

GOVERNMENT OF KARNATAKA  
KARNATAKA LOKAYUKTA

No. Compt/Uplok/BGM/2185/2016/PP

Multi Storied Building,  
Dr. B.R.Ambedkar Veedhi,  
Bengaluru 560 001.  
Dated: 22/11/2017

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

Sub:- Investigation of Complaint filed Sri Basappa Mallappa Holeyannavar Resident of Obalapura Grama, Ramadurga Taluk, Belagavi District regarding the misappropriation of NABARD funds and irregularities in the execution of Watershed works committed by Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura, Ramadurga Taluk, Belagavi District.

An investigation under section 9 of the Karnataka Lokayukta Act, 1984 was taken up on the basis of complaint dated 24/8/2016 filed by Sri Basappa Mallappa Holeyannavar Resident of Obalapura Grama, Ramadurga Taluk, Belagavi District. (hereinafter referred to as Complainant).

2. The complainant has alleged that Sri Sudarshanagowda B.Patil being the President; Sri Basavaraj Challapilli being the Secretary; Sri Eranna Rudrapp Yendigeri, being a Supervisor and Sri Saifullasab Noorsab Yendigeri, being Supervisor of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Oblapura, Ramadurg Taluk, Belagavi District (hereinafter referred to as Respondents 1 to 4 respectively) in connivance of Managers of Syndicate Bank, Ramadurga Branch, Belagavi District have misappropriated huge amount received from NABARD for the execution of Watershed Development works in Oblapura Village, Ramadurg Taluk, Belagavi District.

3. The works alleged to be executed under the above scheme by Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura are as follows:-

- (1) Construction of ridges
- (2) Construction underground drainage by using stones
- (3) Formation of Farm Ponds (Krishi Honda)
- (4) Construction of Earthworm culture Unit
- (5) formation of horticulture garden
- (6) construction of farm yard manure unit
- (7) Planting saplings in the lands of farmers
- (8) sending farmers on tour; and
- (9) providing employment to farmers in the agricultural farms.

4. The complainant has alleged that the respondents have fabricated records and raised bills in the names of farmers who are not alive and issued cheques and encashed the cheques in the names of dead persons. They have fabricated records showing various expenditures.

5. The first Respondent Sri Sudarshanagowda B. Patil, has offered the following comments.

He was working as President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi . The allegations made in the complaint are false and the complaint is motivated. The records submitted by the complainant are false and he has not committed any irregularities.

6. The Second Respondent Sri Basavaraj Challapilli, Secretary of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, has offered the following comments.

He was working as Secretary of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi. The above stated works were executed under the supervision, direction and cooperation of Outreach Organisation, Bagalkot. They have only submitted the work inspection reports to the Outreach organisation. He has not committed any irregularities alleged in the complaint and the complaint is motivated.

7. The third Respondent Sri Eranna Rudrappa Yendigeri has offered the following comments.

The allegations made in the complaint are false and motivated. He was working as Supervisor of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi. The works carried out by Samithi were executed under the direct supervision, cooperation and directions of Outreach Organisation, Bagalkot. Therefore he has not committed any financial irregularities.

8. The fourth respondent Sri Saifullasab Noorsab Yendigeri has not offered comments.

9. The matter was referred under Section 15(3) of the Karnataka Lokayukta Act, 1984 to the Superintendent of Police, Karnataka Lokayukta, Belagavi. The Superintendent of Police, Karnataka Lokayukta, Belagavi has submitted report dated 7/8/2017. As per the report of Superintendent of Police, Outreach Organisation is a voluntary organisation. Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi is registered in coordination with Outreach Organisation, Bagalkot to execute the above stated works out of the funds received from NABARD. Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi was

expected to execute the works stated in paragraph (3) above. Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi was formed in relation to Obalapura Village of Ramadurg Taluk, which consisted of the following President, Office bearers and members.

- |      |   |                  |
|------|---|------------------|
| (1)  | Sri Sudarshanagowda Balanagowda Patil, R/o. Obalapura | : President      |
| (2)  | Sri Shivappa Channapa Padijola R/o. Soppadla          | : Vice-President |
| (3)  | Sri Basavaraja Siddapa Challapilli, R/o. Soppadla     | : Secretary      |
| (4)  | Smt. Yahoda Hanumanthagouda Patil, R/o. Obalapura     | : Treasurer      |
| (5)  | Sri. Bhimeshi Chinnappa Bandiwaddar R/o. Obalapura    | : Member         |
| (6)  | Sri Dharmappa Basappa Madar R/o.Obalapura             | : Member         |
| (7)  | Smt. Maningavva Fakirappa Kittur, R/o.Obalapura       | : Member         |
| (8)  | Smt.Rathnawwa Shivalingappa Ugrana R/o. Obalapura     | : Member         |
| (9)  | Sri Shivappa Shettappa Kumbalakar R/o.Obalapura       | : Member         |
| (10) | Sri Mudakappa Mallappa Kambar, R/o.Obalapura          | : Member         |
| (11) | Sri Basappa Fakirappa Sindogi R/o.Soppadla            | : Member         |
| (12) | Smt. Ramesha Basapa Somannavar R/o.Soppadla           | : Member         |
| (13) | Smt. Neelavva Basappa Angadi R/o.Soppadla             | : Member         |
| (14) | Smt. Kasturi Yamanappa Madar R/o.Soppadla             | : Member         |
| (15) | Sri Kallappa Kambar R/o. Soppadla                     | : Member         |

10. In order to execute the above works in the lands of identified beneficiaries, NABARD will provide funds to the extent of 84% of expenditure and the remaining 16% of expenditure was to be borne by the beneficiaries. As per the scheme, after execution of work the President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi and the Coordinator of Outreach Organisation shall issue cheques to beneficiaries.

11. During the investigation of the complaint, it was found that the following dead persons were identified as beneficiaries. The details of Cash Bills, details of cheque numbers, amount, raised in the names of dead persons are as follows:-

1) Sri Kenchappa Lakshnavva Madar R/o. Obalapura - died on 15/6/2009.

