

KARNATAKA LOKAYUKTA

No.COMPT/UPLOK/BCD/117/2020 /ARLO-1 Multi Storied Buildings,
Dr.B.R.Ambedkar Veedhi,
Bengaluru 560 001.

Dated: 11/06/2020

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

Sub:- Proceedings against;

- (1) Sri Rehaman Sheriff , the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District – presently working at Neraluru Grama Panchayath, Anekal Taluk.
- (2) Sri Girimallaiah, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk – Presently working as Panchayath Development Officer, Ragihalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District.
- (3) Sri B.R. Narayanaswamy, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk – Presently working at Huralichikkanahalli Grama Panchayath, Bengaluru North Taluk.
- (4) Sri R.M.Ravikumar, Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk.
- (5) Sri Nomesh Kumar, the then Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal – Presently working as Deputy Secretary, Zilla Panchayath, Chikkaballapur
- (6) Sri T.K. Ramesh, the then Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal – Presently working as Deputy Secretary, Zilla Panchayath, Tumakuru
- (7) Sri K.C. Devaraje Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal.

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On the basis of source information that there is mismanagement in the maintenance of accounts and submission of periodical expenditure statements by Bannerughatta 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. At the time of spot inspection by Upalokayukta-1 to the office of the Executive Officer, Taluk Panchayath, Anekal, the audit report of Bannerughatta Grama Panchayath for the year 2016-17 was produced. The Audit reports for the remaining years i.e., 2017-18 and 2018-19 were not produced. Therefore, the above suo-motu complaint was registered against the following respondents for conducting further investigation into the matter.

(1) Sri Rehaman Sheriff , the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District (from 6/6/2014 to 7/6/2016) – presently working at Neraluru Grama Panchayath, Anekal Taluk.

(2) Sri Girimallaiah, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk (from 8/6/2016 to 24/4/2017; from 19/5/2017 to 1/7/2017 and from 7/12/2017 to 15/2/2018) – Presently working as Panchayath Development Officer, Ragihalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District;

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- (3) Sri B.R. Narayanaswamy, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk (from 3/7/2017 to 17/11/2017) – Presently working at Huralichikkanahalli Grama Panchayath, Bengaluru North Taluk.
- (4) Sri R.M.Ravikumar, Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk (from 16/2/2018 till date)
- (5) 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
- (6) 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
- (7) Sri K.C. Devaraje Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (from 24/7/2019 till date).

3) The comments of Respondents 1 to 7 were called. The Respondent 1 has submitted comments dated 12/2/2020, Respondent No.2 has submitted comments dated 12/2/2020; Respondent No.3 has submitted comments dated 12/2/2020. They have stated that the present Panchayath Development Officer of Bannerughatta Grama Panchayath, has submitted the concerned records to this office. Respondent No.4 has submitted comments dated 11/2/2020 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 Bannerughatta Panchayath was conducted for the years 2016-17 to 2019-19 and copies of the same are enclosed.



4) The Respondent No.5 has submitted comments dated 27/2/2020 stating that during his tenure the Bannerughatta Grama Panchayath had submitted the audit report for the year 2016-17 to the Accounts Officer of Taluk Panchayath. and Budget for the year 2016-17 and 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.6 has submitted comments dated 27/2/2020 similar to the comments submitted by Respondent No.3. Respondent No.5 has submitted comments dated 12/2/2020 stating that he had instructed the Panchayath Development Officer of Bannerughatta to submit the Budget 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, 2017-18 and 2018-19 of Bannerughatta Grama Panchayath produced by Respondent No.4 along with his comments are perused.

BUDGET PROVISIONS

6) 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 Bannerughatta Grama Panchayath.

REVENUE INCOME

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Opening Revenue balance	0	0	0	0
2	Rates and Taxes	81,30,208	88,84,664	106,61,597	138,16,174
3	Revenue from the Panchayath Properties	67,200	67,200	67,200	67,200
4	Revenue from Grama Panchayath Authorities	0	11,94,823	0	0

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5	Grants, Donation, Subscriptions	8,00,000	10,00,000	10,00,000	10,00,000
6	Other receipts	12,09,216	0	14,97,741	0
	Total Revenue Income	102,06,624	111,46,687	132,26,538	166,10,236

