

GOVERNMENT OF KARNATAKA**KARNATAKA LOKAYUKTA**

No.UPLOK-1/DE/286/2016/ARE-14

Multi Storied Building,
Dr. B.R. Ambedkar Veedhi,
Bengaluru-560001
Date: 03rd January, 2023.**RECOMMENDATION**

Sub: Departmental Inquiry against Shri
Veerabhushana Shetty, Assistant Engineer
(working then in P.W.D. Sub-Division,
Raichur)-reg.

Ref: 1) Government Order No.ಲೋಇ:77:ಸೇವಿಇ:2016,
Bengaluru, dated: 23/05/2016 and
08/08/2016.

2) Nomination Order No.UPLOK-1/DE/286/
2016, Bengaluru, dated: 11/08/2016 of
Upalokayukta, State of Karnataka, Bengaluru.

3) Inquiry Report dated: 31/12/2022 of
Additional Registrar of Enquiries-14,
Karnataka Lokayukta, Bengaluru.

The Government by its order dated: 23/05/2016 and
08/08/2016 initiated the disciplinary proceedings against Shri
Veerabhushana Shetty, Assistant Engineer (working then in
P.W.D. Sub-Division, Raichur) (hereinafter referred to as

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Delinquent Government Official, for short as DGO) and entrusted the Departmental Inquiry to this Institution.

2. This Institution by Nomination Order No.UPLOK-1/DE/286/2016, Bengaluru, dated: 11/08/2016 nominated Additional Registrar of Enquiries-1, Karnataka Lokayukta, Bengaluru, as the Inquiry Officer to frame charges and to conduct Departmental Inquiry against DGO. Subsequently, by Order No.UPLOK-1/DE/2017, Bengaluru, dated: 06/07/2017, the Additional Registrar of Enquiries-7, Karnataka Lokayukta, Bengaluru was re-nominated as Inquiry Officer to conduct Departmental Inquiry against DGO. Again, by Order No.UPLOK-1 & 2/DE/Transfers/2018, Bengaluru, dated: 06/08/2018, the Additional Registrar of Enquiries-14, Karnataka Lokayukta, Bengaluru was re-nominated as Inquiry Officer to conduct Departmental Inquiry against DGO for the alleged charge of misconduct, said to have been committed by him.
3. The DGO, Shri Veerabhushana Shetty, Assistant Engineer (working then in P.W.D. Sub-Division, Raichur) was tried for the following charges:



ANNEXURE-1
CHARGE

While you DGO Sri. Veerabhushana Shetty, working as
Assistant Engineer, PWD Sub-Division, Raichur

- (1) Did not submit Assets and Liabilities statements during the year 1987 to 1994 to the Competent Authority, as required under Rule 23(1) of KCS (Conduct) Rules 1966;
- (2) Further you acquired House No.3-8-92 at Raichur for a sum of Rs.2.00 lakhs and a plot at Basaveshwaranagar, Raichur for a sum of Rs.1.00 lakh and two plots at Yaramuras Camp, Raichur for a sum of Rs.50,000/- in the name of your wife and acquisition of those properties was disproportionate to your known source of income and further you did not obtain previous sanction from the prescribed authority to acquire those properties and thereby contravened Rule 23(2) of KCS (Conduct Rules) 1966;
- (3) Further you acquired Plot No.19, Khata No.105/19 at Sheshagiri Halli, Bidadi Hobli, Ramangar on 12/03/2001 for a sum of Rs.36,000/- and also you acquired Plot No.1-10-141/2A at Kallur Colony, Raichur for a sum of Rs.3,49,000/- in your name and acquisition of the said property is disproportionate to your known source of income and thereby contravened Rule 3(i) of KCS (Conduct) Rules 1966 and further you purchased those properties from third parties without obtaining previous sanction from the prescribed authority to purchase those properties and therefore has contravened Rule 23(2) of KCS (Conduct) Rules 1966;
- (4) You acquired House No.3-8-81 at Raichur on 11/11/2008 and also acquired 9 acres of land in Sy.No.75 of Sudi Village of Rohn Taluk in the name of you wife Smt. Yashodha by way of gift deed executed by her mother Smt. Shivamma and you did not take previous sanction of the prescribed authority to acquire the property and also you did not report the acquisition of the property to the Government and therefore contravened Rule 14 and

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23(2) of KCS (Conduct) Rules 1966 and also you did not report the acquisition of gold to the prescribed authority and therefore contravened Rule 14 and 23(3) of KCS (Conduct) Rules 1966;

and therefore you the DGO has failed to maintain absolute integrity and devotion to duty and committed an act which is unbecoming of a Government Servant and therefore you are guilty of misconduct under Rule 3(1)(i) to (iii) of KCS (Conduct) Rules 1966. Hence, this charge.

4. The Inquiry Officer (Additional Registrar of Enquiries-14) on proper appreciation of oral and documentary evidence has held that, the Disciplinary Authority has '**Partly Proved**' the charges leveled against DGO, Shri Veerabhushana Shetty, Assistant Engineer (working then in P.W.D. Sub-Division, Raichur), so far it relates to the DGO not obtaining prior permission from the prescribed authority about the acquiring of properties as mentioned in paragraph No.25 and 29 and also not intimated about the execution of gift deed pertaining to the property executed by his mother-in-law in favour of his wife.

The investigation and taking action so far as amassing of wealth as against the known source of his income is left to the discretion of the Government to initiate proceedings afresh.