Cash Bill No. and date	Cheque No. and date	Cheque amount	Sl. Number in Cash Register	Amount paid in the name deceased (84%)
678 dated 30.5.2013 (In the name of Mallappa B. Holennavar)	885103 dated 30.5.2013 (in the name of Kenchappa L. Madar)	19,079-00	LTM (249)	6,386-00
685 dated 30.5.2011 (in the name of Kenchappa L Madar)	885109 dated 30.5.2013 (In the name of Kenchappa L. Madar)	15,806-00	LTM (257)	6,506-00
734 dated 30.6.2013 (In the name of Kenchappa L Madar)	885671 dated 17.6.2013 (In the name of Fakirappa V. Yandigeri)	15,300-00	LTM (297)	1,700-00
Shivappa Pathreppa Yendigeri R/o. Obalapura : Died on 30.03.2012				
262 dated 21.05.2012 (In the name of Shivappa P. Yendigeri)	899343 Dated 21.5.2012 (In the name of Shivappa P. Yendigeri)	6,449-00	Signed in English as S.P.Y (68)	6,449-00
3) Hanamanthappa Kariyappa Hugar R/o. Obalapura: Died on 16/9/1987				
701 dated 17.6.2013 (In the name of Hanamatha K Hugar)	885125 dated 17.6.2013 (In the name of Hanamantha K Hugar)	13,150-00	LTM (272)	1,584-00
4) Basanagouda Rudragouda Veeranagoudra R/o. Obalapura : Died on 01.5.2013				
728 dated 28.6.2013 In the name of Basanagouda V. Veerana goudara	885671 dated 28/6/2013 In the name of Fakirappa V Yendigeri	15,300-00	Signature in English (291)	1,700-00

878 dated 7/5/2014 In the name of Basanagouda Veerana goudra	596853 dated 7/5/2014 In the name of Basana- goudaru Eranagoudra	13,475-00	Signature in English (92)	5,467-00
895 dated 15.05.2014 In the name of Basanagouda R. Veerana goudra	596864 dated 15.04.2014 In the name of Basana- goudaru Eranagoudra	19,728-00	Signature in Kannada (109)	1,697-00
5) Siddappa Fakirappa Nandihal R/o. Obalapura : Died on 30.09.2013				
861 dated 18.04.2014 In the name of Siddappa Nandihal	596046 dated 18.04.2014 In the name of Ameensab L.Havaldar	27,101-00	LTM (80)	4,590-00
6. Janakibai Ramachandra Kulkarni R/o. Obalapura : Died on 20.07.2007				
879 dated 7/5/2014 (In the name of Janakibai Kulkarni)	596854 dated 7/5/2014 Janakibai Kulkarni	17,017-00	LTM (93)	2,727-00

12. During the investigation, it is found that Bills were raised and payments are alleged to have been made to certain persons who were unconcerned with the work. One Sri Gadigeyya Basayya Hiremath, was working as Teacher at MSS High School, Mallur, Ramadurga Taluk since last one year. He has stated that Sri Shivayoshwara Jalanayana Abhivrudhi Samithi has fabricated the cash book No.631 dated 30/4/2013 showing that he had executed certain works in his land, but he has not executed any work, nor he had applied for benefits. However, the cash register and cash bill have been fabricated to show as if he had executed the work and received the amount.

One Sri Chandrashekar Erappa Noolina, was working as Health Assistant at Shirasingi in Savadatti Taluk. He has stated that Sri Shivayogehswara Jayanayana Abhivrudhi Samithi,

Oblapur had raised Cash Bill No. 712 dated 16/6/2013, 732 dated 28/6/2013 and Cash Book No. 819 dated 14/3/2014 showing that certain works have been executed in his name. He has stated that Sri Shivayogeshwara Jayanayana Abhivrudhi Samithi, Oblapur have fabricated the cash bill and cash register and the signatures found in the cash book and cash register are not his signatures. He has not received any cheque or amount from the Samithi.

Sri Mallappa Gurappa Holennavar, was working as Assistant Superintendent at Karnataka University and residing at Dharwad. He has stated that Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura had raised Cash Bill No.680 dated 30/5/2013, 681 dated 30/5/2013. Sri Shivayogeshwara Jayanayana Abhivrudhi Samithi, Oblapur has fabricated the Cash bill and cash register, showing as if works have been carried out in his lands. He has not signed in the Cash bill or cash register and he has not received any cheque or amount from the Samithi.

Sri Prahlad Balanagouda Patil was working as Teacher in a private school at Mahanteshnagar, Belagavi. He has stated that Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi has fabricated the records and raised Cash Bill No.434 dated 28/3/2013, 435 dated 28/3/2013, 625 dated 30/4/2013 and 714 dated 17/6/2013. He has stated that the LTM found on the Bill is not his LTM.

13. The Investigating officer has opined that apart from the President of Sri Shivayogeshwara Jalanayana Abhivrudhi Samithi, the Coordinators of Outreach Organisation were also responsible

for execution of work. During the investigation, it is noticed that the following Branch Managers of Syndicate Bank, Ramadurga Branch who worked during the period between 2010 and October 2014 are also responsible for payment of amount of the bearer cheques to the persons without proper identification and verification of persons.

- (1) Sri H.A. Kharate, Branch Manager, Syndicate Bank, Ramadurga.
  - (2) Sri Mohan N., Branch Manager, Syndicate Bank, Ramadurga Branch, Ramadurga.
  - (3) Sri Satish A. Bandiwad, Senior Branch Manager, Syndicate Bank, Ramadurg
- (1) Sri N. Suresh, Senior Branch Manager, Syndicate Bank, Ramadurga.
  - (2) Sri D. Gopala Reddy, Senior Branch Manager, Syndicate Bank, Ramadurg.

14. The investigating officer has opined that the President Sri Sudarshanagouda Balanagouda Patil resident of Obalapura; Secretary Sri Basavaraja Siddappa Challapilli resident of Soppadla; Supervisors Sri Eranna Rudrappa Yendigeri resident of Obalapura; and Sri Saifullasab Noorsab Yendigeri, resident of Soppadla of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi have fabricated the records in names of dead persons, prepared Bills and encashed cheques. They have also fabricated Bills, entries in the cash register and encashed cheques in the names of Government officials, (either in service or retired). The following persons, who were coordinators of Outreach Organisation, Bagalkot are also responsible for passing the Bills, without verification of works and have signed the cheques and misappropriated the amount.



- (1) Sri Basavaraja Gadigeppa Kamathar
- (2) Sri Vijayakumar Brahmavar; and
- (3) Sri Venkatesh.

15. As per the records collected during the course of investigation, Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura, Ramadurga Taluk, Belagavi District was registered under the Karnataka Societies Registration Act, 1960 with Registrar of Societies, Belgaum on 20/1/2011. The following were the office bearers of the Society.

