಲಿಸಲಾಗಿ ಬಿಡುಗಡೆಯಾಗಿರುವ ರೂ.66,02,224-00ಗಳಲ್ಲಿ ಒಟ್ಟು ರೂ.66,02,938-50 ಎಂದು ವೆಚ್ಚದ ವಿವರಗಳನ್ನು ಸಲ್ಲಿಸಿದ್ದು ಆದಾಯ ತೆರಿಗೆ ದಿ:15-4-2012ರಂದು ರೂ.3,65,651-00 TDS Payable ಎಂದು ನಮೂದಿಸಲಾಗಿದೆ. ಈ ಹಣವನ್ನು ಆದಾಯತೆರಿಗೆ ಇಲಾಖೆಗೆ ಪಾವತಿಸಿರುವುದಿಲ್ಲ.
- b) ಒಂದೇ ಕುಟುಂಬದ ಸದಸ್ಯರುಗಳಾದ ಶ್ರೀ ಇ.ವಿ. ಕುಮಾರ್‌ರವರು ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಾಗಿಯೂ, ಅವರ ತಂಗಿ ಶ್ರೀಮತಿ ವಿಜಯಲಕ್ಷ್ಮಿ ಇ ಅವರು ಮ್ಯಾನೇಜರ್ ಆಗಿಯೂ ಅವರ ತಮ್ಮ ಶ್ರೀ ದಿನೇಶ್‌ಕುಮಾರ್.ಇ. ಇವರು ಇನ್‌ಸ್ಟ್ರುಮೆಂಟಲ್ ಫಿಲಂ ಮ್ಯೂಸಿಕ್ ಲೆಕ್ಚರರ್ ಆಗಿಯೂ ಸೇವೆ ಸಲ್ಲಿಸಿರುವುದಾಗಿ ಸಹಾಯಧನವನ್ನು ಪಾವತಿಸಲಾಗಿದ್ದು, ಇವರುಗಳ ನೇಮಕಾತಿಯು ಸಹಾಯಾನುದಾನ ಸಂಹಿತೆಯ ನಿಯಮಗಳ ಪ್ರಕಾರ ನಿರ್ದೇಶಕರಿಂದ ಅನುಮೋದನೆಯಾಗಿರುವುದಿಲ್ಲ.
- c) ಪ್ರಾಂಶುಪಾಲರಾದ ಶ್ರೀ ತಿಪಟೂರು ರಘು ಅವರಿಗೆ ಸಂಚಿತ ವೇತನ (Consolidated salary) ಪಾವತಿ ಮಾಡಿರುವುದಾಗಿ ತಿಳಿಸಿದ್ದು, 2007-08, 2008-09, 2009-10 ಮತ್ತು 2010-11ನೇ ಸಾಲಿನ ವೇತನ ಬಾಕಿಯನ್ನು ವೇತನ ಶ್ರೇಣಿಯಲ್ಲಿ ಡ್ರಾ ಮಾಡಿ ಪಾವತಿಸಲಾಗಿದ್ದು, ತುಟ್ಟಿಭತ್ಯೆ (DA) ಮನೆ ಬಾಡಿಗೆ ಭತ್ಯೆ (HRA) ನಗರ ಪರಿಹಾರ ಭತ್ಯೆ (CCA) ಗಳನ್ನು ಲೆಕ್ಕಾಚಾರ ಮಾಡಿ ಸಂಚಿತ ವೇತನವೆಂದು ನಿಯಮಗಳಿಗೆ ವಿರುದ್ಧವಾಗಿ ಡ್ರಾ ಮಾಡಿ ಪಾವತಿಸಲಾಗಿದೆ.
- d) ಸ್ಟೀಪರ್ ಶ್ರೀಮತಿ ಶಕುಂತಲಮ್ಮ ನವರಿಗೆ ಸಂಚಿತ ವೇತನವನ್ನು ನೀಡಿರುವುದಾಗಿ ನಮೂದಿಸಿದ್ದು 2007-08, 2008-09, 2009-10 ಮತ್ತು 2010-11ನೇ ಸಾಲುಗಳಿಗೆ ವೇತನ ಶ್ರೇಣಿಯಲ್ಲಿ ವೇತನವನ್ನು ಡ್ರಾ ಮಾಡಿ ಪಾವತಿಸಲಾಗಿದ್ದು, DA, HRA, CCA ಗಳನ್ನು ಸಹ ನಿಯಮಗಳಿಗೆ ವಿರುದ್ಧವಾಗಿ ಪಾವತಿಸಲಾಗಿದೆ.
- e) ವಾರ್ತಾ ಇಲಾಖೆಯ ತಪಾಸಣಾ ವರದಿ ಸಂಖ್ಯೆ:ವಾಇ/2011-12 ದಿ:17-12-2011ರಲ್ಲಿ ವಿಜಯ ಫಿಲಂ ಸಂಸ್ಥೆಯ ಹಾಜರಾತಿ ಪುಸ್ತಕವನ್ನು ಜನವರಿ 2010ರಿಂದ ಮಾರ್ಚ್ 2011ರವರೆಗೆ ಪರಿಶೀಲಿಸಲಾಗಿ ಈ ಕೆಳಕಂಡ ಸಿಬ್ಬಂದಿವರ್ಗದವರು ಗೈರು



