

**MINUTES OF THE FIFTH MEETING OF THE BOARD OF DIRECTORS
HELD AT 2.30 PM ON 27TH MARCH 2010 AT THE REGISTERED
OFFICE OF THE COMPANY, 2ND FLOOR, OFFICE OF THE DEPUTY
COMMISSIONER, BANGALORE , BEHIND CITY CIVIL COURT
COMPLEX, K.G. ROAD, BANGALORE – 560 009**

Present:

1. Sri K. Jothiramalingam, IAS - Director
2. Ms V. Manjula, IAS - Managing Director
3. Sri G.M. Dhananjaya, IAS - Director

By Invitation:

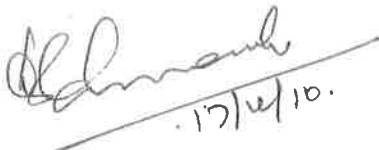
1. Sri Anil Kumar Jha, IAS. - Secretary to Govt.,
Finance Department
(Expenditure)
2. Sri Vijayakrishna KT - Company Secretarial
Consultant

Sri K Jothiramalingam, IAS, Director was elected to the chair and he conducted the proceedings.

ITEM NO. 1 : LEAVE OF ABSENCE:

Leave of absence was granted to Sri D. Thangaraj, Sri Shanthappa N and Sri M.R. Sreenivasamurthy.

The Board suggested that the Government of Karnataka be requested to nominate new Directors who can attend and participate at the Board Meetings in the interests of the Company in place of Sri D. Thangaraj and Sri M.R. Sreenivasamurthy, who have ceased to be in the service of the Government. The Managing Director also drew the attention to the fact that Sri Shanthappa N was appointed as Director in his earlier position as Special Deputy Commissioner, Bangalore was since then, transferred to a new posting. The Board also suggested that the Government be requested to appoint a Director in place of Sri Shanthappa N.

84
17/4

17/4/10.

ITEM NO. 2 : CONFIRMATION OF THE MINUTES OF THE PREVIOUS BOARD MEETING:

Minutes of the 4th Board Meeting held on 24.12.2009 as circulated amongst the Directors were confirmed.

ITEM NO. 3 : ACTION TAKEN IN RESPECT OF PREVIOUS MINUTES:

Detailed Action Taken Report on the Minutes of the 4th Board Meeting held on 24.12.2009 as circulated was studied and taken on record by the Board. The Managing Director further briefed the Board on some of the issues relating to previous Minutes.

ITEM NO. 4 : REVIEW OF OPERATIONS:

Detailed note circulated on the subject was considered by the Board at length.

Following is the gist of the deliberations on the subject:

1.

- a. The legal cell has been functional from 1st January 2010. Meetings were held with all Tahsildars and Sheristedars in-charge of litigations and all the related issues were reviewed. It was observed that accurate information on the pendency of cases both in Civil and the High Court is not available in the taluk offices. A session on legal awareness was held on 22.2.2010. The Managing Director recalled her Meeting with Registrar at Civil Court seeking designation of a Court to have all the revenue matters heard.
- b. A number of cases have been decreed against the Government due to laxity of taluk office in filing statement of objection. The Head of legal cell has been obtaining files from taluk offices and has been reviewing them and issuing necessary directions to the Tahsildars. A retired sheristedar has been engaged on a remuneration of Rs. 10,000/- to assist the taluk offices of Bangalore North and South taluks in proper monitoring of litigations. It is proposed to engage one or two persons with experience in judiciary for the other taluks. The Head of legal cell has been advising the Company and the district administration regarding proper course of operation and in court cases and in preparing para wise remarks. A panel of four senior and four junior advocates have been made for representing the Company and the Deputy Commissioners/Tahsildars etc important cases involving government lands.

