

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD AT 12.30 PM ON 5TH SEPTEMBER, 2011 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:

| | |
|--------------------------------|---------------------|
| Shri Ashok Kumar C Manoli, IAS | - Chairman |
| Shri A K Monnappa, IAS | - Managing Director |
| Shri S N Jayaram, IAS | - Director |
| Shri M K Aiyappa, IAS | - Director |
| Shri Raja Naik, IAS | - Director |

By Invitation:

Shri K R Badiga - Representing Shri L V Nagarajan, IAS
Deputy Secretary
(Finance Department)

Shri Vijayakrishna K T - Company Secretarial Consultant

Shri A K Monnappa, IAS, Managing Director extended a hearty welcome to Shri Ashok Kumar C Manoli, IAS, Chairman, Shri S N Jayaram, IAS, Shri M K Aiyappa, IAS and Shri Raja Naik, ~~IAS~~, newly appointed Directors who were attending the Board Meeting for the first time, and to the invitees.

Shri Ashok Kumar C Manoli, IAS, Chairman took the chair, and ~~he~~ conducted the proceedings.

Thereafter, he briefed the background of the Main Objects for which the Company was incorporated and the achievements of the Company so far and stated that the concept has been developed very well. He added that the Company can aggressively act to protect the Government lands encroached illegally by the public.

ITEM NO. 1: LEAVE OF ABSENCE:

Leave of absence was granted to Shri L V Nagarajan, IAS, Shri K M Shivakumar, IAS who had expressed their inability to attend the Meeting.

Chairman desired to have details of the composition of the Board from the beginning and changes made by the Government. He felt that it would be more appropriate if the representative of Finance Department on the Board participated in the Board Meetings since the business of the Company has significant economic ramifications.

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

Minutes of the previous Board Meeting as circulated were confirmed.

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

Detailed Action Taken Report on the Minutes of the previous Board Meeting as circulated was studied and was taken on record by the Board. The Managing Director further explained to the Board on some of the actions taken issues relating to previous Minutes and the following was noted:

| Sl. No. | Subject | Action taken |
|----------------|--|--|
| 1 | Review of Court cases | Action taken to implement the decision of the Board |
| 2. | Financial statements for the period ending 31.3.2011 | Noted |
| 3. | Appointment of General Manager | Action taken to appoint General Manager, but he did not report for duty. |
| 4. | Review of business | Noted for further action. |

ITEM NO. 4: RECONSTITUTION OF THE BOARD INCLUDING APPOINTMENT OF CHAIRMAN, CHANGE IN MANAGING DIRECTOR AND OTHER DIRECTORS:

The Board noted the following:

The Government of Karnataka exercising their right under Articles of Association of the Company have issued the following Government Orders reconstituting the Board of Directors of the Company with the following details:

Appointment of new Chairman:

It was noted that the Government of Karnataka Government in its Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011 has appointed Shri Ashok Kumar C Manoli, IAS as Director and Chairman of Karnataka Public Lands Corporation Limited.

Following Resolution was passed:

"RESOLVED THAT the appointment of Shri Ashok Kumar C Manoli, IAS as Director and Chairman by the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved."

Appointment of Managing Director:

It was noted that the Government of Karnataka Government in its Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011 has appointed Shri A K Monnappa, IAS, as Managing Director of Karnataka Public Lands Corporation Limited in place of Shri B. R. Jayaramaraje Urs, IAS.

Following resolution was passed:

"RESOLVED THAT the appointment of Shri A K Monnappa, IAS, as Managing Director in place of Shri B. R. Jayaramaraje Urs, IAS as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to file required Forms and Returns with the Registrar of Companies.”

Appointment of Directors:

It was noted that the Government of Karnataka Government in its Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011 has appointed,

1. Shri L V Nagarajan, IAS, as Director of Karnataka Public Lands Corporation Limited in place of Shri M.R.Shrinivasa Murthy, IAS (Retd).
2. Shri K M Shivakumar, IAS, as Director of Karnataka Public Lands Corporation Limited in place of Shri D.Thangaraj, IAS (Retd).
3. Shri S N Jayaram, IAS, as Director of Karnataka Public Lands Corporation Limited in place of Shri G.M.Dhananjaya, IAS (Retd).
4. Shri M. K. Aiyappa, IAS, as Director of Karnataka Public Lands Corporation Limited in place of Shri R.K.Raju, IAS.
5. Shri Raja Naik, ~~IAS~~, as Director of Karnataka Public Lands Corporation Limited in place of Shri Shanthappa, KAS.

After due discussions the Board passed the following resolutions:

“RESOLVED THAT the appointment of Shri L V Nagarajan, IAS, as Director in place of Shri M.R.Shrinivasa Murthy, IAS (Retd) as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT the appointment of Shri K M Shivakumar, IAS, as Director in place of Shri D.Thangaraj, IAS (Retd) as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT the appointment of Shri S N Jayaram, IAS, as Director in place of Shri G.M.Dhananjaya, IAS (Retd) as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT the appointment of Shri M. K. Aiyappa, IAS, as Director Limited in place of Shri R.K.Raju, IAS as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT the appointment of Shri Raja Naik, ~~IAS~~ as Director in place of Shri Shanthappa, KAS as per the directions of the Government of Karnataka vide Government Order No. RD 388 LJB 2008, Bangalore dated 05.05.2011, be and is hereby approved.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to file required Forms and Returns with the Registrar of Companies."

The Board placed on record its appreciation for the services rendered by the outgoing Directors.

ITEM NO. 5: DECLARATIONS FROM DIRECTORS UNDER SECTION 274(1)(g):

The declarations made pursuant to Section 274(1) (g) of the Companies Act, 1956 received from the Directors were placed before the Board and were taken

on record. The Board noted that none of the Directors on the Board was disqualified to act as Directors.

ITEM NO. 6: DISCLOSURE OF INTEREST BY DIRECTORS UNDER SECTION 299:

Notices of interests in other bodies corporate etc. received from Directors as per the requirement of Section 299 of the Companies Act, 1956 were read out in the Meeting and the Board took on record the disclosures.

ITEM NO. 7: FIXATION OF REMUNERATION OF AUDITORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2011:

The Board noted the following:

Messrs Surajmal Daga & Co., have requested to increase the audit fees for financial year 2010-11 from Rs.35,000 to Rs.63,000/- based on the time spent for audit work.

Further, they quoted separate fees at Rs.25,000/- to carry out the audit under Section 44(AB) of Companies Act and Rs.12,500/- to furnish MAT Certificate u/s 115 JB (4) of Companies Act.

The request of the Auditors to increase upto Rs. 63,000/- was carefully considered by the Board keeping in mind remuneration of Auditors in other comparable companies and the man hours spent by them. After due deliberations, the Board decided to enhance the Auditors fees by 10% on the existing fees of Rs. 35,000/- and authorized the Managing Director to settle this with the Auditors.

ITEM NO. 8: ADOPTION OF ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2011:

The draft Accounts for the year ended 31st March, 2011 as circulated were reviewed and the Board was requested to consider and approve the same.

There were queries from the Chairman and other Directors on the following:

- a. Revenue stream of the Company.
- b. Cash and Bank balances.
- c. Sweep Account – to be kept at optimum level.
- d. Treasury management can be optimized.
- e. Detail of loans and advances.
- f. Taxation and Advance Tax paid.

There was a discussion on some of the accounting issues

After due discussions, the Board passed the following resolutions:

“RESOLVED THAT the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date, together with the schedules thereto, and notes thereon, as placed before the meeting, be and are hereby approved.

FURTHER RESOLVED THAT Shri A K Monnappa, IAS, Managing Director and any one other Director be and are hereby authorized to sign the Balance Sheet and the Profit and Loss Account and the schedules thereto, and the notes thereon, for and on behalf of the Board”.

ITEM NO. 9: APPROVAL OF DIRECTORS' REPORT 2011:

The Board studied the draft Directors' Report for the period ended 31st March, 2010 as circulated, carefully.

After due deliberations, the Board passed the following resolution:

"RESOLVED THAT the draft Directors' Report for the year ended 31st March, 2011, as circulated herewith, be and is hereby approved and that the Chairman or any two Directors including the Managing Director be and are hereby empowered to sign the same for and on behalf of the Board."

ITEM NO. 10: CONVENING ANNUAL GENERAL MEETING (AGM) AND AUTHORIZATION TO ISSUE NOTICE THEREOF:

In order to place the accounts and other business before the Shareholders, the Board,

"RESOLVED THAT the Annual General Meeting for the year ended 31.03.2011 be convened at such time and venue on a date to be decided by the Managing Director in consultation with the Chairman.

RESOLVED FURTHER THAT any of the Directors, be and is hereby authorized to issue notice of the Annual General Meeting to all the members of the Company."

ITEM NO. 11: REVIEW OF BUSINESS:

A detailed note sent on the subject was carefully studied by the Board.

Following were taken note of:

1. Encroachment of Govt. Land.

Since from the inception, the Company has taken lot of initiatives to identify the encroachment of Govt. land in all the 30 districts of the state. Regional level and District level meetings were also held to appraise the Deputy Commissioners and other subordinate Revenue Officers regarding the necessity of identification of encroachment and to take effective steps to curb further encroachment and removal of the encroachment already existing. As per the information furnished by the Deputy Commissioners, 9, 15, 366 acres of Govt land is under encroachment, out of which the encroachment in 47, 604 acres have been removed and the possession of land has been taken to Govt. The District-wise details are enclosed separately.

2. Public Complaint Monitoring System.

The Company is also receiving information from the general public regarding encroachment of Govt. land, fraudulent manipulation of Govt. Records etc. All such complaints are registered in the Company Office and sent to Tahsildars/ Deputy Commissioners for verification and necessary action. But inspite of repeated pursuance with the Revenue Officers, the final disposal of these complaints is not satisfactory. Every effort is put to get the final report from the officers concerned. The District-wise complaints received and disposal is enclosed separately.

3. Monitoring of Court Cases.

It has come to the notice of the Company that several cases filed in the various Civil Courts involving the Govt. land remained unattended and in many cases the Tahsildars have not even appeared on behalf of the Govt.

exparte. Hence the Company has taken initiative to list all such cases pending in the Civil Courts and assistance has been given to the Tahsildars by engaging Special Advocates of the Company.

The Company has also taken initiatives to file Writ Petitions in the Hon'ble High Court of Karnataka in 428 cases, where the Special Deputy Commissioner has passed orders under Section 136(3) of the Karnataka Land Revenue Act, 1964, dropping the proceedings. The Company is also giving necessary legal assistance to the Tahsildars and other Revenue Officers in all important cases.

The Board also noted details of the encroachments in Bangalore, Mysore, Belgaum, Gulbarga divisions.

Complaints report as on 23rd August, 2011 was carefully perused.

Detailed report of Legal Cell as furnished by Shri A L Pujar, Head of Legal Cell, KPLC was taken note of, and the contents were carefully studied.

Due to the efforts of the Legal Cell, original suits pertaining to the Government lands pending in various courts in the City Civil Courts have been transferred to single court i.e. Court Hall No.9, vide City Civil Court Notification No.ADM-1(A)/349/2010 dated 23.04.2010.

Total no. cases decided by the Special Deputy Commissioner (Revenue) against the Government: 428

| Sl. No. | Name of the Advocate | Cases entrusted | Remarks |
|---------|--------------------------|-----------------|---------|
| 1. | Lakshmesh Rao | 40 | 40 |
| 2. | Kiran Kumar | 54 | 54 |
| 3. | Nagendra Naik | 32 | 24 |
| 4. | Shridhar N. Hegde | 40 | 30 |
| 5. | S. G. Pandith | 51 | 7 |
| 6. | Sampath Bapat | 54+35=89 | 46+5=51 |
| 7. | D. R. Rajashekarappa | 31+47=78 | 29 |
| 8. | Sandeep Patil | - | - |
| 9. | Ponnanna | 44 | 41 |
| | Total: | 428 | |

The Board noted that out of 428 cases, 276 Writ petitions have been filed in the Hon'ble High Court by these Panel Advocates and 152 cases are yet to be filed in the Hon'ble High Court.

The Company has taken steps to entrust the cases to the Panel Advocates and the details were furnished.

Tasks before the Legal Cell were noted to be as follows:

- (1) To get the List of Cases pending in Civil Courts and High Court in respect of Government lands from each taluk (original suits, regular appeals, RSAs, writ petitions, writ appeals etc.)(the Lists are to be updated by adding newly instituted cases and deleting disposed of cases).
- (2) To expand the Panel of Advocates as there are more number of cases against Government in respect of Government lands.
- (3) To assist the Revenue Officers for preparation of para-wise remarks and written statements and objections in original suits and writ petitions etc.

After due discussions based on the advice of Chairman, it was decided to facilitate the tasks of acquisition by Deputy Commissioners and he requested the

Managing Director to work out the details and issue suitable guidelines. For this purpose, he felt that proper scheme be evolved and the Company can seek funds from the Government. He also felt that the Deputy Commissioners may make use of JCBs wherever required. Shri A K Monnappa, IAS, Managing Director requested to depute at least eight Shirestedars in view of the load of the works. Shri S N Jayaram, IAS was requested to consider this.

There was detailed discussion on the various posts. After indepth deliberations, the Board decided to extend the services of the following on the existing terms and conditions for one more year from the last day of current tenure, in view of the immense amount of works involved:

- a. Sri. G.N. Nayak, IAS(Retd)
- b. Shri A L Pujar, Head of Legal Cell, KPLC.

The issue of appointment of General Manger also came up for the discussions. It was noted that Shri Basappa has been acting as General Manager. Chairman requested Managing Director to consider and take this up separately.

ADDITIONAL SUBJECT TRANSACTED WITH THE PERMISSION OF THE CHAIR:

ITEM NO. 12: TRANSFER OF RS. 5 LAKHS FROM PRELIMINARY AND PRE-OPERATIVE EXPENSES TO SUBSCRIBED CAPITAL:

It was reported that the Government of Karnataka vide Government Order No. RD:620 LGB;2010, Bangalore, dated 15.09.2010 have approved transfer of Rs. 5 Lakhs to Subscribed Capital from preliminary and pre-operative expenses of Rs. 6,93,225 which was released at the time of formation of the Company.

Based on the Government Orders, the Accounts Department has passed necessary journal entry to account the Subscribed Capital. The action so taken was ratified by the Board.

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

Bangalore
05.09.2011

Ashok Kumar C Manoli
Chairman

