

Minutes of the 192nd Meeting of the Board of Directors of the Company held on 14th August 2012 at 4.30 p.m. at the Registered Office of the Corporation.

PRÉSENT:

Name and designation	
Shri. A. Narayanaswamy Hon'ble Minister for Social Welfare & Prisons, Government of Karnataka.	Special Invitee
Shri. A.R. Krishnamurthy	Hon'ble Chairman
Shri. E. Venkataiah, I.A.S., Principal Secretary to Government, Social Welfare Dept., Govt. of Karnataka.	Director
Shri. K.S. Mruthyunjaya	Managing Director
Shri. Naveen Raj Singh, IAS., The Commissioner, Social Welfare Dept., Govt. of Karnataka.	Director
Shri. M.S. Shivaram Dy Secretary to Government, Finance Department, Govt. of Karnataka.	Director
Shri. M.A. Hussain, Dy. Secretary, DPE, Govt. of Karnataka.	Director

Shri. K.S. Mruthyunjaya, Managing Director of the Corporation invited Shri. A. Narayanaswamy, Hon'ble Minister for Social Welfare & Prisons, Government of Karnataka, Shri. A.R. Krishnamurthy, Hon'ble Chairman of the Corporation, Shri. E. Venkataiah, IAS, the Principal Secretary to Government, Shri. Naveen Raj Singh, IAS, Commissioner, Shri. M.S. Shivaram, Dy Secretary, Finance Department, Shri. M.A. Hussain, Dy. Secretary, DPE, Directors of the Corporation to the meeting.

The Chairman extended Shri. A. Narayanaswamy, Hon'ble Minister for Social Welfare & Prisons, Government of Karnataka and thanked him accepting the invitation of the Corporation and gracing the meeting in his busy schedule. 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. Nagaraj Chavan, Managing Director, Karnataka Thanda Development Corporation Ltd and the Nominee Director from Government of India and the CMD of NSCFDC.

Item No.1 – Review of action taken on the minutes of the 190th meeting of the Board held on 21.06.2012 and 191st meeting of the Board held on 10th July 2012:

The Chairman briefed the Hon'ble Minister on the action taken on the decisions of the two previous Board meetings held on 21.06.2012 and 10.07.2012. The Chairman



informed that the Board had whole heartedly acknowledged the announcement made by the Hon'ble Chief Minister in his budget speech and placed on record of its appreciation of the efforts taken by the Hon'ble Minister for Social Welfare in getting the long pending demand of waiver of loans granted to SCs/STs for agricultural and allied activities till the year 2005-06 as well as waiver of interest in respect of other loans. The Chairman requested the Hon'ble Minister to use his good offices in getting necessary orders of the Government on the modalities of the loan/ interest waiver and also to release necessary funds (approximately Rs. 120.00 Crores) towards giving effect to the waiver scheme as the Corporation does not have retained earnings to absorb writing off of these loans/ interests. The Hon'ble Minister assured to take up the issue with the Government.

The Board reviewed the action taken reports and noted the same.

Item No.2 – Approval of Action Plan for 2012-13:

The Managing Director explained that the Government of Karnataka has made a budgetary allocation of Rs.100.00 Crores for the year 2012-13 and with the Central Assistance of Rs. 5.39 Crores for the year 2012-13, Pooled fund of Rs. 88.00 Crores sanctioned under SC sub-plan and unutilized SC sub-plan funds of 2011-12 amounting to Rs. 93.62 Crores are available in aggregate of Rs. 287.01 Crores for implementing various welfare schemes during the current fiscal 2012-13. He explained the schemewise physical and financial targets set out in the draft action plan for 2012-13. The Board reviewed the allocation of funds which were reworked as per the discussions held in the previous two meetings.

The Board noted that unutilized funds of Rs. 140.03 Crores would be utilized for the backlog works during the year 2012-13. The Board also noted and approved the policy that under the Self Employment Programme for unit costs upto Rs. 1.00 lakh subsidy upto 50% subject to a maximum of Rs. 25,000/- would be given and the balance to be met out of bank loans and in respect of unit costs exceeding Rs. 1.00 lakh 20% by way of margin money loan, 5% to be brought in as beneficiary contribution and the balance would be funded by bank loans. The Board directed to adopt the policy of assistance for unit costs of less than Rs.1.00 lakhs for the programmes under Safai karmachari rehabilitation also.

During the course of deliberations, the Hon'ble Minister made the following observations and directions:

1. The Officers of the Corporation should ensure that benefits given are not misused by the beneficiaries and proper care should be taken while identifying the beneficiaries.
2. While appreciating the efforts taken by the Corporation in registering highest ever rate of recovery during 2011-12, the Minister advised that the officers of the Corporation should educate the beneficiaries and ensure that the repayments are improved.