2. Special teams have been formed for each taluk in Bangalore Urban District with Assistant Commissioners / Tahsildars of the Company / Office of the Special Deputy Commissioner (Enforcement Cell) and Special Task Force to visit the respective taluks at least one day a week with the following plan of action:

- a. Preparation of action plan for removal of encroachments: The teams shall visit the encroached Government lands in their respective taluks in order to familiarize themselves with the spot and to plan for removal of encroachments. The Assistant commissioners / Tahsildars shall verify the records of the taluk office to confirm that a proper notice has been issued under section 94 read with sections 39 and 67 of the Karnataka Land Revenue Act by the Tahsildar to the encroacher, the Tahsildar has passed an order and served copies of notices are available in the file etc. The team shall also identify any special equipments that is gas cutters etc., which may be required for the purpose of removal of the encroachments.
- b. Inspection of lakes to ensure that no encroachments are being made in the lake bed area.
- c. Inspection of other Government lands to review their status. Special focus may be given to lands which are close to urban areas.
- d. Inspection of lands pertaining to which the Task Force for protection of government lands has received complaints. The objective of the team would be to resolve the complaint on the spot itself, wherever possible.

The resolution of the complaint would mean and include:

- i) Filing of criminal case against encroachers under section 192(a) of the Karnataka Land Revenue Act.
 - ii) Removal of the encroachments on the spot itself.
 - iii) Seizure of JCBs and other equipments if any of the encroacher if found on the spot.
 - iv) Any other action as may be deemed fit.
- e. The team shall also inspect auctioned lands where possession is yet to be handed over due to some problem and also obtain necessary information from the Tahsildar where any reports etc., have been sought from him.

- f. The officers of the Special Task force shall also assist the taluk office in filing complaints under section 192(a) against the encroachers with all relevant documents and necessary evidence.
 - g. The officers of the STF shall also obtain the present status of complaints already lodged with the jurisdictional police stations and the status of the already charge sheeted cases.
 - h. The officers of the STF shall coordinate with the local police and ensure that adequate police force is deployed on the spot during the removal of encroachments.
 - i. Certain cases will also be referred to STF for a discreet inquiry. The Officers of STF shall conduct such an inquiry, collect all relevant facts and documents and then submit a report to this office for further action.
 - j. The objective is to ensure that maximum number of complaints are filed against the encroachers so as to act as a deterrent against future encroachments. The officers of the STF shall therefore continuously review the status of complaints filed by the taluk offices to ensure that maximum number of cases are filed.
 - k. The Assistant commissioners / Tahsildars in the team shall ensure that the removal of encroachments is taken up on priority in cases figuring in the VIP list, cases where large extents of valuable Government lands are involved etc.
3. On the basis of a report published in a news papers, the Company deputed an officer to inspect the spot and to verify the concerned documents relating to survey number 37 of Krishnasagarā village of Attibele hobli, Anekal taluk. The said survey no. is a government tank. Large scale of tampering of records were found in favour of a private individual. The Deputy Commissioner, Bangalore Urban district was asked to suspend the Deputy Tahsildar, Revenue Inspector, Village Accountant and the record keeper. The above officers were suspended. A proposal was sent to the Government on 1.3.2010 to suspend the Special Tahsildar of Anekal taluk who had forwarded the report to the Special Deputy Commissioner, Bangalore recommending the case of the private individual.
 4. Encroachments of 204.00 acres in Bangalore Urban District and 8209 acres 07 guntas in rest of Karnataka were removed in the last three months.
 5. The Company has also been assisting the Task force for protection of Government lands. 646 complaints have been received till date from across the

State alleging encroachments on Government lands and these complaints have been forwarded to the Deputy Commissioners and concerned departments. 145 replies have been received. The Managing Director has also participated in review meetings held in the four divisions for reviewing information about encroachments on government lands.