Sl. No	Name of the VWC EC Members	Village	Status	Position
1	Sri Sudarshanagouda Balanagouda Patil	Obalapur	Farmer	President
2	Sri Shivappa Channappa Padijol	Soppadla	Farmers representative	Vice-President
3	Sri Basavaraj Siddappa Challapilli	Soppadal	Farmers' representative	Secretary
4	Smt. Yashoda Hanumanthagouda Patil	Obalapur	SHG	Treasurer
5	Sri Bheemasi Chinnappa Bhandivaddar	Obalapur	Landless	Member
6	Sri Dharmapa Basappa Madar	Obalapur	SC	Member
7	Sri Manigavva Fakirappa Kittur	Obalapur	SHG	Member
8	Smt. Ratnavva Shivalingappa Ugran	Obalapur	SHG	Member
9	Sri Shivappa Shettappa Kumbalakar	Obalapur	Farmers' representative	Member
10	Sri Mudakappa Mallappa Kamber	Oblapur	Rural Artisans	Member
11	Sri Basappa Fakirappa Sindogi	Soppadla	Landless	Member
12	Sri Ramesh Basappa Somannavar	Soppadla	SC/ST	Member
13	Smt. Neelavva	Soppadla	SHG	Member

	Basappa Angadi			
14	Smt.Kasturi Yamanapa Madar	Soppadla	SHG/SC	Member
15	Sri Kalappa Kambar	Soppadla	Rural Artisans	Member

16. The following facts are revealed from the documents collected during the course of investigation.

(1) As per the copy of the death certificate one Sri Kenchappa Lakshnavva Madar died on 15/6/2009. However cash Bill No. 678 dated 30/5/2013 was raised in the name of Kenchappa L Madar at Sl. No.265 and a sum of ₹ 7,603/- is shown to have been paid for the work alleged to have been executed by him. Copy of the cheque No.885103 dated 30/5/2013 drawn in favour of Sri Kenchappa L. Madar for a sum of ₹ 19,079/- shows that bearer cheque was drawn on Syndicate Bank, Ramadurga Branch and it was encashed by affixing LTM, for which there is no proper identification or attestation. Above all, payment of money through bearer cheques is prohibited under the scheme. As per the Cash Register at Sl. No. 265, the name of Kenchappa L. Madar is shown. But the details of work executed is not mentioned. However, cheque No.885103 is shown in the cash book.

In Cash Bill No.685, at Sl. No.309, the name of Kenchappa L. Madar is shown and a sum of ₹ 7,745/- is shown to have been paid. Another cheque bearing No.885109 dated 30/5/2017 for a sum of ₹ 15,806/- was drawn in favour of Kenchappa L. Madar on Syndicate Bank, Ramadurga Branch. Here again, the cheque was encashed on the basis of LTM obtained on the obverse of cheque,

without proper identification or attestation. One Sri S.S. Veeranagoudar has encashed the cheque. In the cash register, in the relation to the above cheque, entry is shown. LTM is affixed in the Cash Register without there being proper verification and attestation. Corresponding cheque bears the LTM, which cannot be identified.

Another cash Bill No.734 dated 28/6/2013 was raised in the name of Kenchappa L.Madar. At Sl. No.307 the name of Kenchappa L Madar is shown and the nature of work stated therein is totally obscure. On 17/6/2013, a bearer cheque bearing No.885671 was drawn in the name of Sri Fakirappa V. Yendigeri for a sum of ₹ 15,300/-. On the obverse of this cheque, we find signature of Fakirappa V. Yendigeri in vernacular language. The name and signature in English language is obscure. The date of encashment is shown as 4/7/2013. There is no corresponding entry in the cash register.

In the Copy of the Muster roll, the name of Fakirappa S. Helur is shown at Sl. No.264 and certain extent of land is mentioned. The following amount is shown against him name. ₹ 11,813.76, ₹ 1,719/-, ₹ 3648/-, ₹ 400/- and ₹ 204/-, in all a sum of ₹ 17,784/- and the unit cost per hactre is shown at ₹ 8,718.02. The corresponding documents relating to the ownership of the land are not available in records.

Sri Kenchappa L. Madar died on 15/6/2009. In the Muster Roll, his name is shown at Sl. No.265 and certain

fabricated entries are made against his name, as if he had executed certain works in his land. As per entry at Sl. No.270, the name of Sri Chandrashekar Nooleen is shown and an amount of ₹ 9,556/- is shown against his name. As per the statement given by Sri Chandrashekar Nooleen before the Investigating officer, he is working as Health Assistant at Shirasingi, Savadatti Taluk and he has not received any amount from the Samithi.

(2) As per the death certificate, one Shivappa Patrappa Yandigeri died on 30/3/2012. He was resident of Obalapura, Ramadurga Taluk. A cash Bill bearing No. 262 dated 21/5/2012 was raised in the name of Shivappa P. Yendigeri, showing an amount of ₹ 7,678/- was paid. This amount is shown to have been paid through Cheque No.899343 dated 21/5/2012. Copy of the cheque leaf bearing No.899343 available on record shows that it is a bearer cheque drawn in favour of Sri Shivappa Pa. Yendigeri for a sum of ₹ 6,449/- on Syndicate Bank, Ramadurg Branch. On the obverse of the cheque, the signature of S.P Yandigeri is forged and Iranna R. Yandigeri (3<sup>rd</sup> Respondent) has affixed his signature and encashed the cheque showing the date as 23/.5/2012. The cheque bears an endorsement that the amount was paid in cash. In the cash register for the period from 12/5/2012 to 20/5/2012, the name of Shivappa P.Yandigeri is shown, showing the Bill Number as 262. The amount is shown as ₹ 7678/- and paid through cheque No.899343. The Signature of Shivappa P. Yandigeri is forged in the cash register. In the muster roll, the name of

Shivappa P. Yandigeri is shown at Sl. No.301 and the total amount paid is shown as ₹ 10,701.64. As stated above, the 3<sup>rd</sup> Respondent Sri Iranna Yandigeri has encashed the cheque by forging the signature of Shivappa P Yandigeri.

(3) As per the copy of the death certificate, one Sri Hanmanthappa S/o. Kariyappa Hugar died on 16/9/1987. However, a Cash Bill bearing No.701 dated 17/6/2013 was raised in the name of Hanmanthappa P. Hugar. At Sl. No.205 of the cash bill the name of Hanmanthappa Hugar is shown and a sum of ₹ 1,760/- was paid to Hanmanthappa K. Hugar. Copy of cheque No.885125 dated 17/6/2013 available on record shows that it is a bearer cheque drawn in favour of Hanamantha K. Hugar for a sum of ₹ 13,150/- on Syndicate Bank, Ramadurga Branch. This cheque was encashed and on the obverse of the cheque, we find an LTM impression, which was neither identified nor attested. We find that the 2<sup>nd</sup> Respondent Sri Basavaraja Challapilli has affixed his signature and drawn the amount of the cheque on 29/6/2013. In the cash register the name of Hanamantha Hugar is shown at Sl. No.203 and the details stated therein are totally obscure. The cash register does not bear the signature of Hanmanthappa K Hugar. In the muster roll the name of Hanamanth K. Hoogar is shown at Sl. No.205 and the amount paid to him is shown as ₹ 4,820/-. As stated above, the cheque was encashed by 2<sup>nd</sup> Respondent by affixing his signature. We do not find either the signature of Hanamanthappa K Hoogar or his LTM.

