

**KARNATAKA LOKAYUKTA**

No. Compt/Uplok/GLB-4153/2015/DRE-3 M.S. Building,  
Dr. Ambedkar Veedhi,  
Bangalore-560 001,  
Date: 12.10.2017.

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

Sub: Proceedings initiated against  
(1)Smt. Vijayalakshmi Kobalakar, the then  
District Social Welfare Officer, Kalburgi  
District (Presently District Officer, Backward  
Classes and Minority Development  
Department, District Administrative Bhavan,  
Hospet Road, Koppal Dist.) and (2) Sri.  
H.K.Rajanna, the then Taluk Social  
Welfare Officer, Kalburgi (presently  
Assistant Director, Yadgir Taluk),  
regarding their misconduct as Government  
Servants - reg.

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An investigation was taken up under Section 9 of the  
Karnataka Lokayukta Act, on the basis of complaint filed by Sri.  
Sudarshan S. Nambi, Bhat Apartment, CIB Colony, Behind  
Central Bus Stand, Kalburgi District (hereinafter referred to as  
'complainant' for short) against (1)Smt. Vijayalakshmi Kobalakar,  
the then District Social Welfare Officer, Kalburgi District (presently  
District Officer, Backward Classes and Minority Development  
Department, District Administrative Bhavan, Hospet Road, Koppal  
Dist.) and (2) Sri. H.K.Rajanna, the then Taluk Social Welfare

Officer, Kalburgi (presently Assistant Director, Yadgir Taluk), (hereinafter referred to as 'respondents' for short).

- 2) The complainant alleges that crores of rupees has been granted under various schemes to social welfare department of Kalaburgi District and Kalaburgi Taluk for the year 2012-13, 2013-14, 2014-15 and 2015-16. The respondents have not utilized the said funds for the purpose of which it was granted and have misappropriated public funds. The grants for development of Scheduled caste/Scheduled Tribe lanes have not been properly utilized. There is misappropriation of funds in supply of groceries and other things to be distributed to the students of the hostel. Hence has prayed to take action against the respondents.
- 3) The matter was referred for investigation to Deputy Commissioner, Kalburgi who in turn has submitted report dated 31/01/2017 along with the report of Joint Director, Social Welfare Department, Kalburgi dated 30/01/2017, in which it is stated that both respondents are prima-facie found to have committed misconduct by misappropriating the funds. Thereafter, comments of the respondent 1 & 2 have been called by forwarding the report of Deputy Commissioner, Kalburgi.
- 4) The respondent no.1 has submitted her comments dated 25/04/2017 by denying the complaint allegations. Further it is stated that with respect to the findings of the Audit Report for the year 2012-13 & 2013-14 stating that an amount of Rs. 1,00,98,110/- granted towards EBL (Excess Boarding & Lodging) grants has been deposited to the account of Smt. Sumithradevi Mahila Mandali, Kalburgi in violation of the rules, action has been taken to recover the same along with 6% interest. An amount of

Rs. 1,13,09,883/- including interest has been recovered from the said agency as per the letter of Joint Director dated 07/03/2017. She has also sought for appropriate direction to recover money by forfeiting EMD of the said agency, who is still holding tender for supply of food grains and other articles in Kalburgi District. By stating that the other allegation relates to respondent no. 2, she has prayed to drop her from the proceedings.

5) Respondent no. 2 has submitted his comments dated 17/04/2017 stating that he had worked as Taluk Social Welfare Officer at Kalburgi Taluk from 02/01/2014. The tuition fees for Engineering Colleges have been paid as per the guidelines of the Government. The funds released from the Taluk Panchayath under various heads have been spent as per rules. With respect to purchase of Solar Water Heaters, he has called quotations as per rules and purchase has been made from Poweredge Energy Pvt. Ltd., Nagarabhavi, Bangalore who had quoted the lowest price. By denying the allegations made against him, he has prayed to close the complaint. He has produced the copies of documents showing release of grants, copies of form no. KFC 62-B showing expenditure under heads of accounts and other documents.

