

Minutes of the 188th Meeting of the Board of Directors of the Company held on 20th March 2012 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. K.S. Mruthyunjaya	Managing Director
Shri. Nagaraj Chavan Managing Director, Karnataka Thanda Development Corporation Ltd.,	Director
Shri. M.A. Hussain, Dy. Secretary, DPE, Govt. of Karnataka	Director

Shri. K.S. Mruthyunjaya, 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, Directors and other invitees 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 the Commissioner, Social Welfare Department, Addl. Secretary to Government, Finance Department and the Nominee Director from Government of India and the CMD of NSCFDC.

Item No.1 – Noting of Minutes of the 187th meeting of the Board held on 02.12.2012.

The Managing Director informed that the minutes of the 187th meeting was circulated to all the Directors and no comments have been received from any of the Directors. The Board noted and confirmed the minutes of the 187th meeting held on 2nd December 2011 without any change.

Item No.2 – Report on the action taken on the decisions of the 187th meeting of the Board held on 02.12.2011.

The Managing Director explained the action taken on the decisions/directions of the Board in the previous meeting held on 02.12.2011. During the course of review, the following observations/deliberations were made:



Sub. No. of 187 th meeting	Subject matter	Deliberations
187.05	Computerization of operations of the Corporation.	The Managing Director presented the proceedings of the meeting held under the chairmanship of CEO, Centre for e-Governance, Department of e-Governance on 18.02.2012 and explained the discussions had with NIC. The Board noted and ratified the action taken.
187.09	Implementation of NSCFDC sponsored loan for higher education.	<p>The MD presented the details obtained from Educational Institutions on fees, cost of books, equipments and other benefits availed by SC students from Social Welfare Department. The Board after detailed deliberation directed as under:</p> <ol style="list-style-type: none"> According to the 187th Board decision NSFDC has released education loan to 17 students and to release loan to students after deducting amount sanctioned by the Social Welfare Department as per statement enclosed. No application or proposal shall be forwarded to NSCFDC without approval of the Board.
187.22	Implementation of Lift Irrigation projects for the year 2011-12 under Ganga kalyana Scheme.	The Principal Secretary advised the management to conduct a feasibility study of the Lift Irrigation Projects and to take up those projects which are feasible immediately and also advised the Engineering Department to re-workout the unit cost of each Lift Irrigation Projects.
187.23	Taking possession of unit No. A-102, Peenya Industrial Estate, II Stage, Bangalore – 560058.	The Managing Director explained the action taken for taking possession of the shed with the intervention of the Police. But the Chairman observed that the matter has been taking inordinate delay and immediate stern action is required to take the possession of the property from the tenant. The Principal Secretary also advised to explore any other mode of alternate dispute redressing by initiating dialogue with the tenant for an amicable and immediate solution.

187. Regularization of daily wage employees who are on consolidated salary. The Board considered the instances of regularization of services of daily wage employees in other Government Departments, Agencies, PSUs and also in DRABDC. The Board also noted with concern that these 45 employees have been working for more than 18-20 years and some of them are in the age group of 40 to 50 years. The Board also observed that since their services cannot be terminated, the question of their absorption has been pending for long. Since the Corporation is a separate legal entity and has separate service rules, the Board desired to have more clarifications and hence deferred the subject.
187. Irregularities in payment of remuneration to outsourced employees by the Agencies. The Principal Secretary ascertained from the Managing Director that the remittance of provident fund deductions by the agencies are being regularized and further payments to them would be withheld if the PF contributions are not remitted to the PF authorities.

To the query raised by the Principal Secretary, the MD clarified that tenders are called from the agencies for quoting only their service charges and the salary of the employees outsourced are indicated by the Corporation only.

The Board concurred with the advice of the Principal Secretary and directed to centralize the selection of agency in HO for outsourcing employees for district offices.

Item No.3 – Enhancement of authorized Share Capital of the Corporation.