(4) As per the death certificate, one Basanagouda S/o. Rudragouda Veeranagoudra died on 1/5/2013. However, cash bill No. 728 dated 28/6/2013 was raised in the name of Basanagouda R. Veeranagoudra and cheque No.885671 was drawn in his favour. At Sl. No.276 of Cash Bill, the name of Basanagouda R.Veeranagoudra is mentioned showing an amount of ₹ 2,336/- was paid to him. The details of work mentioned in the cash bill are obscure. Copy of cheque bearing No.885671 dated 17/6/2013 available in the records, which reveals that it is a bearer cheque drawn for a sum of ₹ 15,300/- in favour of Fakirappa V.Yandigeri on Syndicate Bank, Ramadurga Branch. In the obverse of the cheque, we find the signature of Fakirappa V. Yandigeri is forged. The 3<sup>rd</sup> Respondent Sri Iranna R. Yandigeri has affixed his signature and encashed the cheque. In the cash register extract, we find LTM Impression, alleged to be of Fakirappa V. Yandigeri. But in the obverse of the cheque the signature of Fakirappa V. Yandigeri is found in vernacular language. It is obvious that the 3<sup>rd</sup> respondent Sri Iranna R. Yandigeri has forged the signature in the obverse of the cheque.

Cash Bill No.878 dated 7/3/2014 was raised in the name of Basanagouda R. Veeranagoudra. At Sl. No.276, of Cash Bill, the name of Basanagouda R. Veernagoudra is mentioned and a sum of ₹ 6,509/- was paid to him. It is mentioned that the amount was paid through cheque No.596853. As per the copy of the cheque bearing No.596853 dated 7/5/2014, it was a bearer cheque drawn

for a sum of ₹ 13,475/- in favour of Basanagouda Ru. Eranagoudra, on Syndicate Bank, Ramadurg Branch. On the obverse of the cheque, we find forged signature of B.R. Veerangoudra. We also find signature of 3<sup>rd</sup> Respondent Iranna R. Yandigeri on the obverse of the cheque. It is obvious that 3<sup>rd</sup> respondent has forged the signature of B.R. Veeranagoudra and encashed the cheque amount. In the cash Register extract for the period from 17/4/2014 to 6/5/2014, the name of Basanagouda R. Veeranagoudra is shown at Sl. No.276. The signature of B.R. Veeranagoudra found on the cash register and on the obverse of cheque are entirely different.

Cash Bill No. 895 dated 15/5/2014 was raised in the name of Basanagouda R. Veeranagoudra. At Sl. No.276, the name of Sri Basanagouda R. Veeranagoudra is mentioned and an amount of ₹ 1,895/- was paid to him through cheque No.596864. The copy of the cheque bearing No.596864 dated 15/5/2014 available on records, shows that it is a bearer cheque for a sum of ₹ 19,728/- drawn in favour of Basanagouda Ru. Eranagoudra on Syndicate Bank, Ramadurg Branch. On the obverse of the Cheque the signature of B.R. Veeranagoudra is forged by 3<sup>rd</sup> Respondent Sri I.R. Yendigeri and encashed the cheque. As per the copy of the Cash Register for the period from 8/5/2014 to 14/5/2014, the name of Basanagouda R. Veeranagoudra is mentioned at Sl. No.276. The signature of B.R. Veeranagoudra on the Cash register is in Kannada language and the signature found on the obverse of the cheque is in

English language. It is relevant to mention that the name of Sri S.B. Patil, President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura (1<sup>st</sup> Respondent) is shown in the Cash Register showing an amount of ₹ 1,895/- was paid to him. However, the details of payment is not forthcoming. In the muster roll, the name of Basanagouda R. Veeranagoudra is shown at Sl.No. 276, and the total amount paid to him is shown as ₹ 9,543/-.

(3) As per the death certificate, one Sri Siddappa S/o. Fakirappa Nandihal died on 30/9/2013. On 18/4/2014, cash Bill No.861 was raised in the name of Siddappa Nandihal, showing that an amount of ₹ 5,464/- is was paid to him. In the cash register extract, the name of Siddappa Nandihal is shown and amount paid to him is shown as ₹ 5,464/-. But the cheque issued in the name of Siddappa Nandihal is not available on record. However, copy of cheque bearing No.596046 dated 18/4/2014 available on records, shows that it is a bearer cheque drawn for a sum of ₹ 27,101/- in favour of Sri Ameensab L. Havaldar. On the obverse of the cheque we find LTM impression which is neither identified nor attested. The 2<sup>nd</sup> Respondent Sri Challapilli has signed on the obverse of the cheque and he has encashed the cheque. In the muster roll, the name of Siddappa Nandihal is shown at Sl. No.155 and amount paid to him is shown as 25,144/-.

(4) As per the death certificate, Smt. Janakibai W/o. Ramachandra Kulkarni died on 20/7/2007. As per the



copy of the Cash Bill No.879 dated 7/5/2014, it was raised in the name of Smt. Janakibai Kulkarni. At Sl. No. 376, the name of Smt. Janakibai Kulkarni is shown and the amount paid to her is shown as ₹ 3,246/- and the amount was paid through cheque No.596854. Copy of cheque No.596854 dated 7/5/2014 available on record, reveals that it is a bearer cheque issued in favour of Smt. Janakibai Kulkarni for a sum of ₹ 17,017/-, drawn on Syndicate Bank, Ramadurg Branch. On the obverse of the cheque, we find the signature of 2<sup>nd</sup> Respondent Sri Basavaraj Challapilli. In the copy of the cash Register, at Sl. No.370, we find the name of Janakibai Kulkarni and LTM. It is obvious that 2<sup>nd</sup> Respondent Sri Basavaraja Challapilli has encashed the cheque for a sum of ₹ 17,017/-. In the Muster Roll, at Sl. No.376 the name of Janakibai Kulkarni is shown and the amount paid to her is shown as ₹ 14,269/-.

(5) As per the statement given by Gadigeyya Basayya Hiremath, High school Teacher, MSS High School, Mallur, Ramadurg Taluk, Cash Bill No.631, wherein his name is shown at Sl. No.105, does not relate to him. Cheque No.538609 drawn for a sum of ₹ 12,212/- does not bear his signature and the above cheque was not issued to him. The signatures in the cash bill, as also in the cheque are forged. In the cash register, we do not find the signature of Gadigeyya. B. Hiremath. He was working as Teacher. It looks improbable that he has executed the work shown in the Muster Roll at Sl. No.105.

(6) The Statement given by Sri Chandrashekar Erappa Noolina reveals that he was working as Health Assistant, Department of Health. In Cash Bill No. 712 dated 17/6/2013, at Sl. No.273 his name is mentioned and an amount of ₹ 20,181/- is paid through Cheque No.885657 for formation of Krishi Honda in his land in Sy. No. 113. On verification, it is found that a bund was constructed in his land. The cheque No.885657 for a sum of ₹ 23,122/- was drawn in favour of Sri Rudrappa P. Similarly cheque bearing No. 885671 was drawn in favour of Sri Basappa N.Holeyannavar in relation to Cash Bill No. 732 dated 28/6/2013 for a sum of ₹ 7,155/-. But, in the bank statement and cashbook amount is shown as ₹ 15,300/-. In relation to Cash Bill No. 819 dated 14/3/2014, at Sl. No.270, cheque No.596028 is shown to have been issued for a sum of ₹ 5,082/-. But as per the cash book and Bank Statement a sum of ₹ 19,067/- was drawn. The above Bills aggregating to a sum of ₹ 32,418/- do not bear his signature and he has not received any cheques. The signatures found on the cash bills and related cheques are forged signatures.