5. On perusal of the Inquiry Report, in order to prove the guilt of the DGO, the Disciplinary Authority has examined three

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witnesses i.e., PW-1 to PW-3 and Ex. P-1 to P-12 documents were got marked. DGO has examined himself as DW-1 and Ex. D-1 to D-9 documents were got marked.

6. As per the First Oral Statement of DGO furnished by the Inquiry Officer, DGO, Shri Veerabhushana Shetty has retired from service on 31/08/2021.
7. On re-consideration of Inquiry Report and taking note of the totality of the circumstances of the case, I do not find any reason to interfere with the findings recorded by the Inquiry Officer. Therefore, it is hereby recommended to the Government to accept the report of the Inquiry Officer.
8. Having regard to the nature of charge **'Partly Proved'** against DGO, Shri Veerabhushana Shetty, Assistant Engineer (working then in P.W.D. Sub-Division, Raichur), so far it relates to the DGO not obtaining prior permission from the prescribed authority about the acquiring of properties as mentioned in paragraph No.25 and 29 and also not intimated about the execution of gift deed pertaining to the property executed by his mother-in-law in favour of his wife and on consideration of the totality of circumstances:-

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"It is hereby recommended to the Government to impose penalty of withholding 20% of pension payable to DGO, Shri Veerabhushana Shetty, Assistant Engineer (working then in P.W.D. Sub-Division, Raichur), permanently".

"The investigation and taking action so far as amassing of wealth as against the known source of his income is left to the discretion of the Government to initiate proceedings afresh and if initiated to report the same to this Institution within three months".

9. Action taken in the matter shall be intimated to this Authority.

Connected records are enclosed herewith.

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(JUSTICE K.N.PHANEENDRA)
UPALOKAYUKTA-2,
STATE OF KARNATAKA.

KARNATAKA LOKAYUKTA

No.UPLOK-1/DE/286/2016/ARE-14

Multi Storied Building,
Dr. B.R Ambedkar Road,
Bangalore-560001,
Dated: 31/12/2022.

ENQUIRY REPORT

Present : Sri. **Sudesh Rajaram Paradeshi**
Additional Registrar of Enquiries-14
Karnataka Lokayukta
Bangalore.

Sub: Departmental Enquiry against **Sri. Veerabhushana Shetty**, Rtd Assistant Engineer (Working then in PWD Sub-Division, Raichur) - Reg.

- Ref:**
1. Report U/s.12(3) of the K.L Act, 1984 in COMPT/UPLOK/GLB/982/2015/ ARE-4 dated 30/05/2016.
 2. Government Order No.ಲೋಇ:77:ಸೇವಿಇ: 2016, Bengaluru dated 23/05/2016.
 3. Corrigendum Order No.ಲೋಇ:77:ಸೇವಿಇ: 2016, Bengaluru dated 08/08/2016.
 4. Nomination Order No.UPLOK-1/DE/286/2016, dated 23/07/2016 of Hon'ble Upalokayukta, Bangalore.
 5. Order No.UPLOK-1/DE/2017 Bengaluru Dated: 6.7.2017 file transferred from ARE-1 to ARE-7.
 6. Order No.UPLOK-1&2/DE/Transfers/ 2018 Bengaluru, Dtd: 06/08/2018 file is transferred from ARE-7 to ARE-14.

The complainant by name **Smt. Nirmala** W/o Basavaraj, Jagrutha Samithi Member, Sirivara Post, Manvi Taluk, Raichur District has filed the complaint against **Sri. Veerabhushana Shetty**, Assistant Engineer (Working then in PWD Sub-Division, Raichur), alleging that the respondent/DGO acquired the assets disproportionate to his known source of income. Therefore, the DGO committed misconduct and dereliction of duty while discharging his duty as Government servant.

Then the matter was referred to ADGP, Police Wing, KLA for investigation and report. In turn, they entrusted the investigation to Superintendent of Police, KLA, Raichur to investigate the matter through Police Inspector, KLA, Raichur and submitted the report.

2. After completion of the investigation, a report was sent to the Government U/s.12(3) of the Karnataka Lokayukta Act as per reference No.1. In pursuance of the report, the Government of Karnataka was pleased to issue the G.O. dated 23/05/2016 and Corrigendum Order dated 08/08/2016 authorizing Hon'ble Upalokayukta to hold enquiry as per reference No.2. In pursuance of the G.O., the Nomination was issued by the Hon'ble Upalokayukta on 11/08/2016 authorizing ARE-1 to hold enquiry and to report as per reference No.3 and this file is transferred from ARE-1 to ARE-7 as per reference No. 4. In turn, this file is transferred from ARE-7 to ARE-14 as per reference No.5.

3. On the basis of the Nomination, Articles of Charge against the **DGO was framed by the Additional Registrar of Enquiries-1** which includes Articles of Charge at Annexure-I and Statement of Imputation of Misconduct at Annexure No. II which are as follows:-

ANNEXURE-I

CHARGE:-

2. ~~While you DGO Sri. Veerabhushana Shetty, working as Assistant Engineer, PWD Sub-Division, Raichur~~

(1) Did not submit Assets and Liabilities statements during the year 1987 to 1994 to the Competent Authority, as required under Rule 23(1) of KCS (Conduct) Rules 1966;

(2) Further you acquired House No.3-8-92 at Raichur for a sum of Rs.2.00 lakhs and a plot at Basaveshwaranagar, Raichur for a sum of Rs.1.00 lakh and two plots at Yaramuras Camp, Raichur for a sum of Rs.50,000/- in the name of your wife and acquisition of those properties was disproportionate to your known source of income and further you did not obtain previous sanction from the prescribed authority to acquire those properties and thereby contravened Rule 23(2) of KCS (Conduct Rules) 1966;

(3) Further you acquired Plot No.19, Khata No.105/19 at Sheshagiri Halli, Bidadi Hobli, Ramangar on 12/03/2001 for a sum of Rs.36,000/- and also you acquired Plot No.1-10-141/2A at Kallur Colony, Raichur for a sum of Rs.3,49,000/- in your name and acquisition of the said property is disproportionate to your known source of income and thereby contravened Rule 3(i) of KCS (Conduct) Rules 1966 and further you purchased those properties from third parties without obtaining previous sanction from the prescribed authority to purchase those properties and therefore has contravened Rule 23(2) of KCS (Conduct) Rules 1966;

(4) You acquired House No.3-8-81 at Raichur on 11/11/2008 and also acquired 9 acres of land in Sy.No.75 of Sudi Village of Rohn Taluk in the name of you wife Smt. Yashodha by way of gift deed executed by her mother Smt. Shivamma and you did not take previous sanction of the prescribed authority to acquire the property and also you did not report the acquisition of the property to the Government and therefore contravened Rule 14 and 23(2) of KCS (Conduct) Rules 1966 and also you did not report the acquisition of gold to the

prescribed authority and therefore contravened Rule 14 and 23(3) of KCS (Conduct) Rules 1966;

and therefore you the DGO has failed to maintain absolute integrity and devotion to duty and committed an act which is unbecoming of a Government Servant and therefore you are guilty of misconduct under Rule 3(1)(i) to (iii) of KCS (Conduct) Rules 1966. Hence, this charge.

ANNEXURE-II

STATEMENT OF IMPUTATION OF MISCONDUCT

On the complaint filed by one Smt. Nirmala, w/o Basavaraj, Jagrutha Samithi Member, Sirivara Post in Manvi Taluk of Raichur District (herein after referred to as 'complainant' for short), against Sri Veerabhushana Shetty, Assistant Engineer, PWD Sub-Division of Raichur District, (now working as Assistant Engineer, Pradhan Mantri Grameena Sadak Yojana, (PMGSY) sub-division of Raichur (herein after referred to as 'respondent' for short), alleging that, he acquired assets disproportionate to his known source of income and requested to take action in the matter, an investigation was taken up under Sec. 9 of the Karnataka Lokayukta Act 1984.

2. On registration of the complaint, it was referred to ADGP, Police Wing, Karnataka Lokayukta, Bangalore for investigation and report. In turn he entrusted the investigation to Superintendent of Police, Karnataka Lokayukta, Raichur, who investigated the matter through Police Inspector, Karnataka Lokayukta, Raichur and submitted a report along with the connected records like assets and liabilities statements of the respondent for the year from 1994-95 to 2013-14 and the copies of the deeds in which the respondent as well as his wife Smt. Yashodha w/o Veerabhushana Shetty acquired the properties during the period from 1994 till 2014.

3. The comments of the respondent was called by sending the copy of the complaint and its connected records. The respondent submitted comments in detail by denying the allegation made in the complaint regarding acquisition of the properties disproportionate to his known source of income and submitted certain document to substantiate his contention that, he acquitted the properties as mentioned in the compliant and I.O. report from his known source of income and prays to drop the proceeding.

4. Upon careful consideration of the complaint, I.O. report, comments of the respondent and the documents collected during the course of investigation by investigating officer discloses that:

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1) The respondent during the year 1987-94 worked as Assistant Engineer as a temporary Government Servant in PWD Department has not submitted his assets and liabilities statements for those years as required U/Rule 23(1) of KCS (Conduct) Rules 1966.

2) The respondent during the year 1995 when he was initially appointed as Assistant Engineer in PWD on confirmation of his earlier same temporary officiating post in the same department though having basic salary of Rs. 2,050 to 2,100/- only plus D.A. has acquired one house No. 3-8-92 at Raichur for Rs. 2,00,000/- and one plot at Basaveshwaranagar at Raichur for Rs. 1,00,000/- and two plots at Yaramarus camp, Raichur for Rs. 50,000/- in the name of his wife and it shows that, during the said year 1995 he has acquired those properties disproportionate to his known source of income and contravene Rule 3(1) of KCS (Conduct) Rules. 1966.

3) The respondent who acquired the above three properties in the name of his wife during the year 1995 disproportionate to his known source of income from the private persons and for which no previous sanction of the prescribed authority has been obtained and thereby contravened Rule 23(2) of KCS (Conduct) Rules 1966.

4) The respondent on 12/03/2001 acquired a plot No. 19 and Khata No. 105/19 at Sheshagirihalli, Bidadi Hobali, Ramanagar for Rs. 36,000/- and on 29/03/2004 also acquired a plot No. 1-

10-141/2A at kalloor colony, Raichur for Rs. 3,49,000/- in his name which is disproportionate to his known source of income and thereby contravened Rule 3(1) of KCS (Conduct) Rules, 1966.

5) The respondent who acquired the plot at Seshagirihalli, Ramanagar and plot at Raichur as mentioned in at Sl. No. (4) has purchased from a third party and for which no such previous sanction of the prescribed authority being obtained and thereby contravened Rule 23(2) of KCS (Conduct) Rules, 1966.

6) The respondent during the term of his Government Service on 11/11/2008 acquired the house No. 3-8-81 at Raichur and on 09/06/2010, 9 acres in Sy. No. 75 of Sudi Village at Ron in the name of his wife Smt. Yashoda by way of gift deed executed by her her mother/Smt. Shivamma w/o Late Lingabasappa without previous sanction of prescribed authority of the Government and not reported the same to the Government and thereby contravened Rule 14 and 23(2) of KCS (Conduct) Rules, 1966.

7) The respondent during the tenure of his Government Service from 1987 to 2014 acquired 90 tolas of gold as mentioned in his assets and liabilities statement disproportionate to his known source of income and thereby contravened Rule 3(1) of KCS (Conduct) Rules, 1966.

8) The respondent who acquired the gold as mentioned in the Sl.No. 7 has not reported the same to the prescribed authority in accordance with Rule 14 and 23(3) of KCS (conduct) Rules, 1966.

5) Thus from the above, the respondent not only acquired the properties disproportionate to his known source of income and also contravened the KCS (Conduct) Rules, 1966 as stated above and thereby shown the conduct of unbecoming of a Government Servant.

6) In view of the fact the respondent admits the acquisition of above movable and immovable, his income during the relevant year of acquisition of such properties and not producing any material documents to show that he has obtained precious sanction of prescribed authority, his reply/comment is not acceptable to drop the proceeding to initiation of departmental enquiry.

7) Thus upon consideration of the facts and material placed on record of this case shows that, the respondent being a Government Servant while working as an Assistant Engineer in PWD and irrigation department, has committed a misconduct in contravention of Rule 3(1) of KCS (Conduct) Rules, 1966, in acquiring the properties disproportionate to his known source of income and further he contravened the Rule 14 and 23 of KCS (Conduct) Rules, is not taking previous

sanction of prescribed authority acquisition of those properties and thereby liable for disciplinary action.

8) Since, the facts and material on record prima-facie show that you DGO has committed misconduct under Rule 3(1) (ii) &(iv) of KCS (Conduct Rules, 1966, acting under section 12(3) of the Karnataka Lokayukta Act, recommendation was made to the Competent Authority to initiate disciplinary proceedings against you DGO. The Govt. after consideration of a materials, has entrusted enquiry to Hon'ble Upalokayukta. Hence the charge.

4. The complainant examined as PW-1 and got marked Ex.P.1 and P.2. Sri. Lingappa, I.O examined as PW-2 and got marked Ex.P.3 to P.6. Scrutiny Officer examined as PW-3 and got marked Ex.P.7 to P.12. DGO examined as DW-1 and got marked Ex.D.1 to D.9.

5. Perused the entire case record and heard the argument of both the side.

6. The points that arise for my consideration are:

Point No.1 : Whether the charge framed against the DGO is proved?

Point No.2 : What order?

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7. My answers to the above points are as under:

Point No. 1: **Partly affirmative**

Point no. 2 : **As per final order for the following ;**

REASONS

8. The complainant by name **Smt. Nirmala** W/o Basavaraj, Jagrutha Samithi Member, Sirivara Post, Manvi Taluk, Raichur District has filed the complaint against **Sri. Veerabhushana Shetty**, Assistant Engineer (~~Working then in PWD Sub-Division, Raichur~~), alleging that the respondent/DGO acquired the assets disproportionate to his known source of income. Therefore, the DGO committed misconduct and dereliction of duty while discharging his duty as Government servant.
9. DGO filed written statement. In his written statement he stated that house No.3-8-92 situated at Raichur purchased for sum of Rs.2 lakhs in the name of his wife as she was having established STD/ISD and Xerox centre in the year 1990 which was financed by KSFC, Raichur from savings of which she has purchased above property and it has shown in the assets and liabilities statement also she paid income tax from 1994-96. Hence there is no necessity to permission from the Government.
10. It is further contended that with reference to purchase of plot at Basaveshwaranagar Raichur for a sum of Rs.1 lakh and 2 plots at Yaramaras camp Raichur for a sum of Rs.50,000/- purchased in name of his wife as she was having established STD/ISD and

Xerox centre in the year 1990 which was financed by KSFC, Raichur from savings of which she has purchased above property and it has shown in the assets and liabilities statement also she paid income tax from 1994-96. Hence there is no necessity to permission from the Government.

11. With reference to purchase of plot No.19 khata No.105/9 at Sheshagirihalli, Bidadi Hobli, Ramanagar on 12/03/2001 for a sum of Rs.36,000/-. This has been taken on 64 monthly installment scheme by the income from STD/ISD and Xerox centre at Raichur. The scheme was in the name of his wife and registration has been done in the name of DGO by taking power of attorney in the year 2001. It is exclusive income of his wife hence there is no need to take permission from the Government.
12. Further with reference to plot No.1-10-141/2A at Kalluru Colony, Raichur for a sum of Rs.3,49,000/- is concerned purchased in the name of DGO from salary savings and his wife's income derived from STD business and Xerox centre. It is further contended that it is shown in A&L and taken the permission from the Government.
13. His mother-in-law Shivamma has executed gift-deed pertaining to house No.3-8-81 situated at Raichur on 11/11/2008 and also 9 acres of land in Sy.No.75 of Sudi Village of Ron Taluk in favour of her daughter i.e. wife of DGO. So there is no need to take previous sanction from the department as it is exclusively belongs to his wife.

14. It is further contended that during his marriage parents of his wife were gifted the gold and ancestor property to his wife and it was shown in the A&L for the year 1994. Hence he prayed for exonerate to him from the charges leveled against him.
15. Complainant examined as PW-1 and in her evidence she deposed that from several years the DGO has been working in PWD Department as Assistant Engineer and he has acquired the ~~properties in the different places disproportionate to his known~~ source of income. She further deposed that DGO has also possessed 10kg of gold. Further she deposed that all the properties could not be possible to purchase out of his own earnings. So she has filed this complaint. Ex.P.1 is Form No.1 and Ex.P.2 is Form No.2.
16. The Presenting Officer on behalf of Disciplinary Authority examined the I.O. Police Inspector as PW-2. In this chief examination he deposed that as per the order dated 15/04/2015 of Superintendent of Police, KLA, Raichur the matter was referred to him for investigation on the basis of the complaint filed by Nirmala. Accordingly he was conducted investigation and found that the DGO is the resident of Gunjalli Village having 4 brothers. At Gunjalli Village DGO and his brothers having a land bearing Sy.No.881 measuring 11 acres 31 guntas, land Sy.No.879 measuring 9 acres 00 guntas, land Sy.No.880 measuring 5 acres 22 guntas. The said family has got 26 acres

of the land and he came to know that the yearly income from said land comes to Rs.2 lakhs, out of which Rs.50,000/- fell to the share of DGO.

17. He further deposed that he came to know that during the marriage of DGO with Yashodha, parents of Yashodha had given golden ornaments by way of gift, but he did not know what was the value of the said golden items.
18. He further deposed that in the year 2009 father-in-law of DGO died and mother-in-law of DGO had gifted land Sy.No.75 measuring 9 acres to her own daughter Yashodha (wife of DGO) and he also came to know that from the said land DGO has been deriving the income of Rs.2 lakhs per year.
19. He further deposed that likewise father-in-law of DGO by name Linganasappa when he was working as Assistant Executive Engineer he had constructed a house having ground floor and 1st floor at Beeroonkilla Raichur in the name of his wife by name Shivamma. After death of Linganasappa said Shivamma had executed a gift-deed in the name of her daughter Yashodha. He further deposed that he has collected the documents from Sub-Registrar Office, Raichur. Later on Smt. Yashodha executed the gift-deed pertaining to above house in favour of her daughter Mamatha.

20. He has also deposed that the DGO has purchased plot bearing No.1/10-141/2 measuring 2008 Sq.ft in the year 2004 for Rs.3,40,000/- and he had collected the documents in this regard. The DGO has purchased plot No.19 situated at Bidadi Hobli, Ramangar Taluk in the year 2001 for Rs.36,000/-. He further deposed that the DGO has purchased plot No.66 & 67 situated at Potgal Village Raichur District in the year 1995 for Rs.4500/- and he has collected the documents. The DGO has also purchased a house bearing No.3-7-76 (Old house) and its new No.3-7-98 situated at Beeroonkilla Raichur in the year 1994 for Rs.45,000/- and he has collected the documents. He further deposed that from the documents he found that since 1987 to 2015 the DGO had received salary of Rs.45 lakhs. Till today in all he had purchased property to the extent of worth Rs.4,25,000/-. From the investigation it comes to conclusion that the DGO has not hold the properties illegally and he has submitted the report as per Ex.P.5 and produced the documents as per Ex.P.6.

21. Scrutiny Officer Additional Registrar of Enquires-4 examined as PW-3 and got marked Ex.P.7 to P.12. He deposed in the chief examination that after filing of complaint he has put up the note before Hon'ble Upalokayukta. The Hon'ble Upalokayukta ordered for to get investigated the matter from ADGP, KLA, Bengaluru. Thereafter he has received the report of investigation from PW-2

and found that the DGO has violated the rules of KCSR as stated below.

- i. The respondent during the year 1987-94 worked as Assistant Engineer as a temporary Government Servant in PWD Department has not submitted his assets and liabilities statements for those years as required u/Rule 23(1) of KCS (Conduct) Rules 1966.
- ii. The respondent during the year 1995 when he was initially appointed as Assistant Engineer in PWD on confirmation of his earlier same temporary officiating post in the same department though having basic salary of Rs. 2,050 to 2,100/- only plus D.A. has acquired one house NO. 3-8-92 at Raichur for Rs. 2,00,000/- and one plot at Basaveshwaranagar at Raichur for Rs. 1,00,000/- and two plots at Yaramarus camp, Raichur for Rs. 50,000/- in the name of his wife and it shows that, during the said year 1995 he has acquired those properties disproportionate to his known source of income and contravene Rule 3(1) of KCS (Conduct) Rules, 1966.
- iii. The respondent who acquired the above three properties in the name of his wife during the year 1995 disproportionate to his known source of income from the private persons and for which no previous sanction of the prescribed authority has been

obtained and thereby contravened Rule 23(2) of KCS (Conduct) Rules 1966.

- iv. The respondent on 12/03/2001 acquired a plot No. 19 and Khata No. 105/19 at Sheshagirihalli, Bidadi Hobli, Ramanagar for Rs. 36,000/- and on 29/03/2004 also acquired a plot No. 1-10-141/2A at Kallor colony, Raichur for Rs. 3,49,000/- in his name which is disproportionate to his known source of income and thereby contravened Rule 3(1) of KCS (Conduct) Rules, 1966.
- v. The respondent who acquired the plot at Sehshagirihalli, Ramanagar and plot at Raichur as mentioned in at Sl. No. (4) has purchased from a third party and for which no such previous sanction of the prescribed authority being obtained and thereby contravened Rule 23(2) of KCS (Conduct) Rules, 1966.
- vi. The respondent during the term of his Government Service on 11/11/2008 acquired the house No. 3-8-81 at Raichur and on 09/06/2010, 9 acres in Sy. No. 75 of Sudi village at Ron in the name of his wife Smt. Yashoda by way of gift deed executed by her mother/Smt. Shivamma w/o Late Lingabasappa without previous sanction of prescribed authority of the Government and not reported the same to the

Government and thereby contravened Rule 14 and 23(2) of KCS (Conduct) Rules, 1966.

- vii. The respondent during the tenure of his Government Service from 1987 to 2014 acquired 90 tolas of gold as mentioned in his assets and liabilities statement disproportionate to his known source of income and thereby contravened Rule 3(1) of KCS (Conduct) Rules, 1966.
- viii. The respondent who acquired the gold as mentioned in the Sl.No. 7 has not reported the same to the prescribed authority in accordance with Rule 14 and 23 (3) of KCS (Conduct) Rules, 1966.

22. PW.3 further deposed that the DGO admits the acquisition of above movable and immovable's, his income during the relevant year of acquisition of such properties and not producing any material documents to show that he has obtained previous sanction of prescribed Authority.

23. Here it is necessary to mention the Rules of Karnataka Civil Services (Conduct) Rules 1966 Section 23(1) to section 23(3) which reads as under:-

Rule 23 Movable, Immovable and Valuable, Property: (1) Every Government Servant shall on his first appointment to any Service or post and thereafter at the interval of every twelve months 1 [ending on 31st March]1 submit a return of his assets and liabilities and of all members of his family in

such form as may be prescribed by the Government giving the full particulars regarding.

(a) the immovable property inherited by him or any member of his family or owned or acquired by him or any member of his family on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other persons;

(b) shares, debentures and cash including bank deposits inherited by him or any member or his family or similarly owned, acquired or held by him or any member of his family;

(c) other movable property inherited by him or any member of his family or similarly owned, acquired or held by him or any member of his family;

(d) debts or other liabilities incurred by him or any member of his family directly or indirectly.

Note I: X X X X X

Note II: In all returns the value of items of movable worth less than 3 [Rs.5000] may be added and shown as a lumpsum. The value of articles of daily use as clothes, utensils, crockery or books need not be included in such returns.

Note III: Every Government Servant who is in service on the date of commencement of the Rules shall submit a return under this subrule on or before such date as may be specified by the Government after such commencement.

23 (2) No Government Servant or any member of his family shall, except with the previous knowledge of the prescribed authority, acquire or dispose of any

immovable property by lease, mortgage, purchase, sale, gift or otherwise either in his own name or in the name of any member of his family:

Provided that the previous sanction of the prescribed authority shall be obtained by the Government Servant if any such transaction is –

- (i) with a person having official dealing with the Government Servant, or*
- (ii) otherwise than through a regular or reputed dealer.*

["Provided further that nothing in this sub-rule shall apply to the transactions entered into by a member of the family of the Government Servant out of his or her own funds (including Gifts, Inheritance, etc.,) as distinct from the funds of the Government Servant himself / herself, in his or her own name and in his or her own right."]

23 (3) Every Government Servant shall report to the prescribed authority every transaction concerning movable property owned or held by him or any member of his family either in his own name or in the name of a member of his family, if the value of such property exceeds 5 [the monthly basic salary of the Government Servant]*

Provided that the previous sanction of the prescribed authority shall be obtained if any such transaction is

- (i) with a person having official dealings with the Government Servant; or*
- (ii) Otherwise than through a regular or reputed dealer.*

["Provided further that nothing in this sub-rule shall apply to the transactions entered into by a member of the family of the Government Servant out of his or her own funds

(including Gifts, Inheritance, etc.) as distinct from the funds of the Government Servant himself / herself, in his or her own name and in his or her own right.

24. DGO examined as Dw.1 and got marked Ex.D1 to D.9. He deposed that from September 1987 to 03.12.1994 he worked as Asst. Engineer at Krishna Lift Irrigation Corporation on contract basis. From 1995 to 2016 he worked as Asst. Engineer at Karnataka Health System Development Sub-Division Raichur. From 2016 till his retirement 2021 he worked as Asst. Executive Engineer, Health and Family Welfare Department Sub-Division at Raichur. Further he deposed as contented in his written statement.
25. As per evidence of PW.3 the DGO during the year 1995 when he was initially appointed as Asst. Engineer in PWD on confirmation of his earlier same temporary officiating post in the same department though having basic salary of Rs. 2,050/- to 2,100/- only plus DA has acquired one house number 3-8-92 at Raichur for Rs. 2,00,000/- and in respect of one Plot at Basaveshwaranagar at Raichur for Rs. 1,00,000/- and two plots at Yaramarus camp, Raichur for Rs. 50,000/- in the name of his wife. According to the DGO with reference to purchase of plot at Basaveshwaranagar Raichur for a sum of Rs.1 lakh and 2 plots at Yaramaras camp Raichur for a sum of Rs.50,000/- purchased in name of his wife as she was having established STD/ISD and Xerox centre in the year 1990 which was financed by KSFC, Raichur from savings of which she has purchased above property

and it has shown in the assets and liabilities statement also she paid income tax from 1994-96. Hence there is no necessity to permission from the Government.

26. DGO, in his written statement he has stated that above properties were purchased in the name of his wife as she was having established STD/ISD and Xerox centre in the year 1990 which was financed by KSFC, Raichur from savings of which she has purchased above properties and it has shown in the assets and liabilities statement. It is further contended that she paid income tax from 1994-96. Hence there is no necessity to permission from the Government.

