

Minutes of the 183rd Meeting of the Board of Directors of the Company held on 27th May 2011 at 11.00 a.m. at the Registered Office of the Corporation.

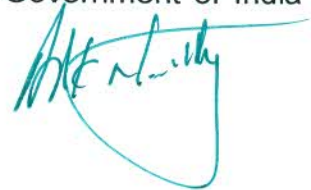
PRESENT:

Name and designation	
Shri. A.R. Krishnamurthy	Hon'ble Chairman
Shri. E. Venkataiah, I.A.S., Principal Secretary to Government, Social Welfare Dept., Government of Karnataka.	Director
Shri. Sarfaraz Khan KAS	Managing Director (I/C)
Shri. A. Muniyellappa Addl. Secretary to Government, Finance Department, Government of Karnataka.	Director
Shri. Somala Nayak Managing Director, Karnataka Thanda Development Corporation Ltd.,	Director

 Shri. Sarfaraz Khan K.A.S., Managing Director of the Corporation extended warm welcome to the Hon'ble Chairman of the Corporation Shri. A.R. Krishnamurthy, the Principal Secretary to Government Shri. E. Venkataiah, IAS, the Commissioner, Social Welfare Department, Shri. A. Muniyellappa, Addl. Secretary to Government, Finance Department and Shri. Somala Nayak, MD, KTDC Ltd., Directors of the Corporation to the meeting.

Welcoming the Directors to the meeting, the Chairman ascertained that requisite quorum was present and called the meeting to order.

Leave of absence was granted to Shri. M.A. Hussain, Dy Secretary, DPE, Government of Karnataka and the Nominee Director from Government of India and the CMD of NSCFDC.



Item No.1 – Noting of Minutes of the 182nd Meeting held on 23rd February 2011:

The Board noted and confirmed the minutes of the 182nd meeting held on 23rd February 2011.

Item No.2 – Review of action taken on the decisions of 182nd Board Meeting held on 23.02.2011:

During the course of the review, after perusing the records made available before the Committee, the Chairman observed that the earlier directions of the Board in its 181st and 182nd meetings pertaining to the COD cases are not fully complied with and therefore, the Chairman has expressed concern over the laxity of the concerned officials in pursuing these cases.

Item No. 3 – Report on performance during 2010-11 under various schemes:

The Board reviewed the targets achieved by the Corporation during 2010-11 under various schemes and noted progress achieved. The Managing Director expressed the need to redesign the schemes to avoid duplication of loan facilities under different heads. The Board concurred with the same and requested the MD to come out with a proposal.

Item No. 4 – Recommendations of DPE on a study conducted through Karnataka Enterprise Solutions Limited:

The Managing Director explained the recommendations of DPE on a study conducted through Karnataka Enterprise Solutions Limited. The Board noted the recommendations and directed the management to take corrective course of actions as advised.

Item No. 5 – Govt. owned Non-Banking Financial Companies – submission of road map and compliance of prudential norms.

The Board noted the letter addressed by the RBI and authorized the Managing Director to send a proposal to the Government on whether the Government would be extending guarantee the Non Performing Assets (NPA) arising on account of the loans extended to beneficiaries becoming bad.

Item No. 6 – Procurement of TATA Indica cars in respect of letter of intents issued by NSCFDC:

With the permission of the Chair, the GM explained that letters of intent for 100 TATA Indica Cars have been received from NSCFDC and out of which funds for

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34 cars have been released and funds for the balance are expected from NSCFDC. The Principal Secretary ascertained the details of the orders placed for 50 cars against quota of the previous year and observed that the direction of HPC on determination of price by e-tendering process was not followed. He also advised to relook the procedure of remitting the loan portion in advance at the time of placing orders and waiting for the beneficiary to pay is part.

After detailed discussions on the proposal, the Board directed as under:

1. To write to NSFDC whether unutilized funds sanctioned under other schemes could be used for the 66 cars against which LOIs have been already issued. Alternatively the Board agreed to use funds from internal accruals for 66 cars as short term measure until funds are released by NSCFDC.
2. To call e-tender for 34 cars immediately to ascertain the price.
3. To insist the beneficiary to stick to schedule for remitting his part of the unit cost. In the event of delay on the part of the beneficiary in remitting promoters contribution within the stipulated time, the Managing Director is authorized to consider any other willing beneficiary in the approved list.
4. The Managing Director was advised to screen the proposals before forwarding them to NSFDC.