The contents of Cash Bill No.712 are obscure. The name of work is shown as F.P. and cheque No. is shown as 885657. As per the copy of cheque bearing No.885657 dated 17/6/2013, it was a bearer cheque drawn in favour of Rudrappa Pa. Yandigeri for a sum of ₹ 23,122/- on Syndicate Bank, Ramadurg Branch. On the obverse of the

cheque the 3<sup>rd</sup> Respondent Sri I.R. Yandigeri has affixed his signature to encash the cheque. The signature of Rudrappa Pa.Yandigeri found on the obverse of the cheque is a forged signature.

Similarly, in relation to Cash Bill No.732 dated 28/6/2013, bearer cheque No. 885671 dated 17/6/2013 was drawn in favour of Fakirappa V. Yandigeri for a sum of ₹ 15,300/-. On the obverse of cheque, the signature of Fakirappa V. Yandigeri is forged. The 2<sup>nd</sup> Respondent Sri I.R. Yandigeri has affixed his signature to encash the cheque. There are no corresponding entries in the Cash Register.

In relation to Cash Bill No.819 dated 14/3/2014 cheque bearing No.596028 dated 14/3/2014 for a sum of ₹ 19,067/- was drawn in favour of Sri Basappa C. Navanakki on Syndicate Bank, Ramadurg Branch. On the obverse of cheque the signature of Basappa C. Navanakki is forged. The 3<sup>rd</sup> Respondent Sri I.R. Yandigeri has affixed his signature and encashed the cheque. In the Cash Register, the name of Basappa Melitti is shown at Sl. No.353 and name of Sri C.I. Noolina is shown at Sl. No.270. It is obvious that signatures on the obverse of the cheques, entries in the cash register are forged. In the Muster roll, the name of Sri Chandrashekar Noolina is mentioned at Sl. No.270 and the total amount paid to him is shown as ₹ 9,556/-.

(7) Sri Mallappa Gurappa Holeyannavar has given statement that he is a retired Government servant. He

worked as Assistant Superintendent in Karnataka University and he was residing at Dharwad. In Cash Bill No.680 dated 30/5/2013, at Sl. No.279, cheque No.885104 is shown to have been issued in favour of Mallappa G.H; at Sl. No.280 cheque No.885104 is shown to have been issued in favour of Ningapa R. Holeyannavar and in relation to Sl. No.281, cheque No.885105 is shown to have been issued in favour of Mallappa G.H. for having executed certain watershed development works in Sy. No.221 at Obalapura Village of Ramadurga Taluk. But, Mallappa Gurappa Holeyannavar has not received any cheque. The contents of cash book and cheques are fabricated. Some person has encashed the cheque drawn in favour of M.G. Holeyannavar for a sum of Rs.18,041. The contents of Cash Bill No. 680 dated 30/5/2013, 681 dated 30/5/2013 and the cash register at Sl. No.279 reveals the name of Mallappa G.H. and the cheque number is mentioned as 885104 and 885105.

(8) The statement of Erappa Basappa Angadi reveals that he is not a beneficiary under the Watershed development works carried out by Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi. He has not executed any work. However, cheque bearing No.889754 for a sum of ₹ 8,553/- was drawn in favour of Erappa B. Angadi. But he has not received any amount. Under receipt No.812 dated 14/3/2014, at Sl. No.407, the name of Erappa B. Angadi is shown and bearer cheque No.889775 for a sum of ₹ 10,606 was drawn in favour of Erappa Angadi. He has not signed on the cheque and he has not received the cheque. In

Receipt No. 844 dated 28/3/2014, at Sl. No.251, the name of Erappa B. Angadi is shown and cheque No.596040 for a sum of ₹ 6,272/- drawn in his name. On the cheque, signature is found in Kannada as Erappa B Angadi and he has not received the cheque. In Receipt No. 376 dated 9/11/2012, the name of Neelavva B. Angadi is shown and cheque No.903120 for a sum of ₹ 2,500/- was drawn. Smt. Neelavva B. Angadi is not a beneficiary, yet the above cheque was drawn in her name. She has not received the above cheque and some person has encashed the cheque.

Copy of Cheque No. 889775 dated 14/3/2014 reveals that cheque was drawn in favour of Erappa P. Angadi for a sum of ₹ 8,909/- on Syndicate Bank, Ramadurg Branch. On the obverse of the cheque, we find forged signature of I.P Angadi. The 2<sup>nd</sup> Respondent Sri Basavaraj Challapilli has affixed his signature and encashed the cheque.

(9) On perusal of records, we find that the following cash Bills, entries in the cash registers and cheques are fabricated and signatures on the cheques are forged. The cheques are drawn in the names of fictitious persons by forging the signatures. The 2<sup>nd</sup> Respondent Sri Basavaraj Challapilli has encashed the cheques.

Name of the beneficiary shown in the Cash Bill	Cash Bill Number and date	Cash Register from	Cheque Number date and amount	Remarks
Eerappa Basappa Angadi	158/ 5.3.2011	25/4/2011 to 4/5/2011	159694 ₹ 1,398/-	
Eerappa Basappa	767 31.12.2013	1/12/2013 to	889754 dated	On the obverse of

Angadi		30/12/2013	31.12.2013 In the name of Yellappa M. Kadlikop ₹ 16,305/-	cheque, signature is forged – Stated that amount is credited to S.B. A/c. No.107087
Eerappa Basappa Angadi	812 / 14/3/2014	23/2/2014 to 13/3/2014 Cash book entries are fabricated.	889775 dated 14/3/2014. ₹ 8,909/-	On the obverse of cheque signature is forged – 2 <sup>nd</sup> Respondent has attested the signature
Eerappa Basappa Angadi	844/ 28/3/2014	14/3/2014 to 28/3/2014 Cash book entries are fabricated	596040 dated 28/3/2014 ₹ 19,480/- In the name of Siddappa K. Sattigeri	The LTM on the obverse of the cheque not identified or attested – 2 <sup>nd</sup> Respondent has affixed his signature
Eerappa Angadi	851/ 28.3.2014 & 852/ 28.3.2014	14/3/2014 to 28/3/2014 Cash book entries are fabricated	596043 dated 28/3/2014 ₹ 13,531/- In favour of Sri Ameen sab A. Havaldar	On the obverse of the Cheque signature cannot be identified – the 2 <sup>nd</sup> Respondent has affixed his signature
Neelavva B. Angadi	376/ 9.11.2012	20/10/2012 to 31/10/2012 Cash book entries are fabricated	903120 dated 9/11/2012 ₹ 2,500/-	Signature on the obverse of cheque cannot be identified. LTM is found on the cash Register.
Basappa Somanna var	154/ 5.5.2011	25/4/2014 to 4/5/2014	159692 dated 5/5/2011 ₹ 2,500/-	On the obverse of cheque there is unattested 2 LTMs found along with signature of 2 <sup>nd</sup> Respondent.

