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KARNATAKA RESIDENTIAL EDUCATIONAL INSTITUTIONS SOCIETY, BANGALORE

Proceedings of the 14th Governing Council meeting held on 15.06.2002 at 12.00 Noon in the Chamber's of Secretary to Government, Social Welfare Department and Chairman, KREIS.

Members present:

1. D.Thangaraj, I.A.S
Secretary to Government
Social Welfare Department - Chairman
2. Ashok Kumar C Manoli, I.A.S
Secretary to Government
Finance Department (Expr) - Member
3. M.R.Kamble, I.A.S.,
Commissioner for Social Welfare - Member
4. Mohammed Sanaula, I.A.S
Commissioner for Backward Classes - Member
5. M.V.Hanumantha Rao
Representing : Secretary to Govt.
Women and Child Welfare Department - Member
6. B.B.Muttappa,
Deputy Director
Representing : Director, Tribal Welfare - Member
7. I.F.Magi
Asst. Director
Representing : Director, SERT - Member
8. Executive Director, KREIS Member Secretary

Subject No.1

Confirmation of the proceedings of the 13th Governing Council meeting held on 08.04.2002

The proceedings of the 13th Governing Council meeting held on 08.04.2002 confirmed.

Subject No.2

Action taken on decision in the 13th Governing Council meeting held on 08.04.2002

The Governing Council perused the action taken.

Action taken on Subject No.4 of 13th Governing Council meeting**Appointment of Teachers**

The ED explained that the Teachers are appointed on honorarium basis at Rs.6500/- per month. The Chairman, KREIS, felt that the present system of appointment of Teachers on honorarium basis will not encourage the Teachers to continue and evince interest in teaching. Therefore, he suggested that the Teachers shall be appointed Teachers on regular basis instead of honorarium basis. The other members are also felt the same. Therefore, the Governing Council advised the Executive Director to ensure that the clearance is obtained for appointment on regular basis by submitting proposal before the Empowered Committee.

The ED, explained that the Society has no staff to manage recruitment process. Therefore, there is no need to entrust this responsibility to one of the responsible agencies. He suggested that the Ed-CIL is a Government of India undertaking, which is mainly looking after the educational aspect. Therefore, their services can be taken to conduct test for selection of Teachers and other process. The Governing Council has agreed to the suggestion and accorded approval to entrust the responsibility of conducting test and preparing merit list to M/s. Ed-CIL or any other competent agencies.

Action taken on Subject No.5 of 13th Governing Council meeting**Construction of Residential Schools at Anaveri, Bhadravathi Taluk, Shimoga, Entrustment of work.**

The Construction of Residential School Complexes at Anaveri was entrusted at a cost of Rs.190.02 lakhs to M/s. KLAC. They are demanding 25% of advance to start the work.

The Governing council felt that it is not appropriate to provide advance. At the time of work entrustment, the Agency shall be informed that no advance will be granted. As a special case 10% of advance is agreed in the interest of completing the works early.

Action taken on Subject No.6 of 13th Governing Council meeting

Providing funds for electrification works at Mundaje, Navodaya pattern Residential Schools

The ED explained that the Government has issued a G.No. ಸಕಇ 37 2001 ಬೆಂಗಳೂರು dated 23.05.2002 wherein approval is accorded for extra cost of estimates submitted by Zilla Panchayat, Dakshina Kannada for Mundaje project. The ED submitted the G.O for perusal of the Governing Council and requested to accord approval for release funds to Z.P Mangalore. After detailed discussion, the G.C accorded approval for the same.

Action taken on Subject No.8 of 13th Governing Council meeting

Inspection of Morarji Desai Residential Schools

The ED explained that an inspection report was placed to the Governing Council in the last meeting wherein, it was highlighted that the students of Tadkal and Kuganoor schools are not staying in the Residential school. Instead, they are going to their native places every day. In view of this, the SSLC results in these schools are below to Dist. average result. Infact the result at Tadkal school is 17.07% as against 33.09% of the District result. There is a need to change administration of these schools in view of the poor results. The Governing Council felt unhappy about the results in these schools and suggested the ED to take appropriate steps to improve the results in these schools.

Action taken on Subject No.11 of 13th Governing Council meeting

Empowerment of Project Section

The Governing Council has accorded approval to take Computer Assistants on deputation. We have addressed letters to KSIC, Karnataka State Construction Corporation, LIDKAR etc. None of them are providing suitable and qualified hands since most of the qualified hands are already given on deputation to other Departments/undertakings. Infact, Karnataka State Construction Corporation has sent a letter that they are willing to depute, provided such employees are absorbed by the Society. Accepting such a condition is very difficult. Therefore, ED requested the Governing Council to permit the Society to recruit two Computer Assistants or permit to engage two Computer Assistants from service contract agency. After detailed discussion, the

Governing Council has accorded approval to the proposal of engaging two Computer Assistants through contract Agency. The Chairman is authorised to fix the service charges payable to the Agency.

As regards, Executive Engineer, efforts is being made to take a capable Executive Engineer who has knowledge in scrutiny of structural drawings and knowledge in civil works on deputation from Government undertakings or Departments.

Action taken on Subject No.12 of 13th Governing Council meeting

Purchase of Vehicles

It was decided that a vehicle should be taken from the Commissioner for Social Welfare or vehicle may be hired. In this regard, the Governing Council suggested that a Vehicle may be taken from Commissioner for Social Welfare, since there is an idle vehicle without Driver. The Commissioner has agreed to spare the same without Driver.

The Governing Council has also accorded approval to create one post of Driver which can be taken through Service Contract Agency and permitted to take vehicle from the Department of Social Welfare.

Action taken on Subject No.16 of 13th Governing Council meeting

Appointment of security Guards to the Residential Schools

The Governing Council has accorded approval to follow the procedure followed by the Social Welfare Department and Backward Classes Department to engage cooks and Kitchen Servants on voucher basis.

Action taken on Addl. Subject No.1 of 13th Governing Council meeting

Absorption of deputation employees to the KREIS

ED submitted the Govt. order issued by KSBPE. Accordingly, the KSBPE has issued guidelines to take employees on contract basis from Public Undertakings. In the terms and condition, KSBPE clearly mentioned under clause 10(e) "The contract appointment shall automatically stand terminated in the event of closure or privatization of the parent organization even if the contract period is not over". In view of this, the Finance Secretary mentioned that the Government

has to take a policy decision in this behalf. Therefore, he suggested that it is not correct to take a decision of absorption. The services of employees on deputation may be continued, if they are useful to this organization.

Subject No.3

Finalisation of Tenders for 12 projects

The Decision of the Technical Committee was briefed to the Governing Council. Accordingly, rates were negotiated with the L1 agencies by the Negotiation Committee formed by Technical Committee. The rates arrived after discount offered by them is compared with the rates worked out as per SR. The same is given hereunder.

