

**KARNATAKA LOKAYUKTA**

No.COMPT/UPLOK/BCD/114/2020 /ARLO-1 Multi Storied Buildings,  
Dr.B.R.Ambedkar Veedhi,  
Bengaluru 560 001.

Dated: 01/07/2020

**REPORT UNDER SECTION 12(3) OF THE KARNATAKA  
LOKAYUKTA ACT, 1984**

Sub:- Proceedings against;

- (1) Smt. N. Rajani, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- (2) Sri A. Tulasinath, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Hennagara Grama Panchayath, Bengaluru South Taluk, Bengaluru Urban District.
- (3) Sri Subramani, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Neraluru Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (4) Sri S.G. Prakash, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- (5) Sri Boregowda, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Suragajakkanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (6) Sri Ravikumar, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District – Presently working at Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District.

*v. Shankar*

- (7) Sri M. Amaresh, Incharge Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District
- (8) Sri Nomesk Kumar, the then Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal – Presently working as Deputy Secretary, Zilla Panchayath, Chikkaballapur
- (9) Sri T.K. Ramesh, the then Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal – Presently working as Deputy Secretary, Zilla Panchayath, Tumakuru
- (10) Sri K.C. Devaraje Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal.

On the basis of source information that there is ~~mismanagement in the maintenance of accounts and submission~~ of periodical expenditure statements by Vanakanahalli Grama Panchayath of Anekal Taluk and also submission of audit reports, a Suo-motu investigation was taken up.

2) On 27/12/2019, Upalokayukta-1 visited the office of the Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal. The Accounts officer and the Manager of Taluk Panchayath, Anekal were directed to produce the periodical returns of expenditure in relation to each of the Panchayaths within the limits of Taluk Panchayath, Anekal. The details of expenditure was not furnished by the Panchayaths. Further, at the time of spot inspection by Upalokayukta-1 to the office of the Executive Officer, Taluk Panchayath, Anekal, the audit reports for the years i.e., 2016-17, 2017-18 and 2018-19 of Vanakanahalli Gram Panchayath were

*N. Prasad*

not produced. Therefore, the above suo-motu complaint was registered against the following respondents for conducting further investigation into the matter.

- (1) Smt. N. Rajani, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/01/2016 to 14/05/2016) – Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- (2) Sri A. Tulasinath, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 09/11/2016 to 31/08/2017)) – Presently working at Hennagara Grama Panchayath, Bengaluru South Taluk, Bengaluru Urban District.
- (3) Sri Subramani, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 02/10/2017 to 31/01/2018) – Presently working at Neraluru Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (4) Sri S.G. Prakash, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/02/2018 to 28/06/2018) – Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- (5) Sri Boregowda, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 02/07/2018 to 25/09/2018) – Presently working at Suragajakkanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (6) Sri Ravikumar, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/10/2018 to 03/01/2019) – Presently working at Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (7) Sri M. Amaresh, Incharge Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 04/01/2019 to till date).

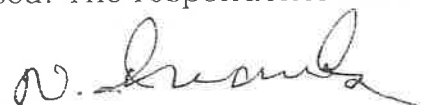
*N. Branda.*

(8) Sri Nomesk Kumar, the then Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (for the period from 1/1/2016 to 18/5/2017) – Presently working as Deputy Secretary, Zilla Panchayath, Chikkaballapur

(9) Sri T.K. Ramesh, the then Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (for the period from 19/5/2017 to 19/7/2019) – Presently working as Deputy Secretary, Zilla Panchayath, Tumakuru

(10) Sri K.C. Devaraje Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (from 24/7/2019 till date).

3) Respondent No.1 Smt. N. Rajani has submitted comments dated 12/02/2020. Respondent No.2 Sri A. Tulasinath has submitted comments dated 12/02/2020. Respondent No.3 Sri Subramani has submitted comments dated 12/02/2020. Respondent No.4 Sri S.G. Prakash has submitted comments dated 12/02/2020. Respondent No.5 Sri Boregowda has submitted comments dated 12/02/2020. Respondent No.6 Sri Ravi kumar has submitted comments dated 12/02/2020. The Respondents 1 to 6 have stated in their comments that the present Panchayath Development Officer i.e., Respondent No.7 Sri Amaresh.M has submitted the copies of budget estimates and also audit report of Vanakanahalli Grama Panchayath to this office. Respondent No.7 has submitted comments dated 12/2/2020, that the concerned Panchayath Development Officers have prepared the budget for the year 2016-17 to 2019-20 and obtained the approval of the Executive Officer of Taluk Panchayath. Further, he has stated that the audit of the Vanakanahalli Grama Panchayath was conducted for the years 2016-17 to 2018-19 and copies of the Audit report for the year 2016-17 and 2017-18 are enclosed. The respondents have



not furnished the copy of the Audit report for the year 2018-19. The Respondent No.7 has stated that the Audit report for the year 2018-19 is not received from the Local Audit Circle.

4) The Respondent No.8 Sri N. Nomesk Kumar has submitted comments dated 27/2/2020 stating that during their tenure the Vanakanahalli Grama Panchayath had submitted the Budget and audit report for the year 2016-17 and Budget for the year 2017-18. He had constituted an adhoc committee and the meeting of the committee was held. He had issued oral instructions regarding the subject matter stated in the audit report. The respondent No.9 Sri T.K. Ramesh has submitted comments dated 27/2/2020 stating that during their tenure the Vanakanahalli Grama Panchayath had submitted the audit report for the year 2017-18 & 2018-19 and Budget for the year 2018-19 and 2019-20. He had constituted an adhoc committee and the meeting of the committee was held. He had issued oral instructions regarding the subject matter stated in the audit report. Respondent No.10 has submitted comments dated 12/2/2020 stating that he had instructed the Panchayath Development Officer of Vanakanahalli Grama Panchayath to submit the Expenditure statements and audit reports for the years 2016-17 to 2018-19.

5) The Budget estimates of the above Grama Panchayath for the years 2016-17, 2017-18, 2018-19 and 2019-20 and the copies of the Audit reports for the years 2016-17 and 2017-18 of the Vanakanahalli Grama Panchayath produced by Respondent No.7 along with comments are perused.