Bavasab P. Yandigeri	252/ 12.5.2012	20/4/2012 to 18/5/2012	899334 dated 19/5/2012 ₹ 9,665/-	On the obverse of Cheque there is unattested LTM along with signa- ture of 2 <sup>nd</sup> Respondent
Ramesh B Somannavar	259/ 28.5.2012	1/6/2012 to 28/6/2012	900070 Copy of cheque not available	
Ramesh B. Somannavar	914/ 30.6.2014	1/6/2014 to 29/6/2014	596875 Copy of cheque not available	
Virupakshappa G. Holennavar	888/ 15.3.2014	8/5/2014 to 14/5/2014	596862 Copy of cheque not available	
Sathyappa Yamanappa Holennavar	652/ 18.5.2013	10/5/2013 Entries in Cash register are fabricated.	884951 10/5/2013 ₹ 19,318/-	Signature on the obverse of the cheque is forged.
Sathyappa Y. Holennavar	674/ 30.5.2013	11/5/2013 to 20/5/2013 Entries in cash register are fabricated	884972 30/5/2013 ₹ 11,561/-	There is unattested LTM on the obverse of Cheque along with signature of 2 <sup>nd</sup> Respondent
Sathyappa Y. Holennavar	700/ 17.6.2013	Entries in the Cash Register are obscure	Cheque number and copy of cheque not available.	

17. The 3<sup>rd</sup> Respondent Sri Eranna Rudrappa Yandigeri was working as Supervisor of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapur has given a statement before the Investigating officer that he was working as Assistant to the 2<sup>nd</sup> Respondent Sri Basavaraja Challapilli, Secretary during the relevant time and they had encashed cheques drawn in the names of beneficiaries and distributed the same to the workers. The 4<sup>th</sup>

respondent Sri Saifullasab Noorsab Yandigeri has given similar statement.

18. As per the information furnished by Chief Manager of Syndicate Bank, Ramadurg Branch, the following persons were working as Branch Managers during the relevant time.

Sri H.A. Kharate	Branch Manager	Jan. 2010 to December 2010
Sri Mohan N	Branch Manager	Jan. 2011 to Nov. 2011
Sri Satheesh A. Bandiwad	Sr. Branch Manager	Dec. 2011 to April 2014
Sri N. Suresh	Sr. Branch Manager	May 2014 to June 2014
Sri D. Gopal Reddy	Sr. Branch Manager	July 2014 to Dec. 2014

19. The statement of account furnished by Syndicate Bank, Ramadurg Branch reveals that Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapur had Account No. 05062200123320. Several bearer cheques are drawn in the names of different persons and the same were encashed from 1/1/2010 to 20/11/2014. The scheme does not provide payment of wages to the beneficiaries through bearer cheques. The scheme provides for transfer of money to the account of beneficiaries. The 1<sup>st</sup> Respondent Sri Sudarshan gouda Balanagouda Patil, being the President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi along with coordinators of Outreach Organisation had jointly operated the account.

20. In view of the above fact, it is clear that the 1<sup>st</sup> Respondent Sri Sudarshanagouda Balanagouda Patil and the Coordinators of



Outreach Organisation have fabricated cash books, entries in the cash register and drawn the cheques in the names of dead persons and encashed the same. They have also fabricated Bills in the names of different persons, some of them are totally unconnected with the scheme and never drawn the amount. There has been large scale misappropriation of funds, falsification of accounts, fabrication of entries in the cash register and cheques were drawn and encashed by forging the signature of so called beneficiaries.

21. The Project Coordinator of Outreach Organisation has submitted the statement of expenditure in relation to the following;

- (1) Street Play & Watershed concept
- (2) SHG concept training
- (3) Book keeping to SHGs
- (4) EDP and EAP training to IGAs
- (5) Leadership Training to SHG Members and Ags.
- (6) Gender Issues
- (7) Training on conflict res.
- (8) Training on legal issues
- (9) Clean kitchen
- (10) Seed Bank support
- (11) Animal Health camps
- (12) Human Health Camps
- (13) Exposure to visit VWC/SHGs
- (14) Children Campion Environment
- (15) Field Publicity, awareness
- (16) Solar Street lights

As on 31/3/2012, the total expenditure incurred under the above Heads was a sum of ₹ 1,79,846/-. These expenditures are not supported by vouchers and they are no corresponding entries in the cash registers.

22. In relation to Training programmes, Demonstration programmes, the Project Coordinator has shown expenditure of ₹ 1,69,257/- as on 31/3/2014. This expenditure is not supported by vouchers and there are no entries in the cash book.

23. As on 31/3/2014, a sum of ₹ 3,51,000/- is shown as expenditure towards, Goat rearing/clot bus, Milch Animals, Grocery shop, Petty shop, Basket making, Tailoring. The above expenditure is not supported by vouchers and there are no records to indicate the name of beneficiaries and manner of distribution of amount. For the same period, a sum of ₹ 1,70,000/- is shown as expenditure towards Sheep Rearing, Buffalow Rearing, Education, Tailoring, Support for Goat Rearing. These statements are attested by Sri S.B. Patil, President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi and Project Coordinator of Outreach Project.

24. In the representation submitted by villagers regarding above misappropriation, the following illegalities are stated,

- 1) details regarding the amount drawn in the name of dead persons.

Sl. No.	Name of the dead person and date of death	Bill Number	Date	Amount drawn
1	Smt. Janakibai R. Kulkarni 20/07/2007	879	7/5/2014	₹ 20,258/-
2	Shivappa P. Yandigeri 30/3/2012	262	7/5/2012	₹ 7,678/-
3	Siddappa .F Nandihal 30/9/2013	861	18/4/2014	₹ 5,464/-

4	Basanagouda	728	18/6/2013	₹ 6,733/-
	R. Eranagoudra	878	7/5/2014	₹ 1,643/-
	1/5/2013	895	15/5/2014	₹ 5,687/-
5	Hanamantha Hoogar 16/9/1987	701	17/6/2013	₹ 3,524/-
6	Kenchappa L.	734	28/6/2013	₹ 7,170/-
	Madar 15/6/2009	685	30/5/2013	₹ 18,817/-

2) Details regarding the amount drawn in the name of Government servants and department in which they were working