Sl.	Location	L1 agency	Amount as per L1 tenderer	percentage of discount offered	Amount after negotiation	SR rate	Comparison of negotiated Amount with SR in %	Area to be built		Cost of L1 Tenderer after negotiation	
								in Sq.mtr	in Sq.ft	Sq.mtr	Sq.ft
1	Balagodu	NCCL	25135815	0	25135815	26700797	-5.86%	4474.74	48148.20	5617.27	522.05
2	Taruve	NCCL	25854064	3.87%	24852784	22812379	8.94	4474.74	48148.20	5556.25	516.38
3	Nalathawada	NCCL	22104447	5.26%	20940701	19315638	8.41	3758.90	40445.76	5570.97	517.75
4	Tadkai	NCCL	22104447	5.26%	20940701	19704507	6.27	3758.90	40445.76	5570.97	517.75
5	Bagdal	NCCL	22104447	5.26%	20940701	19579183	6.95	3758.90	40445.76	5570.97	517.75
6	Lokhapura	MCC	22319974	7.10%	20735255	19041073	8.90	3758.90	40445.76	5516.31	512.67
7	Hippargi	MCC	22319974	7.10%	20735255	19041073	8.90	3758.90	40445.76	5516.31	512.67
8	Jevargi	IVRCL	22398660	6.00%	21054740	19704507	6.85	3758.90	40445.76	5601.30	520.57
9	Santhapura	EPIL	22338685	6.00%	20998364	19589707	7.19	3758.90	40445.76	5586.31	519.17
10	Modhalaghat ta	KLAC	14716815	1.00%	14569646	12211050	19.32	2629.90	28297.72	5540.00	514.87
11	Hidkal Dam	KLAC	15721914	1.00%	15564694	12211050	27.46	3360.90	36163.28	4631.11	430.40
12	Kuganoor	IVRCL	15060857	8.50%	13780684	12697159	8.53	2461.90	26490.04	5597.58	520.22

The Governing Council has taken note of cost per sq.foot ranging from Rs.430.40 to 522.05 which is reasonable. The Governing Council accorded approval to release work orders for projects mentioned from Sl.No.1 to 9 and 12. As regards Sl.No.10 and 11, the KLAC, who have appeared before Governing Council requested time to check the rates worked out based on SR as they could not do so. Hence, the Governing Council formed a Committee consisting of Chief Engineer, PWD, Project Management Consultant and ED, KREIS to recheck the figures arrived as per SR and come up with the details. The KLAC may be invited to the meeting. The Chairman is authorised to approve the tender, if the KLAC offers discount to bring down the rate to SR+9% and is also authorised to release the work orders for Sl.No.1 to 9 and 12 and to sign the agreement.

The Governing Council also concurred with the decision of Technical Committee to follow two covers system while calling tenders in future.

Subject No.4

SSLC Results for the year 2001-2002

KREIS is managing 28 Residential Schools during June 2001. Out of 28 schools, students of 13 schools have appeared for SSLC examination. The SSLC results are given hereunder.

Sl	Location	No. of students appeared for examination	No. of students passed	Percentage	Marks obtained above 85%	Passed in First class	passed	District wise results (As per CPI instructions)
1	Horti, Bijapur Dist.	21	21	100.00%	1	15	5	45.31%
2	Modalagatta, Bellary Dist	27	25	92.59%		6	19	46.33%
3	Bagadal, Bidar Dist.	49	43	87.76%		14	29	44.81%
4	Kuppalu, Chickmagalur Dist.	47	40	85.11%		21	19	55.90%
5	Srirangapatna, Mandya Dist.	26	22	84.62%	2	11	9	49.58%
6	Hidkal Dam, Belgaum Dist.	31	26	83.87%	1	15	10	53.50%
7	Mudhol, Bagalkote Dist.	27	20	74.07%	2	11	7	43.99%
8	Adakimaranahalli, Bangalore (U) Dist.	28	17	60.71%		1	16	60.45%
9	Sulibele, Bangalore (R) Dist	47	29	61.70		14	15	47.68%
10	Kuganur, Gulbarga Dist.	39	20	51.28%		5	15	33.90%
11	Malakhed, Gulbarga Dist.	29	13	44.83%		2	11	
12	Jevargi, Gulbarga Dist.	34	13	38.24%			13	
13	Tadkal, Gulbarga Dist.	41	7	17.07%			7	
	Total	446	296	66.37%	6	115	175	

On going through the results, the Governing Council felt that the results of SL.No.8 to 13 schools is not satisfactory. The results of schools in Gulbarga District is very poor. Therefore, appropriate steps has to be taken to improve the results.

The Representative from State Education Council suggested that coaching classes may be arranged to improve the results. The ED, KREIS mentioned that the evening coaching classes is not that successful since the Teachers will be exhausted, after handling classes day time also. Therefore, ED, KREIS suggested CD'(cassets) on Science, English and Maths subjects, can be introduced so that the students can watch in the evening. Each school is having Computers supplied by the Education Department. The amount earmarked for tuition can be utilised for making CD(cassets). This will also helpful to the Teachers to update their knowledge. After detail discussion the Governing

Council has accepted the suggestion of ED and accorded approval to incur the expenditure to make CD's (Cassets) for Science, English and Maths subjects.

As regards Malkhed and Tadkal schools, the ED suggested that Malkhed building will be ready by October 2002. If the Governing Council permits, the students of both Malkhed and Tadkal will be shifted to new building till we build of Tadkal building. The Tadkal, building will be ready by next Academic year. The Governing Council has accorded approval for the same.

The KREIS will be taking over the schools of Social Welfare Department shortly. Hence, there will be 79 schools of SC's, ST's, Minorites and Backward Classes separately. It is appropriate to have common schools instead of caste wise. Therefore, percentage of admission on castewise/category wise has to be worked out. The proposal may be submitted to the Government.

Subject No.5

Quality aspect in Adavibhavi Project

Sri. Amaregowda Patil Bayyapura, MLA, Lingasugur, has complained in the Legislature Assurance Committee on quality work done at Adavibhavi project. Therefore, the Secretary to Government, Social Welfare Department ordered for quality check by Chief Engineer, PWD. The Chief Engineer, PWD(C&B South), deputed Executive Engineer(Quality). Executive Engineer has visited the site in the presence of MLA and other Officers, he has conducted quality check. He has also collected the materials like bricks from the wall and got it tested in their Lab. Finally, the Chief Engineer has sent a report that the work done is satisfactory and quality materials are used. Further, he felt that at the entrance pillar air line cracks have developed. It is not dangerous to the building, it should be tackled. He felt that the plinth level of the building is fixed below the ground level. Therefore pavement, flagging and drainage to be constructed to divert rain water away from the building.

The Governing Council discussed in detail and finally agreed that the Society has to ensure that water shall not enter into the buildings. The cost for necessary drainage and flagging shall be worked out and should be deducted in their bills. The ED, explained that around Rs.38.42 lakhs worth of bill are pending with us. He requested the Governing Council to take appropriate decision in this behalf. The Governing Council has accorded approval to release

payment after deducting the cost of drainage, flagging and the work shall be restarted immediately. The Governing Council also suggested that the necessary intimation may given to Hon'ble MLA in this behalf regarding the Chief Engineer report.