*N. Nomesk Kumar*

6) The respondents have not furnished the copies of the Audit report for the year 2018-19. The Respondent No.7 Sri M. Amaresh has stated that the Audit report for the years 2018-19 is not received from the local audit circle.

### **BUDGET PROVISIONS**

7) As per the Budget estimates for the years 2016-17, 2017-18, 2018-19 and 2019-20, the following income & Expenditure were estimated for the Vanakanahalli Grama Panchayath.

### **REVENUE INCOME**

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Opening Revenue balance	25,71,346	14,41,685	5,39,957	6,62,734
2	Rates and Taxes	37,38,835	39,54,000	26,36,924	26,73,791
3	Revenue from the Panchayath Properties	2,10,000	1,38,000	88,250	4,16,798
4	Revenue from Grama Panchayath Authorities	3,89,000	7,75,000	13,68,558	16,59,957
5	Grants, Donation, Subscriptions	8,00,000	8,00,000	15,00,000	36,30,000
6	Other Incomes	-	-	-	-
	<b>Total Revenue Income</b>	<b>77,09,181</b>	<b>71,08,685</b>	<b>61,33,689</b>	<b>90,43,280</b>

### **REVENUE EXPENDITURE**

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	General Administration i) Grama Panchayath (Elected Body) ii) Office	2,14,200 14,27,000	4,04,200 27,85,564	4,26,332 21,61,387	2,48,928 25,72,796
2	Development Expenditure				
	1) Drinking Water	4,50,000	20,50,000	5,27,500	18,26,500
	2) Rural Sanitation	1,61,318	1,60,000	1,66,309	1,48,307
	3) General Health & Family Welfare	47,000	62,000	35,000	53,000
	4) Roads, Bridges & other connecting medias	3,40,000	5,40,000	33,000	45,000
	5) Buildings	10,000	1,50,000	22,000	25,000
	6) Electrification and Electricity supply	1,05,000	4,50,000	10,00,000	11,66,131
	7) Social Services	4,45,340	5,00,000	2,08,142	2,33,219
	8) Motivation Services	-	-	-	20,000
	<b>Total Expenditure</b>	<b>15,58,658</b>	<b>39,12,000</b>	<b>19,91,950</b>	<b>35,17,157</b>

*N. Srinivas*

	<b>Transfer from General fund</b>	<b>15,00,000</b>	-	<b>6,85,257</b>	<b>7,77,482</b>
	<b>Other Revenue Expenditure</b>	-	-	-	-
	<b>Total Revenue Expenditure</b>	<b>46,99,858</b>	<b>71,01,764</b>	<b>52,64,926</b>	<b>71,16,362</b>
	<b>Closing balance</b>	<b>30,09,323</b>	<b>6,921</b>	<b>8,68,763</b>	<b>19,26,918</b>

**CAPITAL INCOME**

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Opening balance	2,54,457	27,18,745	9,07,389	-
2	Grants, Subscription, donation.	15,00,000	28,00,000	-	-
3	Central and Central sponsored & State and State Sponsored Schemes (Special Rural Development Programmes)	15,26,000	20,00,000	43,31,349	35,53,904
	<b>Total Capital Income</b>	<b>32,80,457</b>	<b>75,18,745</b>	<b>52,38,738</b>	<b>35,53,904</b>

**CAPITAL EXPENDITURE**

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Development Expenditure				
	1) Drinking Water	-	3,00,000	61,345	8,52,924
	2) Rural sanitation	-	-	-	-
	3) Roads, Bridges & other connecting medias	15,00,000	9,50,000	2,01,958	1,50,000
	4) Buildings	-	2,50,000	-	-
	5) Social Services	-	-	-	-
	6) Motivation services	-	-	-	-
	<b>Total Expenditure</b>	<b>15,00,000</b>	<b>15,00,000</b>	<b>2,63,303</b>	<b>10,02,924</b>
2	Specific Project Expenditure				
	Central and Central sponsored & State and State Sponsored Schemes (Special Rural Development Programmes)	14,39,000	2,00,000	52,38,738	35,53,904
3	Procurement of properties	-	2,00,000	-	30,000
3	Repayment of loan	-	-	-	-

*N. Inanda*

Total Capital Expenditure	29,39,000	19,00,000	55,02,041	45,86,828
Closing Balance	3,41,457	56,18,745	2,63,303	10,32,924

### **INCOME FROM DEPOSITS, ADVANCES & INVESTMENTS**

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Opening balance	-	-	8,000	8,000
2	Receipt	-	-	-	-
	Total Income	-	-	-	-
3	Expenditure	-	-	-	-
	Total Final Balance of the Panchayath	33,50,780	1,31,37,490	6,13,460	9,01,994

8) Rule 12 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounting) Rules, 2006 provides for manner of preparation of budget estimates. The following instructions were to be followed while preparation of budget estimates.

“1. Statement II (Estimate of receipts) shall be prepared by the Secretary on the basis of information available in Form IA to IC, which shall be based on the basic details from the relevant records.

2. Similarly the Secretary shall prepare Statement II (Estimate of Expenditure) by taking out details from ID to IG which shall be based on the basic details from the relevant records.

3. After Statement II and III are ready, the gross figures classified under the respective main heads of accounts of these statements are taken to the respective heads of account in Statement I which shall form the abstract figure in the annual budget of the Grama Panchayath.

4. Secretary shall ensure that the following guidelines shall be kept in view, while preparing the budget.

*N. Srinivas*



(i) Budget estimate shall be for what is expected to be received or paid during the year and not for demands or liabilities likely fall due within the year.

(ii) All existing liabilities, which cannot be liquidated before the commencement of the year for which the budget is being prepared shall be ascertained and provided for.

(iii) Allow for the balance at the end of the year of not less than such sum or percentage of income as may from time to time be fixed by the Government.

9) In the Audit Reports of the above Vanakanahalli Grama Panchayath for the years 2016-17 and 2017-18, it is observed that the above Budget estimates were not prepared in accordance with Rule 12 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006. Provision for repayment of opening liabilities was not made in the budget as mandated under Rule 12(4)(ii) of the above Rules.

