

**STRICTLY CONFIDENTIAL**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION (P)  
LTD**

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**MINUTES OF THE FIRST MEETING OF THE BOARD OF DIRECTORS  
HELD ON 24<sup>TH</sup> OCTOBER 1973.**

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**PRESENT:**

- |           |                                       |                     |
|-----------|---------------------------------------|---------------------|
| <b>1</b>  | <b>Sri C.R.Krishnaswamy Rao Saheb</b> | : Director          |
| <b>2.</b> | <b>Sri S.R.Rama Murthy</b>            | : Director          |
| <b>3.</b> | <b>Sri B.C.Gangapadhyay</b>           | : Director          |
| <b>4.</b> | <b>Sri N.Luther</b>                   | : Director          |
| <b>5.</b> | <b>Sri C.S.Sastry</b>                 | : Director          |
| <b>6.</b> | <b>Sri M.Venkataratnam</b>            | : Director          |
| <b>7.</b> | <b>Sri M.Harischandra Prasad</b>      | : Director          |
| <b>8.</b> | <b>Sri P.M.Reddy</b>                  | : Director          |
| <b>9.</b> | <b>Sri V.Sundaresan</b>               | : Managing Director |

In the absence abroad of Sri A.Krishnaswamy, Chairman of the Board of Directors, the Directors present elected Sri C.R.Krishnaswamy Rao Saheb as Chairman of the meeting. The meeting was thereafter conducted with Sri C.R.Krishnaswamy Rao Saheb in the chair.

The Chairman welcomed the Directors of the Company which was incorporated on 26<sup>th</sup> September, 1973 and sought their cooperation in making a success of the new venture started by the Government for rapid development of industrial infrastructure in the State.

**No.1: Background Note and copies of orders issued by the Government:**

The Board took note of the background note indicating the circumstances that led to the setting up of the Corporation by the Government and the copies of orders issued by the Government relating to the setting up of the Corporation, constitution of the Board of Directors, appointment of Sri V.Sundaresan, initially as special Officer and subsequently, as Managing Director of the Corporation and the certificate of incorporation of the company issued by the Registrar of companies, Hyderabad.

**No.2: Informative Note on Industrial Estates, Industrial Development Areas and Incentives Schemes:**

The Board took note of the information furnished on Industrial Estates, Industrial Development Areas and Incentive Schemes and observed that a note should be placed before it as early as possible regarding the basis on which rentals are being charged at present in respect of Industrial Estates and the policy that should be followed by the Corporation in future regarding their management, fixation of rent etc., The Board expressed the view, that, prima facie, the corporation will have to work out the rentals on an economic basis.

In regard to Industrial Development Areas Sri Sastry observed that in the Balanagar Industrial Area some of the plots allotted for setting up of industries have not been utilized and if possible the need and feasibility of Corporation resuming them and reserving them for allotment for small industries should be examined.

In respect of Incentives Sri Sastry pointed out that there was need for government attaching greater importance to this matter and that the amounts provided for disbursement by the State Government have not so far been adequate. It was explained that Government had not yet issued orders indicating the exact scope of the Corporations' work in regard to disbursement of State Government's incentive and the Central Government's subsidy. Sri Luther observed that the Corporation's work might be restricted to mere disbursement of the amounts as decisions regarding the eligibility of particular industries for subsidy or incentive would necessarily have to be inter linked with regulatory functions of the Department of Industries and this part of the work may therefore have to be continued with the Directorate of Industries. It was noted that these aspects would not doubt be taken into consideration by Government while issuing orders in this regard.

**No.3: Programme of work for the current year 1973 – 74:**

The Board took note of the programme of work for the Corporation for the year 1973 – 74 and noted that Government's orders regarding the transfer of funds in respect of schemes to be implemented by the corporation were awaited. The Board expressed the view that as soon as orders of the Government are received detailed plans should be drawn up for the implementations of the Schemes.

(Sri C.S.Sastry left the meeting at this stage).

#### **No.4: Interim Budget for 1973-74:**

The Board decided that the interim budget might be suitably revised after receipt of the orders of Government regarding the funds that would be transferred to the Corporation for implementation of schemes taking into account the resources the Corporation might be able to raise from banks and other financial institutions and placed before it for consideration. The Board, in this context, stressed the need for observing the utmost economy in the construction of buildings by adopting economic designs in order to keep down costs and consequently the rentals and other charges that would have to be charged from entrepreneur and observed that institutions like the C.S.I.R., in Madras, Central Buildings Research Institute, N.I.D.C. and similar other institutions might be usefully consulted for advice in this regard.