ಹಾಜರಾಗಿರುವುದು ಕಂಡುಬರುತ್ತದೆ ಎಂದು ಜಂಟಿ ನಿರ್ದೇಶಕರಾದ ಎಂ.ರವಿಕುಮಾರ್, ಉಪನಿರ್ದೇಶಕರಾದ ಎಸ್.ವಿ. ಲಕ್ಷ್ಮೀನಾರಾಯಣ, ಲೆಕ್ಕ ಪತ್ರಾಧಿಕಾರಿಗಳಾದ ಅಮರೇಶ್ ಇವರು ವರದಿ ಮಾಡಿರುವರು. (ವಾರ್ತಾ ಇಲಾಖೆ ಕಡತದ ಪುಟ-91)

ಗೈರು ಹಾಜರಾಗಿರುವ ಸಿಬ್ಬಂದಿ ವರ್ಗ:-

| ಕ್ರ. ಸಂ. | ಹೆಸರು | ಅವಧಿ |
|----------|--------------|---------------------------------------|
| 1. | ಶ್ರೀಕಂಠಯ್ಯ | 16 ಜುಲೈ 2010 ರಿಂದ ಮಾರ್ಚಿ 2011 ರವರೆಗೆ |
| 2. | ಮಂಜುನಾಥ್ | ಆಗಸ್ಟ್ 2010 ರಿಂದ ಮಾರ್ಚಿ 2011 ರವರೆಗೆ |
| 3. | ಆನಂದ್‌ಕುಮಾರ್ | ಜುಲೈ 2010 ರಿಂದ ಮಾರ್ಚಿ 2011 ರವರೆಗೆ |
| 4. | ಅರುಣ್ ಎಸ್ | ಅಕ್ಟೋಬರ್ 2010 ರಿಂದ ಮಾರ್ಚಿ 2011 ರವರೆಗೆ |
| 5. | ಮೋಹನ್ ರಂಗ | ಫೆಬ್ರವರಿ 2011 ರಿಂದ ಮಾರ್ಚಿ 2011 ರವರೆಗೆ |
| 6. | ಚರಣಾ ರಾಜ್ | ಮಾರ್ಚಿ 2011ರ ಮಾಹೆ |

- f) ಗೈರು ಹಾಜರಾದ ಅವಧಿಗೂ ಸಹ ಬಾಕಿ ವೇತನವನ್ನು ಡ್ರಾ ಮಾಡಿ ಈ ಮೇಲೆ ತಿಳಿಸಿರುವ ನೌಕರರಿಗೆ ಪಾವತಿಸಲಾಗಿದ್ದು, ಕರ್ನಾಟಕ ಆರ್ಥಿಕ ಸಂಹಿತೆಯ ಅನುಚ್ಛೇದ 15- Cannons of financial propriety ಈ ನಿಯಮಗಳನ್ನು ಉಲ್ಲಂಘಿಸಲಾಗಿದ್ದು, ಸರ್ಕಾರದಿಂದ ಪಡೆದ ಅನುದಾನಕ್ಕೆ ಆಡಳಿತ ಮಂಡಳಿಯು ಸುಳ್ಳು ಲೆಕ್ಕಗಳನ್ನು ಸಲ್ಲಿಸಿದೆ. ವೇತನ ಬಾಕಿಯನ್ನು ಪಾವತಿಸಿ ಉಳಿಕೆ ಮೊತ್ತದಲ್ಲಿ ಕಂಪ್ಯೂಟರ್ ಪರಿಕರಗಳನ್ನು ಯು.ಪಿ.ಎಸ್. ಮುಂತಾದ ಸಾಮಗ್ರಿಗಳನ್ನು ಖರೀದಿಸಿದ್ದು, ಖರೀದಿ ನಿಯಮಗಳನ್ನು ಪಾಲಿಸಿರುವುದಿಲ್ಲ. ಈ ಸಾಮಗ್ರಿಗಳ ದಾಸ್ತಾನು ಮತ್ತು ಉಪಯೋಗದ ವಿವರಗಳನ್ನು ತನಿಖೆಗೆ ಹಾಜರುಪಡಿಸಿರುವುದಿಲ್ಲ. ಅಧಿಕೃತ ಮಾರಾಟಗಾರರಿಂದ ದರಪಟ್ಟಿ ಪಡೆದ ಅವುಗಳನ್ನು ಖರೀದಿಸಿರುವುದಿಲ್ಲ. ಕಂಪ್ಯೂಟರ್ ಪರಿಕರಗಳನ್ನು ಡಿ.ಜಿ.ಎಸ್. ಅಂಡ್ ಡಿ ದರಗಳಲ್ಲಿ ಖರೀದಿಸಿರುವುದಿಲ್ಲ.