REVENUE EXPENDITURE

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	General Administration				
	i) Grama Panchayath (Elected Body)	2,24,355	5,57,403	8,49,999	9,23,653
	ii) Office	21,58,795	27,92,672	37,71,254	42,01,408
2	Development Expenditure				
	1) Drinking Water	14,78,460	16,26,306	18,62,930	21,72,068
	2) Rural Sanitation	11,16,834	8,25,477	9,08,024	14,30,000
	3) General Health & Family Welfare	69,800	1,18,070	1,29,877	1,30,000
	4) Roads, Bridges & other connecting medias	24,20,000	25,28,900	27,81,790	37,09,969
	5) Buildings	2,42,880	2,67,168	2,93,884	3,50,000
	6) Electrification and Electricity supply	13,19,800	14,32,935	15,76,228	16,05,826
	7) Social Services	9,35,393	10,32,056	12,45,225	19,21,057
	8) Motivation Services	72,600		0	1,00,000
	Total Expenditure	100,38,917	111,80,987	134,19,211	165,43,981
	Transfer from General fund	0	0	0	0
	Other Revenue Expenditure	0	0	0	0
	Total Revenue Expenditure	100,38,917	111,80,987	134,19,211	165,43,981
	Closing balance	49,582	0	0	0

CAPITAL INCOME

Sl. No.	Details				
1	Opening Revenue balance	0	0	0	0
2	Grants, Subscription, donation.	0	0	0	0
3	Central and Central sponsored & State and State Sponsored Schemes (Special Rural Development Programmes)	85,15,787	71,83,200	93,01,520	45,00,000
4	Chief Minister Grama Vikas Scheme (Banneru-ghatta Janatha colony)			100,00,000	143,41,000
5	Chief Minister Grama Vikas Scheme (Kannayaka Agrahara)			100,00,000	
	Total Capital Income	85,15,787	71,83,200	293,01,520	188,41,000

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CAPITAL EXPENDITURE

Sl. No.	Details				
1	Development Expenditure				
	1) Drinking Water	0	0	0	0
	2) Rural sanitation	0	0	0	0
	3) Roads, Bridges & other connecting medias	0	0	0	0
	4) Buildings	0	0	0	0
	5) Payment of salary to staff	0	0	0	0
	6) Social & public service programmes	0	0	0	0
	Total Expenditure	0	0	0	0
2	Specific Project Expenditure				
	Central and Central sponsored & State and State Sponsored Schemes (Special Rural Development Programmes)	85,15,787	71,83,200	293,01,520	188,41,000
3	Procurement of properties	0	0	0	
3	Repayment of loan	0	0	0	
	Total Capital expenditure	85,15,787	71,83,200	293,01,520	188,41,000
	Closing Balance	0	0	0	0

INCOME FROM DEPOSITS, ADVANCES & INVESTMENTS

Sl. No.	Details	2016-17	2017-18	2018-19	2019-20
1	Opening Revenue balance	0	0	0	0
2	Receipt	0	0	0	0
	Total Income	0	0	0	0
3	Expenditure	0	0	0	0
	Total Final Balance of the Panchayath	49,582	0	0	0

7) Rule 12 of the Karnataka Panchayath Raj (Grama Panchayath Budgeting and Accounting) Rules, 2006 provides for manner of preparation of budget estimates. The following

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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.

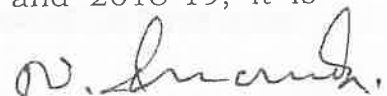
4. Secretary shall ensure that the following guidelines shall be kept in view, while preparing the budget.

(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.

8) In the Audit Reports of the above Bannerughatta Grama Panchayath for the years 2016-17, 2017-18 and 2018-19, 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.

9) 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 Bannerughatta Grama Panchayath.

10) The Respondent No.1 Sri Rehaman Sheriff, was working as Panchayath Development Officer of Bannerughatta Grama Panchayath from 1/4/2016 to 7/6/2016; Respondent No.2 Sri Girimalliah, was working as Panchayath Development Officer from 1/8/2016 to 24/4/2017; 19/5/2017 to 1/7/2017 and 6/12/2017 to 15/2/2018; and Respondent No.4 Sri R.M. Ravikumar was working as Panchayath Development Officer from 16/2/2018 till date. The above Panchayath Development Officers have prepared and submitted the Budget estimates stated above and 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.5 Sri N. Nomesk Kumar, the then Executive Officer of Taluk Panchayath had approved the budget estimates for the years 2016-17 and 2017-18; Respondent No.6 Sri T.K. Ramesh, the then Executive Officer had approved the

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budget estimates for the years 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

11) 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, 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 20th 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 Bannerughatta 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, 2017-18 and 2018-19 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 Bannerughatta Panchayath. Therefore, the Respondents 1 to 4 who were working as Panchayath Development Officers are responsible for the same. The Respondents No. 5, 6 & 7 being Taluk Executive Officers of

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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

12) The Grama Panchayath, Bannerughatta 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.