Subject No.6

Providing Telephone to ED's residence

The Executive Director has no telephone in his residence. He is in the Sr. level cadre. He is in need of Residence Telephone. The Governing Council has accorded approval to provide Residence phone to him.

Subject No.7

Project Management consultant: TRFI-Extension of time

It was explained that in the I phase 41 buildings are under construction We have appointed the quality controlling agency, TRFI at 1.8% of Service charges of the cost of construction i.e Rs1,63,00,000 lakhs. According, in the terms and condition, we have to pay 2% of the cost of construction if the project is extended up to 18 months. The ED explained the present picture which is reproduced here under.

Project Name	Agency	Month of appl of str. Drgs.	Expected completion month	No. month reqd. for completion
Adavibhavi	EDCIL Ltd	Dec-00	Nov-02	4
Arjunagi	EDCIL Ltd	Dec-00	Nov-02	4
Devarabelakere	EDCIL Ltd	Dec-00	Jul-02	-
Jalahalli	EDCIL Ltd	Dec-00	Oct-02	3
Kiragavalu	EDCIL Ltd	Dec-00	Jul-02	-
Kotebetta	EDCIL Ltd	Dec-00	Jul-02	-
Lingeri Station	EDCIL Ltd	Dec-00	Sep-02	2
Shahpura	EDCIL Ltd	Dec-00	Aug-02	1
Thangalagere	EDCIL Ltd	Dec-00	Aug-02	1
Thimmalapura	EDCIL Ltd	Dec-00	Aug-02	1
Vallabhapura	EDCIL Ltd	Dec-00	Jul-02	-
Lakshmeswara	KSSIDC Ltd	Dec-00	Aug-02	1
Mundagodu	KSSIDC Ltd	Dec-00	Nov-02	4
Muragundi	KSSIDC Ltd	Dec-00	Nov-02	4
S.Hosakote	KSSIDC Ltd	Dec-00	Aug-02	1
Yadavanahally	KSSIDC Ltd	Dec-00	Aug-02	1
Dodddamaralavadi	Mecon Ltd	Dec-00	Aug-02	1

Gadigavarapally	Mecon Ltd	Dec-00	Oct-02	3
Gurumaranahally	Mecon Ltd	Dec-00	Aug-02	1
Hariharapura	Mecon Ltd	Dec-00	Aug-02	1
Koppa	Mecon Ltd	Dec-00	Jul-02	-
Kuppalu	Mecon Ltd	Dec-00	Jul-02	-
Machina	Mecon Ltd	Dec-00	Aug-02	1
Melinahanasawadi	Mecon Ltd	Dec-00	Aug-02	1
Somayajalapalli	Mecon Ltd	Dec-00	Nov-02	4
Sulebele	Mecon Ltd	Dec-00	Sep-02	2
Kamathana	NBCC Ltd	Jan-01	Aug-02	-
Malakhed	NBCC Ltd	Mar-01	Dec-02	3
Maragura	NPCC Ltd	Dec-00	Oct-02	3
Muchakhandi	NPCC Ltd	Dec-00	Jul-02	-
Nidasosi	NPCC Ltd	Mar-01	Sep-02	-
Shirur	NPCC Ltd	Dec-00	Aug-02	1
Tavaga	NPCC Ltd	Mar-01	Oct-02	-

Accordingly, the projects completion is exceeding 20 months in majority of the cases (the TRFI has agreed to incorporate two months more to the project period agreed vide their letter No.TRFI/KREIS/3878/00-01:A dt.19.01.2001. As a result, the total period shall 18 months + 2 months=20 months @ 2% service charges). Therefore, he requested the Governing Council to accord approval to pay additional charges for the period beyond 20 months in order to continue quality check till the projects are expected to be completed. The Governing Council has decided that the quality check is necessary. Therefore, extra charges can be paid after negotiation with TRFI and authorised the Chairman to negotiate the same and to take necessary steps.

Subject No.8

Release of Service Charges

In the agreement with the Ed-CIL, there is a provision to pay 7% service charges in the total cost. The Chairman and Managing Director, Ed-CIL has requested the Society to pay Service Charges. After detailed discussion, the Governing Council has accorded approval to pay Service charges to the extent of work done.

Subject No.9

Interest free advance against Bank Guarantee

Ed-CIL have requested interest free advance against Bank Guarantee, since they are facing cash crunch. The proposed advance is around 10% of the

construction cost. The Society is charging 14% simple interest against Bank Guarantee to other agencies for availing advance. The Governing Council after detailed discussion decided that there is no need to change the present system and the request of the CMD, Ed-CIL is not accepted.

Subject No.10

Interest reduction in the HUDCO assistance

The HUDCO have intimated that 0.25% interest rates reduced compared rate in the agreement. In addition, they have also changed prepayment clause as follows.

As per clause 10 (i) of the sanction order

" The Borrower may repay on any date all or any part of the loan. Except for the Current quarter if the Borrower makes premature repayment of unpaid principal in full or part thereof earlier than the dates stated in the repayment programme given in this Loan-Cum Sanction Agreement, the Borrower shall be liable to pay to HUDCO a premature repayment charge @ 1 per cent (one per cent) of the loan amount proposed to be repaid for the un-expired period of the loan. Provided, however, before making any pre-payment, the borrower shall give at least two months written notice to HUDCO and upon receipt of its approval will make pre-payment of the amount together with pre-mature repayment charge".

In the earlier clause, the borrower shall be liable to pay to HUDCO at 1% of the loan proposed to be re-paid for the un-expired period of loan. Whereas, the HUDCO now proposed that "HUDCO will levy one time prepayment charge equivalent to 75% of discounted value of interest differential between agreement rate and current applicable rate over the balance repayment period discounted at current applicable rate". This situation will raise only when the loan is prepaid. When the loan is prepaid, we will have to pay 75% of discounted value of interest differential between the agreement rate and current applicable. In other words HUDCO, we will have to pay 75% of the 0.25% interest reduction incase if we repay the loan. In addition HUDCO have further stated as follows.

The HUDCO have further proposed as follows

" In addition to the above, HUDCO will have an option for re-set of interest rate at the end of every 5 years. In case of re-schedulement/ defferment during the

tenure of the loan, one time charge of 0.50% will be levied on the total outstanding amount. An additional 2% per annum will be levied on default amount as penal rate of interest in case of any default "

" Save, as modified and amended above, all other provisions, terms and conditions specified in the loan application (schedule to the loan agreement) sanction-cum-loan agreement and including this amendment executed between the Karnataka Residential Educational Institutions Society and HUDCO for the scheme shall remain unaltered, binding, valid and subsisting with full force and virtue on all the parties to the loan transactions."

The Governing Council had discussed in detail and decided to accept, since this is the policy of the HUDCO for all borrowers at National level. We have no alternative expect to accept their condition and the Governing Council also authorised the Chairman to draw the funds based on the requirement to complete the project.

