

KARNATAKA LOKAYUKTA

Compt/Uplok/BCD/2508/2013/ARE-9

M.S.Building,
Dr. B.R.Ambedkar Veedhi,
Bengaluru, Date:27.05.2017.**REPORT UNDER SECTION 12(3) OF**
KARNATAKA LOKAYUKTA ACT, 1984

Sub: Proceedings against Sri.Nagendra Kumar B.N., Manager-Purchase Committee, Government Tool Room and Training Centre, Rajajinagar Industrial Estate, Rajajinagar, Bengaluru regarding his misconduct as Government/Public Servant-reg.

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An investigation was taken up by invoking Section 9 of Karnataka Lokayukta Act, on the complaint filed by Sri.Ravi Chandra R. S/o Late N.K.Rangappa Naik, K.H.B.Colony, Gandhinagar, Yelahanka Old Town, Bengaluru (hereinafter referred to as 'complainant' for short), against (1) Sri.Nagendra Kumar B.N., Manager-Purchase Committee, Government Tool Room and Training Centre, Rajajinagar Industrial Estate, Rajajinagar, Bengaluru, (2) Sri.Muneer ahmed Khaatib, Assistant Director, Government Tool Room and Training Centre, Rajajinagar Industrial Estate, Rajajinagar, Bengaluru, and (3) Sri.Raj Kumar G., Puchase Head, Government Tool Room and Training Centre, Rajajinagar Industrial Estate, Rajajinagar, Bengaluru, (hereinafter referred to as 'Respondents' for short) alleging that the respondents, being Public/Government servants have committed misconduct.

2. The Complainant has alleged; that respondents have committed fraud of Rs.2.00 crores at the time of purchase of 150 numbers of

computer work station during the year 2011-12 and 2012-13 in collusion with M/s. Unique Computers. The Complainant has produced the copy of Bill at Annexure-1, Tax Invoices. It is the specific allegation of the complainant that the respondents have by violating Rules have misused funds at the time of purchase of 150 numbers of computer work station.

3. The 1st respondent has offered the following comments.

The Procurement and Evaluation Committee has been constituted by Governing Council (GC) of GTTC. After this, the Material Control Department (MCD) has processed for procurement of goods. The Computer workstations were registered in the DGS&D rate contract and the M/s. Hewlett Packard Sales India Private Limited was registered Vendor Rate Contract. The Procurement Committee has procured as per KTTP Act, 1999. As per exceptions of KTTP Act, where the goods or services are procured under rate contracts from the Director General of Supplies and Disposals (DGS&D), the KTTP Act 1999 is not applicable, In this case the Manager – MCD had issued the purchase Orders. The procurement Committee has not instructed to M/s. Hewlett Packard India Sales Private Limited, Bengaluru. GTTC has raised purchase orders for the procurement of Computers to M/s. Hewlett Packard India Sales Private Limited, Bengaluru which has registered under DGS&D Rate Contract. In turn M/s. Hewlett Packard India Sales Private Limited issued authorization letter to M/s. Unique Computers to conclude the contract for the above mentioned purchase orders.

4. The Respondents 2 and 3 have not offered comments.

5. The Complainant has filed the following rejoinder;


The Computer hardware was purchased for training purpose. The Manager – Training Mr. B.N. Nagendra Kumar of GTTC had recommended the configurations to the Procurement and Evaluation Committee and the Committee had agreed for the same. It is true that M/s. Hewlett Packard Sales India Private Limited is a registered Vendor of DGS&D Rate contract. But the Guidelines of DGS&D rate contract have not been followed. As per the DGS&D Contract guidelines, all supply orders against the rate contract must be placed by the Purchase Officers through DGS&D website only, Supply orders in any other form placed, on or after 1/10/2008 shall not be valid and shall not be acted upon by the contractor or any other concerned agencies. The payment must be routed to Paying Authority, viz., the Chief Controller of Accounts, Department of Supply, 16A, Akbar Road, New Delhi. The work orders and payment should be made to registered vendors of DGS&D only. The entire process has to be necessarily routed through the DGS&D only, which is not followed. There is violation of DGS&D guidelines. The configuration of Computers work stations mentioned in the Purchase order to M/s. Hewlett Packard Sales India Private Limited does not match with the computer configurations supplied by M/s. Unique Computers as mentioned in the invoice.

6. It is seen from the documents, that though purchase order was placed with M/s. Hewlett Packard India Sales Private Limited, the computer work station was supplied by M/s. Unique Computers. M/s. Unique Computers, Bengaluru has issued Tax Invoice for

payment and payment was made to M/s. Unique Computers. The comments offered by 1st Respondent that the purchase is in accordance with KTPP Act are not tenable.

7. Above all, it is not clear, when the purchase orders were placed with M/s. Hewlett Packard India Sales Private Limited, how M/s. Unique Computers came into picture to supply the computer workstation and receive payment. There is prima facie material to indict Respondent 1.
8. Since said facts and material on record prima-facie show that the Respondents have committed misconduct as per Rule 3(1)(ii)&(iii) of KCS (Conduct) Rules, 1966, now, acting under section 12(3) of Karnataka Lokayukta Act, recommendation is made to the Competent Authority to initiate disciplinary proceedings against the Respondent and to entrust the inquiry to this Authority under Rule 14-A of the Karnataka Civil Services (Classification, Control and Appeal) Rules, 1957.
9. Further, as per section 12(4) of Karnataka Lokayukta Act, 1984, the Competent Authority to intimate this Authority within three months from the date of receipt of this report, the action taken or proposed to be taken on this report.

Connected records are enclosed.


(Justice N. Anand) 27/3
Upalokayukta-1,
State of Karnataka.