13) The Grama Panchayath, Bannerughatta 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)

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

14) During the year 2016-17, the Bannerughatta Grama Panchayath has spent a sum of Rs.7,49,893/- towards welfare of Schedule Caste and Scheduled Tribes under 25% grant scheme and a sum of Rs.92,694/- was spent towards welfare of physically challenged (differently abled) persons under 3% grant scheme. During the year 2016-17, there was opening balance of

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Rs.21,074/- and a sum of Rs.7,72,449/- is shown as reserved for the year 2016-17 towards the welfare of SC/ST under 25% grant scheme. Out of the above amount, a sum of Rs.7,49,893/- was spent showing the balance of Rs.43,630/- as on 31/3/2017. In relation to the amount towards the welfare of physically challenged persons there was opening balance of Rs.2,11,020/- and a sum of Rs.92,694/- was reserved for the year. Out of the above amount only a sum of Rs.92,694/- was spent towards the welfare of Physically challenged persons, showing the closing balance of Rs.2,11,020/- as on 31/3/2017. Respondent No.1 Sri Rehaman Sheriff, Respondent No.2 Sri Girimallaiah, are responsible for not utilising the full amount under 25% SC/ST welfare and for welfare of physically challenged persons under 3% grant during the year 2016-17.

15) During the year 2017-18 there was opening balance of Rs.43,630/- under 25% Grant for welfare of SC/ST persons. A sum of Rs.8,49,694/- was reserved for the year 2017-18. During the year 2017-18, a sum of Rs.8,54,705/- was spent towards the welfare of Scheduled Caste/Scheduled Tribe persons and there was balance of Rs.38,619/- at the close of the year on 31/3/2018.

In relation to the amount under 3% grant reserved for welfare of physically challenged persons an amount of Rs.2,11,020/- is shown as opening balance and a sum of Rs.1,01,963/- was reserved the year 2017-18. Out of the above amount a sum of Rs.15,000/- was spent for the welfare of Physically challenged persons and there was balance of Rs.2,97,983/- at the end of the year. Thus, the amount reserved for Scheduled Caste/Scheduled Tribe persons under 25% grant and physically challenged persons

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under 3% of Grant were not fully utilised for the welfare of physically challenged persons as per Rules. Respondent No.2 Sri Girimalliah; Respondent No.3 Sri B.R. Narayanaswamy and Respondent No.4 Sri Ravikumar R.M. are responsible for not utilizing the amount reserved for welfare of Scheduled Caste and Scheduled Tribe under 25% grant and for welfare of Physically challenged persons under 3% grant during the year 2017-18.

16) During the year 2018-19, there was opening balance of Rs.38,619/- under 25% Grant for welfare of Scheduled Caste/Scheduled Tribe persons. A sum of Rs.8,49,694/- was reserved for the year 2018-19. During the year 2018-19, a sum of Rs.8,49,694/- was spent towards the welfare of Scheduled Caste/Scheduled Tribe persons and there was balance of Rs.38,919/- at the close of the year on 31/3/2018. In relation to the amount under 3% grant reserved for welfare of physically challenged persons an amount of Rs.2,97,983/- is shown as opening balance and a sum of Rs.2,99,884/- was reserved the year 2018-19. Out of the above amount a sum of Rs.2,99,884/- was spent for the welfare of Physically challenged persons and there was balance of Rs.2,97,983/- at the end of the year. Thus, the amount reserved for Scheduled Caste/Scheduled Tribe persons under 25% grant and physically challenged persons under 3% of Grant were not fully utilised for the welfare of physically challenged persons as per Rules. Respondent No.4 Sri Ravikumar R.M. are responsible for not utilizing the amount reserved for welfare of Scheduled Caste and Scheduled Tribe under 25% grant and for welfare of Physically challenged persons under 3% grant during the year 2018-19.

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RECEIPT BOOKS

17) The Bannerughatta 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, 2017-18 and 2018-19. 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	2018-19
1	Opening Balance	06	07	06
2	Receipt of Receipt Books	48	31	30
3	Total	54	38	36
4	No. of receipt books utilised for the year	31	32	35
5	Balance of receipt books at the end of the year	23	06	01

The respondents 1 to 4 are responsible for not maintaining the Stock Register of Receipt Books for the years 2016-17, 2017-18 and 2018-19. In the Audit report for the year 2016-17, the closing balance of receipt books as on 31/3/2017 is shown as 23. In the audit report for the year 2017-18, the opening balance of receipt books as on 1/4/2017 is shown as 07. These closing balance of receipt books on 31/3/2017 and opening balance of receipt books on 1/4/2017 cannot be reconciled.

COLLECTION OF TAXES AND ITS REMITTANCE TO GOVT. ACCOUNTS

18) As per the Audit Reports for the years 2016-17, 2017-18 and 2018-19 Bannerughatta Grama Panchayath had 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,

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2006. The Respondent No.1 Sri Rehaman Sheriff; Respondent No.2 Sri Girimallaiiah, Respondent No.3 Sri B.R. Narayanaswamy and Respondent No.4 Sri R.M. Ravikumar, Panchayath Development Officers of Bannerughatta Grama Panchayath during the years 2016-17 to 2018-19 are responsible for the above lapse.