Subject No.11

Construction of Residential School Complexes in the II phase

The ED explained that in the II phase, tenders were called for 8 projects. In respect of 6 projects the cost exceeds Rs.200 lakhs including investment made by the concerned Department. Therefore, the matter was referred to the State Government for approval. The Government in their letter NO. SWD 22 MDS 2001 dt.06.06.2002 have clarified that the society can take a decision in the Governing Council and matter may be brought to the notice of the Hon'ble Minister for Social Welfare. After discussion, it was decided to restrict the total cost to Rs.2.00 crores by reducing the area appropriately.

Subject No.12

Change in stages of payment

It was explained that the agencies are requesting for changes of payment terms since most of the complexes are at the final stage, and are badly in need of funds. Therefore, the consultant has suggested stages of payment for the 3rd and 4th stages of payment. The Governing Council felt that the Society has no sufficient staff to do all the works. It is suggested to pay monthly bill on the actual

work done and directed to make payment for the work already done instead of earlier stages of payment.

Subject No.13

Cost of extra area built

The Governing Council was briefed that in the first phase 41 projects construction work was entrusted at a cost of Rs.1,85,37,000/- to built 3421 sq.mtr of various buildings in each complex. While calculating the area, the corridor area in the concept drawing which was approved by Governing Council was not taken into account. The total area after including the corridor works out to 3870.00 sq.mtr. Now, Ed-CIL LI have requested to consider extra area built by them which are as follows.

1. Academic Block corridor area- 329.00 sq.m
2. Dormitory Block corridor area - 120.00 sq.m

Total corridor area	449.00 sq.m
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Accordingly, they have also claimed extra cost as follows.

SL	Building	Extra area (corridor) in sq.mtr	Cost per sq.mtr	Total cost
1	Academic Block	329.00	3008.00	9,89,632.00
2	Dormitory Boys and Girls	120.00	3211.00	3,85,320.00
	Total	449.00	6219.00	1374942.00

We have also obtained the opinion of the Technical Consultant on the same. The Technical Consultant i.e M/s. TRFI have recommended to pay Rs.2780.00 per sq.mtr including all taxes vide their letter No.TRFI/7739/2002/RS dt.13.06.2002.

The Governing Council discussed in detail and noted that these agencies are Government agencies. Any delay in payment of the cost of construction of extra area will badly delay the work. Further, no cost escalation was allowed to them. The cost per sq.ft. works out is Rs.478/- only which is really cheaper than the present market rate. Taking into consideration of all these aspects, the Governing Council felt that extra area particularly corridor area is a reasonable claim. Therefore, the Governing Council accorded approval to pay the extra area cost.

Subject No.14

Land Development Works:

The ED explained that out of 41 projects, the land provided by the Government in four projects has scope for stagnation of rain water. where we are forced to take up treatment like embankment to the road, construction of retaining walls, pitching construction of extra drains to divert rain water are necessary.

Therefore, in the following projects, the additional cost has to be incurred to take up the work.

1. Lingeri Station - Rs.4.58 lakhs
2. Thimmalapura - Rs.2.95 lakhs
3. Machina - Rs.6.78 lakhs
4. Arjunagi - Rs.3.08 lakhs

Rs.17.36 lakhs

These projects are being constructed by the Govt. of India agencies. Therefore, we have to pay this additional cost as per SR 99-00 rates. Incase they are not willing, then the work will be tendered.

The Governing Council has accorded approval to take up the said work.

Subject No.15

Delegation of powers to Executive Director

Delegation of powers approved by the Governing council in the 9th Governing Council meeting held on 07.11.2001. Further, it is necessary to delegate some more powers to the ED in view of the increased work load to Chairman. Therefore, the powers have to be delegated below.

Sl. No	Subject	Power Delegated
1.	Release of maintenance expenditure to residential school (as per the pattern approved by the Govt.,)	up to Rs.2 lakhs at a time for each school
2.	Annual maintenance contract for typewriter, computer, UPS and other office equipments	Full Power
3.	To sanction expenditure on publication of official advertisement	Rs.5000/- at a time limiting to Rs.50000/- per year
4.	Sanction of hiring of private building as fixed by PWD on the recommendation	Full Powers

	of the managing committee headed by DC	
5.	Sanction and release of funds to the Agencies towards construction of Residential Schools complex	up to Rs.1 lakhs and above Rs.1 lakhs by chairman
6.	Sanction and payment of remuneration to consultants, Legal advisers, retainers and other experts	up to Rs.10000/- at a time
7.	Approval of educational and sports tours for students and its cost	Full power
8.	Grant of leave for all the employees	Full power
9.	Grant to T.A. to consultants Auditors etc., at suitable rate as approved by GC	Full power
10.	Sanction of payment for postal and franking machine	Full power
11.	Insurance of property and assets of the society	Full power
12.	Maintenance and repairs to vehicles including periodical service	Rs.10000/- at a time limiting to Rs.50000/- per annum

The Governing Council has accorded approval to the delegation of powers suggested.

Subject No.16

Providing solar water system in the KREIS Residential School Complexes.

We are taking over 30 buildings within September 2002. There is need for solar heating system in the Dormitory, Dining blocks and quarters for hot water. Therefore, the ED requested the permission to provide solar water heater system in our school complexes. The agencies will be selected by calling tenders. The Governing Council suggested to take subsidies from Govt. of India. The Governing Council accorded approval to provide necessary solar water heating system in the school complexes.

Additional Subject NO.1

Extending the services for Project Monitoring by Contract Agencies.

The ED briefed, that the Society will be handling 70 projects at a cost of approximate Rs.130 crores. In view of the above, the Society has no qualified person to staff to assist ED to monitor the projects meticulously to avoid cost over run and time over run. There is a need for capable assistance who can monitor Projects with Computer application. A programme Officer (MIS) is taken on

deputation from the NGEF has now submitted his request for Voluntary Retirement to the parent organisation. He is not keen to continue. Therefore, we have to make alternative arrangement for monitor the projects. Therefore, the ED requested that the Governing Council may accord approval to avail services through contract agency, as it is difficult to get qualified hands on deputation. ED also addressed letter to the Karnataka State Construction Corporation to spare the services of Engineers. But they fail to spare the services instead they insisted the services of Engineers deputed shall be absorbed, which is difficult since this is not long duration project. Therefore, the Society may avail services of qualified Engineer with the knowledge of Computer programming for better monitoring of the project. It is proposed to pay Rs.10000/- per month as service charges. The Governing Council examined the requirement and accorded approval to avail the services of contract agency.

The meeting concluded with thanks to the Chair.


CHAIRMAN

KARNATAKA RESIDENTIAL EDUCATIONAL INSTITUTIONS SOCIETY, BANGALORE

Proceedings of the 14th Governing Council meeting held on 15.06.2002 at 12.00 Noon in the Chamber's of Secretary to Government, Social Welfare Department and Chairman, KREIS.