Sl. No.	Name of Government Servants	Bill Number	Date	Amount drawn
1	Prahlagouda B. Patil Physical Education Teacher, private High School, Mahantesh-nagar, Belagavi	434	28/3/2013	₹ 10,560/-
		435	28/3/2013	₹ 9,970/-
		625	30/4/2013	₹ 8,724/-
		714	17/6/2013	₹ 20,072/-
2	Hanamantha E. Pujar Kannada Teacher C.D. Halyala, High School, Ramadurga	623	30/4/2013	₹ 6,652/-
		624	30/4/2013	₹ 7,365/-
		902	15/5/2014	₹ 5,479/-
3	C.I. Noolina Health Department Baturki Presently Shirasingi	732	28/6/2013	₹ 7,155/-
		819	17/6/2013	₹ 20,181/-
		680	14/3/2014	₹ 5,082/-
4	Mallappa G.H. (Mallappa G. Holennavar) Retired Employee of University, Dharwad	680	30/5/2013	₹ 18,627/-
		681	30/5/2013	₹ 18,227/-
5	Gadigeyya B. Hiremath BVV High School, Kudalasangama	631	30/4/2013	₹ 19,805/-
6	Nagappa B. Arishinagodi KSRTC Driver Mysuru	863	18/4/2014	₹ 9,266/-
7	Yamanappa R. Holennavar Security Guard, Hubli	892	15/5/2014	₹ 5,730/-

8	Basappa M. Aribenchi Excise Department Khanapur Taluk	790	22/2/2014	₹ 4,086/-
9	Mallappa B. Holennavar Irrigation Department Ramadurga	678	20/5/2013	₹ 16,061/-
10	Siddappa B. Desai Irrigation Department, Ramadurga	657	30/5/2013	₹ 14,228/-

25. The 1<sup>st</sup> Respondent Sri Sudarshanagouda Balanagouda Patil, being the President of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura had issued cheques in the names of dead persons and fictitious persons along with the Project Coordinator of Outreach Project by operating the bank account maintained at Syndicate Bank, Ramadurga Branch. The 2<sup>nd</sup> Respondent Sri Basavaraj Challapilli being the Secretary and Respondents 3 and 4 Sri Eeranna Rudrappa Yandigeri and Sri Saifullasab Noorsab Yandigeri being Supervisors of Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapura have fabricated Bills and entries in the cash register. They have encashed cheques drawn in favour of dead persons and fictitious persons.

26. As per the Watershed Development Fund Guidelines of NABARD, the VWC and the PFA are jointly responsible for maintenance of following records relating to the watershed development project.

- i) Daily Labour Attendance Register;
- ii) Material Consumption Register;
- iii) Payment Register;
- iv) Measurement Book;

- v) Stock Register;
- vi) Work Completion Register;
- vii) Cash book for daily Cash Transactions;
- viii) Asset Purchase Register;
- ix) Appropriate Journals and Ledgers with double entry system of accounting;
- x) Maps that show the treatments completed survey number-wise and which are updated on a monthly basis;
- xi) Appropriate Bills and vouchers;
- x) VWC Proceedings Book;
- xi) Register for daily rainfall, recorded within the watershed and survival rates of the saplings planted in the watershed.

After sanction of watershed Project, PFA shall open an account of VWC in a Bank operated by 3 members from VWC and NGO representative. All payments shall be made directly to the beneficiaries bank account opened in the service area bank branches and no payment shall be made in cash. Payment shall invariably be made to the beneficiary to a Bank account.

27. The Bank transaction report for the period from 1/4/2013 to 31/3/2014 is available on record from which the following discrepancies/illegalities are noticed.

- 1) On 22/4/2013, cheque bearing No.537816 was drawn in favour of Patil S.B., aggregating to a sum of ₹ 8,950/-.
- 2) The cheques were drawn in favour of same beneficiaries under different heads, such as Area Treatment – Boulder bund, Area Treatment – Earthen Bunds, etc. even without proper identity of beneficiaries.

- 3) During the period between 22/4/2013 and 28/3/2014 the following cheques were drawn in favour of Saifullasab Yandigeri (4<sup>th</sup> Respondent) as supervision cost. There are no corresponding documents and the basis for calculation of supervision cost.

Date	Cheque No.	Items	Amount drawn
22/4/2013	538599	Supervision	11,162/-
30/4/2013	538866	Supervision	5,067/-
30/5/2013	885115	Supervision	10,348/-
30/5/2013	885117	Supervision	10,000/-
28/6/2013	885672	Supervision	6,001/-
31/8/2013	888156	Supervision	6,030/-
28/9/2013	888175	Supervision	8,189/-
21/1/2014	889759	Area Treatment	6,766/-
21/1/2014	889764	Area Treatment	4,524/-
22/2/2014	889772	Area Treatment	9,295/-
14/3/2014	596037	Area Treatment	9,642/-
28/3/2014	596045	Area Treatment	4,781/-

- 4) Similarly, the 3<sup>rd</sup> Respondent Sri Eranna Yendigeri has drawn the following cheques towards Supervision cost for the period from 22/4/2013 to 14/3/2014

Date	Cheque No.	Items	Amount drawn
22/4/2013	538600	Supervision	14,214/-
30/4/2013	538867	Supervision	11,083/-
30/5/2013	885116	Supervision	19,535/-
5/6/2013	885675	Supervision	12,480/-
14/3/2014	596038	Area Treatment	7,157/-

- 5) The amount shown under the Head Area Treatment-Boulder bund are overlapping. The payments made are not supported by documents. There was no proper verification of construction of Boulder bund, Earthen

Bund and Waste weir. So also there was no proper verification of Area Treatment.

- 6) Under the NABARD scheme, the following amount are claimed under the Head Livelihood support.

Date	Cheque No	Items	Head of Account	Payee	Bank With-drawals	Total
10/5/13	884954	Liveli hood support	Liveli hood support	Madevi Bandi vaddar	10,000/-	10,000/-
10/5/13	884955	Liveli hood support	Liveli hood support	Yenkappa Bandi vaddar	10,000/-	20,000/-
10/5/13	884956	Liveli hood support	Liveli hood support	Ramavva vaddar	10,000/-	30,000/-
13/9/13	888157	Liveli hood support	Liveli hood support	Saraswathi SHG	22,000/-	52,000/-
13/9/13	888158	Liveli hood support	Liveli hood support	Rajeshwari SHG	20,000/-	72,000/-

- 7) Under Demonstration – IPM for Groundnut, the following amounts are paid and they are not supported by documents.

Date	Cheque No	Items	Head of Account	Payee	Bank With-drawals	Total
10/5/13	884953	Demon-strations	IPM for Ground nut crop	Basappa M Arebenchi	8,000/-	8,000/-
10/5/13	886649	Demon-strations	IPM for Ground nut crop	Mahantesh Nulin	1,100/-	9,100/-
10/5/13	888159	Demon-strations	IPM for Ground nut crop	Patil S.B.	1,845/-	10,945/-
13/9/13	888160	Demon-strations	IPM for Ground nut crop	Venkana goud Patil	2,622/-	13,567/-
13/9/13	888162	Demon-strations	IPM for Ground nut crop	Patil S.B	5,165/-	18.732/-

In the absence of necessary records, there are reasons to believe that these payments are made without execution of work. Spurious Bills are raised to misappropriate the funds.