19) As per the Audit reports for the years 2016-17, 2017-18 and 2018-19, The Bannerughatta 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	13,67,322	78,02,520	91,69,842	81,40,539	10,29,303
2	Water Tax	8,88,966	67,620	9,56,586	1,11,240	8,45,346
3	Licence	0	15,46,041	15,46,041	15,46,041	0
4	Building Rent	2,65,500	67,200	3,32,700	9,800	3,22,900
5	Light tax	0	55,620	55,620	55,620	0
5	Others	0	4,76,629	4,76,629	4,76,629	0
	Total	25,21,788	100,15,630	125,37,418	103,39,869	21,97,549

2017-18

Sl. No	Details of tax	Opening balance	Demand	Total	Collection	Closing balance
1	House Tax	10,29,303	90,82,772	101,12,075	86,24,145	14,87,930
2	Water Tax	8,45,346	4,71,001	13,16,347	5,06,300	8,10,047
3	Licence	0	18,33,680	18,33,680	18,33,680	0
4	Building rent	3,22,900	67,200	3,90,100	0	3,90,100
5	Light Tax	0	2,53,150	2,53,150	2,35,414	17,736
5	Others	0	73,590	73,590	73,590	0
	Total	21,97,549	117,81,393	139,78,942	112,73,129	27,05,813

2018-19

Sl. No	Details of tax	Opening balance	Demand	Total	Collection	Closing balance
1	House Tax	14,87,930	118,03,737	132,91,667	122,55,099	10,36,568
2	Water Tax	8,10,047	1,06,578	9,16,625	74,392	8,42,233

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3	Licence	0	2,95,191	2,95,191	2,95,191	0
4	Building rent	3,90,100	84,000	4,74,100	10,000	4,64,100
5	Light Tax	17,736	2,75,324	2,93,060	37,196	2,55,864
6	Others	0	16,70,904	16,70,904	16,70,904	0
	Total	27,05,813	142,35,734	169,41,547	143,42,782	25,98,765

20) As per the above statements, huge amount in a sum of Rs.25,98,765/- towards house tax, water tax, Building rent and light tax was not collected by the Bannerughatta Grama Panchayath, which amounts to loss caused to the State Exchequer. The Respondents.1 Sri Rehaman Sheriff; Respondent No.2 Sri Girimalliah, Respondent No.3 Sri B.R. Narayanaswamy and Respondent No.4 Sri R.M. Ravikumar, Panchayath Development Officers are responsible for short collection of House Tax, Water Tax, Building rent and light tax during the concerned years.

21) In the audit reports for the years 2016-17, 2017-18 and 2018-19, it is observed that the Bannerughatta 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.

22) As per Rule 20 of Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, General Receipts in Form No.3 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

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Panchayath fund, which amounts to temporary misappropriation of funds.

NON-REMITTANCE OF CESS/SURCHARGES

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

2016-17

Sl. No	Details of Cess	Current year's collection	Panchayath tax @10%	Balance cess	Opening balance for the year	Total to be remitted	Remitted during the year	Balance as on 31/03/2017
1.	Health cess	9,11,254	91125	8,20,121	53,70,440	61,90,569	0	61,90,569
2.	Education cess	6,07,503	60750	5,46,753	35,80,291	41,27,044	0	41,27,044
3.	Library cess	3,64,502	36450	3,28,052	21,06,773	24,34,825	0	24,34,825
4.	Beggars cess	1,82,251	18225	1,64,026	8,89,934	10,53,960	0	10,53,960
	Total	20,65,510	206,550	18,58,960	1,19,47,438	1,38,06,398	0	1,38,06,398

2017-18

Sl. No	Details of Cess	Current year's collection	Panchayath tax @10%	Balance cess	Opening balance for the year	Total to be paid	Paid during the year	Balance as on 31/03/2018
1.	Health cess	9,65,389	96539	8,68,850	61,90,569	70,59,419	0	70,59,419
2.	Education cess	6,43,593	64359	5,79,234	41,27,044	47,06,278	0	47,06,278
3.	Library cess	3,86,156	38616	3,47,540	24,34,825	27,82,365	0	27,82,365
4.	Beggars cess	1,93,078	19308	1,73,770	10,53,960	12,27,730	0	12,27,730
	Total	21,88,216	2,18,822	19,69,394	1,38,06,398	1,57,75,792	0	1,57,75,792

2018-19

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 31/03/2019
1.	Health cess	13,21,314	1,32,131	11,89,183	70,59,419	82,48,602	0	82,48,602
2.	Education cess	8,80,876	88,088	7,92,788	47,06,278	54,99,066	6,77,513	48,21,553
3.	Library cess	5,28,526	52,853	4,75,673	27,82,365	32,58,038	7,33,899	25,24,139
4.	Beggars cess	2,64,263	26,426	2,37,837	12,27,730	14,65,567	1,63,696	13,01,871
	Total	29,94,979	2,99,498	26,95,481	1,57,75,792	1,84,71,273	15,75,108	1,68,96,165

