

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"> <li data-bbox="860 817 1339 1086">i. 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. <li data-bbox="860 1097 1339 1198">ii. 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.