8) During the period between 22/4/2013 and 14/3/2014, the following cheques were drawn, under different items under the Head Area Treatment – Boulder Bund.

Date	Cheque Number	Items	Head of Account	Payee	Bank with-drawals	Total
22/4/13	538595	Area Treatment	Boulder Bunds	Rajasab Yandigere	6,976	6,976
22/4/13	538596	Area Treatment	Boulder Bunds	Sadashiva Angadi	7,324	14,300
30/4/13	538869	Area Treatment	Boulder Bunds	Santhosh Yandigere	18,555	32,855
30/4/13	538870	Area Treatment	Boulder Bunds	Shivanan da Angadi	7,114	39,969
30/4/13	538606	Area Treatment	Boulder Bunds	Havaladar Mulla	19,985	59,954
30/4/13	538607	Area Treatment	Boulder Bunds	Nellavv Hosanur	17,474	77,428
10/5/13	884957	Area Treatment	Boulder Bunds	Prahalad Patil	2,790	80,218
30/5/13	884968	Area Treatment	Boulder Bunds	Sangappa Kanoji	11,334	91,552
30/5/13	885112	Area Treatment	Boulder Bunds	Mallappa Holennavar	7,149	98,701
17/6/13	885665	Area Treatment	Boulder Bunds	Siddappa Badigere	8,880	107,581
17/6/13	885666	Area Treatment	Boulder Bunds	Fakirappa Yandigere	17,020	124,601
28/6/13	885667	Area Treatment	Boulder Bunds	Yamana-ppa Madar	19,565	144,166
12/8/13	886644	Area Treatment	Boulder Bunds	Erappa Angadi	8,719	152,885
13/8/13	886647	Area Treatment	Boulder Bunds	Basappa Kittur	3,627	156,512
31/8/13	888153	Area Treatment	Boulder Bunds	Yellappa Kundral	8,788	165,300
28/9/13	888173	Area Treatment	Boulder Bunds	Basappa Padijol	11,161	176,461
14/3/14	596035	Area Treatment	Boulder Bunds	Aminsab Havaladar	9,417	185,878



There are no supporting documents such as, measurement book, work completion register, work execution reports in relation to the above cheques. There are reasons to believe that the above cheques were encashed by respondents either in connivance with the so called beneficiaries or even without the knowledge of beneficiaries.

9) The following cheques were drawn under the Head 'Demonstrations –Compost Unit – NADEP Method'.

Date	Cheque Number	Items	Head of Account	Payee	Bank with-drawals	Total
10/5/13	538872	Demonstrations	Compost Units	Adaviyappa	3,000	3,000
28/9/13	888164	Demonstrations	Compost Units	Rudrappa Holennavar	4,100	7,100
28/9/13	888165	Demonstrations	Compost Units	Saifullab Havaladar	3,000	10,100

10) The following cheques were drawn under the Head 'Demonstrations –Cropping Method'.

Date	Cheque Number	Items	Head of Account	Payee	Bank with-drawals	Total
20/7/13	886635	Demonstrations	Cropping Method (Intercropping Mixed Cropping, Strip Cropping, etc	Fakirappa Ramadurg	7,289	7,289

11) The following cheques were drawn under the Head 'Area Treatment – Diversion Channel'.

Date	Cheque Number	Items	Head of Account	Payee	Bank with-drawals	Total
12/8/13	886644	Area Treatment	Diversion Channel	Irappa Angadi	7,184	7,184

12) The statement of payment under the Head 'Area-Treatment –Earthen Bund' for the period from 22/4/2013 to 28/3/2014 is kept below.

13) The statement of expenditure under the Head 'Area Treatment – Farm Pond' for the period from 22/4/2013 to 17/6/2013 is kept below.

The above expenditures are not supported by relevant documents, such as measurement book, identification of land, identification of beneficiaries, work verification report, work execution report. There are reasons to believe that the amount mentioned in the statements are misappropriated by fabricating records.

14) Further, the statement showing the amount paid under the Heads

- (i) Area Treatment – Fodder Development,
- (ii) Demonstration – Fodder Plots
- (iii) Area Treatment – Forestry
- (iv) Area Treatment – Horticulture
- (v) Demonstration – INM for Jowar and Sun Flower
- (vi) Demonstration – One Acre IFS Plot
- (vii) Drainage Line Treatment – Rubble Checks
- (viii) Training – Inter Cropping, Mixed Cropping, Crop Rotation, etc
- (ix) Area Treatment – Waste Weir
- (x) Area Treatment – Water Way

are kept below. They are not supported by documents such as measurement book work inspection reports, identification of land, identification of beneficiaries, etc. There are reasons to believe that the respondents have fabricated the records and misappropriated the amount shown above.

28. The statement of account furnished by Syndicate Bank, Ramadurg Branch reveals that Sri Shivayogeshwara Grama Jalanayana Abhivrudhi Samithi, Obalapur had Account No. 05062200123320. Several bearer cheques are drawn in the names of different persons and the same were encashed from 1/1/2010 to 20/11/2014. The statement indicates periodical deposit of funds from NABARD. The statement does not disclose the transfer of money through Bank to the accounts of beneficiaries.

29. From the examination of complaint, report of Investigating officer and records collected by the Investigating officer it is prima facie found that the Respondents 1 to 4 have committed misappropriation of funds received from NABARD for execution of Watershed works by fabricating the records, warranting action under the Karnataka Societies Registration Act, 1960.

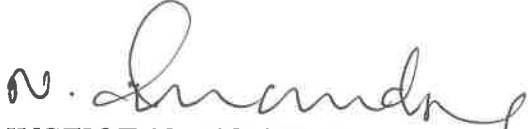
30. Accordingly now, acting under section 12(3) of the Karnataka Lokayukta Act, recommendation is made to the Competent Authority (to initiate appropriate action under the provisions of Karnataka Societies Registration Act, 1960 against the respondents named below;

- 1) Sri Sudarshanagowda B.Patil, President,  
Shivayogeshwara Jalanayana Abhivrudhi Samithi,  
Oblapura, Ramadurg Taluk, Belagavi District
- 2) ; Sri Basavaraj Challapilli, Secretary, Shivayogeshwara  
Jalanayana Abhivrudhi Samithi, Oblapura, Ramadurg  
Taluk, Belagavi District;
- 3) Sri Eranna Rudrappa Yendigeri, Supervisor,  
Shivayogeshwara Jalanayana Abhivrudhi Samithi,  
Oblapura, Ramadurg Taluk, Belagavi District; and

- 4) Sri Saifullasab Noorsab Yendigeri, Supervisor of Shivayogeshwara Jalanayana Abhivrudhi Samithi, Oblapura, Ramadurg Taluk, Belagavi District

31. Further, as per Section 12(4) of Karnataka Lokayukta Act, 1984, the Competent Authority is required to intimate to this Authority within one month 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. ANANDA)  
Upalokayukta-1  
State of Karnataka, Bengaluru

22/11