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24) It is noticed from audit reports of the years 2016-17, 2017-18, 2018-19 the Bannerughatta Grama Panchayath, had not deposited the above cess/surcharge amount collected to the concerned heads of account of Government. At the close of the year 2018-19 the cess amount to be deposited to different heads of account of Government, as per the above statements was Rs.168,96,165/-. As per the Audit reports, the Bannerughatta Grama Panchayath, instead of depositing the above Cess amount to the concerned heads of account of Government had utilised the same for other purposes, which is illegal and opposed to Rules. The Panchayath had also not explained as to for which purpose, the Cess amount was utilised. Non-remittance of above Cess amount in a sum of Rs.168,96,165/- as stated above, amounts to misdirection of funds and loss to the State exchequer. The Respondent Nos.1 to 4 are responsible for the same.

NON-PRODUCTION OF MUTATION REGISTERS

25) The Bannerughatta Grama Panchayath, 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.

COLLECTION OF BUILDING RENTS FOR PANCHAYATH BUILDINGS

26) The Bannerughatta Grama Panchayath, had not maintained the Register in Form No.15 (Rule 34) relating to monthly rents to

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be recovered from the shops/buildings of the Panchayath. The details of rents due and collection of rents during the year 2016-17, 2017-18 and 2018-19 are as follows:-

2016-17

Sl. No.	Name of tenant	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	Venkatesh	700	1,00,500	8,400	108,900	0	1,17,300
2	Anitha	700	56,500	8,400	64,900	0	73,300
3	Devi	700	25,900	8,400	34,300	0	42,700
4	Asha	700	25,900	8,400	34,300	0	42,700
5	Manjunatha	700	15,600	8,400	24,000	0	32,400
6	Sudha	700	21,500	8,400	29,900	0	37,400
7	M.Venkatesh	700	6,000	8,400	14,400	9,800	4,600
8	V. Soudar	700	13,600	8,400	22,000	0	30,400
	Total	5600	265,500	67,200	332,700	9,800	389,200

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	Venkatesh	700	1,17,300	8,400	125,700	0	1,25,700
2	Anitha	700	73,300	8,400	81,700	0	81,700
3	Devi	700	42,700	8,400	51,100	0	51,100
4	Asha	700	42,700	8,400	51,100	0	51,100
5	Manjunatha	700	32,400	8,400	40,800	0	40,800
6	Sudha	700	37,400	8,400	45,800	0	45,800
7	M.Venkatesh	700	13,000	8,400	21,400	0	21,400
8	V. Soudar	700	30,400	8,400	38,800	0	38,800
	Total	5600	389,200	67,200	456,400	0	456,400

2018-19

Sl. No.	Name of tenant	Monthly rent	Balance as on 1/4/18	Due for the year 2018-19	Total	Collection during the year 2018-19	Balance as on 31/3/2019
1	Venkatesh	700	1,25,700	8,400	134,800	0	134,800
2	Anitha	700	81,700	8,400	90,800	0	90,800
3	Devi	700	51,100	8,400	60,200	0	60,200
4	Asha	700	51,100	8,400	60,200	0	60,200
5	Manjunatha	700	40,800	8,400	49,900	0	49,900
6	Sudha	700	45,800	8,400	54,900	0	54,900
7	M.Venkatesh	700	21,400	8,400	30,500	0	20,500
8	V. Soudar	700	38,800	8,400	47,900	0	47,900
	Total	5600	456,400	67,200	529,200	0	519,200

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The Bannerughatta Grama Panchayath had not taken action for collection of full rents from the shops let out by it and as on 31/3/2019, a sum of Rs.5,19,200/- 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 entered with the shop owners was not renewed and the rents for the shops were not revised. The Respondents 1 to 4 are responsible for failure to collect the rents in time.

MISAPPROPRIATION CASES

27) It is noticed during the audit for the year 2016-17 that a cheque bearing No.123762 dated 6/2/2017 received towards collection of tax was dishonoured. Thereafter, the amount was credited to the Bank. In this process, the Bank has collected bank charge of Rs.191/-, which was not recovered from the concerned tax payer.

28) During the Audit for the year 2017-18, it is noticed that a sum of Rs.14,132/- was short remitted to the Panchayath Account. It is stated that a sum of Rs.6,542/- was recovered from Bill Collector Sri N. Manjunath, and Rs.7,590/- from Sri G.B. Nagaraju. There was temporary misappropriation of Rs.14,132/- during the year for which the Respondent No.4 Sri R.M. Ravikumar has not taken immediate action as per Rule 25 and 26 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006. As per Rule 111 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, the Respondent No.4 had to report the same to the competent authority. The delay in taking action amounts to dereliction of duty and failure to stop the loss caused to the State.