The Managing Director referred to the decision of the Board in its 180th meeting held on 30.07.2010 to enhance the authorised share capital from Rs. 175.00 Crores to Rs. 200.00 Crores with the approval of the Government and informed that the Government of Karnataka has approved the proposal to increase the authorized share capital to Rs. 200.00 Crores vide letter no. SWD:145:SDC:2011: Bangalore dated 08.03.2012.

The Board noted that as per the provisions of Section 94 of the Companies Act, 1956, the enhancement to authorized share capital requires approval of the general body (shareholders in general meeting) and approved the proposal to convene an extraordinary General Meeting of the Company during April/May 2012.

The Board authorized the Managing Director to issue notices for the EGM and to write to Finance Department for appointment of Governor's nominee for the meeting. The Board also approved to incur the legal expenses as detailed below after the EGM for increasing the authorized share capital to Rs. 200.00 Crores.

The legal expenses involved in increasing the authorized share capital are given below:

Sl. No.	Details of legal expense	When raised to Rs.200.00 Crores
1.	Registration fee payable to Gov. of India	12,50,000
2.	Stamp duty payable to the State	1,25,000
3.	Filing fee	500
	Total	13,75,500

Item No.4 – Enhancement of sitting fees to the Directors

The Board approved the proposal to increase the sitting fees payable to the eligible Directors attending meetings of the Board and committee from Rs. 500/- to Rs. 1000/- per meeting as per the notification issued by DPE vide its order DPE 08 SPU 2011 dated 22.10.2011.

Item No.5 – Declaration of probationary period to Shri. H.Phaniraj, SDA, Bellary District Office.

The Board considered the proposal and reasons for extension of probationary period of Shri. H.Phaniraj, SDA, Bellary who was appointed on compassionate grounds and accorded approval to extend the probationary period from 30.08.2006 to 06.07.2011 and to declare the period from 30.08.2008 to 06.07.2011 as satisfactory completion of the probationary period.

Item No.6 – Declaration of probationary period to Shri. H.S. Mahendrakumar, SDA, Chamarajanagar District Office.

The Board considered the proposal and reasons for extension of probationary period of Shri. H.S. Mahendrakumar, SDA, Chamarajanagar due to Lokayukta and disciplinary proceedings and accorded approval to extend the probationary period from 22.10.1998 to 04.02.2009 and to declare the period from 22.10.1998 to 04.02.2009 as satisfactory completion of the probationary period.

Item No.7 – Re-designation of District Manager in Head Quarters as Assistant General Manager:

The Managing Director explained the proposal and the reasons for the need to re-designate the post of the District Manager when posted at the Head Office as Assistant General Manager due to administrative reasons and as there is no change in the monetary benefit applicable to this Group A Post. The Board approved the proposal and directed to make necessary amendments in the C & R Rules to this effect.



Item No.8 – To restore two posts of Deputy General Managers which was surrendered during 2001.

The Managing Director explained the proposal with reference to number of posts surrendered during 2001, posts transferred to ST Corporation and the need to restore two posts of Deputy General Manager. The Board considered the proposal and advised the management to forward the same to the Government for approval.

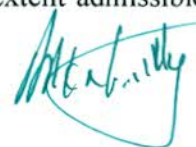
Item No. 9 – Reimbursement of Medical Expenses

The Board noted that the claims made by the following officers/employees have been scrutinized by the Finance and Accounts section [GM (F)] as per the Government Employees (Medical Attendance) Rules, 1963 and admissible amounts have been recommended for reimbursement. Since the Managing Director is empowered to sanction reimbursement of medical expenses only upto Rs. 5000/-, the Board accorded approval in the following cases:

Sl. No.	Name of the employee	Amount of claim	Amount admissible and approved for reimbursement	Amount of advance already made
		Rs.	Rs.	Rs.
1	C. Chandrakanth, D.M., Mandya	230670	104644	Nil
2	M. Chandrappa, Office Supdt., Tumkur	64294	16110	Nil
3	Late Sri. Putte Gowda,	88041	22627	Nil
4	Ramesh, SDA, Yadgir	23629	5240	Nil
5	Nagaraj, Office Supdt., Mandya	9400 5940	8774 4936	Nil
6	Narasimhamurthy, Office Supdt.	135777	135777	119000
7	C. Chickanna, Dalayath, HO	16032	11070	Nil
8	Boraiah, TDO, Hassan	16581	15230	Nil
9	Late Bamlanaik, Chikkamagalur	77679	28263	Nil
10	Siddarajamma, GM (F)	23000	15875	Nil
11	S. Gullaiah	61100	22467	Nil
12	Sharanappa, TDO, Bellary	45786	13800	Nil

Item No. 10 – Reimbursement of medical expenses incurred by Shri. Renukeshwar, TDO, Davangere:

The Board noted that the hospital in which the medical treatment availed is not in the list of hospital approved by the Government and on humanitarian grounds accorded approval to consider the application for reimbursement of medical expenses to the extent admissible as per medical attendance rules.



Item No. 11 – Reimbursement of medical expenses incurred by Shri. B. Mahendrappa, FDA, Hassan:

The Board noted that the hospital in which the medical treatment availed is not in the list of hospital approved by the Government and on humanitarian grounds accorded approval to consider the application for reimbursement of medical expenses to the extent admissible as per medical attendance rules.

Item No. 12 –Appointment on compassionate grounds to the daughter of Late Shri. Neelakantappa, TDO, Davangere.

The Managing Director referred to the application made by wife of late Sri Neelakantappa, [who was working as TDO in Davangere] seeking employment for her daughter Smt. Jayashree on compassionate grounds, and informed that relevant supporting documents have been furnished by the applicant. He also informed that as per rule 3(2)(b) of DPAR 100 SCA 96 (Bangalore) dated 12.09.1996, the applicant is eligible for appointment on compassionate grounds and she has eligible age.

The Board noted that since the applicant's daughter has passed PUC, she is eligible for appointment as SDA and since there is no vacancy at present in Group C, the Board approved to consider her for appointment as SDA as and when the vacancy arises.

Item No.13 – Appointment on compassionate grounds to the wife of Late Shri. H.V. Shivakumar, Driver, Mysore.

The Managing Director referred to the application made by smt. S. Veena, 36 years wife of late Sri. H.V. Shivakumar, Driver, Mysore, seeking employment for herself on compassionate grounds, and informed that relevant supporting documents have been furnished by the applicant. He also informed that as per rule 3(2)(a) of DPAR 100 SCA 96 (Bangalore) dated 12.09.1996, the applicant is eligible for appointment on compassionate grounds and as per Rule 6(3)(1) of KCSR 1977 she is also eligible for relaxation of age of 10 years.

The Board noted that since the applicant's daughter has passed SSLC, she is eligible for appointment as SDA and since there is no vacancy at present in Group C, the Board approved to consider her for appointment as SDA as and when the vacancy arise.

Item No.14 – Appointment on compassionate grounds to the wife of Late Shri. Rachaiah, Dalayath, Mysore.

The Board noted that Late Shri. Rachaiah, Dalayath, Mysore District had two wives and the application made by the second wife seeking employment on compassionate grounds for her second son was referred to the Government. The Board also noted that upon reference to the Government, an endorsement has been given by the Government vide letter no. SWD:40:SDC:2010 dated 15.09.2010 that such application could be considered if no objection consent is given by the first wife and her children. Since the no objection consent by the first wife, her son, second wife and first son of second wife along with other requisite documents in support of the candidature of Mr. Raju, the second son of the second wife, the Board approved to consider Mr. Raju for appointment as SDA under Group C as and when the vacancy arise as presently there is no vacancy.