Pending approval of the Budget for the remaining part of the financial year the Board authorised the managing Director to incur such expenditure as may be necessary on schemes which were already under implementation and which would be transferred by Government to it along with related funds. The Board authorised the Managing Director to incur expenditure under the heads "Non-recurring" and "Working expenses" as set out in the agenda note and also authorised him to re-appropriate to the extent necessary, the provisions under sub-heads detailed under these two items.

Incidentally, the Board suggested that as the Corporation came into being on 26-9-1973 the Government should be requested to issue a directive that all rents and other receipts accruing in respect of Industrial Estates, Industrial Development Areas, etc., from 1-10-1973 should be received by the Corporation. The Board also expressed the view that arrears pertaining to the period previous to this date which remained uncollected should be retained by the Corporation as and when collected and that such amounts should be treated as share capital subscribed by Government to the Corporation.

#### **No.5: Provisional set up and staffing pattern of the Corporation:**

The Board noted that the existing staff of the Directorate of Industries attending to items of work which would be made over to the Corporation would be transferred to the Corporation on deputation terms as fixed by the Government. They expressed the view that pending selection of staff that would be permanently transferred to the Corporation they might be taken on deputation initially for a period of one year.

The Board also generally approved the set up and staffing pattern as proposed in the Agenda Notes subject to the following observations.

(a) (i) - The designation of the head of the Development Branch should be General Manager. The Board expressed the view that this would be the Key post on the development side and steps should be taken to select a suitable officer either by deputation or by open recruitment.

(ii) The Board also expressed the view that in the interests of co-ordination it would be necessary for the Development Officer to report to the General Manager and not directly to the Managing Director as proposed.

(b) The designation of the head of Finance and Accounts Branch should be Financial Controller. The Board expressed doubts whether it would be possible to secure, on the proposed scale of pay, the services of a person who would also have qualified himself in the company Law Examination. It was not possible to do so, they observed that it might be necessary to create a separate post of Company Secretary on the scale of 700-1250- and that a person should be selected from the panel which would be drawn up by the Andhra Pradesh Industrial Development Corporation, who are taking steps to recruit a Company Secretary for their organisation. The Board did not consider it necessary to create a separate post of Assistant Company Secretary.

© In the event of a separate post of Company Secretary being created the Board expressed the view that eventually, this officer should be entrusted with responsibilities relating to personnel and administration. For the present, the Board approved the creation of post of an Administrative and Personnel Officer on the scale of Rs.700-1250 as proposed, for a period of one year, mainly with a view to expediting the preparation of rules and regulations, office manual etc.,

(d) The Board did not consider it necessary to create a post of Publicity and Public Relations Officer at present and observed that the work should, for the time being, be got done through recognised publicity and advertising agencies.

(e) The Board observed that details of the staffing pattern should be worked out soon after the heads of the concerned branches assumed charge of their posts.

(f) The Board observed that except in respect of staff that would be transferred along with the work from the Directorate of Industries the general set up should be “Officer oriented”.

**No.6: Appointment of Financial Adviser – cum – Secretary:**

The Board approved the proposal as set out in the agenda notes for advertising for the post of Financial Controller.

The procedure to be followed for considering the applications received in response to the advertisement would be put up to the Board at the next meeting.

**No.7: Financial year of the corporation:**

The Board approved the proposal to adopt the Government’s financial year from 1<sup>st</sup> April to 31<sup>st</sup> March of the following year as the financial year of the Corporation.

**No.8: Opening and operation of Bank Accounts:**

The proposals as set out in the Agenda Notes regarding the opening and operation of bank accounts were approved subject to the modification that, in Hyderabad city, accounts should be opened in the Andhra Bank in addition to the State Bank of Hyderabad and Syndicate Bank.

The Board also ratified the action of the Managing Director in having deposited the balance amount of Rs.45,000/- out of a sum of Rs.2 lakhs sanctioned by the government for meeting the expenditure on registration of the corporation under the Companies Act, in a current account opened in the name of the Managing Director in the State Bank of Hyderabad.

**No.9: Delegation of powers to Managing Director and other Officers:**

The Board decided that the proposals for delegation of powers should be considered in detail at the next meeting. In the meanwhile the Managing Director was authorised to exercise such powers as might be necessary in accordance with the proposals to carry on the business of the Corporation.

