

- Revised -

**KARNATAKA RESIDENTIAL EDUCATIONAL
INSTITUTIONS SOCIETY**

**Proceedings of the 2nd Governing Council Meeting held
on 7/3/2000 at 4.00 PM**

Members Present

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|-----|---|------------------|
| (1) | Sri G. Raju Premakumar IAS
Secretary to Government, Social Welfare Department, GOK | Chairman |
| (2) | Sri Subhashchandra Kuntia IAS
Secretary (Expenditure), Finance Department, GOK | Member |
| (3) | Sri M R Kamble IAS
Director of Social Welfare, Bangalore | Member |
| (4) | Sri Rajaneesh Goel IAS
Director of Backward Classes, Bangalore | Member |
| (5) | Sri Veerabhadrachar IAS
Director of Minorities Welfare, Bangalore | Member |
| (6) | Sri Jitendra Naik
Director of Tribal Welfare, Bangalore | Member |
| (7) | S Nanjundaiah
Executive Director, K.R.E.I.S | Member Secretary |

Also Present

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|--|-----------------|
| Sri Kamath
Assistant Regional Chief, HUDCO (Projects) | Special Invitee |
| B Selvasundar
Sr. project Appraisal officer, HUDCO | Invitee |

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The Chairman extended warm welcome to all the participants and initiated the discussion.

(1) Reading and recording of the Proceedings of 1st Governing Council meeting

The Governing Council approved the proceedings with the following modifications.

(1) Filling up of Other Posts (Subject - 2)

After detail deliberation the Governing Council permitted the Society to fill up the following posts.

(1) Assistant Director - 1 ---The Proposal to appoint Sri P K Ramaswamy, Deputy Director (Retired) as Assistant Director is approved for a period of One Year. The remuneration shall be last basic pay drawn minus pension fixed as per rules.

(2) Executive Assistant - 1 ---- The application of Sri M K Nagaraja Rao, Retired section officer of Social Welfare is considered in view of his experience and permitted to appoint him as Executive Assistant for a period of One Year. The remuneration may be fixed as last basic pay drawn minus pension as per rules.

(3) A Steno who knows Kannada, English Typing with Computer Knowledge can be taken on deputation from Public undertakings like KEONICS, Mysore Lamps, Karnataka SC/ST Development Corporation or any other Department, against the approved post of Executive Assistant.

(4) 'D' Group Employee - 1 ----- The Governing Council permitted for filling up one post only either on deputation or through Security Agency.

Purchase of Vehicle

After detail deliberation, the Governing Council resolved that the Executive Director can take Vehicle on hire basis from Cabs, Travel Concern or he can use his personal car and claim mileage as per rules for out side Bangalore journey. For City use, he can adopt BCC procedure since they hired vehicles for their officers. The Chairman is authorized to accord approval in this issue when Executive Director produces comparative picture on cost factor.

Opening of PD A/C and Bank A/C

The limit fixed for signing cheque jointly by the Chairman and the Executive Director may be read as Rs. 1.00 Lakh and not Rs. 1/-.

Subject - 2

Action taken on the previous meeting decisions are perused by the Governing Council.

Subject - 3

Procedure for Entrance Test to admit students for the Year 2000-2001

The Governing Council after deliberation resolved that the society is just started, it has to take up the major work like building up of infrastructure to schools i.e., - constructions of buildings. Therefore, the Governing Council felt that the Entrance Test, and management schools for the Year 2000-2001 be managed by the concerned Department. Once the School-cum-Hostel buildings are ready, the Society can take over for maintaining schools as per Government Order. Therefore the Governing Council directed the Executive Director to take up issues like HUDCO loan, Government of India contribution, site selection etc.

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Subject - 4

Raising HUDCO loan for construction of Residential Schools

The Executive Director explained that the proposal for loan was submitted to HUDCO and HUDCO in turn have written that they are willing to finance for 70 schools. To start with, 50 schools will be financed. After appraisal of proposal, the HUDCO felt that if the cost of construction is Rs. 2.00 Crores, then other costs like interest during implementation, which works out to Rs. 15.90 Crores (Loan of Rs. 80.00 Crores @ 13.25% for 18 months), cost of escalation, land leveling, land scaping and unforeseen expenses are to be taken into consideration. Hence, they suggested for Rs. 2.50 Crores as unit cost instead of Rs. 2.00 Crores to avoid future complication like submission of revised proposal for enhancement of loan at future date. The HUDCO is willing to finance 80% of Rs. 2.50 Crores.

The Government can calculate the cost of land (as in most of the cases, the Government land is given), other infrastructure developed towards 20% of the unit cost.