6. The following fencing estimates have been sanctioned and work was entrusted to Rural Infrastructure Corporation Ltd.:
 - a. 12 acres 16 guntas of land in survey number 60 of Konena Agrahara of Varthur hobli, Bangalore East taluk at an estimated cost of Rs. 5,81,000/-.
 - b. 2 acres 16 guntas of lands in survey number 3 of Sheshagiripura of Tavarekere, Bangalore South at an estimated cost of Rs. 2,10,000/-.
 - c. Watch and ward and fencing of remaining area for survey number 211 of Banasawadi village of K.R. Pura hobli of Bangalore East taluk at an estimated cost of Rs. 2,90,000/-.
 - d. The Nirmitha Kendra/Karnataka Land Army have also been asked to submit estimates for fencing of survey numbers 13 and 14 of Banasawadi village in K.R.Pura hobli of Bangalore East taluk.

There were queries from Directors on some of the legal and logistic issues which were suitably replied to, by the Managing Director who further mentioned that the Company proposes to ultimately act as Estate Agent/Manager of the Government of Karnataka. It was suggested to take full inventory of all Government lands in the State; the Managing Director replied that Task Force is on this job.

The Managing Director also proposed that the Main Objects in the Memorandum of Association be altered to include all the current and future activities of the Company as currently the scope seemed to be limited. The Board agreed for the same. The Managing Director was requested to present a note to the Board also covering future roadmap for the Company.

ITEM NO. 5 : EXPENDITURE INCURRED DURING THE FIRST YEAR OF OPERATION:

The Board was informed that the first financial period for the Company ends on 31st March 2010. The total expenditure incurred by the Company from January 2009 to 15th March 2010 is Rs. 92,33,283/-. The abstract exhibiting the

income and expenditures of the Company as circulated was taken note of. There were queries on the monies received etc. which were explained.

It was noted that proposal for the budgetary grants for the financial year 2010-11 has been forwarded to the Secretary to Government for an approximate amount of Rs. 230.82 Lakhs including the expenditure to be incurred towards fencing (Protection of Government lands).

ITEM NO. 6 : DELEGATION OF POWERS TO THE MANAGING DIRECTOR:

As per the decision at the last Board Meeting held on 8.1.2010, proposal of delegation of powers to the Managing Director as circulated was deliberated upon, at length.

Considering the scope of the responsibilities, nature of functions and considering the other delegation of powers in other comparable companies, the Board modified certain powers and after due deliberations, approved the following:

- 1.1 The Directors may from time to time entrust and confer under the Companies Act, 1956, Articles of Association or directive from the Government, such of the powers exercisable as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient; and they may confer such powers, either collaterally with, or to the exclusion or, and in substitution for, all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 1.2 The Managing Director, subject to the provisions of the Act, Memorandum of Association, Article of Association, directive from Government and these Rules shall be entitled to the management of the whole of the affairs of the Company and he/she shall exercise his/her powers, as such Managing Director subject the superintendence, control and direction of the Board of Directors of the Company.
- 1.3 The Managing Director may be authorized by the Board to sub-delegate such of his/her powers as he/she may think fit to other officers of the Company subordinate to him/her and such sub-delegation of powers other than financial related made by the Managing Director, shall be reported at the meeting of the Board immediately following the date of each sub-delegation.

- 1.4 For the due implementation of the policies/decisions as may be taken by the Board, the Managing Director may exercise general superintendence and supervision over the working of all constituent units of the Company. The Managing Director shall be the Chief Executive of the Company.
- 1.5 Subject to the control, direction and control of the Board of Directors of the Company, the Managing Director shall have the powers to manage the whole of the affairs of the Company on day to day basis. The implementations of rules, regulations, directions issued by Board, shall be with the Managing Director of the Company.
- 1.6 All the other officers will be under the control, direction and superintendence of the Managing Director and shall be required to implement the rules, regulation, directions issued by him.
- 1.7 Additionally and without diluting to afore-mentioned clauses, the Managing Director shall:
 - a. be responsible for the conduct of the business of Company.
 - b. have powers to make any payment in connection with all or any of the Company's operations or business;
 - c. provide for the prosecution of the Company's operations diligently in accordance with the relevant laws in force;
 - d. use his utmost exertions to promote the interest of the Company and to preserve, guard and defend the property of the Company from waste, spoil and infury;
 - e. cause to be made and kept accurate and complete records of the operations;
 - f. supervise the keeping by the accountancy staff of the Company of full and correct accounts to be kept in such manner as the Company may require of all receipts and expenditure which will be submitted for audit to such audit authority, as the Board/Central Government may decide.