3. Advised the management to send a proposal to the Government that in addition to the existing practice of identifying the safai karmacharis, the certification of municipal authorities also to be considered for extending benefits under safai karmacharis rehabilitation programme.
4. In order to cover more beneficiaries under Land Purchase Scheme, efforts should be made to have tie ups with banks for additional loans with joint mortgage of land and link up providing of irrigation through Ganga Kalyana Scheme.
5. Attach more importance wherever feasible to Lift Irrigation systems especially in areas like North Karnataka, Hyderabad Karnataka.
6. Agreed to take necessary steps to get term loan from the State Finance Department instead of NSCFDC., New Delhi.

After detailed deliberations the Board accorded approval to the action plan as proposed and the scheme-wise plan as set out in the Annexure - I which was tabled. The Board also approved for allocation of 20% of the funds earmarked under Ganga Kalyana, Dairy and Micro credit Scheme for the year 2012-13 as Discretionary Quota for the Chairman for sanctioning to deserving beneficiaries who could not get selected in the normal course of selection. The Board also approved to continue to extend benefits under Direct Loan scheme through NSCFDC and Banks during the year 2012-13 also.

Board directed to send with recommendation of all direct loan cases under direct loan scheme. Where the unit cost exceeds Rs.1.00lakh to Nationalized Banks giving subsidy of 33% of unit cost subject to maximum of Rs.1.00lakh (1.00lakh Subsidy for Tata sumo, Tata Indica, Tractor & etc.,)

The Board in its 184th meeting had approved to reserve 20% of Budget allocation for Chairman/Board under discretionary quota. Accordingly 1038 individual bore wells for 2011-12 reserved for Chairman's discretionary quota was approved by the Hon'ble Minister for social welfare and prison and the Board concurred the approval given by the Hon'ble Minister.

Item No.3 – Acquiring residential quarters for the Chairman of the Corporation:

The Managing Director referred to the decision taken in the 191st meeting of the Board held on 10th July 2012 and explained the details of properties identified for setting up of residential accommodation for the Chairman of the Corporation. The Board considered the suitability among the four proposals and selected the premises owned by Shri. Kokka Venkata Ramesh, situated at No.215.2, "D" Block, Sahakara Nagar, Bangalore 560 092 constructed on a plot of [40X70] 2800 sq. ft with a built up area of 4100 Sq.ft. The Board accorded approval to acquire the aforesaid property at the price of Rs. 2,79,00,000/- (Rupees two crore and seventy nine lakhs only) out of the internal accruals of the Corporation and authorized the Managing Director to take such other action as may be deemed necessary in registering the property in the name of the Corporation.

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Item No.4 – Outsourcing of Group C & D employees for 2012-13 through M/s. KEONICS Ltd., a Government of Karnataka undertaking.

The Managing Director referred to the discussions had with M/s. KEONICS Ltd., which has exemption under Section 4(g) of the KTPP Act, 1990 granted by the Government vide G.O. no. FD:390;Exp 1212 dated 16.05.2012 and explained the proposal to outsource the services of group C & D employees in the positions vacant in the head office and district offices for the year 2012-13. The Board discussed in details on the gross salary fixed for each category of Group C & D employees and service charges payable to M/s. Keonics and the statutory contributions to be made. The Board observed that the salary fixed for the posts of Drivers required upward revision within the limit prescribed by the Government and accorded approval to outsource engaging services of Group C & D employees for the year 2012-13 as per the rates of salary, deductions, statutory contributions and service charges as stated in the Annexure – II and on the following terms and conditions stipulated by M/s. KEONICS:

1. Service tax will be as applicable and the current rate is @ 12.36%
2. Working personnel will be eligible for one-day leave for every month.
3. Payment will be released after receiving the payment from the Corporation along with attested attendance of the candidate.
4. The business associates of M/s. KEONICS will provide manpower.

The Board authorized the Managing Director to take necessary action in this regard.

Other subject considered with the permission of the Chair:

Addl. Sub. No. 1 – Implementation of NSCFDC sponsored loan for higher education

The Chairman referred to the decision taken earlier by the Board to suspend the scheme for arranging Loan through NSCFDC for Higher education and explained the need to implement the scheme in respect of applications already received and forwarded to NSCFDC. He also informed that LOI for 32 applications has been received and out of which funds have been released for 15 beneficiaries. The Board considered the proposal and approved to forward the balance applications already received to NSCFDC after verifying the following aspects:

1. To ascertain from the concerned educational institution the details of fees, cost of books and other implements required for the course.
2. To ascertain from the applicants the details of benefits if any availed from the Social Welfare Department.
3. To deduct the benefits availed from the term loan amount and recommend for the balance.
4. To give preference to those students who did not or could not avail any benefit from the Social Welfare Department.