The Director of Backward classes suggested that the cost of furniture can be included in the unit cost to avoid future funds constraint. A detail proposal for Rs. 2.50 Crores may be prepared and submitted for Cabinet approval.

In the meanwhile, the present unit cost of Rs. 2.00 Crores can be taken as a basis to start the execution of work.

While discussing this subject, The Secretary (Expenditure), Finance Department had mentioned that the main purpose behind establishment of a Society to manage Residential Educational Institutions belonging to Government of Karnataka was to avail of infrastructure and maintenance grant from Government of India. Now the schools are being managed by the Department. Since State Government was not in a position to invest huge funds for construction of School buildings and since Government of India has a scheme to provide grants for infrastructure and maintenance for schools being run by NGOs

and autonomous societies, therefore the society was formed to avail of this assistance. Earlier, it was also pointed out by Social Welfare Department that such grants were being availed of by some other States like Andhra Pradesh. He further stated that the first priority of the Society should be to prepare comprehensive proposal for financial assistance from Government of India. In the meanwhile, some bridge loan can be taken from HUDCO to start construction activity in a few schools which do not have any building and where students are facing difficulty, so that when Government of India grant comes, the HUDCO loan can be repaid in full. He also suggested that such proposals to Government of India should be prepared and placed before the Governing Council of the Society before the end of March 2000 and should be submitted to Government of India through the State Government immediately thereafter.

When the revised type design was shown to the Committee, and informed that the HUDCO's UIPEC at Madras has not generally accepted the earlier type design and suggested Improvements and to adopt alternative designs, the Director of Social Welfare felt that the HUDCO has to generally agree to our design since the designs are suitable to requirements.

After detailed discussion, the Governing Council has resolved as follows.

- (1) To avail loan only for such schools where sites are ready and to the extent of budgetary support including pool funds towards 20% margin money.
- (2) The proposal to avail Government of India grant-in-aid for maintenance as well as buildings construction has to be worked out and all efforts should be made to avail the amount at least in the line that the Government of India is grants to NGOs.
- (3) Revised proposal for unit cost of Rs. 2.50 Crores has to be submitted to the Cabinet for approval.
- (4) The Chairman of the Society is authorized to sign all loan document to HUDCO.

(5) The type design can be worked out to each school based on the condition of the site, extent of site, etc., utilizing consultancy services (probably at free if cost) as offered by HUDCO and to be submitted to next Governing Council after the approval of Technical Committee.

(6) The prequalification tender for implementation of project on Turnkey Basis may be called for once the loan is sanctioned.

(7) The Technical Committee is formed with the following Members.

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|-------|--|--------------------|
| (I) | Secretary,
Social Welfare Department. | - Chairman |
| (II) | Secretary (Expenditure),
Finance Department. | - Member |
| (III) | Secretary,
PWD or Chief Engineer,
(C&B) South. | - Member |
| (IV) | Chief Architect | - Member |
| (V) | Regional Chief,
HUDCO. | - Member |
| (VI) | Executive Director | - Member Secretary |

The Technical Committee is authorized to finalize the 'Type Design', prequalification tender and final tender. The Committee has to monitor the work and submit report to Governing Council.

Subject - 5

Framing cadre and Recruitment rules for the Society and Schools

The Subject is deferred in view of the decision taken at subjects 1 and 3.

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Subject - 6

Appointment of one retired Executive Engineer and one retired Assistant Executive Engineer

The proposal of appointing an Executive Engineer (once the loan for construction of buildings and other formalities are completed) is approved for a period of two years by the Governing Council. However, it is agreed for the proposal of appointing a retired person.

The Governing Council authorized the Chairman to appoint a retired person and to fix the remuneration as the minimum salary of Assistant Director minus pension being drawn by the retired Officer.

Subject - 7

Filling up of Vacant Posts

In view of the decision taken at Subject 1 and 3, the subject was not taken for discussion.

Subject - 8

Aviling grant-in-aid from Government of India

As discussed and decided at subject 4, the necessary action has to be taken immediately.

Subject - 9

Formation of District Level Committee

The Subject is deferred in view of the decision taken at Subject - 3

Subject - 10

Release of budget

The Executive Director explained that there is budget provision of Rs. 50.00 Lakhs under Head of A/C 2225-01-277-0-53. But the Finance Department has released Rs. 5.00 Lakhs only, though we have requested for entire funds. The Governing Council after deliberation of expenditure proposed resolved to request the Finance Department to release the funds allocated to the credit of PD A/C, since this is the working capital to Society to fulfill the objectives.

Subject - 11

Purchase of Vehicle

The subject was not discussed again since the decision was taken at subject 1 (i.e., Reading and recording of the proceedings of the last meeting).

The meeting concluded with thanks to the chair.



(G. Raju Premakumar)

Chairman