DELEGATION OF POWERS TO THE MANAGING DIRECTOR

Sl. No.	Particulars	
1.	To engage the services of required man power either through man power agencies or through contract basis.	Full powers
2.	Write off the value of the Stores and other items up to Rs. 1 lakh in each case.	Rs. 5 lakhs per year
3.	Write off Bad Debts up to Rs. 10,000/- in each case.	Rs. 25,000/- per year
4.	Engaging the services of various consultants, Advisers for period not exceeding 1 year.	Upto Rs. 50,000/- per month.
5.	To take up necessary action for fencing of government property and to give administrative approval for the estimates received for this purpose.	Upto an estimated cost of Rs. 30 lakhs per case. If the estimates exceeds Rs.30 lakhs approval of the Board of Directors shall be taken.
6.	To sanction expenditure on modernization, renovation etc of the office	Full powers
7.	To appoint advocates to the panel of advocates and to engage their services for representing the Company and the State of Karnataka before various courts; and to sanction necessary fees as per the approval given by the Board to the legal fee structure.	Full powers
8.	To purchase stationary materials office equipments etc., and to incur expenditure on printing, publication, issue of advertisements etc.	Full powers
9.	To auction Government lands as per the directions of the government and to deposit the proceeds with the government.	Full powers
10	To hire private vehicles for use of the officials of the Company.	Full powers, subject to prevailing guidelines.

ITEM NO. 7 : INVESTMENT IN FIXED DEPOSIT:

Attention of the Board was drawn to the parking of surplus funds which are not immediately required by the Company. Based on the study of the quotes of interest offered by different nationalized banks amount of Rs. 300.00 lakhs was kept in fixed deposit for a period of 1 year with State Bank of Mysore, Avenue Road Branch, Bangalore at interest rate of 7% per annum. The earnings of interest could be adjusted against the expenditures to be incurred by the Company, it was informed.

The Board ratified the decision taken by the Managing Director in the best interest of the Company.

ITEM NO. 8 : APPOINTMENT OF STATUTORY AUDITOR:

The Board was informed that it has been intimated by office of the Comptroller and Auditor General of India, New Delhi vide letter dated 30.01.2010, that the work relating to audit of the Karnataka Public Lands Corporation Ltd., is entrusted to Principal Accountant General (Civil and Commercial audit) Karnataka, Bangalore. In turn, Principal Accountant General (Civil and Commercial audit) Karnataka, Bangalore sought certain information such as date of registration of the Company, authorized capital, paid up capital etc., the same have already been furnished vide letter No. KPLC/CAGL/22/09-10 dated 5.3.2010.

In continuation to the said letter, it has been further intimated by Comptroller & Auditor General of India, New Delhi, vide letter no. 285/VLP/V/22-2009 dated 11.3.2010 that the supplementary audit of this Company under section 619(3) & (4) of the Companies Act 1956 is subject to the audit done by statutory audit by the firm viz. Messrs Surajmal Daga & Co., No. 204, 3rd floor, Raja Krishnamurthy Complex, Chickpet, Bangalore – 560 003.

It has also been intimated by the Comptroller and Auditor General of India that a sum of Rs. 20,000/- (twenty thousand only) is to be paid as audit fee for the statutory auditors which was accepted by the Board with the condition that the same fee be fixed for the next year also in view of lesser works in the current period and the Managing Director was authorized to finalise this with the Auditors subject to applicable compliances under the Companies Act, 1956.


There being no other business to transact, the meeting concluded with vote of thanks to the chair.

Bangalore
27.3.2010

Sd/-
(K Jothiramalingam)
Chairman of the meeting.

Copy to all concerned.

✓ Accounts Officer, KPWC.


Secretary to Government
Revenue Department &
Ex-Officio Managing Director,
Karnataka Public Lands Corporation Ltd.