10) As per Rule 15 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, a Budget Control Register in Form No.2 shall have to be maintained to keep a watch on expenditure to ensure that expenditure incurred under various heads of accounts are within the allocation provided in the budget. Such a Register had not been maintained by Vanakanahalli Grama Panchayath.

11) It is noticed that the Budget estimates for the remaining years i.e. 2018-19 and 2019-20 are prepared similar to the year



2016-17 and 2017-18. Therefore, the above discrepancies are applicable to all the years of Budget estimates.

12) The Respondent No.2 Sri A. Tulasinath was working as Panchayath Development Officer of Vanakanahalli Gram Panchayath from 09/11/2016 to 31/08/2017; The Respondent No.4 Sri S.G. Prakash was working as Panchayath Development Officer of Vanakanahalli Gram Panchayath from 01/02/2018 to 28/06/2018; The Respondent No.7 Sri M. Amaresh was working as Panchayath Development Officer of Vanakanahalli Gram Panchayath from 04/01/2019 to till date. The above mentioned three Panchayath Development Officers have prepared and submitted the Budget estimates for the years 2016-17, 2017-18, 2018-19 and 2019-20 & are responsible for the aforesaid irregularities in the preparation of budget of the relevant years. It is seen from copies of Budget estimates that Respondent No.8 Sri N. Nomesk Kumar, the then Executive Officer of Taluk Panchayath had approved the budget estimates for the years 2016-17; Respondent No.9 Sri T.K. Ramesh, the then Executive Officer had approved the budget estimates for the year 2018-19 and 2019-20. These Executive Officers without noticing the above irregularities in the preparation of budget have approved the same and thereby they are also responsible for the above irregularities.

**SUBMISSION OF MONTHLY, HALF YEARLY AND YEARLY ACCOUNTS**

13) Regarding expenditure of the Panchayath, as per Rule 108 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006 the Secretary of the Grama Panchayath shall prepare monthly receipt and payment statement in Form 53,

*v. d. ramesh*

and Monthly Trial Balance in Form 54 and place it for review by the Grama Panchayath. The approved accounts shall be sent to the Chief Accounts Officer of the Zilla Panchayath and Assistant Controller, Local Audit Circle by 20<sup>th</sup> of the subsequent month. Similarly, half yearly accounts shall have to be prepared in Form 53 and Trial Balance in Form No.54. In relation to the above Vanakanahalli Grama Panchayath, no such monthly statement was prepared and submitted to the Authorities stated above. The above Panchayath had also not prepared the annual accounts in terms of Rule 109 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006. The audit reports for the years 2016-17 and 2017-18 at paragraph 15 & 16 states that monthly expenditure statements, half yearly statements and yearly statements as per Rule 108 and 109 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting & Accounts) Rules, 2006 were not submitted by the Vanakanahalli Panchayath. Therefore, the Respondents 1, 2, 3, 4, 5, 6 and 7 who were the Panchayath Development Officers are responsible for the same. The Respondents No. 8, 9 and 10 being Taluk Executive Officers of Taluk Panchayath, Anekal had not supervised the administration and accounts of the Panchayath and are also responsible for the above lapse.

**NON-MAINTENANCE OF REGISTERS/RECORDS IN THE  
PANCHAYATH**

14) The Grama Panchayath, Vanakanahalli had not maintained the Grants Register as per Rule 99 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006.



This Register is a prominent register, which shows the opening balance, grants received and closing balance.

15) The Grama Panchayath, Vanakanahalli had not maintained the following registers.

Sl. No.	Name of Register	Rule of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006
1	Investment Register	Rule 95 (Form No.41)
2	Loan Register	Rule 96 (Form No. 42)
3	Advances Register	Rule 98 (Form No.44)
4	Deposit Register	Rule 100 (Form No.47)
5	Issuance of Licence and collection register	Rule 35 (Form No.16)

16) During the year 2016-17 and 2017-18, there was no transaction of Investment, Loan, Advance and Deposits in Vanakanahalli Gram Panchayath.

**GRANTS MEANT FOR SCHEDULED CASTE AND SCHEDULED TRIBE & PHYSICALLY CHALLENGED NOT PROPERLY UTILISED FOR THE WELFARE OF ABOVE PERSONS**

17) During the year 2016-17, the Vanakanahalli Grama Panchayath had not spent any amount towards welfare of Schedule Caste and Scheduled Tribes under 25% scheme. During the year 2016-17, the opening balance is shown as Rs.80,008/- and the amount reserved for the year 2016-17 is shown as nil, totalling to a sum of Rs.80,008/-/- for the welfare of SC/ST under 25% grant scheme. No amount is spent towards welfare of Schedule Caste and Scheduled Tribes under 25% Scheme for the year 2016-17, showing the balance as Rs.80,008/- as on 31/03/2017. Respondent No.1 Smt. N. Rajani and Respondent

*N. Rajani*

No.2 Sri A. Tulasinath are responsible for not utilising the full amount for the welfare of SC/ST under 25% grant scheme.

As per the Audit report for the year 2016-17, a sum of Rs.98,901/- was reserved towards the welfare of physically challenged persons (3%). The details of opening balance, amount spent during the year and the final balance were not furnished. Therefore, it is not clear whether the amount has been spent or not. The Respondent. No.1 Smt. N. Rajani and Respondent No.2 Sri A. Tulasinath are responsible for not spending the amount towards the welfare of physically challenged persons (3%) during the year 2016-17 and not furnishing the information.

18) During the year 2017-18, the Vanakanahalli Grama Panchayath had not spent any amount towards welfare of Schedule Caste and Scheduled Tribes under 25% scheme. During the year 2017-18, the opening balance is shown as Rs.9,04,190/- and a sum of Rs.7,12,008/- is shown to have reserved for the year 2017-18, total amounting to Rs.16,16,198/- for the welfare of SC/ST under 25% grant scheme. No amount was spent towards welfare of Schedule Caste and Scheduled Tribes under 25% scheme for the year 2017-18 showing the balance as Rs.16,16,198/- as on 31/03/2018. In relation to the amount towards the welfare of physically challenged persons (3%) there was opening balance of Rs.98,901/- and Rs.30,000/- was reserved for the year 2017-18, total amounting to Rs.1,28,901/- for the welfare of physically challenged persons for the year 2017-18. No amount was spent towards the welfare of physically challenged persons showing the balance of Rs.1,28,901/- as on 31/03/2018.