6) Perused the report dated 30/1/2017 of the Joint Director, Social Welfare Department. The report states thus:

**Misappropriation of funds by Respondent No. 1 as per the Report of Joint Director, Social Welfare Department, Kalburgi.**

- The 1<sup>st</sup> respondent while working as District Social Welfare Officer, Kalburgi had forwarded the proposal of Taluk Social Welfare Officer seeking release of Rs. 22,07,610/- towards EBL (Excess Boarding & Lodging) charges of College Hostels to Chief Executive Officer, Zilla Panchayath, Kalburgi who in

turn had issued a Cheque for a sum of Rs.22,07,610/- (Cheque No.180853 dated 5/2/2014). The respondent no. 1 has failed to credit the said amount through ECS to the account of College Hostels. On the other hand, she had deposited the amount to the Account bearing No. SBH 0020224 held by Smt. Sumithradevi Mahila Mandali, Kalburgi by taking receipt dated 19/02/2014 and thereby is guilty of diversion of funds and misappropriation.

- While submitting proposal seeking release of funds towards EBL (Excess Boarding & Lodging) charges of Rs. 3,18,500/- & Rs. 35,00,000/- for the year 2013-14, the EBL (Excess Boarding & Lodging) charges of Rs. 22,07,610/- for the year 2012-13 which was previously paid was also included and proposal for release of Rs. 60,26,110/- is submitted to Chief Executive Officer, who in turn had issued cheque bearing no. 180879 dated 25/03/2014 for the said amount. The respondent no. 1 instead of depositing to the same to the account of College Hostels, had deposited the said amount to the account of Smt. Sumithra Devi Mahila Mandali by taking receipt dated 25/03/2014 and thereby has misappropriated the said funds. In all an amount of Rs. 1,00,98,110/- has been misappropriated by the respondent no. 1, for which criminal case in crime no. 14/2016 dated 12/01/2016 has been registered at Raghavendra Police Station, Kalburgi. Respondent no. 1 is also placed under suspension.

**Misappropriation of funds by Respondent No. 2 as per the Report of Joint Director, Social Welfare Department, Kalburgi.**

- During the year 2013-14, a sum of Rs.1,51,71,260/- was paid towards tuition fee and examination fee to Engineering Colleges, Kalburgi. As per Rules, only a sum of Rs. 89,36,460/- should have been paid and the respondent no.2 has paid excess sum of Rs. 62,34,800/- against the guidelines.
- During the year 2014-15, the respondent no. 2 had incurred expenditure in excess of grant. The details of which is as follows:-

| ಕ್ರ. ಸಂ | ಲೆಕ್ಕ ಶೀರ್ಷಿಕೆ   | 2014-15ನೇ ಸಾಲಿನಲ್ಲಿ ಅನುದಾನ ಹಂಚಿಕೆ ಲಕ್ಷಗಳಲ್ಲಿ | 2014-15ನೇ ಸಾಲಿನಲ್ಲಿ ಭರಿಸಿರುವ ವೆಚ್ಚ (ರೂ.ಲಕ್ಷಗಳಲ್ಲಿ) | ಹೆಚ್ಚುವರಿ ಭರಿಸಿರುವ ವೆಚ್ಚ (ರೂ.ಲಕ್ಷಗಳಲ್ಲಿ) |
|---------|--|--|--|--|
| 1       | 2225-00-101-0-61 (ಯೋಜನೇತರ) ಮೆಟ್ರಿಕ್ ಪೂರ್ವ ವಿದ್ಯಾರ್ಥಿ ನಿಲಯಗಳ ನಿರ್ವಹಣೆ       | 304.88                                       | 328.48   | 24.40                                    |
| 2       | 2225-00-101-0-65 (ಯೋಜನೆ) ಹೆಚ್ಚಿನ ಊಟ ಮತ್ತು ವಸತಿ ವೆಚ್ಚ                       | 82.01  | 84.04  | 2.03                                     |
| 3       | 2225-00-101-0-02 (ಯೋಜನೆ) ಮೆಟ್ರಿಕ್ ನಂತರದ ವಿದ್ಯಾರ್ಥಿ ವೇತನ                    | 900.00                                       | 905.55   | 5.55                                     |
| 4       | 2225-00-101-0-68 (ಯೋಜನೆ) ಮೆಟ್ರಿಕ್ ಪೂರ್ವ ವಿದ್ಯಾರ್ಥಿ ವೇತನ ಮತ್ತು ಪ್ರೋತ್ಸಾಹ ಧನ | 214.41                                       | 218.41   | 4.00                                     |
|         | ಒಟ್ಟು  | 1501.3                                       | 1536.48  | 35.98                                    |