Item no. 15 – Revision of rates for reimbursement of telephone bills of officers and managers of the Corporation:

The Board considered the proposal and accorded approval to the following revised rates for reimbursement of telephone bills and mobile phone bills of Officers and Managers as under:

Existing rates in force					Revised rates/ per bill		
Sl. No.	Designation of officer	Office phone	Residence phone	Mobile phone	Office phone	Residence phone	Mobile phone
1	Managing Director	Actual	Actual	Actual	Actual	Actual	Actual
2	General Managers	Actual	Actual	Actual	Actual	Actual	Rs. 650
3	Dy., General Managers	No	No	No	Actual	-	Rs. 450
4	District Managers	1000	No	Rs. 300	Rs. 1500	-	Rs. 350

Item No.16 – Appeal submitted by Shri. L. Hanumaiah, SDA, Belgaum District against the order of dismissal from service:

The Managing Director being the Disciplinary Authority took permission of the Chair to stay out during the deliberations of the subject and he was granted permission to abstain during the deliberations. With the permission of the Chair, the General Manager (P&A) explained the case in detail. The Board perused the calendar of events of the disciplinary proceedings, conviction by the lower court, bail granted by the High Court along with the supporting documents. The Board noted that the Managing Director has permitted departmental enquiry by the Lokayukta and the case is now referred to the Circuit Bench at Dharwad. The Board deferred the subject in view of the matter pending before the Court and the departmental enquiry by the Lokayukta.

Item No.17 – Reconsideration of appeal made by Shri. Ramachandra Naik, FDA.

The Managing Director being the Disciplinary Authority took permission of the Chair to stay out during the deliberations of the subject and he was granted permission to abstain during the deliberations. With the permission of the Chair, the General Manager (P&A) explained the case in detail and the observations made by the hon'ble High Court in its order dated 02.11.2011 for reconsideration by the appellate authority. The Board perused the calendar of events of the disciplinary proceedings along with the supporting documents and the order of Hon'ble High Court in the writ petition no. 662 of 2011. The Board desired to have the facts of the case in a tabular format with explanations/replies furnished by the appellant for each of the charges made against him. Hence the subject was deferred to the next meeting.

Item No.18 – Appointment of Driver to the Chairman on consolidated salary:

Subject deferred.



Item No.19 - Implementation of scheme for economic development of SCs out of the funds released by the Commissioner, Social Welfare Department under SCA

The Board noted that the Corporation has received a revolving fund of Rs. 8,37,82,876/- from the Commissioner, Social Welfare towards implementation of welfare schemes for the economic development of below the poverty line SC (BPL) families including programmes for creation of awareness and evaluation of schemes. The Board was informed that funds to the tune of Rs. 12,56,74,314/- is required for giving loans at the rate of Rs. 15,000/- per beneficiary for 8379 beneficiaries to whom subsidy at the rate of Rs.10,000/- would be given out of the revolving fund released under SCA. In view of the paucity of funds the Board decided to take up implementation of this programme to utilize the Special Central Assistance (SCSP) in the financial year 2012-13.

Item No.20 – Providing open well under Ganga Kalyana Scheme.

The Board considered the proposal and approved to adopt the three modules (Modules A, B and C) depending on the geographical condition as proposed by the Engineering Division of Dr.BRADCL at Rs.1.05 lakhs which includes, digging, providing RCC rings/RCC stening/stone massionary. The balance of Rs.0.45 lakhs will be utilized to provide 3-5hp pumpset, accessories and for energisation.