*v. Srinath*

Respondent No.2 Sri A. Tulasinath, Respondent No.3 Sri Subramani and Respondent No.4 Sri S.G. Prakash are responsible for not utilising the full amount for the welfare of SC/ST under 25% grant scheme and for the welfare of physically challenged persons (3%) during the year 2017-18.

### **RECEIPT BOOKS**

19) The Vanakanahalli Grama Panchayath had not maintained the register in Form No.5 (Rule 21) regarding the stock and issue of Receipt Books during the years 2016-17 and 2017-18. The details opening balance, receipt of receipt books during the year and the closing balance of receipt books are as follows;

Sl. No	Details	2016-17	2017-18
1	Opning Balance	11	05
2	Receipt of Receipt Books	0	02
3	Total	11	07
4	No. of receipt books utilised for the year	06	07
5	Balance of receipt books at the end of the year	05	0

The respondents 1 and 2 are responsible for not maintaining the Stock Register of Receipt Books for the years 2016-17.

20) The Vanakanahalli Grama Panchayath has not maintained the Tax Assessment List as required under Section 199 of the Karnataka Grama Swaraj & Panchayath Raj Act, 1993. It had not maintained the Mutation Register in Form No.10 as per Rule 29 of the Karnataka Panchayath Raj (Budgeting and Accounts) Rules, 2006.

*n. Prakash*

**COLLECTION OF TAXES AND ITS REMITTANCE TO GOVT. ACCOUNT**

21) The Vanakanahalli Grama Panchayath had not maintained the Demand Collection Book (DCB Register) as per Rule 30 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006. The opening balance, demand during the year, collection during the years and the balance at the end of the year are as follows:-

**2016-17**

Sl. No	Details of tax	Opening balance	Demand	Total	Collection	Closing balance
1	House Tax	22,42,200	20,11,000	42,53,200	24,80,000	17,73,200
2	Water Tax	1,56,895	3,51,900	5,08,795	1,44,080	3,64,715
3	Licence	-	1,08,550	1,98,550	1,98,550	-
4	Rent from shops	2,61,650	35,000	2,96,690	-	2,96,690
5	Light Tax	-	1,84,450	1,84,450	1,84,450	-
6	Others	90,006	68,394	1,58,400	1,58,400	-
7	Auction	90,328	1,75,000	2,65,328	1,31,250	1,34,078
	<b>Total</b>	<b>24,41,079</b>	<b>30,24,294</b>	<b>50,65,413</b>	<b>32,96,730</b>	<b>7,95,483</b>

**2017-18**

Sl. No	Details of tax	Opening balance	Demand	Total	Collection	Closing balance
1	House Tax	17,73,200	22,12,100	39,85,300	21,52,612	18,32,688
2	Water Tax	3,64,715	3,87,090	7,51,805	69,052	6,82,753
3	Licence	-	25,132	25,132	25,132	-
4	Rent from shops	2,96,690	31,200	3,27,890	-	3,27,890
5	Others	-	-	-	3,11,553	-
6	Auction	1,34,078	2,89,685	4,23,763	2,89,685	1,34,078
	<b>Total</b>	<b>25,68,683</b>	<b>29,45,207</b>	<b>55,13,890</b>	<b>28,48,034</b>	<b>26,65,856</b>

22) As per the above statements, huge amount in a sum of Rs.26,65,856/- towards house tax, water tax, rent from shops and auctions was not collected by the Panchayath, which had caused loss to the State Exchequer. The respondent No.1 Smt. N. Rajani; Respondent No.2 Sri A. Tulasinath; Respondent No.3 Sri Subramani and Respondent No.4 Sri S.G. Prakash, Panchayath

*v. Subramani*

Development Officers are responsible for short collection of House Tax, Water Tax, Rent from shops and Auctions.

23) In the audit reports for the years 2016-17 and 2017-18, it is observed that the Vanakanahalli Grama Panchayath had not revised the rates of tax for every 4 years, as per Rule 14 of the Karnataka Panchayath Raj (Tax) Rules, 1994.

24) As per Form-3 of Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, General Receipts have not been incorporated. The Registers in relation to the Cheque/DD is not maintained and temporary receipts as per Form-3A were not issued. The information was not provided regarding the inclusion of all buildings and sites to which the tax had to be levied and collected. In relation to receipt of taxes by Cheque/DD, the amounts were directly credited to the Panchayath Fund without issuing the temporary receipts in Form No.3A. Further, the amount received was belatedly credited to the Panchayath fund, which amounts to temporary misappropriation of funds.

#### **NON-REMITTANCE OF CESS/SURCHARGES**

25) The details regarding the surcharge/cess to be levied on taxes and its collection, remittance and the balance are as follows:-

2016-17								
Sl. No	Details of Cess	Current years demand	Panchayath tax @10%	Balance cess	Opening balance	Total to be paid	Paid during the year	Balance as on 31/03/2017
1.	Health cess	2,77,611	27,761	2,49,850	11,40,512	13,90,362	-	13,90,362
2.	Educational cess	1,85,074	18,507	1,66,567	7,60,234	9,26,801	-	9,26,801
3.	Library cess	1,11,044	11,104	99,940	4,54,771	5,54,711	-	5,54,711
4.	Beggars cess	55,522	5,552	49,970	1,82,703	2,32,673	-	2,32,673
	Total	6,29,251	62,924	5,66,327	25,38,220	31,04,547	-	31,04,547

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2017-18

Sl. No.	Details of Cess	Current years demand	Panchayath tax @10%	Balance cess	Opening balance	Total to be paid	Paid during the year	Balance as on 31/03/2018
1.	Health cess	2,40,964	24,096	2,16,868	13,90,362	10,67,230	-	10,67,230
2.	Education cess	1,60,643	16,064	1,44,579	9,26,801	10,71,380	-	10,71,380
3.	Library cess	96,386	9,639	86,747	5,54,711	6,41,458	-	6,41,458
4.	Beggars cess	48,193	4,819	43,374	2,32,673	2,76,047	-	2,76,047
	Total	5,46,186	54,618	4,91,568	31,04,547	35,96,115		35,96,115

26) It is noticed during the audit that during the years 2016-17, and 2017-18, the Grama Panchayath had not credited the cess amount. At the close of the year 2017-18 the total cess amount to be credited to different heads of account of Government, as per the above statements was Rs.35,96,115/-. Instead the Cess / Tax amounts were utilised for other purpose of the Panchayath, which is opposed to Rules and illegal. Non-remittance of above Cess amount in a sum of Rs.35,96,115/- amounts to misdirection of funds and loss to the State Exchequer. The respondent No.1 Smt. N. Rajani; Respondent No.2 Sri A. Tulasinath; Respondent No.3 Sri Subramani and Respondent No.4 Sri S.G. Prakash, Panchayath Development Officers are responsible for the same.