- During the year 2014-15 the Respondent no. 2 had paid a sum of Rs.1,91,65,770/- towards tuition fee and examination fee to the Engineering Colleges, Kalaburgi. As per Rules, they should have paid Rs.89,18,290/- and excess amount of Rs.1,02,47,480/- has been paid, which is mentioned in the Audit report of the Accountant General.
- During the year 2015-16, the details of excess expenditure incurred is stated as follows:-

| ಕ್ರ. ಸಂ | ಲೆಕ್ಕ ಶೀರ್ಷಿಕೆ                | 2015-16ನೇ ಸಾಲಿನಲ್ಲಿ ಅನುದಾನ ಹಂಚಿಕೆ ಲಕ್ಷಗಳಲ್ಲಿ | 2015-16ನೇ ಸಾಲಿನಲ್ಲಿ ಭರಿಸಿರುವ ವೆಚ್ಚ (ರೂ.ಲಕ್ಷಗಳಲ್ಲಿ) | ಹೆಚ್ಚುವರಿ ಭರಿಸಿರುವ ವೆಚ್ಚ (ರೂ.ಲಕ್ಷಗಳಲ್ಲಿ) |
|---------|-------------------------------|--|--|--|
| 1       | 2225-00-101-0-61<br>(ಯೋಜನೆ)   | 26.05  | 46.26  | 20.21                                    |
| 2       | 2225-00-101-0-68<br>(ಯೋಜನೇತರ) | 61.66  | 133.80   | 72.14                                    |
| 3       | 2225-00-101-0-68<br>(ಯೋಜನೆ)   | 71.46  | 79.55  | 8.09                                     |
|         | ಒಟ್ಟು                         | 159.17                                       | 259.61   | 100.44                                   |

- Thus, during the years 2013-14, 2014-15, and 2015-16, the excess expenditure incurred is as follows:-

|   |         |                    |
|---|---------|--------------------|
| 1 | 2013-14 | Rs. 62,34,800.00   |
| 2 | 2014-15 | Rs. 1,02,47,480.00 |
|   |         | Rs. 35,98,000.00   |
| 3 | 2015-16 | Rs. 1,04,00,000.00 |
|   | Total   | Rs.3,04,80,280.00  |

- Further, the respondent no. 2 has purchased solar water heaters to 5 hostels against the provisions of Karnataka Transparency in Public Procurement Act.
- The Respondent no. 2 has split up the amount while purchasing the essential articles required for the hostels at Kalburgi, by violating the tender Rules.
- The 2<sup>nd</sup> Respondent has misappropriated the amount as stated above and in this connection a criminal case in Cr. No. 98/2016 dated 21/06/2016 is registered at Brahmapur Police Station against him. The respondent no. 2 is found to be placed under suspension.

7) Apart from the above findings, the respondent no. 1 being the District Social Welfare Officer, Kalburgi has failed to exercise proper supervision over the illegalities of the respondent no. 2. Also she herself has involved in misappropriation of public funds as stated above. It seems that both respondents have colluded with each other in misappropriating the Public funds.

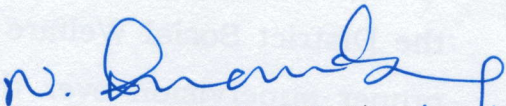
8) In view of the above findings & the report of Joint director, Social Welfare Department, Kalburgi dated 30/01/2017, the comments of both the respondents cannot be accepted at this stage. There are prima-facie materials against both Respondent No. 1 & 2 for the above said misconduct.

9) Accordingly now, acting under section 12(3) of the Karnataka Lokayukta Act, recommendation is made to the Competent Authority to initiate disciplinary proceedings against the respondents (1) **Smt. Vijayalakshmi Kobalakar**, the then District Social Welfare Officer, Kalburgi District (presently District Officer, Backward Classes and Minority Development Department,

District Administrative Bhavan, Hospet Road, Koppal Dist.) (Date of Retirement **31.01.2045**) and (2) **Sri. H.K.Rajanna**, the then Taluk Social Welfare Officer, Kalburgi (presently Assistant Director, Yadgir Taluk) (Date of Retirement **31.05.2018**) and entrust the inquiry to this Authority under Rule 14-A, of the Karnataka Civil Services (Classification, Control and Appeal) Rules, 1957.

10) 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), 12/10.  
Upalokayukta-1,  
State of Karnataka.