- g) ವೇತನ ಬಾಕಿಯನ್ನು ಡ್ರಾ ಮಾಡಿ ಪಾವತಿಸಿರುವ ಅವಧಿಗೆ ಸಂಬಂಧಿಸಿದ 2007-08, 2008-09, 2009-10 ಮತ್ತು 2010-11ನೇ ಸಾಲುಗಳ ಹಾಜರಾತಿ ವಹಿಗಳನ್ನು ತನಿಖೆಗೆ ಹಾಜರುಪಡಿಸಿರುವುದಿಲ್ಲ.
- h) ಸಹಾಯಾನುದಾನ ಸಂಹಿತೆಯ ಪ್ರಕಾರ ಸಿಬ್ಬಂದಿ ನೇಮಕಾತಿಗೆ ಅನುಸರಿಸಬೇಕಾದ ಕ್ರಮಗಳನ್ನು ಅನುಸರಿಸಿರುವುದಿಲ್ಲವೆಂದು ತಪಾಸಣಾ ವರದಿ ದಿ:20-11-2009ರ ಪುಟ(8)ರಲ್ಲಿ ತಿಳಿಸಲಾಗಿದೆ. ನಿಯಮಗಳನ್ನು ಪಾಲಿಸದಿದ್ದರೂ ಸಹ ಅನುದಾನವನ್ನು ಬಿಡುಗಡೆ ಮಾಡಿ ಕರ್ತವ್ಯ ಲೋಪ ಮಾಡಲಾಗಿದೆ.
- i) ಸರ್ಕಾರದ ಆದೇಶದ ಸಂಖ್ಯೆ:ಇಡಿ 228/ಎಸ್‌ಟಿಬಿ 77 ದಿನಾಂಕ:23-6-1978ರಲ್ಲಿನ ರಾಜ್ಯ ಚಲನಚಿತ್ರ ಸಂಸ್ಥೆಗಳ ಅನುದಾನ ಸಂಹಿತೆಯ ನಿಯಮ 10(iii) (ಎ) ಪ್ರಕಾರ
The management shall be responsible for rendering the accounts for the amounts received from the Govt. and from other sources and the Management shall also be responsible for rendering the Accounts for the expenditure incurred.
- j) ಸರ್ಕಾರದಿಂದ ಪಡೆದ ಸಹಾಯಾನುದಾನವನ್ನು ವೆಚ್ಚ ಮಾಡಿರುವುದಕ್ಕೆ ಸುಳ್ಳು ಲೆಕ್ಕಗಳನ್ನು ಆಡಳಿತ ಮಂಡಳಿಯು ಸಲ್ಲಿಸಿದ್ದು, ಅವುಗಳನ್ನು ಪ್ರಶ್ನಿಸದೆ ಒಪ್ಪಿಕೊಂಡು ಕರ್ತವ್ಯ ಲೋಪ ಮಾಡಲಾಗಿದೆ.
- k) ವಿಜಯ ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್‌ನ ವ್ಯವಸ್ಥಾಪಕರು ದಿ:3-11-2012ರಂದು ಕಳುಹಿಸಿರುವ ಉಪಯುಕ್ತತಾ ಪ್ರಮಾಣ ಪತ್ರ (utilization certificate) ರಲ್ಲಿ ಸರ್ಕಾರದ ಆದೇಶ ಸಂಖ್ಯೆ:ಕಸಂವಾಪ್ರ 30 ಪಿಐಎಫ್ 2012 ದಿ:27-3-2012ರಲ್ಲಿ ಬಿಡುಗಡೆ ಮಾಡಿರುವ ಅನುದಾನದ ಮೊತ್ತ ರೂ.66,02,224-00ಗಳನ್ನು ಮಂಜೂರು ಮಾಡಿದ ಉದ್ದೇಶಗಳಿಗೆ ಪೂರ್ಣವಾಗಿ ಬಳಸಿದ್ದು, ಅಖೈರು ಶಿಲ್ಕು ಇಲ್ಲವೆಂದು ಪ್ರಮಾಣೀಕರಿಸಿರುವರು. ದಿ:11-04-2012 ರಿಂದ ದಿ:22-3-2013ರವರೆವಿಗೂ ಚೆಕ್‌ಗಳನ್ನು ಬರೆದಿದ್ದು ದಿ:03-11-2012ರಂದು ಪೂರ್ಣ ಹಣ ಖರ್ಚಾಗಿರುವುದಾಗಿ ಸುಳ್ಳು ಉಪಯುಕ್ತತಾ ಪ್ರಮಾಣ ಪತ್ರ (utilization certificate) ವನ್ನು



ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು ನೀಡಿದ್ದು ಪ್ರಶ್ನಿಸದೇ ಅದನ್ನು ಒಪ್ಪಿಕೊಂಡು ಕರ್ತವ್ಯಲೋಪ ಮಾಡಲಾಗಿದೆ.

