

KARNATAKA LOKAYUKTA

No.Compt/Uplok/GLB-981/2020-ARLO-2

M.S.Building,
Dr,Ambedkar Veedhi,
Bangalore-560 001
Date : 02-11-2020**REPORT UNDER SECTION 12(3) OF KARNATAKA
LOKAYUKTA ACT,1984**

Sub: Proceedings initiated against **Sri Shiromani S/o. Sharanappa Hudage @ Halage, the then District Manager, Karnataka Food & Civil Supplies Corporation Limited, Kalaburagi** regarding his misconduct as public servant-reg.

A suo-motu investigation was taken up under Section 7 read with section 9 of The Karnataka Lokayukta Act, 1984, against **Sri Shiromani S/o. Sharanappa Hudage @ Halage, the then District Manager, Karnataka Food & Civil Supplies Corporation Limited, Kalaburagi** (hereinafter referred to as '**Respondent**') on the basis of the material/copy of Charge sheet placed by the DYSP, Karnataka Lokayukta, Bidar in Cr.No.13/2015 of Karnataka Lokayukta Police Station, Bidar which was submitted to this office through his letter dated 26.5.2020.

2. Crime Number 13/2015 of Karnataka Lokayukta Police Station, Bidar was registered against respondent on the basis of information that he had amassed wealth

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disproportionate to his known sources of income. The DYSP, Karnataka Lokayukta, Bidar after investigation had filed a charge sheet before the Special Judge Court, Bidar.

3. The respondent had joined Government service as Senior Assistant on 5.7.1985, on registration of the above case against him, the Investigation officer has taken dated 5/7/1985 to 18.11.2015 as check period for calculation of assets acquired, expenses incurred and income derived by the respondent.

4. The details of assets acquired by the respondent during the period from 5/7/1985 to 18.11.2015 are as follows:-

5. As per Sale Deed document No.935/2000-01 furnished by Sub Registrar, Bidar to the Investigation officer, the Respondent had purchased house and open space in No.15-3-22/A measuring 40X35 feet situate at Kumbarawada, Bidar City in the name of his wife Smt. Gangamma for a sale consideration of Rs.1,25,000/-.

6. On 8/2/2006 the Respondent had purchased site bearing No. 17 CMC No. 15-3-294/1 measuring 40x50 feet situate at Jiyon Colony, Bidar City in his name for a consideration of Rs.80,000/-. This transaction was

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registered in the office of the Sub Registrar, Bidar vide Document No. 3783/2005-06 dated 8/2/2006.

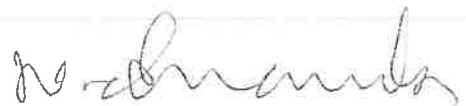
7. On 26/9/2009, the Respondent had purchased three sites bearing No.284, 285 and 296 situate in Sy. No. 28(P) of Mylur Village of Bidar Taluk in his name, for a sale consideration of Rs.1,01,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No. 4739/2009-10 dated 26/9/2009.

8. On 12/10/2012 Respondent had entered into sale agreement with Sri Prakash Arjun Kagawad to sell the above three sites bearing No.284, 285 and 296 situate in Sy. No. 28(P) of Mylur Village of Bidar Taluk, for a sale consideration of Rs.10,00,000/-. The Investigation officer has collected the Sale Agreement entered into between the Respondent and Sri Prakash Arjun Kagawad.

9. On 13/12/2004, the Respondent had purchased a Plot bearing CMC No.3-36 (old), 15-2-118 (New) measuring 40x50 feet situate at Jiyon Colony in the name of his wife Smt. Gangamma for a sale consideration of Rs.40,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.3486/2004-05 dated 13/12/2004.

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10. On 12/3/2015, the Respondent had sold the above property bearing CMC No.3-36 (old), 15-2-118 (New) measuring 40x50 feet situate at Jiyon Colony which was in the name of his wife Smt. Gangamma, to the Trust Association of Methodist Church & Jiyon Methodist for a sum of Rs.4,95,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.9347/2014-15 dated 12/.3/2015.
11. On 4/4/2003, the respondent has purchased site bearing No.15-3-259 measuring 50x40 feet situate at Jiyon Colony, Bidar, in his name for a sale consideration of Rs.50,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.18/2003-04 dated 4/4/2003.
12. On 9/6/2015, the Respondent had sold the above property bearing site No.15-3-259 measuring 50x40 feet at Jiyon Colony, Bidar to one Sri Ganapathi Shivaram Sakkare for a sale consideration of Rs.4,50,000/-. This transaction was registered in the office of the Senior Sub Registrar, Bidar vide Document No.1913/2015-16 dated 9/6/2015.



13. On 6/4/1999, the Respondent had purchased Site bearing No.26 measuring 40x50 feet situate at Kumbarawada, Bidar City in the name of his wife Smt. Gangamma for sale consideration of Rs.40,000/-. This transaction was registered in the office of the Sub Registrar Bidar vide Document No. 82/1999-2000 dated 6/4/1999.

14. On 17/4/2007, the Respondent had purchased land bearing Sy. No.98/A measuring 4.20 Acres of Bagadal Village, Bidar Taluk in his name for a sale consideration of Rs.1,58,500/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No. 243/2007-08 dated 17/4/2007.

15. On 17/4/2007, the Respondent had purchased land bearing Sy. No.98/A measuring 4.20 Acres of Bagadal Village, Bidar Taluk in the name of his wife Smt. Gangamma for a sale consideration of Rs.1,58,500/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.242/2007-08 dated 17/4/2007.

16. On 20/5/2009, the Respondent had purchased land bearing R.S. No.98 measuring 3 Acres situate at Bagadal Village, Bidar Taluk in his name for a sale consideration of

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Rs.1,06,000/- . This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.796/2009-10 dated 20/5/2009.

17. On 1/6/2009, the Respondent had purchased land bearing R.S. No.98 measuring 3 Acres situate at Bagadal Village, Bidar Taluk in his name for a sale consideration of Rs.1,10,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.980/2009-10 dated 1/6/2009.

18. On 10/3/2008, the Respondent had purchased land bearing R.S. No.98/P2 measuring 2 Acres 02 Guntas situate at Honnaddi Village, Bidar Taluk in his name for a sale consideration of Rs.95,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.8144/2007-08 dated 10/3/2008.

19. On 20/3/2006, the Respondent had purchased land bearing R.S. No.116/A2 measuring 2 Acres 39 Guntas situate at Malkapur Village, Bidar Taluk in the name of his wife (along with two others viz., Devaputra S/o. Siddappa and Smt. Susheela W/o. Johnweslee) for a sale consideration of Rs.86,000/-. This transaction was registered in the office of

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the Sub Registrar, Bidar vide Document No.4218/2005-06 dated 20/3/2006. The Investigation officer has taken Respondent's investment at Rs.28,666/-.

20. On 26/6/2009, the Respondent had purchased land bearing R.S. No.91 measuring 2 Acres situate at Honnaddi Village, Bidar Taluk in the name of his wife Smt. Gangamma for a sale consideration of Rs.91,000/-. This transaction was registered in the office of the Sub Registrar, Bidar vide Document No.1792/2009-10 dated 26/6/2009.

21. The Respondent had constructed two floored house on Plot bearing No.17, CMC No.15-3-294/1 measuring 40*50 feet during the year 2014-15. The Investigation officer has evaluated the construction of building through Assistant Executive Engineer, Public Works, Ports and Inland Water Transport Department, Bidar Sub Division, Bidar, who evaluated the cost of construction of building at Rs.43,53,000/-.

22. The Respondent had renovated the house purchased in the name of his wife in No.15-3-22A measuring 40x35 feet during the year 2001-02. The cost of renovation of house was got estimated through the Assistant Executive Engineer, Public

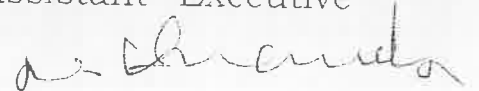
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Works, Ports and Inland Water Transport Department Sub Division, Bidar, who evaluated the cost of renovation at Rs.4,13,000/-.

23. The Respondent had constructed a house on site No.15-3-151 situate at Bank colony, Kumbarawada which was in the name of his wife Smt. Gangamma. The Investigation officer has evaluated the construction of building through Assistant Executive Engineer, Public Works, Ports and Inland Water Transport Department, Bidar Sub Division, Bidar, who evaluated the cost of construction of building at Rs.12,68,000/-.

24. The Respondent had constructed two rooms on the land bearing R.S. No.98 of Bagadal Village during the year 2010-11. The Investigation officer has evaluated the construction of rooms through Assistant Executive Engineer, Public Works, Ports and Inland Water Transport Department, Bidar Sub Division, Bidar, who evaluated the cost of construction of building at Rs.4,33,000/.

25. The Respondent had constructed water tank on the land bearing R.S. No.98. The cost of construction of Water Tank was got evaluated through the Assistant Executive



Engineer, Public Works, Ports and Inland Water Transport Department, Bidar Sub Division, Bidar, who evaluated the cost of construction of Water Tank at Rs.3,10,000/-.

26. In relation to the above purchase/sale of immovable properties and construction of buildings and structures stated in paragraphs 5 to 26, the Respondent had not obtained prior permission from the prescribed authority and also not intimated the acquisition/sale of properties, as mandated under Rule 23(2) of the Karnataka Civil Services (Conduct) Rules, 1966. He has also not intimated the sources of income for purchase of the immovable properties during the relevant years.

27. The Respondent had purchased Bajaj Pulser Motor Cycle bearing No. KA 38 K 7046 on 9/6/2010 in the name of his son Sujeeth for a sum of Rs.61,522/-.

28. The Respondent had purchased Suzuki Swift D-Zire ZDI Car bearing No.KA 38 M 3767 on 9/10/2014 in his name for a sum of Rs.7,95,352/-.

29. In relation to the above purchase and of vehicles stated in paragraphs 27 & 28, the Respondent had not obtained prior permission from the prescribed authority and also not intimated the acquisition of vehicles, as mandated

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under Rule 23(3) of the Karnataka Civil Services (Conduct) Rules, 1966. The respondent had also not intimated the sources of income for purchase of the vehicles during the relevant years.

30. As per the investigation report, the Respondent had raised the following loans from financial institutions and private persons:-

- (i) Loan of Rs.60,000/- from Primary Land Credit Cooperative Society, Bagadal, Bidar Taluk towards Bore well;
- (ii) Loan of Rs.5,00,000/- from M/s. Sudaram Finance Limited, Gulbarga towards purchase of car;
- (iii) Loan of Rs.2,50,000/- from Karnataka Food & Civil Supplies Corporation Employees Cooperative Society Limited, Bengaluru;
- (iv) Loan of Rs.1,00,000/- from Sri A.Ravindra S/o. Arjun, Damanpet, Darpet Mandal, Nizamabad District on 20/2/2007.

31. In relation to raising of above loans the Respondent had not obtained permission from the Prescribed Authority for raising loan as required under Rule 21(4) of the Karnataka Civil Services (Conduct) Rules.

32. In view of the above, the respondent being a government servant has committed misconduct under rule 3(1)(i) to (iii) of

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Karnataka Civil Services (Conduct) Rules, 1966 by not maintaining absolute integrity, devotion to duty and acted in a manner unbecoming of government servant and violated rules 21(4), 23(2) and 23(3) of Karnataka Civil Services (Conduct) Rules 1966. Therefore, the notice was issued to the respondent along with observation note with a direction to show cause as to why recommendation shall not be made to the competent authority for initiating disciplinary proceedings against him in accordance with law.

33. The observation note prepared on the basis of charge sheet in Cr.No.13/2015 of Karnataka Lokayukta police station, Bidar was duly served on 14.7.2020 to the respondent. But, the respondent has not submitted his comments.

34. The source of income for purchase of the properties in the observation note is concerned, from documents placed along with charge sheet in Cr. No. 13/15 KLA police station, Bidar by the investigation officer it is very clear that in relation to the purchase/sale of immovable properties and construction of building stated in observation note, the respondent had not obtained prior permission from the prescribed authority and also not intimated the acquisition or sale of properties, as mandated under rule 23(2) of the Karnataka Civil Services(conduct) rules 1966 and the respondent had also not intimated the source of income for purchase of the immovable properties during the relevant years.



35. In relation to the purchase of vehicles as stated in the Observation Note is concerned, the respondent had not obtained prior permission from the prescribed authority and also not intimated the purchase of vehicles, as mandated under rule 23(3) of the Karnataka civil service (conduct) Rules 1966, and also not intimated the source of income for purchase of the vehicles during the relevant years.

36. As per the investigation report, it is very clear that, the respondent had raised loans from financial institutions and private persons as stated in the observation note, in this regard the respondent had not obtained permission from prescribed authority for raising loans as required under rule 21(4) of the Karnataka Civil Services (conduct) rules 1966.

37. It is important to note that the opportunity has been given to respondent to submit his explanations to the observation note, but the respondent had not submitted any explanation or documents. It is significant to note that, the matter under investigation in the present complaint pertains to the compliance of mandatory provisions of Karnataka civil services (conduct) rules 1966 as such the only aspect under consideration in this case is as to whether the respondent has acquired both movable and immovable properties in accordance with rule 21 and 23 of Karnataka Civil Services (conduct) 1966 and whether the respondent has obtained previous permission

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from the prescribed authority for raising loans as required under rule 21(4) of KCS (conduct) rules 1966.

38. It is relevant to note that as per the provisions of rule 21(4), 23(2) and 23(3) of KCS (conduct) rules 1966, the respondent is bound to obtain permission from the prescribed authority to purchase or sale of movable and immovable properties and also obtain prior permission from prescribed authority to raise loans from the any financial institution or private persons, and the respondent has bound to report the said acquisition or sale of movable and immovable properties to the prescribed authority as per law. In this regard the respondent has not offered any explanations to oppose the report submitted by the investigation officer in relation to acquisition or sale of movable and immovable properties as stated in the observation note. Therefore, it is very clear that the respondent has failed to obtained prior permission for acquisition of movable and immovable properties as stated in the observation note and the respondent had also failed to report acquisition of movable and immovable properties to the prescribed authority as per law.

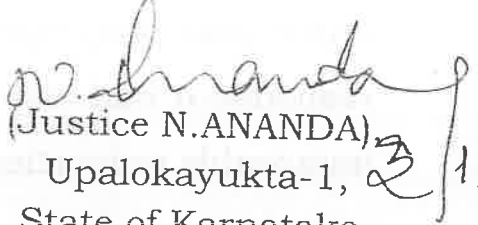
39. Therefore, there are prima facie materials to attribute misconduct on the part of respondent as defined in rule 3(1)(i) to (iii) of KCS (conduct) rules 1966, that the respondent has not maintaining absolute integrity, devotion to duty and acted in a manner unbecoming of government servant and violated rules 21(4), 23(2) and 23(3) of Karnataka Civil Services (Conduct)

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Rules 1966. 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 respondent **Sri Shiromani S/o. Sharanappa Hudage @ Halage, the then District Manager, Karnataka Food & Civil Supplies Corporation Limited, Kalaburagi** and to entrust the enquiry to this authority under Rule 14-A of the Karnataka Civil Services (Classification, Control and Appeal) Rules, 1957.

40. Further as per Section 12(4) Karnataka Lokayukta Act, 1984, the Competent Authority shall intimate to this Authority **within one month** from the date of receipt of this report, as to the action to be taken or proposed to be taken and on the basis of this report.

Connected records are enclosed.


(Justice N. ANANDA)
Upalokayukta-1, 2/11
State of Karnataka.