

KARNATAKA LOKAYUKTA, BENGALURU

No: Compt/Uplok/Bcd-2384/2022/ARLO-1 Date: 29-06-2022

ORDER

A credible information is received from a reliable source that:-

- (a) The Old Students Association of Thogataveera Kshatriya Sangha Hostel (Regd), No.22/1, Rajaram Mohan Roy Road, Sampangiramnagar, Bengaluru - 560 027 was established and registered in the year 2000 and it is lodged in a room of the above stated building;
- (b) The Association was founded with the object of promoting the present students (both Boys and Girls) run by Thogataveera Kshtriya Sangha. The Girls Hostel is lodged in a part of the building No.22/1, Rajaram Mohan Roy Road. The Boys Hostel was lodged in the address at III, CVESS, N.S. Iyengar Street, Seshadripuram, Bengaluru - 560 020;
- (c) The bearers of the Association, in particular, Sri. Vijayakumar, Secretary and Sri. Srinivas, Member have misdirected and misused the funds of the above Association. They are running a chit funds

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in the above address, by utilizing the funds of the Old Boys of Old Students' Association for the welfare of present students;

(d) The funds were collected by the Old Boys of Old Students' Association of Thogataveera Kshtriya Sangha Hostel. This Association though registered, has not framed Rules or bye-laws for utilizing the funds collected from public and old boys', students at large. They are running chit funds, which is not permissible by law and the above association was not founded for the purpose of running chit funds or money circulation scheme;

(e) The Old Boys of Old Students' Association of Thogataveera Kshtriya Sangha has not properly maintained the books of accounts for the funds collected by it;

(f) In spite of several requests, the Deputy Registrar of Co-Operative Societies, Bengaluru has failed to take action against the office bearers of the said Association.

(g) The President of the Association, Sri. B.K. Venkatesh, a retired Superintending Engineer, KEB, who was a student of



Thogataveera Sangha Hostel from 1948 to 1956, as a matter of gratitude and in the interest of present students fo the Hostel, has donated around 8 lakhs rupees. He has also donated Rs.3 lakhs for construction of the new building in the presmises bearing No. 15-16, III Cross, N.S. Iyengar Street, Seshadripuram, Bengaluru - 560 020. Since, the building was sufficiently old, it was demolished and Thogataveera Kshatriya Sangha has taken up construction of news building to run boys' hostel of Thogataveera Sangha Community. The above said Sri. B.K. Venkatesh is aged about 90 years. His main intention is to transfer the funds of the Old Boys' Association for the construction of new building by Thogataveera Sangha. The Secretary of the Association namely Sri. Vijayakumar, and member of the Association namely Sri. Srinivas have stalled the transfer of the funds of the Association to Thogatabveera Kshatriya Sangha for the construction of new hostel building as afore stated. This opposition by Sri. Vijayakumar and Sri.



Srinivas is motivated to control and utilize the funds as they desire.

2. It is needless to mention that under the provisions of the Karnataka Co-operative Societies Act, 1959, it is the duty and responsibility of the Deputy Registrar of Co-operative Societies to inspect the books of account periodically and he shall ensure the proper functioning of the registered Association. However, as per the information received by me, Deputy Registrar of Co-operative Societies, Bengaluru, has failed to initiate action against the Office Bearers namely Sri. Vijayakumar and Sri. Srinivas (both of them are Advocates) for misuse funds of the Association. This inaction by the officers referred to above, amounts to mal-administration within the meaning of Sec. 2(10) of the Karnataka Lokayukta Act, 1986 (K.L. Act for short).

3. In the light of the discussion made above, prima-facie I am of the view that it is desirable to consider the grievances made by the Old Boys



Association of Thogataveera Kshatriya Sangha (Regd) as source material to exercise the power conferred on me under Sec. 7(2) and 9(3)(a) of the K.L. Act. Accordingly, I exercise my suo-motu power and the office is directed to register this proceedings as suo-motu proceeding.

4. With a view to find out the officers/officials responsible for misuse and misdirection of funds collected by the Old Students of Old Boys Association of Thogataveera Kshatriya Sangha (Regd), I am of the view, that it is necessary to implead the officers mentioned herein below as parties/respondents to this proceeding and issue notice calling for comments from them.

1.	The Deputy Registrar of Co-Operative Societies (4th Circle) , No.146, 8 th Cross, 3 rd Main Road, Margosa Road, Bengaluru - 560 003.
2.	The Assistant Registrar of Co-Operative Societies (4th Circle) , No.146, 8 th Cross,



	3 rd Main Road, Margosa Road, Bengaluru - 560 003.
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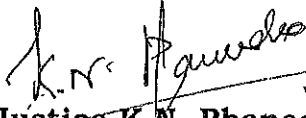
5. The Officers/Officials referred to above are directed to examine the issues referred to above and submit comments, on or before 14.07.2022. They shall also furnish the following information.

- (a) Details as to the audit of accounts of the Association for the last five years;
- (b) Statement showing the receipts and disbursements, profit and loss and balance sheet for the last five years furnished by the Association to the Director of Co-operative audit;
- (c) Irregularities, if any, pointed out in Audit for the last five years and action taken in that regard;
- (d) Whether accounts are maintained for the funds/donations collected by the Association;
- (e) Where the money was kept, and in what manner.



6. Communicate the copy of this order to the respondents referred to above for enabling them to submit their comments.

List this matter on 14.07.2022.


~~(Justice K.N. Phaneendra),~~ 29/6/2022
Upalokayukta-2,
Karnataka State.

7. ARLO-4 (Complaints Section)}