- 1) ಈ ಮೇಲೆ ಉಲ್ಲೇಖಿಸಿರುವ ನಿಯಮದಂತೆ ಮೆ|| ವಿಜಯ ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್‌ನ ಆಡಳಿತ ಮಂಡಳಿಯು ಸಂಘಗಳ ರಿಜಿಸ್ಟ್ರಾರ್‌ವರಿಂದ ಅನುಮೋದಿಸಿರುವ ಆಡಳಿತ ಮಂಡಳಿಯ ಸದಸ್ಯರ ಪಟ್ಟಿಯನ್ನು ಪ್ರತಿ ವರ್ಷ ಆಗಸ್ಟ್ ಅಂತ್ಯದೊಳಗಾಗಿ ನಿರ್ದೇಶಕರಿಗೆ ಸಲ್ಲಿಸಿರುವುದಿಲ್ಲ. ವಾರ್ತಾ ಇಲಾಖೆಯ ಈ ಸಂಬಂಧದ ಕಡತ ಸಂಖ್ಯೆ.ವಾಇ/ಚಿವಿ/2010-11/293/ವಿಫ ಈ ಕಡತದಲ್ಲಿ ಕಾಲಕಾಲಕ್ಕೆ ಆಡಳಿತ ಮಂಡಳಿಯ ಪಟ್ಟಿಯನ್ನು ಸಲ್ಲಿಸಿದ ಬಗ್ಗೆಯಾಗಲೀ, ಈ ಪಟ್ಟಿಯನ್ನು ಪಡೆಯಲು ಪತ್ರ ವ್ಯವಹರಿಸಿದ ಬಗ್ಗೆಯಾಗಲೀ ದಾಖಲೆಗಳಿರುವುದಿಲ್ಲ.
- m) ದೂರುದಾರರು ಮಾಹಿತಿ ಪಕ್ಕು ಅಧಿನಿಯಮದಡಿ ಬೆಂಗಳೂರು ನಗರ ಜಿಲ್ಲೆಯ ಸಂಘಗಳ ನೋಂದಣಾಧಿಕಾರಿಗಳಿಂದ ಮೆ|| ವಿಜಯ ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್ ಈ ಸಂಸ್ಥೆಯು ನೋಂದಣಿ ಹಾಗೂ ನವೀಕರಣ ಮಾಡಿರುವ ಬಗ್ಗೆ ದಾಖಲೆಗಳನ್ನು ಪಡೆದು ಸಲ್ಲಿಸಿದ್ದು, ಮನವಿಯಲ್ಲಿ ದಿ:31-03-1998ರ ನಂತರ ಆಡಿಟ್ ಮಾಡಿದ ಲೆಕ್ಕ ಪತ್ರಗಳನ್ನು ಸಲ್ಲಿಸಿರುವುದಿಲ್ಲ. ಇವುಗಳನ್ನು ಸಲ್ಲಿಸಿದ ನಂತರ ಅನುದಾನವನ್ನು ಬಿಡುಗಡೆ ಮಾಡಬೇಕಾಗಿದ್ದು, ಸಲ್ಲಿಸದಿರುವುದರಿಂದ ಬಿಡುಗಡೆ ಮಾಡಿರುವ ರೂ.66,02,224-00ಗಳ ಅನುದಾನವನ್ನು ವಸೂಲಿ ಮಾಡುವಂತೆ ಕೋರಿರುವರು.
- n) ದೂರುದಾರರು ಸಲ್ಲಿಸಿರುವ ಈ ಸಂಬಂಧದ ದಾಖಲೆಗಳನ್ನು ತನಿಖೆಯಲ್ಲಿ ಪರಿಶೀಲಿಸಲಾಗಿ ದಿ:1-4-1997 ರಿಂದ ದಿ:31-3-1998ರವರೆಗೆ ವಾರ್ಷಿಕ ಲೆಕ್ಕ ಪತ್ರ ಮತ್ತು 98-99ನೇ ಸಾಲಿನ ಕಾರ್ಯಕಾರಿ ಸಮಿತಿಯ ಪಟ್ಟಿಯನ್ನು ದಾಖಲಿಸಲಾಗಿದೆ. ದಿ:1-4-98 ರಿಂದ ದಿ:31-3-2013ರವರೆಗಿನ ಆಡಿಟ್ ಮಾಡಿದ ಲೆಕ್ಕ ಪತ್ರಗಳನ್ನು ದಿ:1999/2000 ರಿಂದ 2012-13ರವರೆಗಿನ ಕಾರ್ಯಕಾರಿ ಸಮಿತಿಯ ಪಟ್ಟಿಯನ್ನು ಸಂಘಗಳ ನೋಂದಣಾಧಿಕಾರಿಗಳಿಗೆ ಸಲ್ಲಿಸಿರುವುದಿಲ್ಲ. ಆದ್ದರಿಂದ ಈ ಮೇಲೆ ಉಲ್ಲೇಖಿಸಲಾದ ಅನುದಾನ ಸಂಹಿತೆಯ ನಿಯಮ 10 (iii) (ಬಿ) ಪ್ರಕಾರ ಸಹಾಯಾನುದಾನವನ್ನು ಪಡೆಯಲು ಅರ್ಹರಾಗಿರುವುದಿಲ್ಲ. ಆದ್ದರಿಂದ ಈ ಸಂಸ್ಥೆಗೆ ಬಿಡುಗಡೆ ಮಾಡಿರುವ ಸಹಾಯಾನುದಾನ ರೂ.66,02,224-ಗಳನ್ನು ಮೆ|| ವಿಜಯ



ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್‌ನ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಿಂದ ವಸೂಲಿ ಮಾಡಿ ಸರ್ಕಾರಕ್ಕೆ ಜಮಾ ಮಾಡಲು ವಾರ್ತಾ ಇಲಾಖೆಯು ಅಗತ್ಯ ಕ್ರಮಗಳನ್ನು ಕೈಗೊಳ್ಳಬೇಕಾಗಿರುತ್ತದೆ.