Members present:

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| 1. D.Thangaraj, I.A.S
Secretary to Government
Social Welfare Department | - Chairman |
| 2. Ashok Kumar C Manoli, I.A.S
Secretary to Government
Finance Department (Expr) | - Member |
| 3. M.R.Kamble, I.A.S.,
Commissioner for Social Welfare | - Member |
| 4. Mohammed Sanaula, I.A.S
Commissioner for Backward Classes | - Member |
| 5. M.V.Hanumantha Rao
Representing by Secretary to Govt.
Women and Child Welfare Department | - Member |
| 6. B.B.Muttappa,
Deputy Director
Representing by Director, Tribal Welfare | - Member |
| 7. I.F.Magi
Asst. Director
Representing by Director, SERT | - Member |
| 8. Executive Director, KREIS | Member Secretary |

Subject No.1

Confirmation of the proceedings of the 13th Governing Council meeting held on 08.04.2002

The proceedings of the 13th Governing Council meeting held on 08.04.2002 confirmed.

Subject No.2

Action taken on decision in the 13th Governing Council meeting held on 08.04.2002

The Governing Council perused the action taken.

Action taken on Subject No.4 of 13th Governing Council meeting**Appointment of Teachers**

The ED explained that the Teachers are appointed on honorarium basis at Rs.6500/- per month. The Chairman, KREIS, felt that the present system of appointment of Teachers on honorarium basis will not encourage the Teachers to continue and evince interest in teaching. Therefore, he suggested that the Teachers shall be appointed Teachers on regular basis instead of honorarium basis. The other members are also felt the same. Therefore, the Governing Council advised the Executive Director to ensure that the clearance is obtained for appointment on regular basis by submitting proposal before the Empowered Committee.

The ED, explained that the Society has no staff to manage recruitment process. Therefore, there is no need to entrust this responsibility to one of the responsible agencies. He suggested that the Ed-CIL is a Government of India undertaking, which is mainly looking after the educational aspect. Therefore, their services can be taken to conduct test for selection of Teachers and other process. The Governing Council has agreed to the suggestion and accorded approval to entrust the responsibility of conducting test and preparing merit list to M/s. Ed-CIL or any other competent agencies.

Action taken on Subject No.5 of 13th Governing Council meeting**Construction of Residential Schools at Anaveri, Bhadravathi Taluk, Shimoga, Entrustment of work.**

The Construction of Residential School Complexes at Anaveri was entrusted at a cost of Rs.190.02 lakhs to M/s. KLAC. They are demanding 25% of advance to start the work.

The Governing council felt that it is not appropriate to provide advance. At the time of work entrustment, the Agency shall be informed that no advance will be granted. As a special case 10% of advance is agreed. *in the interest of completing the work early.* However, the same has to be recovered in their first bill itself as one time arrangement for this site only.

Action taken on Subject No.6 of 13th Governing Council meeting

Providing funds for electrification works at Mundaje, Navodaya pattern Residential Schools

The ED explained that the Government has issued a G.No. ಸಹೃ 37 2001 ಬೆಂಗಳೂರು dated 23.05.2002 wherein approval is accorded for extra cost of estimates submitted by Zilla Panchayat, Dakshina Kannada for Mundaje project. The ED submitted the G.O for perusal of the Governing Council and requested to accord approval for release funds to Z.P Mangalore. After detailed discussion, the G.C accorded approval for the same.

Action taken on Subject No.8 of 13th Governing Council meeting

Inspection of Morarji Desai Residential Schools

The ED explained that an inspection report was placed to the Governing Council in the last meeting wherein, it was highlighted that the students of Tadkal and Kuganoor schools are not staying in the Residential school. Instead, they are going to their native places every day. In view of this, the SSLC results in these schools are below to Dist. average result. Infact the result at Tadkal school is 17.07% as against 33.09% of the District result. There is a need to change administration of these schools in view of the poor results. The Governing Council felt unhappy about the results in these schools and suggested the ED to take appropriate steps to improve the results in these schools.

Action taken on Subject No.11 of 13th Governing Council meeting

Empowerment of Project Section

The Governing Council has accorded approval to take Computer Assistants on deputation. We have addressed letters to KSIC, Karnataka State Construction Corporation, LIDKAR etc. None of them are providing suitable and qualified hands since most of the qualified hands are already given on deputation to other Departments/undertakings. Infact, Karnataka State Construction Corporation has sent a letter that they are willing to depute, provided such employees are absorbed by the Society. Accepting such a condition is very difficult. Therefore, ED requested the Governing Council to permit the Society to ^{engage} recruit two Computer Assistants or ^{permission} ~~may kindly be given to~~ ^{engage} take two Computer Assistants from service contract agency. After detailed discussion, the Governing Council has accorded approval to the proposal of ^{engaging} ~~taking~~ two Computer Assistants through contract Agency. The Chairman is authorised to fix the service charges payable to the Agency.

As regards, Executive Engineer, efforts is being made to take a capable Executive Engineer who has knowledge in scrutiny of structural drawings and knowledge in civil works on deputation from Government undertakings or Departments.

Action taken on Subject No.12 of 13th Governing Council meeting

Purchase of Vehicles

It was decided that a vehicle should be taken from the Commissioner for Social Welfare or vehicle may be hired. In this regard, the Governing Council suggested that a Vehicle may be taken from Commissioner for Social

Welfare, since there is an idle vehicle without Driver. The Commissioner has agreed to spare the same without Driver.

The Governing Council has also accorded approval to create one post of Driver which can be taken through Service Contract Agency and permitted to take vehicle from the Department of Social Welfare.

Action taken on Subject No.16 of 13th Governing Council meeting

Appointment of security Guards to the Residential Schools

The Governing Council has accorded approval to follow the procedure followed by the Social Welfare Department and Backward Classes Department to engage cooks and Kitchen Servants on voucher basis.

Action taken on Addl. Subject No.1 of 13th Governing Council meeting

Absorption of deputation employees to the KREIS

ED submitted the Govt. order issued by KSBPE. Accordingly, the KSBPE has issued guidelines to take employees on contract basis from Public Undertakings. In the terms and condition, KSBPE clearly mentioned under clause 10(e) "The contract appointment shall automatically stand terminated in the event of closure or privatization of the parent organization even if the contract period is not over". In view of this, the Finance Secretary mentioned that the Government has to take a policy decision in this behalf. Therefore, he suggested that it is not correct to take a decision of absorption. The services of employees on deputation may be continued, if they are useful to this organization.

Subject No.3

Finalisation of Tenders for 12 projects

The Decision of the Technical Committee was briefed to the Governing Council. Accordingly, rates were negotiated with the LI agencies by the Negotiation Committee formed by Technical Committee. The rates arrived after discount offered by them is compared with the rates worked out as per SR. The same is given hereunder.