29) During the audit for the year 2018-19, it is observed a sum of Rs.1,23,278/- was short remitted to the Bank out of the total amount received through receipts. The respondent No.4 Sri R.M.

R. Ravikumar

Ravikumar, Panchayath Development Officer had not taken immediate action as per Rule 111 of the Karnataka Panchayath Raj (Grama Panchayath, Budgeting and Accounts) Rules, 2006, which amounts to dereliction of duty and failure to stop loss to the State exchequer. It is also noticed that a sum of Rs.9,50,986/- was credited to the Bank directly without issuing receipts.

IRREGULARITIES IN PAYMENTS

30) In relation to payments, it is observed in the Audit reports for the years 2016-17, 2017-18, 2018-19 that no approval was obtained in the concerned files respect of each payments; in respect of works and purchases, quality test of materials/works was not conducted. Failure to follow the above procedure, lead to misappropriation of funds.

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, an annual statement in Form No.22 of staff working in the Panchayath, who are eligible for pension and the staff working on deputation shall be sent to the Accountant General, Local Audit Circle and Zilla Panchayath. Such a statement was not send to the Accountant General, Local Audit Circle and Zilla Panchayath during the years 2016-17, 2017-18 and 2018-19. Respondents 2 Sri Girimallaiah and Respondent No.4 Sri R.M. Ravikumar are responsible for not sending the above statement.

REGARDING EXPENDITURE OF PANCHAYATHS

32) In the audit reports of Bannerughatta Grama 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. RDP 242 Ji.Pa.Sa 2000 dated 9/4/2001 and PWD 33 FC 111/2001 dated 23/3/2001, were not followed. The Karnataka Transparency in Public Procurement Rules, 2000 was not followed in respect of purchases.

(ii) During the year 2016-17 and 2018-19 the following materials were purchased without calling for quotation/tender as per the provisions of Karnataka Transparency in Public Procurement Act and Rules and Govt. Order No. FD 01 TPE 2012, dated 21/6/2012 and Paragraph 55(4) of Manual of Contingent Expenditure.

2016-17

Sl. No.	Name of agency	Amount paid	Cheque No. and date
1	Manoj Enterprises – 65 Whats bulbs	1,08,489	593976/6.3.2017
2	Hari Pumps	29,015	593961/20.12.2016
3	Hari Pumps	49,057	593962/20.12.2016
4	Hari Pumps	99,803	593963/20.12.2016
5	Manoj Enterprises	99,134	582424/20.09.2016
6	Manoj Enterprises	99,615	582425/20.09.2016
7	Manoj Enterprises	56,712	593961/20.12.2016

The Respondent No.2 Sri Girimallaiiah is responsible for purchasing the above materials, without calling for quotation/tender, which is opposed to Rules.

2018-19

Sl. No.	Name of Agency	Amount paid	Cheque No. and date
1	SRS Enterprises, Bengaluru	82,600	560037/25.10.2018

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2	SRS Enterprises Bengaluru	25,000	217459/15.10.2018
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The Respondent No.4 Sri R.M. Ravikumar is responsible for purchasing the above materials without calling for quotation/tender, which is opposed to Rules.

- (iii) 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.
- (iv) 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.

R. Ravikumar

REGARDING SCHEMES OF GOVERNMENT

33) The details of grants available in the Bannerughatta Grama Panchayath for implementation of various schemes, its utilization and balance available at the end of the year are as follows:-

For the year 2016-17

Sl. No.	Name of the Scheme	Opening balance	Grants for the year (including interest & others)	Total	Total expenditure during the year	Balance at the end of year
1	13 th Finance	34,463	28,966	63,429	63,429	0
2	14 th Finance	9,89,740	67,09,336	76,99,076	30,50,211	46,48,865
3	Ashraya	4,02,197	13,754	4,15,951	1,15,951	0
4	Suvarna Jala	10,49,068	2,853	10,51,921	9,36,837	1,15,084

For the year 2017-18

Sl. No.	Name of the Scheme	Opening balance	Grants for the year (including interest & others)	Total	Total expenditure during the year	Balance at the end of year
1	14 th Finance	46,48,865	51,06,161	97,55,026	54,12,864	43,42,162
2	Suvarnajala	1,15,084	5,103	1,20,187	0	1,20,187

For the year 2018-19

Sl. No.	Name of the Scheme	Opening balance	Grants for the year (including interest & others)	Total	Total expenditure during the year	Balance at the end of year
1	14 th Finance	43,42,162	68,54,061	111,96,223	26,85,458	88,31,501
2	Suvarnajala	1,20,187	4,264	1,24,449	-	1,24,449

As per the above statements the Bannerughatta Grama Panchayath had not fully utilised the grants under 14th Finance Scheme and thus failed accomplish its full target, which results in

R. Shantha

depriving the benefits of the scheme to the beneficiaries. It is also noticed in the audit report for the year 2017-18 that the grants of 14th finance scheme was not utilised as per the guidelines of the scheme, and instead funds were diverted to other purposes, thereby the objects of the scheme is frustrated. The respondents 1 to 4 are responsible for not utilizing the Government grants as per Rules and misdirection of Government grants for other purpose.