o) ಅನುದಾನ ಸಂಹಿತೆಯ ನಿಯಮಗಳನ್ನು ಪಾಲಿಸದೆ ಇದ್ದರೂ ಸಹ ಸಹಾಯಾನುದಾನ ರೂ.66,02,224-00ಗಳನ್ನು ಬಿಡುಗಡೆ ಮಾಡಿ ಸರ್ಕಾರದ ಹಣ ದುರುಪಯೋಗಕ್ಕೆ ಕಾರಣಕರ್ತರಾಗಿರುವ ಹಾಗೂ ಮೆ|| ವಿಜಯ ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್‌ನೊಂದಿಗೆ ಕೈಜೋಡಿಸಿ ಕರ್ತವ್ಯಲೋಪ ಮಾಡಿರುವ ಅಧಿಕಾರಿಗಳ ಮೇಲೆ ಶಿಸ್ತು ಕ್ರಮಗಳನ್ನು ಕೈಗೊಳ್ಳುವ ಅಗತ್ಯವಿದೆ ಎಂದು ತನಿಖೆಯಲ್ಲಿ ಅಭಿಪ್ರಾಯಪಡಲಾಗಿದೆ.

10. So far as release of Rs.66,02,224/- towards the arrears of grant for the period from 2007-08 to 2010-11 is concerned, the observation made by the DCA in his report dt.22/05/2015 reads as follows:

ಮೇ|| ವಿಜಯಾ ಫಿಲಂ ಇನ್‌ಸ್ಟಿಟ್ಯೂಟ್ ಬೆಂಗಳೂರು ಈ ಸಂಸ್ಥೆಗೆ ಸಂಬಂಧಿಸಿದ ಕಂಪ್ಲೇಂಟ್/ಲೋಕ್/ಬಿಸಿಡಿ-140/2010ರಲ್ಲಿನ ಆಪಾದನೆಗಳು ಸಾಬೀತಾಗಿದ್ದು, ಕರ್ನಾಟಕ ಲೋಕಾಯುಕ್ತ ಅಧಿನಿಯಮದ ಸೆಕ್ಷನ್ 12(3)ರ ಪ್ರಕಾರ ಸಕ್ಷಮ ಪ್ರಾಧಿಕಾರಕ್ಕೆ ಗೌರವಾನ್ವಿತ ಲೋಕಾಯುಕ್ತರು ದಿ:05-04-2013ರಂದು ವರದಿಯನ್ನು ಸಲ್ಲಿಸಿರುವ ವಿಷಯ ವಾರ್ತಾ ಇಲಾಖೆಗೆ ತಿಳಿದಿದ್ದರೂ ಸಹ ಈ ವರದಿಯಲ್ಲಿನ (3) ಅಂಶಗಳನ್ನು ಸಹಾಯಾನುದಾನವನ್ನು ಬಿಡುಗಡೆ ಮಾಡುವಾಗ ಪರಿಗಣಿಸದೆ ಕರ್ತವ್ಯ ಲೋಪ ಮಾಡಲಾಗಿದೆ. ಕರ್ತವ್ಯ ಲೋಪ ಮಾಡಿರುವ ಹಾಗೂ ರೂ.66,02,224-00ಗಳ ಹಣ ದುರುಪಯೋಗಕ್ಕೆ ಕಾರಣಕರ್ತರಾಗಿರುವ ವಾರ್ತಾ ಇಲಾಖೆಯ ಅಧಿಕಾರಿ ಹಾಗೂ ಸಿಬ್ಬಂದಿಗಳ ವಿವರ ಈ ಕೆಳಗಿನಂತಿದೆ:-

| ಕ್ರ. ಸಂ. | ಅಧಿಕಾರಿ/ಸಿಬ್ಬಂದಿ ಹೆಸರು, ಹುದ್ದೆ (ಶ್ರೀ) | ನಿವೃತ್ತಿ ದಿನಾಂಕ |
|----------|---------------------------------------|-----------------|
| 1 | ಕೆ.ಎಸ್. ಬೇವಿನಮರದ, ನಿರ್ದೇಶಕರು | 31-05-2012 |
| 2 | ಸಿ. ಮಹಾದೇವಯ್ಯ, ಉಪನಿರ್ದೇಶಕರು | 30-06-2014 |
| 3 | ಎ.ಸಿ. ತಿಪ್ಪೇಸ್ವಾಮಿ, ಅಧೀಕ್ಷಕರು | 31-3-2022 |
| 4 | ಟಿ.ಜಿ. ರಮೇಶ್ ಬಾಬು, ವಿಷಯನಿರ್ವಾಹಕರು | 31-07-2033 |

11. Accordingly, the above four persons named by the DCA, have been impleaded as respondents in this complaint and their comments were



called for. They have submitted their comments denying the allegations made against them stating that, they are not responsible for any misappropriation of funds and any dereliction of duty, for releasing the grant-in-aid, in favour of the said Institute.