Sl.	Location	LI agency	Amount as per LI tenderer	percentage of discount offered	Amount after negotiation	SR rate	Comparison of negotiated Amount with SR in %	Area to be built		Cost of LI Tenderer after negotiation	
								in Sq.mtr	in Sq.ft	Sq.mtr	Sq.ft
1	Balagodu	NCCL	25135815	0	25135815	26700797	-5.86%	4474.74	48148.20	5617.27	522.05
2	Taruve	NCCL	25854064	3.87%	24852784	22812379	8.94	4474.74	48148.20	5556.25	516.38
3	Nalathawada	NCCL	22104447	5.26%	20940701	19315638	8.41	3758.90	40445.76	5570.97	517.75
4	Tadkal	NCCL	22104447	5.26%	20940701	19704507	6.27	3758.90	40445.76	5570.97	517.75
5	Bagdal	NCCL	22104447	5.26%	20940701	19579183	6.95	3758.90	40445.76	5570.97	517.75
6	Lokhapura	MCC	22319974	7.10%	20735255	19041073	8.90	3758.90	40445.76	5516.31	512.67
7	Hippargi	MCC	22319974	7.10%	20735255	19041073	8.90	3758.90	40445.76	5516.31	512.67
8	Jevargi	IVRCL	22398660	6.00%	21054740	19704507	6.85	3758.90	40445.76	5601.30	520.57
9	Santhapura	EPIL	22338685	6.00%	20998364	19589707	7.19	3758.90	40445.76	5586.31	519.17
10	Modhalaghat	KLAC	14716815	1.00%	14569646	12211050	19.32	2629.90	28297.72	5540.00	514.87
11	Hidkal Dam	KLAC	15721914	1.00%	15564694	12211050	27.46	3360.90	36163.28	4631.11	430.40
12	Kuganoor	IVRCL	15060857	8.50%	13780684	12697159	8.53	2461.90	26490.04	5597.58	520.22

The Governing Council has taken note of ^{cost per} ~~the~~ per sq.foot ^{high} ~~cost~~ ranges from Rs.430.40 to 522.05 which is reasonable. The Governing Council has accorded approval to release work orders for projects mentioned from Sl.NO.1 to 9 and 12. As regards Sl.NO.10 and 11, the KLAC, who have appeared before Governing Council requested time to check the rates worked out based on SR as they could not do so. Hence, the Governing Council formed a Committee consisting of Chief Engineer, PWD, Project Management Consultant and ED, KREIS to recheck the figures arrived as per SR and come up with the details. The KLAC may be invited to the meeting.

The Chairman is authorised to ~~take appropriate decision on submission of the report from the Sub-Committee~~ ^{approve the tender if the KLAS offers discount to bring down the rate to 5%+9%.} and is also authorised to release the work orders for Sl.No.1 to 9 and 12 and to sign the agreement.

The Governing Council also concurred with the decision of Technical Committee to follow two covers system while calling tenders in future.

Subject No.4

SSLC Results for the year 2001-2002

KREIS is managing 28 Residential Schools during June 2001. Out of 28 schools, students of 13 schools have appeared for SSLC examination. The SSLC results are given hereunder.

Sl	Location	No. of students appeared for examination	No. of students passed	Percentage	Marks obtained above 85%	Passed in First classes	passed	District wise results (As per CPI instructions)
1	Horti, Bijapur Dist.	21	21	100.00%	1	15	5	45.31%
2	Modalagatta, Bellary Dist	27	25	92.59%		6	19	46.33%
3	Bagadal, Bidar Dist.	49	43	87.76%		14	29	44.81%
4	Kuppalu, Chickmagalur Dist.	47	40	85.11%		21	19	55.90%
5	Srirangapatna, Mandya Dist.	26	22	84.62%	2	11	9	49.58%
6	Hidkal Dam, Belgaum Dist.	31	26	83.87%	1	15	10	53.50%
7	Mudhol, Bagalkote Dist.	27	20	74.07%	2	11	7	43.99%
8	Adakimaranahalli, Bangalore (U) Dist.	28	17	60.71%		1	16	60.45%
9	Sulibele, Bangalore (R) Dist	47	29	61.70		14	15	47.68%
10	Kuganur, Gulbarga Dist.	39	20	51.28%		5	15	33.90%
11	Malakhed, Gulbarga Dist.	29	13	44.83%		2	11	
12	Jevargi, Gulbarga Dist.	34	13	38.24%			13	
13	Tadkal, Gulbarga Dist.	41	7	17.07%			7	
	Total	446	296	66.37%	6	115	175	

On going through the results, the Governing Council felt that the results of SL.No.8 to 13 schools is not satisfactory. The results of schools in Gulbarga District is very poor. Therefore, appropriate steps has to be taken to improve the results.

The Representative from State Education Council suggested that coaching classes may be arranged to improve the results. The ED, KREIS

mentioned that the evening coaching classes is not that successful since the Teachers will be exhausted, after handling classes day time also. Therefore, ED, KREIS suggested CD'(cassets) on Science, English and Maths subjects, can be introduced so that the students can watch in the evening. Each school is having Computers supplied by the Education Department. The amount earmarked for tuition can be utilised for making CD(cassets). This will also helpful to the Teachers to update their knowledge. After detail discussion the Governing Council has accepted the suggestion of ED and accorded approval to incur the expenditure to make CD's (Cassets) for Science, English and Maths subjects.

As regards Malkhed and Tadkal schools, the ED suggested that Malkhed building will be ready by October 2002. If the Governing Council permits, the students of both Malkhed and Tadkal will be shifted to new building till we build of Tadkal building. The Tadkal, building will be ready by next Academic year. The Governing Council has accorded approval for the same.

The KREIS will be taking over the schools of Social Welfare Department shortly. Hence, there will be 79 schools of SC's, ST's , Minorites and Backward Classes separately. It is appropriate to have common schools instead of caste wise. Therefore, percentage of admission on castewise/category wise has to be worked out. The proposal may be submitted to the Government.

Subject No.5

Quality aspect in Adavibhavi Project

Sri. Amaregowda Patil Bayyapura, MLA, Lingasugur, has complained in the Legislature Assurance Committee on quality work done at Adavibhavi project. Therefore, the Secretary to Government, Social Welfare Department

ordered for quality check by Chief Engineer, PWD. The Chief Engineer, PWD(C&B South), deputed Executive Engineer(Quality). Executive Engineer has visited the site in the presence of MLA and other Officers, he has conducted quality check. He has also collected the materials like bricks from the wall and got it tested in their Lab. Finally, the Chief Engineer has sent a report that the work done is satisfactory and quality materials are used. Further, he felt that at the entrance pillar air line cracks have developed. It is not dangerous to the building, it should be tackled. He felt that the plinth level of the building is fixed below the ground level. Therefore pavement, flagging and drainage to be constructed to divert rain water away from the building.

The Governing Council discussed in detail and finally agreed that the Society has to ensure that water shall not enter into the buildings. The cost for necessary drainage and flagging shall be worked out and should be deducted in their bills. The ED, explained that around Rs.38.42 lakhs worth of bill are pending with us. He requested the Governing Council to take appropriate decision in this behalf. The Governing Council has accorded approval to release payment after deducting the cost of drainage, flagging and the work shall be restarted immediately. The Governing Council also suggested that the necessary intimation may given to Hon'ble MLA in this behalf regarding the Chief Engineer report.

Subject No.6

Providing Telephone to ED's residence

The Executive Director has no telephone in his residence. He is in the Sr. level cadre. He is in need of Residence Telephone. The Governing Council has accorded approval to provide Residence phone to him.