**No.10. Purchase of transport vehicles:**

The Board approved the purchase of two Ambassador cars for the use of the Corporation. As regards the Jeep, the Board expressed the view that such vehicles might, if necessary, be purchased at later date with the approval of the Board for use in the field and located in the field offices.

**No.11: Appointment of Legal Adviser:**

The Board approved the proposal to appoint initially, for a period of six months, Sri G.V.L.Narasimha Rao AS legal Adviser to the Corporation on a retainer of Rs.300/- p.m. and on the same terms and conditions on which he has been appointed as Legal Adviser to the Industries Department, pending arrangements to be made on a long term basis.

**No.12: Working hours of the offices and holidays of the Corporation:**

The Board approved the proposals as set out in the Agenda Note regarding working hours, holidays and casual leave.

**No.13: Fifth Five Year Plan:**

The Board took note of the information indicating outlays likely to be made by the Government in regard to the activities of the Corporation in the Fifth Five Year Plan.

**No.14: Enrolment of the Corporation as member of the Federation of Andhra Pradesh Chambers of Commerce and Industry:**

The Board accorded approval to the Corporation becoming a corporate member of the Federation of Andhra Pradesh Chambers of Commerce and Industry and to incur the expenditure therefore.

**No.15: Payment of remuneration, T.A. and D.A. to Directors:**

(a) Remuneration to the Directors: The Board took note of the fact that the Government have decided that the Directors should be paid a sitting fee of Rs.50/- per sitting.

(b) Payment of T.A. and D.A. to Directors: The Board decided that non-official Directors shall be paid T.A. and D.A. at the rates indicated below:

Daily allowance	--	Rs.50/- per day
Travel by air or Air conditioned Class by rail.	--	Actual fare plus Rs.10/- each way.
Travel by train first class Class fare each way.	--	One and half first

**No.16: Emblem / Insignia of the Corporation:**

The Board authorised the Managing Director to take a decision on the proposals that may be received from the advertising agencies for a suitable emblem / insignia for the Corporation.

**No.17: Capital Structure of the Corporation:**

The Board decided to give detailed consideration to this matter at its next meeting. Tentatively however, the Board took the following review.

(a) The decision of Government that the valuation of assets transferred to the Corporation should be based on their "market value" would require reconsideration.

(b) It may not be sound for the Corporation to finance its construction and developmental activities on the basis of 10 per cent margin money (- part of which may itself be received from Government only as loan -) raising the balance of 90% as Loan from banks and other financing institutions and that it may be advisable to follow an equity debt ratio of 50:50 in this regard.

© The Government should extend as far as possible their financial assistance to the Corporation in the shape of equity and not as loan.

**No.18: Appointment of Administrative and Personnel Officer:**

The Board approved the appointment of Sri M.Sriramulu retired Director of Social Welfare and Deputy Secretary to Government as Administrative and Personnel Officer of the Corporation on a scale of payoff Rs.700-1250 for a period of one year on the minimum of the pay scale proposed for the post (in addition to his pension) subject to his obtaining from Government such permission as might be necessary to take up the post.

**No.19: Note of Sri Luther on the Corporation taking up some Employment Schemes in the twin cities:**

The Board decided that consideration of this matter be postponed to the next meeting.

Sd/-  
Sri C.R.Krishnaswamy Rao Saheb  
Chairman



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**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION (P)  
LTD Regd. Office: "Princess Villa", Chirag Ali Lane, Hyderabad - 500  
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**MINUTES OF THE SECOND MEETING OF THE BOARD OF  
DIRECTORS HELD ON 29<sup>th</sup> NOVEMBER 1973.**

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**PRESENT:**

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|--------------------------------|----------------------------|
| <b>1. Sri A.Krishnaswamy</b>   | <b>: Chairman</b>          |
| <b>2. Sri B.C.Gangapadhyay</b> | <b>: Director</b>          |
| <b>3. Sri N.Luther</b>         | <b>: Director</b>          |
| <b>4. Sri C.S.Sastry</b>       | <b>: Director</b>          |
| <b>5. Sri P.M.Reddy</b>        | <b>: Director</b>          |
| <b>6. Sri M.Venkataratnam</b>  | <b>: Director</b>          |
| <b>7. Sri M.A.Haleem</b>       | <b>: Director</b>          |
| <b>8. Sri V.Sundaresan</b>     | <b>: Managing Director</b> |

The Board granted leave of absence of Sri C.R.Krishnaswamy Rao Saheb and Sri M.Harischandra Prasad.