12. But as per the report of the DCA and as per the documents made available, the Managing Director, Vijaya Film Institute vide his letter No.VFI.23/21/2011-12, dt.26/03/2012 had requested the Director, Information department for release Rs.66,02,224/- towards the arrears of grant payable for the period from 2007-08 to 2010-11. On the same day i.e. on 26/03/2012, the Director/Sri.K.S.Bevina Marada, sent a proposal to the Government vide his letter dt.26/03/2012 recommending to grant approval for release of Rs.66,02,224/- in favour of Vijaya Film Institute, towards arrears of grant payable to the said Institute. It is interesting to note that, the said Sri.K.S.Bevina Marada, was the Chairman of the Fact finding committee in the capacity of Joint Director, which submitted its report dt.20/11/2009 to the government. He was aware of the irregularities being committed by the said Institute. Despite the said fact, he made a recommendation vide his letter dt.26/03/2012 for releasing Rs.66,02,224/- in favour of the said Institute. On the very next day i.e., on 27/03/2012, the Government vide G.O dt.ಕಸಂವಾಪ್ರ 30 ಪಿಐಎಫ್ 2012, ದಿ: 27/03/2012 accorded approval for payment of Rs.66,02,224/- subject to the following condition that:

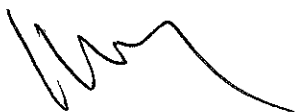
- a. ವೇತನಾನುದಾನ, ಉಪಕರಣ ಅನುದಾನ, ಕಿರುಚಿತ್ರ ನಿರ್ಮಾಣ ಅನುದಾನ ಇತ್ಯಾದಿಗಳ ಬಗ್ಗೆ ಪಾವತಿಸಬೇಕಾಗಿರುವ ಅನುದಾನದ ಬಗ್ಗೆ ನಿಯಮಾನುಸಾರ ಸಮಗ್ರವಾಗಿ ಪರಿಶೀಲಿಸಿ ಅನುದಾನವನ್ನು ಬಿಡುಗಡೆ ಮಾಡುವುದು.
- b. ಬಿಡುಗಡೆಯಾದ ಅನುದಾನದ ಬಗ್ಗೆ ಲೆಕ್ಕಪರಿಶೋಧಕರಿಂದ ಪರಿಶೋಧಿಸಲ್ಪಟ್ಟ ಹಣ ಬಳಕೆ ಪ್ರಮಾಣ ಪತ್ರವನ್ನು ಪಡೆಯುವುದು.



13. On the basis of the said Government order, the Dy. Director Sri.C.Mahadevaiah issued an office order dt.27/03/2012 itself, signing the said office order on behalf of the Director, directing the Accounts officer to release the amount of Rs.66,02,224/- in favour of the said Institute. Accordingly, the cheque for the said amount of Rs.66,02,224/- was issued to the said Institute on 28/03/2012.
14. The report u/s 12(3) of Karnataka Lokayukta Act, was communicated to the state Government on 05/04/2013. Therefore, the contention taken by the Secretary that, subsequent to release of the grant, the report of the Hon'ble Lokayukta was received in the Government, may be factually true. But considering the lightning speed in which the grant was released, the possibility of involvement of the concerned officers in both Directorate and Secretariat in releasing the funds swiftly, probably for extraneous consideration, cannot be ruled out. Considering the speed at which the relevant file was processed and payments have been made to the said Institute, the investigating officer has observed that the Director, the Dy. Director, the Office Superintendent and the case worker in the office of the Directorate of Kannada and Culture and Information were responsible for making this payment. Hence, a proposal was made by the DCA/Investigating officer recommending to initiate disciplinary proceedings against the concerned officials and officers of the Directorate.
15. The incumbent Director, considering the report of the Hon'ble Lokayukta, issued an order directing the Vijaya Film Institute, to refund the amount of grant released in its favour. But Vijaya Film Institute had challenged the report of the Hon'ble Lokayukta dt.05/04/2013 forwarded u/s 12(3) of Karnataka Lokayukta Act, and

also the order issued by the Director dt.15/17-03-2014 directing the Institute to refund the amount of Rs.66,02,224/- by filing Writ Petition before the Hon'ble High Court of Karnataka. The Hon'ble High Court vide its order dated 22.11.2016 in W.P. No. 14864/2014 have observed that, the Director before passing order dt.15/17-03-2014 has not considered the reply dt.31/05/2013 filed by petitioner/Vijaya Film Institute pursuant to the show cause notice dt.22/05/2013 issued to the petitioner/ Institute, by the Director. The Hon'ble High Court while quashing the order of the Director dt.15/17-03-2014, remanded the matter, directing the Director for reconsideration of the matter in accordance with law, after affording an opportunity of hearing to the Petitioner/Institute, without being influenced by the report of the Hon'ble Lokayukta dt.05/04/2013, on the ground that, the impugned order was rendered without affording an opportunity of hearing to the petitioner.

16. In the meantime the Institute is again pressing for release of arrears of grant for the subsequent period from 2012-13 to 2016-17 amounting to Rs.3,62,29,600/-. The Director has passed an order and communicated that order to the Vijaya Film Institute vide his letter dt.25/27-11-2017 stating that, since as per the report of the fact finding committee, amount of grant so far released for the previous years were found to have been misutilized/misappropriated and since there is a direction from Hon'ble Lokayukta not to release further grant-in-aid without compliance of requirements noticed by the fact finding committee in its report and since the complaint BCD/727/2014 is pending consideration before Hon'ble Lokayukta, the request of the Institute cannot be considered and the arrears of grant cannot be released, in favour of the said Institute.