27. In respect of above properties the PW.2 has not stated anything in his report. Neither he stated that the wife of DGO was running Xerox Center/STD/ISTD Shop. According to the DGO his wife purchased house property 3-8-92 at Raichu in the year 1990 for sum Rs. 2,00,000/- and as well as one plot at Basaveshwer Nagar and two plots at Yaramarus Camp. The DGO has not produced Sale Deeds pertaining to these properties to show that these properties are purchased in the name of his wife. He has produced the Notarised Copy of permanent Registration Certificate issued by Asst. Director, Industrial and Commerce Raichur in the year 1994 which marked as Ex.D1. Also produced the certificate issued by the Profession Tax Office Raichur marked as Ex.D2. These documents show that the wife of DGO was running Xerox Machine but no documents are produced pertaining to the running of business STD/ISD. DGO

produced the document issued by the Branch Manager Karnataka State Financial Corporation on 04.09.2000 stating that they have sanctioned a term loan of Rs. 1,08,000/- dt. 23.11.1991 bearing Account No. 16097200. But the DGO has not produced any statement of Accounts. And further stated that from the income derived from said business she purchased said properties. No documents such as Bank Pass Book and income Tax document to show that what her yearly income from the said business. He further contended that he has mentioned that about purchase of property in his Assets and Liabilities statements submitted to his prescribed Authority. This document is marked as Ex.D6. By perusing the same it has not bearing date and year on which date was submitted to prescribed Authority nor it has bearing Seal of the office nor there is endorsement to show that it is received by the prescribed Authority. The DGO has not produced any document from the prescribed authority to show that they have received his statement of Assets and Liabilities. So, this clearly shows that neither he obtained the permission prior to purchase of the above properties nor he informed to his prescribed Authority.

28. According to the evidence of PW.3 the DGO on 12.03.2001 acquired a Plot No. 19 and Khata No. 105/19 at Sheshgiri Halli, Bidadi Hobali, Ramnagar for Rs. 36000/- and on 29.03.2004 also acquired a plot No. 1-10-141/2a at Kalloor Colony, Raichur for Rs. 3,49000/-.

29. The DGO has taken contention that the plot No. 19 has been taken on 64 monthly installment scheme by the income from STD/ISD and Xerox Centre at Raichur. The scheme was in the name of his wife and registration has been done in name of DGO by taking Power of Attorney in the year 2001. It is exclusive income of his wife, hence there is no need to take permission from the Government. The PW.2 along with his report produced the Xerox copy of Sale Deed as per Ex.P10. This document shows that DGO has purchased this plot in his name on 12.03.2001. By perusing Ex.P10 nothing is motioned that this property is purchased by taking Power of Attorney from his wife. DGO has produced document i.e scheme card issued by the Citi Sites Colony Bengaluru which reveals that from 15.09.1994 to 2017 some amount of Rs. 800/- has been depositing. In the card name of wife of DGO is mentioned and her residence shown as Raichur. Whereas amount collected by Citi Sites from Bengaluru. No explanation was given how citi sites Bengaluru collecting amount from the person residing at Raichur. This document does not show that from this amount property was purchased. The I.O. i.e PW.2 in his report stated that this plot was purchased by the DGO but not mentioned that it was purchased out of the income derived from the wife of the DGO.
30. With reference to purchase of plot No. 1-10-141/2A at Kalloor Colony situated at Raichur for Rs. 3,49000/- in the name DGO is concerned, his stated he had purchased this property out of his salary savings and income derived from the Xerox centre and

obtained permission from the prescribed Authority before its purchase and shown in Assets and Liabilities statement. The PW.2 produced the copy of Sale Deed marked as Ex.P9 which shows that the DGO has purchased this plot for Rs. 3,40,000/-. The DGO has produced the permission letter issued by the prescribed Authority dt. 09.12.2003 to purchase this property.

31. According to the disciplinary Authority, DGO during the term of his government service on 11.11.2008 acquired a house property bearing No. 3-8-81 at Raichur without obtaining the previous permission from prescribed Authority. According to the I.O. i.e. PW.2 stated in his report that Mother in-law of the DGO by name Shivamma had gifted this property to her daughter (wife of DGO) in year 2008 which consist of Ground floor and 1st floor. I.O. has produced the copy of Gift Deed which marked as Ex.P8. Which shows that Mother in-law of the DGO was being the owner the house property had gifted this property to her daughter on 11.11.2008. DGO has produced the Assets and Liabilities Statement for the 2008-09 and he had mentioned about this property which is marked as Ex.D7. But this document does not show that he has sent information to the prescribed Authority because this document did not bear the seal and signature of the prescribed Authority nor DGO has mention the date on which date he has informed to his prescribed Authority.

32. According to DGO 9 Acres of Land in Sy. No. 75 of Sudi Village at Ron in the name of his wife by way of gift deed executed by his Mother in-law. In respect of this property the I.O. PW.2 has

produced copy of gift deed marked as Ex.P7. Ex P7 shows about this fact but DGO has not produced Assets and Liabilities statement to show that he had informed the prescribed Authority about the execution of this gift deed.

33. The Advocate for DGO has submitted that during the year 1987 to 1994 DGO worked as Asst. Engineer as a temporary Government Servant in PWD Department, hence as per the Karnataka Civil Services (Conduct) Rules 1966 as per Rule 3(c) not necessary to submit his assets and liabilities for the year 1987 to 1994. The Rule 3 (c) reads as under:-

(c) An employee in a Government Industrial concern to whom the provisions of the Industrial employment (Standing Orders) Act, 1946 (Central Act XX of 1946) for the time being in force are applicable:-

(Provided further that Rules 9, 14, 16 and 23 shall not apply to Government servants not in whole time employment)

In my opinion this rule is not applicable to DGO because it relates to the Industrial employment (Standing Orders) Act, 1946. As per Sec.23(1) of Karnataka Civil Rules (Conduct) Rules 1966 every Government servant on his 1st appointment he has to furnish assets and liabilities.