The Chairman welcomed Sri M.A.Haleem who had been appointed Director in place of Sri S.R.Ramamurthy. The Board placed on record its appreciation of the services rendered by Sri S.R.Ramamurthy during his brief tenure as Director.

**NO.1: CONFIRMATION OF THE MINUTES OF  
THE PREVIOUS MEETING:**

The minutes as already circulated were confirmed.

**No.2: REVIEW OF ACTION TAKEN ON THE MINUTES  
OF THE FIRST MEETING:**

Noted by the Board.

Incidentally it was observed by the Board that the problem of disposal of effluents should be Industrial Estates and Industrial Development Areas where chemical industries are planned to be set up

so that adequate facilities would be available to enable the management of the concerned industry to arrange for disposal of the treated effluent.

**No.3: APPOINTMENT OF A COMMITTEE FOR SELECTING  
FINANCIAL CONTROLLER AND SENIOR ACCOUNTS OFFICER:**

It was brought to the notice of the Board that although advertisements had been issued early in November, 1973, and the Hindu, the Indian Express (Southern edition) and the Deccan Chronicle carried the advertisement on the 14<sup>th</sup> November, 1973 as programmed, neither, the Times of India nor the Statesman had published the advertisements so far. In response to the advertisements that have already appeared about 15 applications for the post of Financial Controller and 25 applications for the post of Senior Accounts Officer have so far been received. The Board decided that the Managing Director should arrange to show the applications to Sri Dhamdhri of the Indian Detonators Limited, to see, if, prima facie, it would be possible to select a panel of suitable candidates from among the applications already received; if not, and if there is no likelihood of the Times of India and the Statesman publishing the advertisements within a short time, the advertisements meant for these papers should be cancelled and they should be inserted in the Indian Express of Bombay and the Hindustan Times or the Indian Express of Delhi and the Amrit Bazaar Patrika of Calcutta.

The Chairman was authorised by the Board to nominate the Selection Committee and to co-opt experts from outside on the Committee and to decide the fee etc., to be paid to them and to decide, if the candidates called for interview should be paid to and for travelling allowance etc., and if so, at what rate.

**No.4: CONSIDERATION OF THE PANEL OF NAMES RECEIVED FOR  
APPOINTMENT OF SUPERINTENDING ENGINEER AND  
EXECUTIVE ENGINEER:**

Sri P.V.Prabhakara Rao was selected for appointment as Superintending Engineer.

It was decided to call for a fresh panel of names of Executive Engineers from the Government for the post of Executive Engineer.

**No.5: A NOTE ON THE PROGRESS SO FAR MADE  
BY THE CORPORATION:**

Noted by the Board.

**No.6: PRESENT FINANCIAL POSITION OF THE CORPORATION:**

Noted by the Board.

The Board was also informed of the discussions which Adviser (S) had with representatives of banks and financial institutions on 27-11-73 regarding the raising of institutional finance by the Corporation and that no firm indications had yet emerged regarding the pattern of assistance that might be forthcoming from banks and financing institutions. The Board was also informed that a few specific scheme viz. those relating to the Ancillary Industrial Estate at BHEL, Ramachandrapuram and Self Employment Estate at Kattedan had been forwarded to the State Bank of India for consideration while those relating to the Self Employment Industrial Estates at Kurnool and Ongole had been sent to the Syndicate Bank. Proposals are under formulation in respect of the other schemes and will be forwarded to other institutions shortly.

The Board approved in principle, the proposal to raise debentures, -- either guaranteed or not guaranteed by the Government -- on the security of the Corporation's assets and directed that firm proposals might be brought before it at an early date.

**No.7: FURTHERS CONSIDERATION OF THE NOTE ON  
CAPITAL STRUCTURE OF THE CORPORATION:**

The Board recognised that the capital structure of the Corporation as also the financial (-including pricing-) policy should be formulated in such a manner as to subserve the purpose of providing infrastructure facilities for the promotion and growth of industry at as attractive rates as possible, without loss and if possible, with profit, to the corporation. The need for avoiding over-capitalisation which will inevitably lead to heavy liabilities and inadequate return and the need for devising built-in measures to generate sufficient internal resources over a period of time were also noted by the Board. This could be achieved only by prudent capital planning which would require raising of capital at the lowest possible cost and by maintaining an optimum balance between equity and borrowed capital for financing the development activities of the Corporation. The question of asking for a grant-in-aid from the Government at least in the initial formative years of the Corporation to bridge the gap in its earnings would also require to be seriously examined.