Subject No.7

Project Management consultant: TRFI-Extension of time

It was explained that in the I phase 41 buildings are under construction. We have appointed the quality controlling agency, TRFI at 1.8% of Service charges of the cost of construction i.e Rs1,63,00,000 lakhs. According, in the terms and condition, we have to pay 2% of the cost of construction if the project is extended up to 18 months. The ED explained the present picture which is reproduced here under.

Project Name	Agency	Month of appl of str. Drgs.	Expected completion month	No. month reqd. for completion
Adavibhavi	EDCIL Ltd	Dec-00	Nov-02	4
Arjunagi	EDCIL Ltd	Dec-00	Nov-02	4
Devarabelakere	EDCIL Ltd	Dec-00	Jul-02	-
Jalahalli	EDCIL Ltd	Dec-00	Oct-02	3
Kiragavalu	EDCIL Ltd	Dec-00	Jul-02	-
Kotebetta	EDCIL Ltd	Dec-00	Jul-02	-
Lingeri Station	EDCIL Ltd	Dec-00	Sep-02	2
Shahpura	EDCIL Ltd	Dec-00	Aug-02	1
Thangalagere	EDCIL Ltd	Dec-00	Aug-02	1
Thimmalapura	EDCIL Ltd	Dec-00	Aug-02	1
Vallabhapura	EDCIL Ltd	Dec-00	Jul-02	-
Lakshmeswara	KSSIDC Ltd	Dec-00	Aug-02	1
Mundagodu	KSSIDC Ltd	Dec-00	Nov-02	4
Muragundi	KSSIDC Ltd	Dec-00	Nov-02	4
S.Hosakote	KSSIDC Ltd	Dec-00	Aug-02	1
Yadavanahally	KSSIDC Ltd	Dec-00	Aug-02	1
Dodddamaralavadi	Mecon Ltd	Dec-00	Aug-02	1
Gadigavarapally	Mecon Ltd	Dec-00	Oct-02	3
Gurumaranahally	Mecon Ltd	Dec-00	Aug-02	1
Hariharapura	Mecon Ltd	Dec-00	Aug-02	1
Koppa	Mecon Ltd	Dec-00	Jul-02	-
Kuppalu	Mecon Ltd	Dec-00	Jul-02	-
Machina	Mecon Ltd	Dec-00	Aug-02	1
Melinahanasawadi	Mecon Ltd	Dec-00	Aug-02	1
Somayajalapalli	Mecon Ltd	Dec-00	Nov-02	4
Sulebele	Mecon Ltd	Dec-00	Sep-02	2
Kamathana	NBCC Ltd	Jan-01	Aug-02	-

Malakhed	NBCC Ltd	Mar-01	Dec-02	3
Maragura	NPCC Ltd	Dec-01	Oct-02	3
Muchakhandi	NPCC Ltd	Dec-01	Jul-02	-
Nidasosi	NPCC Ltd	Mar-01	Sep-02	-
Shirur	NPCC Ltd	Dec-01	Aug-02	1
Tavaga	NPCC Ltd	Mar-01	Oct-02	-

Accordingly, the projects completion is exceeding 20 months in majority of the cases (the TRFI has agreed to incorporate two months more to the project period agreed vide their letter No.TRFI/KREIS/3878/00-01:A dt.19.01.2001. As a result, the total period shall 18 months + 2 months=20 months @ 2% service charges). Therefore, he requested the Governing Council to accord approval to pay additional charges for the period beyond 20 months in order to continue quality check till the projects are expected to be completed. The Governing Council has decided that the quality check is necessary. Therefore, extra charges can be paid after negotiation with TRFI and authorised the Chairman to negotiate the same and to take necessary steps.

Subject No.8

Release of Service Charges

In the agreement with the Ed-CIL, there is a provision to pay 7% service charges in the total cost. ~~We have not paid so far.~~ The Chairman and Managing Director, Ed-CIL has requested ^{the Society} us to pay Service Charges. After detailed discussion, the Governing Council has accorded approval to pay Service charges to the extent of work done.

Subject No.9

Interest free advance against Bank Guarantee

Ed-CIL have requested interest free advance against Bank Guarantee, since they are facing cash crunch. The proposed advance is around 10% of the construction cost. The Society is charging 14% simple interest against Bank

Guarantee to other agencies for availing advance. The Governing Council after detailed discussion decided that there is no need to change the present system and the request of the CMD, Ed-CIL is not accepted.

Subject No.10

Interest reduction in the HUDCO assistance

The HUDCO have intimated that 0.25% interest rates reduced compared rate in the agreement. In addition, they have also changed prepayment clause as follows.

As per clause 10 (i) of the sanction order

" The Borrower may repay on any date all or any part of the loan. Except for the Current quarter if the Borrower makes premature repayment of unpaid principal in full or part thereof earlier than the dates stated in the repayment programme given in this Loan-Cum Sanction Agreement, the Borrower shall be liable to pay to HUDCO a premature repayment charge @ 1 per cent (one per cent) of the loan amount proposed to be repaid for the un-expired period of the loan. Provided, however, before making any pre-payment, the borrower shall give at least two months written notice to HUDCO and upon receipt of its approval will make pre-payment of the amount together with pre-mature repayment charge".

In the earlier clause, the borrower shall be liable to pay to HUDCO at 1% of the loan proposed to be re-paid for the un-expired period of loan. Whereas, the HUDCO now proposed that "HUDCO will levy one time prepayment charge equivalent to 75% of discounted value of interest differential between agreement rate and current applicable rate over the balance repayment period discounted at current applicable rate". This situation will raise only when the loan is prepaid. When the loan is prepaid, we will have to pay 75% of discounted value of interest differential between the

agreement rate and current applicable. In other words HUDCO, we will have to pay 75% of the 0.25% interest reduction incase if we repay the loan. In addition HUDCO have further stated as follows.

The HUDCO have further proposed as follows

" In addition to the above, HUDCO will have an option for re-set of interest rate at the end of every 5 years. In case of re-schedulement/ defferment during the tenure of the loan, one time charge of 0.50% will levied on the total outstanding amount. An additional 2% per annum will be levied on default amount as penal rate of interest in case of any default "

" Save, as modified and amended above, all other provisions, terms and conditions specified in the loan application (schedule to the loan agreement) sanction-cum-loan agreement and including this amendment executed between the Karnataka Residential Educational Institutions Society and HUDCO for the scheme shall remain unaltered, binding, valid and subsisting with full force and virtue on all the parties to the loan transactions."

The Governing Council had discussed in detail and decided to accept, since this is the policy of the HUDCO for all borrowers at National level. We have no alternative expect to accept their condition and the Governing Council also authorised the Chairman to draw the funds based on the requirement to complete the project.