34. By going through the evidence of the parties and documents placed by the parties I am of the opinion that the DGO except plot No. 1-10-141/2A at Kalloor Colony situated at Raichur, the presiding officer on behalf of disciplinary Authority proved that DGO has not obtained prior permission from the prescribed

authority about the acquiring of properties as mentioned in para No.25 and 29 and also not intimated about the execution of gift deed pertaining the property executed by his mother in-law in favour of his wife as stated in para no. 31 and 32. Hence I have answer point No.1 in the Partly Affirmative.

35. Though this proceeding is confined to the DGO acquiring the property without taking permission and not reporting the purchase of the properties to the Disciplinary Authority and not reporting the acquisition of the properties with known source of income to the Disciplinary Authority. However, in view of the decision of the Apex Court reported in AIR 1998 SC page 3047 between (State of Karnataka and others V/s kempaiah), this Institution has no jurisdiction to investigate or recommend regarding any allegations of amassing of wealth against the DGO. Therefore, it is left to the Disciplinary Authority, if necessary to initiate the proceedings afresh in order to ascertain whether the DGO has amassed the wealth against his known source of income and if any such proceedings are initiated, the same shall be reported to this Institution within three months from the receipt of this order.

36. Hence, I proceed to record the following:

FINDINGS

The Disciplinary Authority has partly proved the charges framed against DGO Sri. Veerabhushana Shetty, Rtd. Assistant Engineer,

Working then in PWD Sub-Division, Raichur, So far it relates to the DGO not obtaining prior permission from the prescribed authority about the acquiring of properties as mentioned in para no. 25 and 29 and also not intimated about the execution of gift deed pertaining to the property executed by his mother in-law in favour his wife.

The investigation and taking action so far as amassing of wealth as against the known source of his income is left to the discretion of the Government to initiate proceedings afresh.

The Date of Retirement of DGO 30.08.2021

This report is submitted to the Hon'ble Upalokayukta in a sealed cover.

Bareedissi
31/12/22.
(SUDESH RAJARAM PARADESHI)
Additional Registrar Enquiries-14,
Karnataka Lokayukta,
Bangalore.

ANNEXURES

Sl. No .	Particulars of Documents	
1	Witness examined on behalf of the Disciplinary Authority	
	PW.1	Smt. Nirmala W/o Basavaraju, District. Raichuru (Original) 91-92
	PW.2	Sri. Lingappa S/o Kandeppa, Police Inspector, State Inelegance, Yadgir. 93-95
	PW.3	Sri. Chandrashekhar S/o Shankreppa Patil, Rtd Dist. Judge Bengaluru. 96-103
2	Documents marked on behalf of the Disciplinary Authority Ex.P-1 to Ex.P-12	
	Ex.P1, P1(a)	Form-1 and Signature of the complainant. (Original) 104-105
	Ex.P2, P2(a)	Form No. 2 and Signature of the complainant. (Original) 106
	Ex.P3,	Letter of PW.2 submitted to the ADGP, KLA, Bengaluru. (Original) 107
	Ex.P4, P4(a)	Letter of PW.2 submitted to the S.P, KLA, Raichuru. (Original) and Signature of the PW.2 108
	Ex.P5, P5(a)	Report of the PW.2 with signature (Original) 109-112

	Ex.P6,	Records of Rights extract (Xerox)	113-115
	Ex.P7,	Gift Deed dt. 09.06.2010. and R of R extract (Xerox)	116-123
	Ex.P8	Gift Deed dt. 11.11.2008 (Xerox)	124-133
	Ex.P9	Sale Deed dt. 29.03.2004 (Xerox)	134-142
	Ex.P10	Sale Deed dt. 12.03.2001(Xerox)	144-153
	Ex.P11	Sale Deed dt. 18.12.1995 (Xerox)	154-162
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3	Witness examined on behalf of the DGO, Documents marked on behalf of the DGO		
	DW.1	Veerabhushana Shetty, S/o Neelkantappa Shetty, Rtd Assistant Engineer (Original)	181-184
4	Documents marked on behalf of the DGO Ex. D1 to D.9		
	Ex D.1	Notaries copy of permanent registration Certificate	185
	Ex D.2	Notaries copy Certificate issued Professional Tax Officer Raichur.	186
	Ex D.3	Notaries copy of the letter issued by the Manager, KSFC, Raichur.	187
	Ex D.4	Notaries copy of the card issued by the citi sites colony Bengaluru.	188-194

	Ex D.5	Notaries copy of Letter addressed by Executive Engineer KFW Planning Division Raichur.	195
	Ex D.6	Copy of the Assets and Liabilities for the year 2008-09	196-197
	Ex D.7	Copy of the Assets and Liabilities for the year 2009-10	198-199
	Ex D.8	Assets and Liabilities for the year 1997-98 (Xerox)	200-201
	Ex D.9	Assets and Liabilities for the year 2007-08 (Xerox)	202-204

Dated this the 31st December 2022

Banaraj
31/12/22

(SUDESH RAJARAM PARADESHI)
Additional Registrar Enquiries-14,
Karnataka Lokayukta,
Bangalore.