Item No. 21 – Implementation of Lift Irrigation projects for the year 2011-12 for the small farmers under Ganga Kalyana Scheme:

The Managing Director informed that the Board had accorded approval to 114 units of Lift Irrigation projects programmed for the year 2011-12 benefiting 664 beneficiaries in 10 districts at an estimated cost of Rs. 443.67 lakhs out of the total amount of Rs.500.00 lakhs earmarked. He explained the proposal to utilize the balance of Rs. 56.33 lakhs by drilling 5 units of community irrigation bore-wells scheme at a cost of Rs. 12.65 lakhs and another 12 units of lift irrigation at an estimate of Rs. 43.65 lakhs as per the list tabled. The Board accorded approval as proposed. As suggested by the Principal Secretary, the Board also advised to conduct a feasibility study of the Lift Irrigation Projects by the Corporation Engineering wing to ascertain feasibility of the proposed 126 projects selected out of 168 proposals.

Item No.22 – Extending benefits to families of victims of atrocity and social boycott of Keragodu Village, Ramanathapura Hobli, Arakalagodu Tq.

The Board considered the proposal with reference to the report of the DC and accorded approval to provide 3 bore-wells to the beneficiaries listed 1 to 3 as they have land of 2 acres each and to provide 2 bore-wells for the beneficiaries listed from 4 to 7 who are brothers belonging to the same family having land of 1 acre each with their written consent to share the 2 bore-wells.

Sl. No.	Beneficiaries Name	Land holding	Bore wells
1	Sri. Basavaraj S/o Hanumaiah	2 acres	1
2	Sri. Kariyaiah S/o Hanumaiah	2 acres	1
3	Sri. Huchaiah S/o Hanumaiah	2 acres	1
4	Sri Eraiah S/o Sannaeraiah	1 acre	2 bore wells with the consent of all the 4 beneficiaries.
5	Sri. Shivaiah S/o Eraiah	1 acre	
6	Sri. Ramaiah S/o Eraiah	1 acre	
7	Sri. Dhyamaiah S/o Eraiah	1 acre	

Item No.23: Extending assistance to 151 families who are victims atrocity of Halekundawada Village, Dhavangere Tq and District and 12 families of Sokke Village, Jagalur Tq.:

The Board considered the proposal with reference to FIR and the report of the Deputy Commissioner, Davanagere District and observed that dairy loans are proposed to all the families. The Board noted that providing loans under dairy schemes to all the 151 plus 12 families, considering the numbers, would not be feasible without any tie ups with any milk society or infrastructure for maintaining the animals. The Board advised the management to ascertain interests of these families for other alternate income generating schemes and come back with viable proposals.

Sub. No. 24: Extending benefits to families of victims of atrocity and social boycott of Kasuvina Halli Village, Nagamangala Constituency, Mandya District.

The Board considered the proposal with reference to the report of the DC and accorded approval to provide direct loan for dairy scheme to the 8 victims of the atrocity as under:

1. Subsidy @ 12500 X 08	Rs. 100,000
2. Term Loan @ 15250 X 08..	Rs. 122,000
Total	<u>Rs.2,22,000</u>

Sub. No.25: Extending assistance to 68 victims atrocity of Rakkabagi Village, Mudebihal constituency, Bijapur District.

The Board considered the proposal with reference to the report of the Deputy Commissioner, Bijapur District and observed that only dairy loans are proposed to all the families. The Board noted that providing loans under dairy schemes to all the 68 people, considering the numbers, would not be feasible without any tie ups with any milk society or infrastructure for maintaining the animals. The Board advised the management to ascertain interests of these families for other alternate income generating schemes and to come back with viable proposals.

Sub. No.26 – Providing milch cows out of the subsidy released by the Ministry of Social Justice & Empowerment, Government of India under Special Central Assistance for the year 2011-12 for economic development of SCs.

The Managing Director explained the proposal with reference to the letter of the Commissioner, Social Welfare vide No. SWD 52 SCP 2010, Bangalore dated 16.03.2011 intimating release of Rs. 100.00 Lakhs as subsidy under SCA for the year 2011-12 by the Ministry of Social Justice & Empowerment, Government of India and the conditions stipulated for implementation of the same. Since the unit cost under the dairy scheme has been enhanced to Rs. 58,500/- as per the GO dated 09.08.2011, the Board approved the proposal to utilise the SCA amount of Rs. 100.00 lakhs to cover 1000 by utilizing Rs.10,000/- from SCA per beneficiary and Rs.2,500/- from SEP allocation of the Corporation.