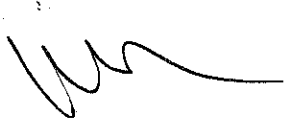


17. This order of the Director dt.25/27-11-2017 was challenged by the Vjaya Film Institute by filing writ petition before the Hon'ble High Court of Karnataka in W.P No.28484/2017. The Hon'ble High Court vide order dt.14/09/2017 disposed off the said writ petition with a direction to the Petitioner/Institute, to submit one more copy of the representation along with the supporting documents to the Director and the Director shall take note of the proposal keeping in view the legal provisions and to take a decision on the request made by the Petitioner/Institute and to convey the decision to the petitioner/Institute, within two months.
18. In the meantime the Managing Director, Vijaya Film Institute has impleaded himself as a party in this complaint and even he was present during the personal hearings conducted by Hon'ble Lokayukta on 02/07/2018, 04/09/2018. The Managing Director, Vijaya Film Institute was permitted to file his reply and even the complainant was permitted to submit his rejoinder. Accordingly, the Managing Director, Vijaya Film Institute submitted his detailed reply and also his further reply. Hence, the complaint file in BCD/727/2014 is being dealt with considering the allegation made by the complainant and the reply furnished by the Vijaya Film Institute.
19. So far as payment of Rs.66,02,224/- to the Institute on 28.3.2012 is concerned, considering the speed in which the file was moved both in the office of the Director and in the Secretariat, the involvement of officials not only in the Directorate but also in the Government Secretariat, cannot be ruled out. As already pointed out, the file relating to release of Rs.66,02,224/- was moved swiftly both in the Directorate and the Secretariat and within one day the department of Information and Publicity, accorded sanction for release of

Rs.66,02,224/- to the Vijaya Film Institute and on the very next day, the payment was made by issuing cheque from the office of the Director. Hence, this is a case wherein, a detailed investigation needs to be taken up, to identify the officials involved in the swift processing of the file in the office of the Director, Information and Publicity and also issue of G.O by the department of Kannada, Culture, Information and publicity in the Government Secretariat, in order to identify the officers/officials responsible for payment of Rs.66,02,224/- to the said Institute, on 28/03/2013.

20. The fact finding committee was constituted by the Government for conducting investigation regarding the allegation made against Vijaya Film Institute and the committee having investigated in detail about the affairs of the said film Institute, submitted its report dt.14/12/2009 confirming that, the film Institute is flouting all the rules and the grants being given to the said Institute are being misutilized/ misappropriated. Despite submitting such a report, no action appears to have been taken against the said film Institute, but the arrears of grant for the period from 2007-2008 to 2010-11 amounting to Rs. 66,02,224/- was released in favour of the said Institute. Even for the previous years also, grants have been released, the details are as under:

| Government order | Amount | Year |
|-------------------------|---------------|-------------|
| 21/12/2005 | Rs.10,00,000 | 2004-05 |
| 15/03/2006 | Rs.5,00,000 | 2005-06 |
| 02/08/2006 | Rs.3,00,000 | 2005-06 |
| 25/11/2006 | Rs.6,68,500 | 2006-07 |



| | | |
|------------|--------------|---|
| 09/04/2007 | Rs.3,00,000 | 2007-08 |
| 30/06/2007 | Rs.35,65,578 | Arrears of grant for the periods 2004-05 to 2006-07 |
| 09/08/2007 | Rs.7,07,500 | 2007-08 |
| 20/05/2008 | Rs.5,29,000 | 2008-09 |
| 13/03/2009 | Rs.15,00,000 | 2008-09 |
| 20/02/2010 | Rs.11,05,000 | 2009-10 |
| 15/03/2012 | Rs.11,44,500 | 2010-11 |
| 27/03/2012 | Rs.66,02,224 | Arrears of grant for the period 2007-08 to 2010-11 |

Therefore, all these payments made to Vijaya Film Institute needs to be probed into, in order to ascertain whether there is proper utilization of the grant amount by the Institute and there was no misutilisation of the funds and the Institute is running without any contravention of any of the provisions of grant-in-aid Code, as no action has been taken on the said report of the Fact finding Committee dated 14.12.2009 in the Government level, but interestingly grants for the subsequent periods have been released in favour of the said Institute.

21. It is interesting to note that, one Sri.Thipatur Raghu, Principal of Vijaya Film Institute, filed a complaint dt.27/05/2012 to the Government, to the Directorate and even to the department of Finance, Home etc, highlighting the irregularities being committed by Sri.E.V.Kumar, the Managing Director of the said Institute and the manner in which the amount of Rs.66,02,224/- released on 28/03/2012 has been





misutilized. Despite the complaint filed by the Principal of the said Institute, no action has been initiated against the said Institute.