Item No. 7 - Sanction of direct loans under dairy scheme to 16 beneficiaries in Bidarahalli Villege, Arkere Hobli, Rangapatna Assembly constituency, Mandya District.

Deferred.

Item No.8 – Sanction of direct loans under dairy scheme to 58 beneficiaries in Mulubagal Assembly constituency, Kolar District.

Deferred.

Item No.9 – Sanction of direct loans under dairy scheme to 75 beneficiaries in Chennagiri Assembly constituency, Dhavangere District.

Deferred.

Item no. 10 – Request of Mr. M.Mani S/o. Late Murugan for waiver of interest amount of Rs. 53325/- who remitted under OTS an amount of Rs. 4,00,000/- only against the OTS discounted amount of Rs. 4,53, 325/.

The Board considered the request of the beneficiary and directed the Managing Director to verify the loan account of the beneficiary, ascertain the genuineness of the medical grounds cited for remission of the interest and revert with full

details of repayments made by the beneficiary. Hence deferred for full details of the case.

Item No.11 – Reimbursement of medical expenses claimed by Shri. Rajashekarappa, TDO, Tumkur Dist in respect of treatment availed for himself and his wife.

Deferred for thorough verification of claim.

Item No.12 - Reimbursement of medical expenses claimed by Shri. Boraiah, TDO, Hassan Dist.

Deferred for thorough verification of claim.

Item No. 13- Purchase of Photocopying machine for Mysore District office:

The Board approved to purchase a new photocopying machine on DGSND rates under buyback scheme as proposed.

The Board considered the need to upgrade the computers and authorized the Managing Director to upgrade/procure the computer systems in head office and district offices wherever the systems have become obsolete.

Item No.14 - Request of Shri. I.H. Sangamdev, Journalist to waive of the advance amount paid for producing documentary on welfare schemes of the Corporation and also to drop the criminal proceedings:

The Board considered the request of Sri Krishna Creations and Sri. Manikanta Enterprises with reference to the decision taken in the previous meeting and the representation made by Shri. Sangamdev. The Board advised the Managing Director to view the film and ascertain from the journalist on the possibility of updating the documentary film and thus make the film fit for telecasting. Hence deferred.

Item No.15 – Regularisation of services of Sri. A.B. Patil, an employee on consolidated pay and who was removed under compulsory retirement and reinstated in pursuance of court order.

The Managing Director explained the case in detail. The Chairman observed that the case has been pending since 2007 and stressed on the need to initiate disciplinary action against the officers who were found responsible for the delay. The Board advised the Managing Director to study the case in detail, including the reasons for delay in not taking action on the recommendation of the Upa Lokayuktha and take legal opinion. Hence deferred.

Item No.16 – Appeal given by Sri. Chandrappa Neralagi, SDC against the order of disciplinary authority as per the recommendation of enquiry officer.

The Board directed the Managing Director to conduct full enquiry of involvement of all the officers and so that all concerned should be charge sheeted if found guilty.

Item No.17 – Action against Sri. T Vishwanath, DM and Sri. B.H. Shaik, TDO who were ordered punishment by Court in atrocity case.

The Managing Director explained the facts of the case and the legal opinion on the course of action to be taken. The Board after due deliberations agreed with the legal opinion and directed the Managing Director to dismiss both the accused employees Sri. T Vishwanath, DM and Sri. B.H. Shaik, TDO from service as per the legal opinion. The Board also directed to black list M/s. Sindhu Borewell Co.

Item No.18 - Action against un authorized absence from service by Sri. Suresh Y. Hunagunda:

The Board took serious note of the habitual unauthorized absence and authorized the Managing Director to dismiss Sri. Suresh Y. Hunagunda from the services of the Corporation based on the enquiry report.

Item No.19 – Review of various COD cases and disciplinary proceedings(Lokayukta) :

The Board reviewed the status of various cases involving investigation conducted by the COD and other matters relating to the Disciplinary proceedings. The Board has carefully considered the charges leveled against 4 officials viz., Smt. A. Saroja Devi, N. Shivalingaiah, M. Nagaraj and Bomla Naik. The charges leveled against them are as follows.

I. Charges against Smt. A. Saroja Devi:

- 1) Two autorickshaw loans were sanctioned to the beneficiaries, but actually the beneficiaries are not in possession of the autorickshaws.
- 2) No documents are found for having sanctioned the loan.
- 3) In 6 cases, though the Corporation has sanctioned autorickshaw loan, the beneficiaries have not received the autorickshaws.

II. Charges against N. Shivalingaiah:



