



## BANGALORE ELECTRICITY SUPPLY COMPANY Ltd.

**PROCEEDINGS OF 50<sup>th</sup> MEETING OF BOARD OF DIRECTORS  
OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED  
HELD ON THURSDAY, THE 29<sup>th</sup> DECEMBER 2011 AT 1:00 PM  
AT CORPORATE OFFICE, BESCOM, K.R. CIRCLE, BANGALORE.**

### **MEMBERS PRESENT:**

Sriyuths/Smts:

- |                         |   |                               |
|-------------------------|---|-------------------------------|
| 1. Shamim Banu M        | : | Chairperson                   |
| 2. P. Manivannan        | : | Managing Director             |
| 3. P. Ravikumar         | : | Director                      |
| 4. P.K. Garg            | : | Director                      |
| 5. Dr. P. Bore Gowda    | : | Director                      |
| 6. K. Ramakrishna       | : | Director (Technical)          |
| 7. S. Shivamallu        | : | Director                      |
| 8. V. Venkatasiva Reddy | : | Director                      |
| 9. M. Nagaraju          | : | Director                      |
| In Attendance:          |   |                               |
| R. Sridhara             | : | Authorised Signatory, BESCOM. |

At the outset, Managing Director, BESCOM welcomed the Chairperson, newly appointed Director Sri V. Venkatasiva Reddy, other Directors and officers to the meeting.

Quorum being present, the subjects were taken up for discussion and decision thereon.

### **PART I - ROUTINE SUBJECTS**

#### ***Subject No.50/01: Leave of Absence.***

Leave of Absence was granted to the following Directors:

1. Sri M. Naveen Kumar
2. Sri M. Maheshwar Rao
3. Sri H.R. Nagendra

✓  
Chairperson  
BESCOM

**BANGALORE ELECTRICITY SUPPLY COMPANY Ltd.****Subject No.50/02: Confirmation of Minutes of the 49<sup>th</sup> Meeting of Board of Directors of BESCOM held on 29<sup>th</sup> September 2011**

In regard to Subject No.49/22, it was decided to modify the delegated powers to Assistant Executive Engineers (Elect) to Rs.2 lakhs and accordingly the first part of the resolution was modified to read as below:

**RESOLVED THAT** for the reasons explained, in modification of the resolution passed by the Board at its 45<sup>th</sup> meeting (Subject No. 45/17) held on 18<sup>th</sup> December 2010, the following revised delegation be and is hereby approved :

**In respect of purchases/procurement of materials & Award of works:**

<b>Particulars</b>	<b>CEEs</b>	<b>SEEs</b>	<b>EEEs</b>	<b>AEEs</b>
<b>Invitation of Tenders</b>	<b>Rs.200 lakhs (Rs.Two hundred lakhs only)</b>	<b>Rs.100 lakhs (Rs.One hundred lakhs only)</b>	<b>Rs.30 lakhs (Rs.Thirty lakhs only)</b>	<b>Rs.2 lakhs (Rs.Two lakhs only)</b>
<b>Acceptance of Tenders</b>	<b>Rs.200 lakhs (Rs.Two hundred lakhs only)</b>	<b>Rs.100 lakhs (Rs.One hundred lakhs only)</b>	<b>Rs.30 lakhs (Rs.Thirty lakhs only)</b>	<b>Rs.2 lakhs (Rs.Two lakhs only)</b>

With the above modifications, the minutes were confirmed.

**Subject No.50/03: Action Taken Report on the Minutes of the 49<sup>th</sup> Meeting of Board of Directors of BESCOM held on 29<sup>th</sup> September 2011**

NOTED.

  
Chairperson  
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**BANGALORE ELECTRICITY SUPPLY COMPANY Ltd.**

**Subject No.50/04: a) Noting of appointment of Director on the Board of BESCOM.**

**b) Disclosure of Interest.**

**Ref: Government Notification No. EN 132 Samanvaya 2011, dated 21-10-2011**

While taking note of the contents of Government Notification No. EN 132 Samanvaya 2011 dated 21-10-2011, the Board once again welcomed the newly appointed Director Sri V. Venkatasiva Reddy and placed on record its appreciation for the valuable services rendered by the outgoing Director Sri L. Ravi.

Board also took note of the Disclosure of Interest made by Sri V. Venkatasiva Reddy, Director under Section 299 of Companies Act.