22. The Dy. Controller (Accounts) of TAC Wing of Karnataka Lokayukta, having verified the records has also concluded that, grave irregularities have been committed by the Vijaya Film Institute and the grants being provided to the said Institute are being misutilized/misappropriated. Even, while forwarding the report u/s 12(3) of the Karnataka Lokayukta Act, dt.05/04/2013, a specific direction was issued that, no further grant-in-aid should be given to the said Vijaya Film Institute, without compliance of requirements mentioned in the report of the fact finding committee. But the said direction of Hon'ble Lokayukta was not complied with, but disregarded as no compliance u/s 12(4) of KL Act has been received from the government.
23. As per the report of the DCA, there are no faculty members to teach to the students in the said Institute. It is claimed by the Managing Director that, by engaging the services of certain persons on daily wage basis, the teaching to the students are being attended. The Institute has not furnished the list of students undergoing the course in the said Institute for each year and the infrastructure available in the said Institute for teaching the students. As per the report of DCA, the sister of Sri.E.V.Kumar/Managing Director by name Smt.Vijayalakshmi.E is shown to be the Manager of the said Institute and her brother is shown as instrumental music lecturer and amounts of grant has been disbursed to them showing them as faculty members. Their appointments were not approved by the Government as per the provisions of grant-in-aid code. Even TDS amount shown to have been deducted from the salary paid to them, are not remitted to the Income



tax department. Many other irregularities have been pointed out by DCA/Investigating officer in his report dt.22/05/2015.

24. Even the Expert Committee constituted by the State Government vide order dated 26.6.2003, though in its report indicted the said institute regarding large scale irregularities and misuse of funds and on that basis the Government stopped the grant to the said institute vide order dated 30.3.2015, the same came to be set aside by the Hon'ble High Court, but the direction to issue show-cause notice to the Institute indicating the proposed action and to pass appropriate orders thereon, is not complied with and no such action was taken against the said Institute.
25. Rules for payment of grant-in-aid to private film Institutions running courses in film acting and play back singing, was issued vide G.O dt.23/06/1978. Various conditions have been laid down in the rules for compliance, in order to receive Government grant. But the reports, of the Expert Committee constituted during 2003, fact finding committee constituted during 2009 and also the report of DCA dated 22.5.2015 have indicted the institute and alleged that, the rules and conditions have been flouted by the said Institute, falsely claiming the grants by means of fabricated documents. Therefore, it is desirable to initiate an Investigation against M/s. Vijaya Film Institute, to go in detail regarding the affairs of the said Institute and the alleged irregularities and misappropriation of funds, by the said Institute.
26. The Rules framed, for recognizing any private film institute in the State and sanctioning of grant to such film Institutes, lays down various conditions for recognition and rule 10 deals with this aspect. Sub rule



(o) of Rule 10 provides withdrawal of recognition and stopping of grant to any Institute, which reads as follows:

Recognition granted to the Institute may at any time be withdrawn by the Director of Kannada & Culture, if any of the conditions of recognition are not fulfilled or violated or in the opinion of the Director of Kannada & Culture or Inspecting Officer that, the working of the Institute, is not satisfactory.

27. Hence, it is necessary to conduct detailed investigation in respect of the Management and Affairs of M/s.Vijaya Film Institute in order to ascertain whether the said Institute is working satisfactorily as per the conditions of recognition imposed while recognizing the said Institute and if it is proved during such investigation that, Vijaya Film Institute is guilty of irregularities and misutilization of government grants, to take steps to cancel the recognition given to the said Institute.
28. Further, since the said Institute is registered on 18/02/1980 under the provisions of Karnataka Societies Registration Act, 1960 having registration No.547/79-80, immediate steps may also be taken to take over the administration of the said Institute by the Government, by appointing an Administrator under Section 27-A of the Karnataka Societies Registration Act, 1960.
29. Hence, in the light of what is stated above, and in exercise of the powers conferred under Section 12(1) of Karnataka Lokayukta Act 1984, I hereby issue the following directions:

- i) To take necessary steps to conduct a detailed investigation regarding the Management and affairs of M/S. Vijaya Film



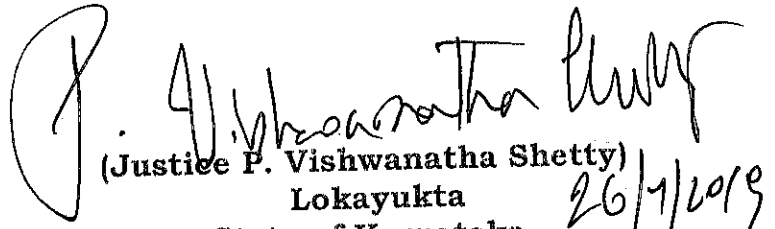
Institute, in order to ascertain proper utilization of the grants given by the Government since 1991-92 onwards and also regarding the availability of infrastructure, number of students undergone course till date, details of the faculty members and staff and number of posts admitted to grant, etc.,

- ii) Investigation may also be conducted to identify the officers and officials both in the Directorate and in the Department of Kannada and Culture, Information and Broadcasting, who were responsible for release of Rs. 66,02,224/- by swiftly processing the file within two days, on 26.3.2012 and 27.3.2012.
- iii) On the basis of the investigation report so obtained, to take appropriate steps
 - a. To recover the wrong payment of Rs. 66,02,224/- made, from M/S. Vijaya Film institute and initiate action against the concerned, who may be held accountable for such wrong payment
 - b. To initiate, if need be, such criminal action against persons, who are responsible for mis-utilisation of Government funds, in accordance with law.



30. Further, as per Section 12(2) of Karnataka Lokayukta Act, 1984, the Competent Authority is required to intimate this Authority within three months from the date of receipt of this report, the action taken or proposed to be taken on this report.

Investigation report dated 22.5.2015 submitted by Deputy Controller (Accounts) and other connected records are enclosed.


(Justice P. Vishwanatha Shetty)
Lokayukta
State of Karnataka. 26/7/2019