**NON-PRODUCTION OF MUTATION REGISTERS**

27) The Grama Panchayath, Vanakanahalli had not maintained the files relating to change of Khatha, which were noted in the Tax Registers. Without maintenance of the files relating to transfer of khatas, it could not verified whether the transfer of khatas was on the basis of conversion of lands by the Deputy Commissioner or on the basis of Pavathi Varsa or purchase. The Panchayath Development Officer is responsible for illegal transfer of khathas or creation of bogus khatas if any.

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**NON-COLLECTION/SHORT COLLECTION OF SHOP RENTS**

28) The Vanakanahalli Grama Panchayath, had not maintained the Register in Form No.15 (Rule 34) relating to monthly rents to be recovered from the shops/buildings of the Panchayath. The details of rents due and collection of rents during the year 2016-17 and 2017-18 are as follows:-

2016-17

Sl. No.	Name of tenant (Sriyuths)	Monthly rent	Balance as on 1/4/16	Due for the year 2016-17	Total	Collection during the year 2016-17	Balance as on 31/3/2017
1	Prakash	650	79,060	7800	86,860	-	86,860
2	Anjinappa	650	34,990	7,800	42,790	-	42,790
3	Doreswamy	1,000	1,10,400	12,000	1,22,400	-	1,22,400
4	Mohan	0620	37,200	7,440	44,640	-	44,640
	<b>Total</b>	2920	2,61,650	35,040	2,96,690	-	2,96,690

2017-18

Sl. No.	Name of tenant	Monthly rent	Balance as on 1/4/17	Due for the year 2017-18	Total	Collection during the year 2017-18	Balance as on 31/3/2018
1	Prakash	650	86,860	7800	94,660	-	94,660
2	Anjinappa	650	42,790	7,800	50,590	-	50,590
3	Doreswamy	-	1,22,400	-	1,22,400	-	1,22,400
4	Mohan	-	44,640	-	44,640	-	44,640
	<b>Total</b>	1300	2,96,690	15,600	3,12,290		3,12,290

The Vanakanahalli Grama Panchayath had not taken action for collection of full rents from the shops let out by it. As on 31/3/2018, a sum of Rs.3,12,290/- was due from the tenants. It has also not taken action for evicting the shop owners. In the audit reports, it is observed that the agreement was not entered with the shop owners and the shops have been given on rent. It is also observed that the agreement entered with the shop owners was not renewed and the rents for the shops were not revised. The

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Respondents 1 to 4 are responsible for failure to collect the rents in time.

**DETAILS REGARDING AUCTION CONDUCTED BY  
PANCHAYATH**

29) During the years 2016-17 and 2017-18, auction of the revenue yielding properties of Vanakanahalli Grama Panchayath was conducted. As per Rule 34 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounting) Rules, 2006, the revenue yielding properties consist of buildings, market yards, garden lands or any vacant land. The normal procedure is to auction the revenue collection rights to tenants or lessee. Successful bidders shall give security deposit of three months revenue, which shall be refunded only on production of a clearance certificate for the payment of entire lease or rent money. In this regard, the Grama Panchayath has to maintain a register in Form 15 to watch the collection of revenue. It is noticed during the audit for the years 2016-17 and 2017-18 that no such register was maintained in Vanakanahalli Grama Panchayath. Respondent No.1 Smt. Rajani.N; Respondent No.2 Sri A. Tulasinath; Respondent No.3 Sri Subramani and Respondent No.4 Sri S.G. Prakash, Panchayath Development Officers are responsible for not maintaining the Register of Revenue yielding properties and realizations and also for non collection of balance auctioned amount. The auctioned amount collected through receipts and balance amount during the years 2016-17 and 2017-18 as mentioned in the Audit reports are as follows:-



2016-17

Sl. No	Details of auction	Name of successful bidder	Date of auction	Bid amount	Cess	Total	Collection during the year	Balance at the end of the year	Remarks
1	Previous year balance 2015-16							90,328	
2	Gate to Muthyalamadu	Shashidhar	11/08/16	1,75,000		1,75,000	1,34,250	40,750	
						Balance Receipt No: 385733 Date: 11/08/2016 Total 1,31,078			

2017-18

Sl. No	Details of auction	Name of successful bidder	Date of auction	Bid amount	Cess	Total	Collection during the year	Balance at the end of the year	Remarks
1	Auction of Sunavara Pathe lake	Raju S/o Papanna	18/11/2017	36,750	27,562	64,312	27,560	36,752	
2	Muthyalamadu Gate Tourist destination	Venkatesh	18/11/2017	1,54,000	1,15,500	2,69,500	2,62,125	7,375	
				1,90,750	1,43,062	3,33,812	2,89,685	44,127	

**INCIDENT OF TEMPORARY MISAPPROPRIATION**

30) As per the Audit report for the year 2016-17, Sri Gopalaiah, Bill Collector had collected Rs.10,83,818/- during the year towards tax and others. Out of this amount, a sum of Rs. 10,76,611/- was remitted to the Panchayath fund and the remaining amount of Rs.7,207/- was not remitted. For the query raised by the audit party, a sum of Rs.7,207/- was remitted to the Gram Panchayath Bank Account on 13/02/2018. Similarly, Sri Seenappa Bill

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Collector had collected Rs.9,79,067/- during the year towards tax and others. Out of this amount, a sum of Rs. 9,72,143/- was remitted to the Panchayath fund and the remaining amount of Rs.6,924/- was not remitted. For the query raised by the audit party, a sum of Rs.6,000/- was remitted to the Gram Panchayath Bank Account on 15/02/2018 and Rs.924/- on 27/02/2018. Since the amount was not remitted within the time prescribed, there was temporary misappropriation of Rs.7,207/- and Rs.6,924/- to the Panchayath.