**PART II - SPECIAL SUBJECTS**

**Subject No.50/05: Revision of Sitting Fees payable to the Directors - Reg.**

Board noted the contents of Government Order No. DPE 08 SPU 2011 dated 22-10-2011. The enhancement in sitting fees as brought out in the said GO is subject to satisfying the following conditions:

- (a) There has been no Net Loss in the previous three years; and
- (b) There are no accumulated losses at all.

Chief General Manager (F & C), BESCOM submitted to the Board that BESCOM has incurred a Net Loss for the year ending 31-03-2009 and also has accumulated losses. In view of the same, Board noted that BESCOM was not satisfying the parameters as brought out in the Government Order dated 22-10-2011. Accordingly it was decided to continue with the existing amount of Rs.500/- being paid as sitting fee.

✓  
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**Subject No.50/06: Deputation of officers to Europe along with delegation from the Government of Karnataka - reg.**

Details were explained. Chief General Manager (F & C), BESCOM submitted to the Board that Traveling, Boarding, Lodging and local Transportation Charges are borne by BESCOM with regard to the two officers deputed from BESCOM. Reckoning that the visit to the factory of the manufacturer was to study Distribution Automation System to be implemented in BESCOM, the proposal was approved and following resolution was passed:

**RESOLVED THAT action taken by BESCOM in having deputed Sri G.V. Balaram, Chief Engineer, Electy. (Operations), BESCOM and Smt. Vidyarani, Deputy General Manager (Projects & DAS), BESCOM to visit the factory of M/s Efacec Engenharia e Sistemas, Portugal located at Porto and Lisbon cities at Europe during 3<sup>rd</sup> and 4<sup>th</sup> week of November 2011 for studying the Distribution Automation System (DAS) be and is hereby RATIFIED.**

**Subject No.50/07: Deputation of officers/officials to USA for imparting training in connection with Bangalore Distribution Up-gradation project with Automation (DAS) - reg.**

Details were perused. Under the scope of award of work to the Project Management Consultant (PMC), the Consultant has to train 25 members under Oversees Training Program. M/s KEMA of USA who are appointed as Project Management Consultant will have to bear all the related expenses in connection with the deputation and training abroad. In the circumstances, Board felt that the aspect of extending *per diem* allowance (Daily Allowance) does not arise. However, it was suggested that Chief General Manager (F & C), BESCOM shall verify and confirm that PMC has borne all the expenses in connection with the deputation and training abroad before denying *per diem* Allowance.

  
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**BANGALORE ELECTRICITY SUPPLY COMPANY Ltd.**

Having debated as above, the proposal was accepted and the following resolution was passed:

**RESOLVED THAT** action taken in having deputed the following Officers / Officials / Employees to USA for training in connection with Bangalore Distribution Up-gradation Project with Automation (DAS) during December 2011 be and is hereby **RATIFIED** subject to the observations as brought out therein:

Sl. No.	Name of the Officials/ Employees	Designation	Place of Working
1	Sri S.A.Sathish Kumar	General Manager(Comml.)	Corporate Office, BESCOM.
2	Sri R. Jayakumar	General Manager(Projects & DAS)	Corporate Office, BESCOM.
3	Sri Narayan Naik	Superintending Engineer(Ele.,)	O&M North Circle, BESCOM
4	Smt. G.Sheela	Superintending Engineer(Ele.,)	O&M East Circle, BESCOM
5	Sri S.Koteppa	Superintending Engineer(Ele.,)	O&M Davanagere Circle, BESCOM, Davanagere
6	Sri B.T.Prakash Kumar	Deputy General Manager (IT)	Corporate Office, BESCOM.
7	Sri V.Prakasha	Deputy General Manager (CR)	Corporate Office, BESCOM.
8	Sri G.V.Nagarajan	Deputy General Manager (DAS)	Corporate Office, BESCOM.
9	Sri M.T.Sharanappa	Deputy General Manager (PP)	Corporate Office, BESCOM.
10	Sri V.S.Bidari	Executive Engineer (Ele.,)	O&M Hebbal Division, BESCOM, Bangalore
11	Sri H.Purushotham	Executive Engineer (Ele.,)	O&M Rajarajeshwarinagara Division, BESCOM, Bangalore
12	Sri K.Thippeswamy	Executive Engineer (Ele.,)	O&M Rajajinagar Division, BESCOM, Bangalore
13	Smt. Priya K. Jakkannavar	Assistant General Manager(DAS)	Corporate Office, BESCOM.