IRREGULARITIES FOUND IN RESPECT OF PROJECT EXPENDITURES

34) In the Audit reports for the years 2016-17 and 2017-18, it is stated that the Bannerughatta 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

35) In the Audit Reports for the year 2016-17, 2017-18 and 2018-19 it is noticed that the Bannerughatta Grama Panchayath, 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.

Dr. Suresh

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

36) During the audit for the year 2016-17, 2017-18 & 2018-19, 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.

2016-17

Details	Royalty	Sales Tax	Income Tax	Labour Welfare fund
Opening balance on 1/4/2016	2,29,221	3,84,299	1,83,509	20,421
Deductions for 2016-17	48,731	1,27,680	57,021	32,129
Total	2,77,952	5,11,979	2,40,530	52,550
Remitted to Govt. during 2016-17	47,232	1,25,806	54,023	31,380
Balance to be remitted as on 31/3/2017	2,30,720	3,86,173	1,86,507	21,170

2017-18

Details	Royalty	Sales Tax	Income Tax	Labour Welfare fund
Opening balance on 1/4/2017	2,30,720	3,86,173	1,86,507	21,170
Deductions for 2017-18	67,519	10,087	33,510	35,607
Total	2,98,239	3,96,260	2,20,017	56,777
Remitted to Govt. during 2017-18	0	0	35,607	0
Balance to be remitted as on 31/3/2018	2,98,239	3,96,260	1,84,410	56,777

2018-19

Details	Royalty	Sales Tax/ GST	Income Tax	Labour Welfare fund	C.B.F
Opening balance on 1/4/2018	2,98,239	3,96,260	1,84,410	56,777	0
Deductions during 2018-19	27,081	0	19,125	19,886	1,789
Total	3,25,320	3,96,260	2,03,535	76,663	1,789
Remitted to Govt. during 2018-19	1,78,303	1,60,936	86,282	52,185	0
Balance to be remitted as on 31/3/2019	1,47,017	2,35,324	1,17,253	24,478	1,789

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As on 31/3/2019 a sum of Rs.1,47,017/- towards Royalty; Rs.2,35,324/- towards sales tax/GST, Rs.1,17,253/- towards Income Tax and, Rs.24,478/- towards labour Welfare Fund and Rs.1,789/- towards contractors' benevolent fund are due to be remitted to the concerned heads of Government. Non-remittance of above Royalty, Sales Tax, Income Tax, Labour Welfare Fund and Contractor's Benevolent Funds to the concerned Heads of Department of Government amount to misdirection of funds and loss to the State exchequer. Respondents 2 to 4, who were Panchayath Development Officers of the concerned years' are responsible for non-remittance of the above amount to the concerned heads of Government.

37) During the audit for the year 2016-17, 2017-18 and 2018-19, 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	Amount remitted to Treasury	Amount short remitted to treasury.
Royalty	Group 1 & 2	19,619	19,619	-	19,619	0
	14 th finance	29,112	29,112	-	27,613	1,499
Total		48,731	48,731	-	47,232	1,499
Sales Tax	Group 1 & 2	52,371	52,371	-	52,371	0
	14 th finance	75,309	75,309	-	73,435	1,874
Total		1,27,680	1,27,680	-	1,27,680	1,874
Income Tax	Group 1 & 2	22,406	22,406	-	22,406	0

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	14 th finance	34,615	34,615	-	31,617	2,998
Total		57,021	57,021	-	57,021	2,998
Labour Welfare Board Fee	Group 1 & 2	13,022	13,022	-	13,022	0
	14 th finance	19,107	19,107	-	18,358	749
Total		32,129	32,129	-	32,129	749
Grand Total		2,65,561	2,65,561	-	2,58,441	7,120

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 shorted remitter to
Royalty	Group 1 & 2	-	-	-	-	-
	14 th finance	85,011	67,519	17,492	-	67,519
Total		85,011	67,519	17,492	-	67,519
Sales Tax	Group 1 & 2	-	-	-	-	-
	14 th finance	10,087	10,087	-	-	10,087
Total		10,087	10,087	-	-	10,087
Income Tax	Group 1 & 2	-	-	-	-	-
	14 th finance	33,510	33,510	-	35,607	-
Total		33,510	33,510	-	35,607	-
Labour Welfare Board Fee	Group 1 & 2	-	-	-	-	-
	14 th finance	35,607	35,607	-	-	35,607
Total		35,607	35,607	-	-	35,607
CBF	Group 1 & 2	-	-	-	-	-
	14 th finance	3,561	-	3,561	-	-
Total		35,607	0	3,651	-	0
Grand Total		1,67,776	1,46,723	21,053	35,607	1,16,774