Sub. No.27 – Extension of OTS scheme up to 31.03.2012:

Considering the good response and requests by the District Managers, the approved to extend the one time settlement scheme upto 31.03.2012.

Sub. No. 28 – Request for settlement of loan under OTS by Kum. Subhashini d/o. Swamy, MRHB colony, Thimmenahalli, Bangalore.

The Managing Director explained the request made by Kum. Subhashini, d/o. Shri. Swamy, Thimmenahalli, Bangalore for settlement of loan taken by her purchase of TATA Indica Car, though not eligible under OTS as the loan is just 3 years old and the action taken by the management in settling the amount in single installment as per the OTS terms as she is relocating to Shimoga. The Board noted that interest on term loan amounting Rs. 14602/- and interest on margin money amounting to Rs. 4398/- (aggregating to Rs. 19,000/-) have been waived upon payment of Rs. 286, 471/- in single installment and the Board ratified the action taken by the management in this regard from the recovery point of view.

Sub. No. 29 – Release of subsidy against the budgeted allocation and release of subsidy from SCA and Pooled funds for the year 2011-12:

The Board reviewed and noted that out of the subsidy of Rs.9000.00 lakhs allocated in the budget for 2011-12, amounts aggregating to Rs. 8797.50 under various head of accounts have been released and a balance amount of Rs. 202.50 lakhs is yet to be released by the Government, despite requests by the Corporation.

The Board also noted that following subsidy amounts have been released to the Corporation by Commissioner, Social Welfare Department during the year 2011-12 under Special Central Assistance (SCA) and pooled funds:

Sl. No.	Purpose	Special Central Assistance	Pooled funds
1	For Self employment of physically challenged	445.73	0
2	For women's Self Help Groups	1125.89	0
3	Economic development of Women's Self Help Groups	500.00	0
4	Towards economic development of Safai karamcharis	300.00	0
5	Towards providing Auto/Taxi to unemployed youths	200.00	0
6	Ganga Kalyana Scheme	500.00	1100.00
7	Micro Credit	200.00	0
	Total	3271.62	1100.00

Since matching funds for term loan and margin money components are not available, the Board approved the proposal to utilize these funds in the financial year 2012-13 by working out suitable schemes that are more beneficial in the action plan for 2012-13.

Sub. No. 30 – Revision of unit cost in respect of drilling of bore-well under Community Irrigation scheme:

The Managing Director informed that as per the Government's directions dated 15.05.1996, norms fixed for providing bore-wells under community irrigation scheme is 2 bore-wells at an unit cost of Rs. 2.53 lakhs to cover 5 to 8 acres benefiting 3 to 5 beneficiaries and 3 bore-wells at an unit cost of Rs. 3.59 lakhs to cover 8 to 15 acres benefiting 5 to 8 beneficiaries. He also referred to the demands by various representatives and organizations to increase the unit cost and implement the scheme. The Board advised to refer the matter to the Government for its consideration.

Addl. Sub. No. 1 – Purchase of new car for the official use of the Managing Director:

The Board considered the need for suitable vehicle for extensive travel across the State and accorded approval to purchase Toyota Innova for the official use of the Managing Director.

Addl. Sub. No.2 - Request of Senior Computer Programmer to enhance of remuneration and to place his services under consolidated salary basis:

The Board noted that the post of Senior Computer Programmer is to be filled in by taking suitable candidate on deputation as per the C & R Rules of the Corporation and presently the post is outsourced as per the advice of M/s. KEONIC since they could not depute any candidate. The Board declined the request made by the incumbent Senior Computer Programmer as the post would be filled in either by outsourcing or by deputation.

Vote of thanks:

The meeting ended with a vote of thanks.


Hon'ble Chairman