As per the Audit report for the year 2017-18, during the year totally a sum of Rs.28,48,034/- towards tax and others was collected through receipts. Out of this amount, a sum of Rs.28,11,810/- was remitted to Panchayath fund and the remaining amount of Rs.36,224/- was not remitted. For the query raised by audit party, a sum of Rs.36,224/- was remitted to Grama Panchayath Fund. Since the amount was not remitted within the time prescribed, there was temporary misappropriation of Rs.36,224/- to the Panchayath.

As per Rule 26 & 27 of Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules 2006, the Respondent No.1, 2, 3 and 4 have not taken action in relation to receipt of amount. Further, Respondent No.1, 2, 3 and 4 had not informed the competent authority regarding temporary misappropriation of amount, as per Rule 111 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounting) Rules, 2006. The conduct of Respondent 1, 2, 3 and 4 amounts to negligence, delay tactics and failure to stop the loss to the Panchayath.

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**NON-SUBMISSION OF ANNUAL STATEMENT OF STAFF DETAILS**


31) As per Rule 57 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, a detailed annual statement in Form No.22 of pensionable employees or Government Servants on deputation existing as on the 1<sup>st</sup> March of the year shall be sent to the Accountant General, Local Audit Circle and Zilla Panchayath. Such a statement was not sent to the Accountant General, Local Audit Circle and Zilla Panchayath during the years 2016-17, 2017-18 and 2018-19. The register in Form No.23 relating to scale of pay of staff was not maintained as required under Rule 58 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounting Rules) 2006. The Respondents No.1, 2, 3, 4 and 5 are responsible for the above irregularities.

**REGARDING EXPENDITURE OF PANCHAYATHS**

32) In relation to payment of expenditures the Grama Panchayath, Vanakanahalli Grama Panchayath had not obtained approval in relation to each payment. In relation to purchases and works, quality tests were not conducted, which had lead to misappropriation of funds.

33) In the audit reports of Vanakanahalli Panchayath, in relation to payment of bills, it is observed that;

- (i) The provisions of Karnataka Transparency in Public Procurement Act were not followed in procurement of goods. The purchase rules as clarified in Govt. Circular No. RDP242 Ji.Pa.Sa 2000 dated 9/4/2001 and PWD 33 FC 111/2001 dated 23/3/2001, were not followed.



(ii) As per Govt. Order No. LD 300 LET 2006 dated 18/1/2007, 1% of the Development/Maintenance works shall have to be deducted towards Labour Cess and the same amount shall be remitted to the Chief Executive Officer, Buildings and other construction Labour Welfare Board, Karmik Bhavan, Bannerghatta Road, Bangalore. The Vanakanahalli Gram Panchayath had not followed the above instructions.

(iii) During the Audit for the year 2017-18, it is noticed that, the materials worth exceeding Rs.1.00 lakh were purchased without calling for tenders as per Karnataka Transparency in Public Procurement Act, 1999 and Rules, 2000. The Respondent No.2 Sri A. Tulasinath is responsible for this illegality. The following are the purchases made without calling tenders:-

Sl.No.	Items	Amount paid	Date
1.	Water/Pipe Items	1,04,902	24/08/2017
2.	Drinking Water	4,92,100	28/06/2017
3.	Drinking Water	12,90,930	18/05/2017

(iv) In relation to purchase of materials of water supply and electricity, (a) the quotations were not called for, for most of the purchases; (b) In many cases, after payment, the Bills were not cancelled and certified; (c) Certificate with regard to qualitative procurement of goods were not mentioned; (d) After payment, the bills were not converted as Vouchers and numbers were not given; (e) On some of the Bills, Bill Passing Orders were not noted; (f) on the obverse of the Bills, certificate with regard to the materials taken to stock register is not noted; (g) in relation to issuance of materials and balance date wise entries were not attested.

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(v) In relation to repair of motor pumps, (a) estimates for repair were not prepared through Junior Engineer and for payment of repair bills, approval of estimates were not obtained; (b) the log book in respect of drilling of bore wells mentioning the details of bore wells drilled, depth of bore well, place of bore well, was not maintained. The details of installation of motor and its previous repairs, complaints regarding repair and other details are not mentioned in the Log Book; (c) the dead stock materials removed after repairs were not taken to stock and the same were not disposed of.

#### **REGARDING SCHEMES OF GOVERNMENT**

34) In the Audit report for the year 2016-17, the Vanakanahalli Panchayath has not utilised a sum of Rs.13,61,685/- under other schemes, which results in failure of objects of the scheme. It is also noticed during the audit that the grants of 13th finance scheme was not utilised as per the guidelines of the scheme, and instead it has been diverted to other purposes, thereby the objects of the scheme is frustrated.

35) In the Audit report for the year 2017-18, the Vanakanahalli Panchayath has not utilised a sum of Rs.15,37,707/- under 14<sup>th</sup> finance and Rs.54,852/- towards Drinking water; Rs.12,106/- towards ESCROW, which results in failure of objects of the scheme. It is also noticed during the audit that the grants of 14th finance scheme was not utilised as per the guidelines of the scheme, thereby the objects of the scheme is frustrated.





36) In the Audit report for the year 2016-17 and 2017-18, it is stated that the Vanakanahalli Grama Panchayath had not maintained the Works Register in Form No.35 as per Rule 79 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounts) Rules, 2006. As per Grama Panchayath Budgeting and Accounting Rules, 1994 and Rule 94 of the Karnataka Public Works Code, the Stock Register of works and maintenance of machineries were not maintained.

### **REGARDING MEASUREMENT BOOKS**

37) In the Audit Report for the year, 2016-17 and 2017-18 it is noticed that the Grama Panchayath of Vanakanahalli had not procured the Measurement books from Government Printing Press. If the Govt. Printing Press had not supplied the Measurement books, the procedure as prescribed under KTPP Act shall have to be followed. It is noticed that the measurement books were purchased from private agencies. The stock register of measurement book was not maintained. The measurement book is an important document, which should be preserved for number of years.

### **NON - REMITTANCE/SHORT REMITTANCE OF ROYALTY, ETC TO CONCERNED HEADS OF ACCOUNT OF GOVERNMENT**

38) During the audit for the year 2016-17 and 2017-18, it is noticed that the following amount of royalty, sales tax, income tax and labour welfare tax which were deducted from works bills were not remitted to the concerned heads of the Government.

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2016-17

Details	Royalty	Sales Tax	Income Tax	Labour Welfare fund
Opening balance on 1/4/2016	85,610	1,10,483	56,003	-
Deductions for 2016-17	14,855	21,283	25,087	14,783
Total	1,00,465	1,31,766	81,090	14,783
Remitted to Govt. during 2016-17	12,687	25,832	24,362	16,237
Balance to be remitted as on 31/3/2017	87,778	1,05,934	56,648	-

2017-18

Details	Royalty	Sales Tax	Income Tax	Labour Welfare fund
Opening balance on 1/4/2017	87,778	1,05,934	56,648	-
Deductions for 2017-18	13,189	11,554	11,554	-
Total	1,00,967	1,17,488	68,202	13,054
Remitted to Govt. during 2017-18	-	-	-	-
Balance to be remitted as on 31/3/2018	1,00,967	1,17,488	68,202	13,054

As on 31/03/2018 a sum of Rs.1,00,967/- towards Royalty; Rs.1,17,488/- towards sales tax, Rs.68,202/- towards Income Tax are due to be remitted to the concerned heads of the Government. Non-remittance/Short Remittance of above Royalty, Sales Tax and Income Tax, Funds to the concerned Heads of Department of Government amount to misdirection of funds and loss to the State Exchequer.

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39) In the Audit report for the year 2016-17, there are some totalling mistakes which have been corrected and the following statement is prepared. It is noticed that the following amount of royalty, sales tax, income tax, labour welfare tax and CBF which were deducted from Contractors/materials suppliers were not remitted to the concerned heads of the Government.

## 2016-17

Taxes	Schemes	Amount to be deducted during 2016-17	Amount deducted during the year 2016-17	Amount short deducted /left out	Amount remitted to Treasury	Amount short remitted to treasury.
Royalty	Group 1	398	398	-	-	398
	14 <sup>th</sup> finance	14,457	14,457	-	-	14,457
<b>Total</b>		<b>14,855</b>	<b>14,855</b>	-	-	<b>14,855</b>
Sales Tax	Group 1	1,595	1,595	-	-	1,595
	14 <sup>th</sup> finance	19,688	19,688	-	25,832	-
<b>Total</b>		<b>21,283</b>	<b>21,283</b>	-	<b>25,832</b>	<b>1,595</b>
Income Tax	Group 1	3,017	3,017	-	-	3,017
	14 <sup>th</sup> finance	22,070	22,070	-	-	22,070
<b>Total</b>		<b>25,087</b>	<b>25,087</b>	-	-	<b>25,087</b>
Labour Welfare Board Fee	Group 1	2,395	2,395	-	-	2,395
	14 <sup>th</sup> finance	12,398	12,398	-	-	12,398
<b>Total</b>		<b>14,793</b>	<b>14,793</b>	-	-	<b>14,793</b>
<b>Grand Total</b>		<b>76,018</b>	<b>76,018</b>	-	-	<b>56,330</b>

In the Audit report for the year 2017-18, it is noticed that the following amount of royalty, sales tax, income tax, labour welfare tax and CBF which were deducted from

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Contractors/materials suppliers were not remitted to the concerned heads of the Government.

2017-18

Taxes	Schemes	Amount to be deducted during 2017-18	Amount deducted during the year 2017-18	Amount short deducted /left out	Amount remitted to Treasury	Amount short remitted to treasury.
Royalty	Group 1	-	-	-	-	-
	14 <sup>th</sup> finance	13,189	13,189	-	-	13,189
<b>Total</b>		<b>13,189</b>	<b>13,189</b>	-	-	<b>13,189</b>
Sales Tax	Group 1	-	-	-	-	-
	14 <sup>th</sup> finance	11,554	11,554	-	-	11,554
<b>Total</b>		<b>11,554</b>	<b>11,554</b>	-	-	<b>11,554</b>
Income Tax	Group 1	-	-	-	-	-
	14 <sup>th</sup> finance	11,554	11,554	-	-	11,554
<b>Total</b>		<b>11,554</b>	<b>11,554</b>	-	-	<b>11,554</b>
Labour Welfare Board Fee	Group 1	-	-	-	-	-
	14 <sup>th</sup> finance	13,051	13,051	-	-	13,051
<b>Total</b>		<b>13,051</b>	<b>13,051</b>	-	-	<b>13,051</b>
<b>Grand Total</b>		<b>49,348</b>	<b>49,348</b>	-	-	<b>49,348</b>

As per the above statements, in relation to the year 2016-17 a sum of Rs.56,330/- deducted towards Royalty, Sales Tax, Income Tax and Labour Welfare fund was not remitted to the concerned Heads of Account of Government.

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In relation to the year 2017-18, a sum of Rs.49,348/- deducted towards Royalty, Sales Tax, Income Tax, Labour Welfare Board Fee and Contractors Benevolent Fund was not remitted to the concerned Heads of Account of Government.

The above short deductions and Non-remittance of amount to the concerned Heads of Department of Government amount to misdirection of funds and loss to the State Exchequer. The Respondents 1 to 4 who were the Panchayath Development Officers during the relevant years are responsible for above short deduction, misdirection and causing loss to the Government Exchequer.

40) From the Audit reports for the years 2016-17 and 2017-18, it is noticed that as per Govt. Order No. LD 300 LET 2006 dated 18/1/2007, 1% of the Development/Maintenance works shall have to be deducted towards Labour Cess and the same amount shall be remitted to the Chief Executive Officer, Buildings and other construction Labour Welfare Board, Karmika Bhavan, Bannerghatta Road, Bangalore. The Vanakanahalli Panchayath had not followed the above instructions.

41) The Vanakanahalli Grama Panchayath, had not maintained the following registers, which shall be maintained in the Panchayath.

- (i) Advertisement demand and collection Register
- (ii) Water charges demand and collection register
- (iii) Property register through which income is generated
- (iv) Licence Issue Register,
- (v) Entertainment Taxes demand register

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- (vi) Stock and Issue Register of purchases
- (vii) Register of estimates of works.
- (viii) Nominal Muster Rolls Register
- (ix) Works Register
- (x) Measurement books' Register
- (xi) Loan Repayment Register
- (xii) Land records register
- (xiii) Immovable properties (Other than lands)
- (xiv) DCB Register of Taxes
- (xv) Mutation Register,
- (xvi) Register of newly created properties.

42) Apart from the above Registers Vanakanahalli Grama Panchayath had not maintained the following registers and ledgers

- (i) Double entry system of Cash Book in Form No. 49 as per Rule 104 of Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounts) Rules, 2006
- (ii) Journal Booking form No.50 as per Rule 106 of Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounts) Rules, 2006.
- (iii) Ledger Accounts in Form No. 52 as per Rule 107 of Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounts) Rules, 2006

43) In the preparation of financial statements for the year 2017-18 and 2018-19 the Grama Panchayath, Vanakanahalli has committed the following flaws.

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- (i) The Classification of receipts and payments was not made in specified heads. Certain assets were formed under schemes, which were not shown under expenditure. Instead they were shown under Revenue expenditure.
- (ii) In the cash book, all the cash flows in the Cash/Bank column were not properly classified under different heads and the same was not brought to statement.
- (iii) The revenue expenditures met out under grants of specified schemes, were not brought under other revenue expenditure accounts.
- (iv) While computing the incomes and expenditure all the incomes (whether received or not received) and all expenditures (whether actually incurred or not incurred) were not considered.
- (v) The depreciation on the properties were not accounted and shown as loss.
- (vi) In the receipt and expenditure statement, index numbers were not mentioned.
- (vii) The income derived due to sale of dead stock materials and properties of Grama Panchayath were not shown in the profit and loss statement.
- (viii) In the balance sheet also, there are several discrepancies.

44) The following Executive Officers were working at Taluk Panchayath Anekal, who had control and supervision over the working of the Grama Panchayaths within the limits of Anekal Taluk, which includes the Vanakanahalli Grama Panchayath.

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Sl. No.	Name of the Executive Officer	Period of work at Taluk Panchayath Anekal
1	Sri N. Nomesh Kumar	13/7/2015 to 19/5/2017
2	Sri T.K. Ramesh	19/5/2017 to 12/7/2019
3	Sri K.C.Devarajegowda	24/7/2019 till date

The above Executive Officers, during their tenure at Anekal Taluk Panchayath had not supervised the accounts and administration of Grama Panchayath, Vanakanahalli Panchayath. Due to their lapses in properly supervising the accounts and administration of Grama Panchayaths, the irregularities/misappropriation stated supra at Vanakanahalli Grama Panchayath had crept in. Therefore, they are also responsible for the irregularities/ misappropriation, stated supra.

45) The respondents while submitting their comments have stated that the budgets of the Vanakanahalli Gram Panchayath were prepared every year as per rules and audits of Vanakanahalli Gram Panchayath was conducted. They have not explained the irregularities/loss to the State exchequer stated supra. Their comments cannot be accepted. In view of the above discussions, the respondents have prima facie committed misconduct.

46) Therefore, acting under section 12(3) of the Karnataka Lokayukta Act, 1984, it is hereby recommended to the Competent Authority for initiating Disciplinary proceedings against the following Respondents and to entrust the same to this Authority under Rule 14A of the Karnataka Civil Services (Classification, Control and Appeal) Rules, 1957.

- i) **Respondent No.1** Smt. N. Rajani, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/01/2016 to

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- 14/05/2016) - Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- ii) **Respondent No.2** Sri A. Tulasinath, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 09/11/2016 to 31/08/2017)) - Presently working at Hennagara Grama Panchayath, Bengaluru South Taluk, Bengaluru Urban District.
- iii) **Respondent No.3** Sri Subramani, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 02/10/2017 to 31/01/2018) - Presently working at Neraluru Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- iv) **Respondent No.4** Sri S.G. Prakash, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/02/2018 to 28/06/2018) - Presently working at Taluk Panchayath, Anekal Taluk, Bengaluru Urban District.
- v) **Respondent No.5** Sri Boregowda, the then I/c Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 02/07/2018 to 25/09/2018) - Presently working at Suragajakkanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- vi) **Respondent No.6** Sri Ravikumar, the then Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 01/10/2018 to 03/01/2019) - Presently working at Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- vii) **Respondent No. 7** Sri M. Amaresh, Incharge Panchayath Development Officer, Vanakanahalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District (for the period from 04/01/2019 to till date).
- viii) **Respondent No.8** Sri Nomesk Kumar, the then Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (for the period from 1/1/2016 to 18/5/2017) -

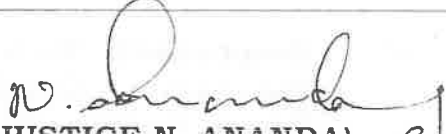
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Presently working as Deputy Secretary, Zilla Panchayath, Chikkaballapur.

- ix) **Respondent No.9** Sri T.K. Ramesh, the then Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (for the period from 19/5/2017 to 19/7/2019) – Presently working as Deputy Secretary, Zilla Panchayath, Tumakuru.
- x) **Respondent No.10** Sri K.C. Devaraj Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (from 24/7/2019 till date).

47) As per Section 12(4) of the Karnataka Lokayukta Act, the Competent Authority shall intimate or cause to be intimated the action taken on this recommendation to this Authority within 3 months from the date of receipt of this report.

Connected records are enclosed.

  
(JUSTICE N. ANANDA) 6/7  
Upalokayukta-1  
State of Karnataka, Bengaluru.