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2018-19

Taxes	Schemes	Amount to be deducted during 2018-19	Amount deducted during the year 2018-19	Amount short deducted /left out	Amount remitted to Treasury	Amount shorted remitter to treasury.
Royalty	Group 1 & 2	0	0	0	0	0
	14 th finance	27,081	27,081		23,074	3,207
Total		27,081	27,081		23,074	3,207
Sales Tax	Group 1 & 2	0	0	0	0	0
	14 th finance	0	0	0	0	0
Total		0	0	0	0	0
Income Tax	Group 1 & 2	0	0	0	0	0
	14 th finance	19,125	19,125	0	16,578	2,547
Total		19,125	19,125	0	16,578	2,547
Labour Welfare Board Fee	Group 1 & 2	0	0	0	0	0
	14 th finance	19,886	19,886	0	16,578	3,308
Total		19,886	19,886	0	16,578	3,308
CBF	Group 1 & 2	0	0	0	0	0
	14 th finance	1,789	1,789	0	0	1,789
Total		1,789	1,789	0	0	1,789
Grand Total		67,881	67,881	0	57030	10,851

As per the above Statements, in relation to the year 2016-17 an amount of Rs.7,120/- was not remitted to the concerned Heads of Account of Government. In relation to the year 2017-18 an amount of Rs.1,16,774/- was not remitted to the concerned Heads of Account of Government. In relation to the year 2017-18 an amount of Rs.10,851/- was not remitted to the concerned Heads of

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Account of Government. Non-remittance of above Royalty, Sales Tax, Income Tax, Labour Welfare Fund and Contractor's Benevolent Funds to the concerned Heads of Department of Government amount to misdirection of funds and loss to the State exchequer. The respondents 2 & 4 who were the Panchayath Development Officers during the relevant years, are responsible for above misdirection and causing loss to the Government exchequer.

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 Bannerughatta Panchayath had not followed the above instructions.

38) The Bannerughatta 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
- (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

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- (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.

39) Apart from the above Registers Bannerughatta 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.

40) In the preparation of financial statements for the years 2016-17, 2017-18 and 2018-19, the Grama Panchayath, Bannerughatta has committed the following irregularities.

- (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.

41) 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 Bannerughatta Grama Panchayath.

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

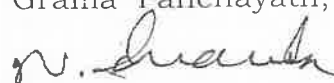
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The above Executive Officers, during their tenure at Anekal Taluk Panchayath had not supervised the accounts and administration of Grama Panchayath, Bannerughatta Panchayath. Due to their lapses in properly supervising the accounts and administration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

42) The respondents while submitting their comments have stated that the budgets of the Bannerughatta Gram Panchayath were prepared every year as per rules and audits of Bannerughatta 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, there is prima-facie material to hold that the respondents have committed misconduct.

43) 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.

- (1) **Respondent No.1** Sri Rehaman Sheriff, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk, Bengaluru Urban District (from 6/6/2014 to 7/6/2016) – presently working at Neraluru Grama Panchayath, Anekal Taluk.
- (2) **Respondent No.2** Sri Girmallaiiah, the then Panchayath Development Officer, Bannerughatta Grama Panchayath,

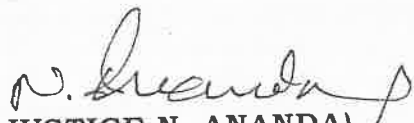


Anekal Taluk (from 8/6/2016 to 24/4/2017; from 19/5/2017 to 1/7/2017 and from 7/12/2017 to 15/2/2018) - Presently working as Panchayath Development Officer, Ragihalli Grama Panchayath, Anekal Taluk, Bengaluru Urban District;

- (3) **Respondent No.3** Sri B.R. Narayanaswamy, the then Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk (from 3/7/2017 to 17/11/2017) - Presently working at Huralichikkanahalli Grama Panchayath, Bengaluru North Taluk.
- (4) **Respondent No.4** Sri R.M.Ravikumar, Panchayath Development Officer, Bannerughatta Grama Panchayath, Anekal Taluk (from 16/2/2018 till date)
- (5) **Respondent No.5** Sri Nomesesh 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.
- (6) **Respondent No.6** 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.
- (7) **Respondent No.7** Sri K.C. Devaraj Gowda, Taluk Executive Officer, Taluk Panchayath, Anekal Taluk, Anekal (from 24/7/2019 till date).

44) 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)
Upalokayukta-1
State of Karnataka, Bengaluru.