  
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Sl. No.	Name of the Officials/ Employees	Designation	Place of Working
14	Sri B.Krishnamurthy	Assistant General Manager(DAS)	Corporate Office, BESCOM.
15	Sri S.Purushothama	Assistant General Manager(DAS)	Corporate Office, BESCOM.
16	Sri M.Raghu	Assistant General Manager(DAS)	Corporate Office, BESCOM.
17	Smt. K.B.Muththulakshmi	Assistant General Manager(DAS)	Corporate Office, BESCOM.
18	Sri K.Anand Kumar	Assistant General Manager(R-APDRP)	Corporate Office, BESCOM.
19	Sri R.H.Lakshmi pathy	Assistant Executive Engineer(Ele.,)	O&M, E-8 Sub- Division, BESCOM, Bangalore
20	Sri B.Venugopal	Assistant Executive Engineer(Ele.,)	O&M, Cables & works Sub- Division, BESCOM, Bangalore
21	Sri Manteligaiah	Linemen	O&M S-12 Sub- Division, BESCOM, Bangalore
22	Sri Kuberappa	Linemen	O&M N-4 Sub- Division, BESCOM, Bangalore
23	Sri Gajendra	Linemen	O&M E-6 Sub- Division, BESCOM, Bangalore

**OBSERVATIONS:**

- a) M/s KEMA of USA, Project Management Consultant will have to bear all the related expenses in connection with the deputation and training abroad.
- b) Hence the aspect of extending *per diem* allowance (Daily Allowance) does not arise.
- c) Chief General Manager (F & C), BESCOM shall verify and confirm that PMC has borne all the expenses in connection with the deputation and training abroad before denying *per diem* Allowance.

**Subject No.50/08: Purchase of new Ford Fiesta Classic Model (Diesel) car for the use of CGM (OP & PP), Corporate office, BESCOM, Bangalore.**

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Board noted that Government has issued an order relating to financial implication for purchase of a new car for official purposes. The proposal appears to be in excess of the limits prescribed in the Government Order. Hence it was suggested that Managing Director, BESCOM may approve purchase of car for the use of Chief General Manager (OP & PP), Corporate Office, BESCOM subject to conditions and limitations as brought out in the relevant Government Order which regulates purchase of new vehicle for official purposes and passed following resolution:

**RESOLVED THAT for the reasons explained, Managing Director, BESCOM be and is hereby authorized to approve purchase of a new car for use of Chief General Manager (OP & PP), BESCOM subject to the conditions and limitations as brought out in the relevant Government Order which regulates purchase of a new car for official purposes.**

**Subject No.50/09: Application of HT2(b), Commercial Tariff to S4HT-135 - Oracle Software India Ltd., Bangalore for the period earlier to production of certificate from the Department of IT & BT.**

Chief General Manager (F & C), BESCOM submitted the details. As a normal practice Companies engaged in development of Software and Hardware are charged commercial Tariff. However as per BESCOM Circular dated 10-11-2006, Companies engaged in development of Software and Hardware were extended industrial tariff on production of a certificate issued from the IT & BT. As an offshoot to the said Circular, clarifications have also been provided to the fact that concession can be extended only after production of the requisite circular and for the earlier period the consumer has to pay Back Billing Charges.

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**BANGALORE ELECTRICITY SUPPLY COMPANY Ltd.**

In the present case, though M/s Oracle Software India Ltd., Bangalore was serviced during June 2000, it was being billed under concessional tariff. On inspection by Vigilance, BESCOM during April 2006, it was noticed that the Agency has not produced requisite certificate from the Department of IT & BT. Subsequently the consumer produced the requisite certificate dated 28-04-2006 issued by Department of IT & BT on 22-09-2007. Hence BESCOM has Back Billed the Agency as per the prevalent Regulations/Circular instructions.

Board went through the details. Board at its meeting held on 23-08-2008 has reiterated the implementation of 10-11-2006 circular instructions in totality. A Committee of officers of BESCOM had heard objections of the consumer and reiterated the short claim of Rs.2,83,59,764/- already demanded on the consumer. The consumer had paid 50% of the short claim amounting to Rs.1,74,80,488/-. A Committee of Senior Officers of BESCOM had looked into the matter in obedience to the directions of the Hon'ble High Court of Karnataka and heard the matter duly following the principles of natural justice. Considering the same, Board accepted the recommendations of the Committee and passed the following resolutions:

**RESOLVED THAT the recommendations of the Committee of Officers at their meeting held on 05-02-2011 in the subject matter recommending approval of the Short Claim of Rs.2,83,59,764/- (Rs. Two crores eighty three lakhs fifty nine thousand seven hundred and sixty four only) already demanded on M/s Oracle Software India Ltd., Bangalore be and is hereby ACCEPTED.**

**FURTHER RESOLVED THAT consequent to the same Managing Director, BESCOM be and is hereby authorized to initiate necessary action to recover the balance amount from the consumer as per procedure.**

✓  
Chairperson  
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**Subject No.50/10: Application of HT2(b), Commercial Tariff to S3HT-32 - Cognizant Technology Solutions Pvt. Ltd., Bangalore for the period earlier to production of certificate from the Department of IT & BT.**

Contents are similar to one discussed at the previous proposal. In the present case M/s Cognizant Technology Solutions Pvt. Ltd., Bangalore was billed under industrial tariff from February 2005. The consumer had not produced the desired certificate and was asked to provide the same. Since the required certificate was not forthcoming, the installation has been backbilled for an amount of Rs.1,45,16,800/-. Subsequently the consumer has paid 50% of the Short Claim amounting to Rs.72,58,400/-.

Board deliberated the subject. In present case also the Committee of Officers have gone through the details and have held that Short Claim of Rs.1,45,16,800/- is in order. Board noted that the Committee has gone through the hearing as per procedure giving adequate opportunity to the other party to submit its side of the case.

Having debated thus, in obedience to the orders of the Hon'ble High Court directions, Board accepted the opinion of the Committee of Officers and passed the following resolutions:

**RESOLVED THAT the recommendations of the Committee of Officers at their meeting held on 25-05-2011 in the subject matter recommending approval of the Short Claim of Rs.1,45,16,800/- (Rs. One crore forty five lakhs sixteen thousand eight hundred only) already demanded on M/s Cognizant Technology Solutions Pvt. Ltd., Bangalore be and is hereby accepted.**

  
Chairperson  
BESCOM



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**FURTHER RESOLVED THAT** consequent to the same **Managing Director, BESCOM** be and is hereby authorized to initiate necessary action to recover the balance amount from the consumer as per procedure.

**Subject No.50/11: Revision of Cost Auditors' fees from FY 2010-11 and onwards.**

**Ref: Letter No. GNV/001/BC01/2011-12/121 dated 09-12-2011 of M/s GNV & Associates, Cost Auditors, Bangalore.**

Chief General Manager (F & C), BESCOM submitted the details. After detailed deliberations, Board decided to enhance Cost Auditor's fee to Rs.50,000/- + Service Tax + Out of pocket expenses from the financial year 2010-11 and onwards.

**RESOLVED THAT approval be and is hereby accorded to enhance the professional fee to Rs.50,000/- (Rs. Fifty thousand only) + Service Tax + Out of pocket expenses to the Cost Auditors for auditing Cost Accounting Records of BESCOM for the Financial Year 2010-11 and onwards.**

**FURTHER RESOLVED THAT Chief General Manager (F & C), BESCOM** be and is hereby authorized to issue necessary orders accordingly duly following corporate norms.

**Subject No.50/12: Delegation of Financial Powers to General Manager (CA), Corporate Office.**

Managing Director, BESCOM submitted the details. The proposal is to delegate financial powers to General Manager (Corporate Affairs), Corporate Office, BESCOM.

  
Chairperson

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Board deliberated the matter. Contents of the Order issued in this context were perused. The post of General Manager (Corporate Affairs), BESCOM is equivalent to the cadre of Superintending Engineer (Elect). A Superintending Engineer (Elect) at field level is delegated the power to incur an expenditure of Rs.100 lakhs. The Circular in the instant case also limits the expenditure to Rs.1 Crore subject to provision available in the budget. However, the circular states that the General Manager (Corporate Affairs), BESCOM is authorized to exercise the powers equivalent to that of Director (Technical), BESCOM which needs to be removed. Subject to the above, proposal was accepted and following resolution was passed:

***RESOLVED THAT subject to deleting the reference in the preamble and the order portion to the effect that General Manager (Corporate Affairs), BESCOM Corporate Office is approved to exercise powers equivalent to that of Director (Technical), BESCOM, action taken in having issued Amendment Order No. BESCOM/GM(CA)/DGM(C)/BC-9/F-1554/2010-11/7214 dated 23-11-2011 be and is hereby RATIFIED.***

Meeting concluded with vote of thanks to the Chair.

  
Chairperson  
BESCOM