Subject No.11

Construction of Residential School Complexes in the II phase

The ED explained that in the II phase, tenders were called for 8 projects. In respect of 6 projects the cost exceeds Rs.200 lakhs including investment made by the concerned Department. Therefore, the matter was referred to the State Government for approval. The State Government in their

letter NO. SWD 22 MDS 2001 dt.06.06.2002 have clarified that the society can take a decision in the Governing Council and matter may be brought to the

notice of the Hon'ble Minister for Social Welfare. *After discussion it was decided to restrict the total cost to Rs. 100 crores by reducing the area appropriately.*
~~The Governing Council advised the ED to bring a detailed subject to the next meeting.~~

Subject No.12

Change in stages of payment

It was explained that the agencies are requesting for changes of payment terms since most of the complexes are at the final stage, and are badly in need of funds. Therefore, the consultant has suggested stages of payment for the 3rd and 4th stages of payment. The Governing Council felt that the Society has no sufficient staff to do all the works. It is suggested to pay monthly bill on the actual work done and directed to make payment for the work already done instead of earlier stages of payment.

Subject No.13

Cost of extra area built

The Governing Council was briefed that in the first phase 41 projects construction work was entrusted at a cost of Rs.1,85,37,000/- to build 3421 sq.mtr of various buildings in each complex. While calculating the area, the corridor area in the concept drawing ^{which was approved by G.C} was not taken into account. However, ~~The total area after including the corridor works out to be the concept drawing is the part of the agreement.~~ Therefore, the Society insisted that they have to build corridor area also which is very much necessary. Now, Ed-CIL L1 have requested to consider extra area built by them which are as follows.

1. Academic Block corridor area- 329.00 sq.m
2. Dormitory Block corridor area - 120.00 sq.m

Total corridor area 449.00 sq.m

Accordingly, they have also claimed extra cost as follows.

SL	Building	Extra area (corridor) in sq.mtr	Cost per sq.mtr	Total cost
1	Academic Block	329.00	3008.00	9,89,632.00
2	Dormitory Boys and Girls	120.00	3211.00	3,85,320.00
	Total	449.00	6219.00	1374942.00

We have also obtained the opinion of the Technical Consultant on the same. The Technical Consultant i.e M/s. TRFI have recommended to pay Rs.2780.00 per sq.mtr including all taxes vide their letter No.TRFI/7739/2002/RS dt.13.06.2002.

The Governing Council discussed in detail and ^{noted} agreed that these agencies are Government agencies; ~~if we refuse to pay, it will be loss to the~~ ^{any delay in payment of} ~~the cost of construction of extra area will badly delay the work~~ ^{company concerned and they will not evince interest at loss. In fact, the cost} ~~per sq.ft. fixed as Rs.503/- only which is really cheaper,~~ ^{fixed no cost escalation was allowed to them. The cost: works out to 458/-} ~~than the present market rate.~~ ^{Taking into all these} ~~consideration of~~ aspects, the Governing Council felt that extra area particularly corridor area is a reasonable claim. Therefore, the Governing Council accorded approval to pay the extra area cost.

Subject No.14

Land Development Works:

The ED explained that out of 41 projects, the land provided by the Government in four projects has scope for stagnation of rain water. where we are forced to take up treatment like embankment to the road, construction of retaining walls, pitching construction of extra drains to divert rain water are necessary.

Therefore, in the following projects, the additional cost has to be incurred to take up the work.

1. Lingeri Station - Rs.4.58 lakhs
2. Thimmalapura - Rs.2.95 lakhs
3. Machina - Rs.6.78 lakhs
4. Arjunagi - Rs.3.08 lakhs

Rs.17.36 lakhs

These projects are being constructed by the Govt. of India agencies. Therefore, we have to pay this additional cost as per SR 99-00 rates. In case they are not willing, then the work will be tendered.

The Governing Council has accorded approval to take ^{up} the said work and meet the cost.

Subject No.15

Delegation of powers to Executive Director

Delegation of powers approved by the Governing council in the 9th Governing Council meeting held on 07.11.2001. Further, it is necessary to delegate some more powers to the ED in view of the increased work load to Chairman. Therefore, the powers have to be delegated below.

Sl. No	Subject	Power Delegated
1.	Release of maintenance expenditure to residential school (as per the pattern approved by the Govt.,)	up to Rs.2 lakhs at a time for each school
2.	Annual maintenance contract for typewriter, computer, UPS and other office equipments	Full Power
3.	To sanction expenditure on publication of official advertisement	Rs.5000/- at a time limiting to Rs.50000/- per year
4.	Sanction of hiring of private building as fixed by PWD on the recommendation of the managing committee headed by DC	Full Powers
5.	Sanction and release of funds to the Agencies towards construction of Residential Schools complex	up to Rs.1 lakhs and above Rs.1 lakhs by chairman

6.	Sanction and payment of remuneration to consultants, Legal advisers, retainers and other experts	up to Rs.10000/- at a time
7.	Approval of educational and sports tours for students and its cost	Full power
8.	Grant of leave for all the employees	Full power
9.	Grant to T.A. to consultants Auditors etc., at suitable rate as approved by GC	Full power
10.	Sanction of payment for postal and franking machine	Full power
11.	Insurance of property and assets of the society	Full power
12.	Maintenance and repairs to vehicles including periodical service	Rs.10000/- at a time limiting to Rs.50000/- per annum

The Governing Council has accorded approval to the delegation of powers suggested.

Subject No.16

Providing solar water system in the KREIS Residential School Complexes.

We are taking over 30 buildings within September 2002. There is need for solar heating system in the Dormitory, Dining blocks and quarters for hot water. Therefore, the ED requested the permission to provide solar water heater system in our school complexes. The agencies will be selected by calling tenders. The Governing Council suggested to take subsidies from Govt. of India. The Governing Council accorded approval to provide necessary solar water heating system in the school complexes.

Additional Subject NO.1

Extending the services for Project Monitoring by Contract Agencies.

The ED briefed, that the Society will be handling 70 projects at a cost of approximate Rs.130 crores. In view of the above, the Society has no qualified person to staff to assist ED to monitor the projects meticulously to avoid cost over run and time over run. There is a need for capable assistance who can monitor Projects with Computer application. A programme Officer (MIS) is

taken on deputation from the NGEF has now submitted his request for Voluntary Retirement to the parent organisation. He is not keen to continue. Therefore, we have to make alternative arrangement for monitor the projects. Therefore, the ED requested that the Governing Council may accord approval to ^{avail} ~~take~~ services through contract agency, as it is difficult to get qualified hands on deputation. ^{ED} ~~We~~ have also addressed ^{letter} to the Karnataka State Construction Corporation to spare the services of Engineers. But they fail to spare the services instead they insisted the services of Engineers deputed shall be absorbed, which is difficult since this is not long duration project. Therefore, the ^{said may} ~~agency can~~ ^{avail} ~~extend~~ the services ^{of} with qualified Engineer with ^{the knowledge of} Computer programming for better monitoring of the project. It is proposed to pay Rs.10000/- per month as service charges. The Governing Council ~~has~~ examined the requirement and accorded approval to ^{avail} ~~engage~~ the services of contract agency ~~to extend the required services of an Engineer with Computer programming to monitor the projects.~~ The Governing Council has authorised the Chairman to take necessary action.

The meeting concluded with thanks to the Chair.


CHAIRMNA