The Board noted that it would take some time to draw up a comprehensive plan of its activities over a period of time with resources likely to be available and to project possible financial results. The Board decided that a paper should be prepared on the subject and circulated to the Directors in advance to enable a detailed discussion of the subject in the Board so that it might formulate its considered views on this important matter.

In the meanwhile, the Board directed that the Government should be addressed in terms of the tentative views adopted by the Board in its first meeting, to enable the former to take them into consideration while issuing orders on related matters.

The Board also decided that Government should be requested to settle the Corporation's paid up capital at an early date by expediting the valuation of assets proposed to be transferred to the Corporation as that they would be necessary to enable the Corporation to approach banks and other financial institutions, not only for loan assistance but also to float debentures.

Incidentally, the Board observed that, in the matter of allotment of land to entrepreneurs "Over-allotment" or allotment of excess extents should be avoided and where feasible, excess land already allotted should be resumed by encouraging voluntary surrenders on the part of allottees.

No.8: TRAVELLING ALLOWANCE TO DIRECTORS –  
ROAD MILEAGE:

The Board decided that non-official Directors be paid road mileage at 70 paise per KM.

No.9: CONSTITUTION OF A BUSINESS COMMITTEE OF  
THE BOARD OF DIRECTORS:

The Board decided to constitute a Business Committee consisting of the Chairman, Sri P.M.Reddy, Director of Industries and the Managing Director with a view to expedite the dispatch of the Corporation's business.

No.10: DELEGATION OF POWERS TO MANAGING  
DIRECTOR AND OTHER OFFICERS:

Proposals as set out in the Agenda Notes were approved.

No.11: CONSIDERATION OF THE NOTE BY SRI N.LUTHER,  
DIRECTOR ON THE TRANSFER OF SOME  
EMPLOYMENT SCHEMES TO THE CORPORATION:

Sri Luther clarified during discussion that it was not his intention that the Corporation should take over the schemes referred to in his note but that the Corporation should advance about Rs.3 to 4 lakhs as loan to the Industries Department for implementing the schemes. The Board decided that the matter might be discussed by the Managing Director with the Director of Industries and placed before the Business Committee for consideration.

No.12: ANCILLARY ESTATE IN THE BHEL CAMPUS:

The Board approved in principle the proposal to take up the construction of Ancillary Industrial Estate in the BHEL campus. It directed, however, that it should be ascertained from the BHEL management whether, in the event of their not agreeing to the Corporation disposing of the sheds to the entrepreneurs on outright sale or hire purchase basis, the BHEL would be agreeable to acquire the sheds from this Corporation so as to avoid locking up of the Corporation's funds for an indefinite period in this estate.

No.13: CONSIDERATION OF THE LETTER RECEIVED FROM  
THE ALL INDIA MANUFACTURERS ORGANISATION:

Seen by the Board.

No.14: PAPERS TO BE PLACED BEFORE THE BOARD FOR  
INFORMATION

Terms and conditions of the appointment of Sri V.Sundaresan as Managing Director.

Appointment of Sri M.A.Haleem, I.A.S., Secretary to Government, Employment and Social Welfare Department as Director in place of Sri S.R.Ramamurthy.

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Noted by the Board.

No.15: ASSOCIATION OF ACADEMICIANS WITH PUBLIC SECTOR UNDERTAKING:

Send by the Board. (Sri Luther left at this stage.)

No.16: PROPOSALS REGARDING T.A. AND D.A. SERVANT ALLOWANCE, CONVEYANCE ALLOWANCE AND MEDICAL ALLOWANCES:

(a) TRAVELLING ALLOWANCE AND DAILY ALLOWANCE:

The proposals as set out in the agenda notes was approved subject to the modification that the Directors would be paid Daily Allowance at actuals or at Rs.60/- per day for journeys outside the State.

(b) SERVANT ALLOWANCE:

The Board decided that servant allowance as approved by Government would be payable only to officers coming to the Corporation on deputation from the Andhra Pradesh Government and whose deputation terms include the payment of such allowance, provided the officer was entitled in his parent department to a peon at his residence.

The Board also directed that the State Government should be requested not to transfer any residence peon to the Corporation from the Directorate of Industries or its field offices while transferring officers along with the work as it is the policy of the Corporation to keep to the minimum if not to abolish the category of peons and introduce a system of messenger service as is available in most offices. All such officers that are entitled to residential peons will be paid servant allowance in accordance with their deputation terms and at rates approved by Government.

© CONVEYANCE ALLOWANCE:

The Board decided that all employees of the Corporation be allowed to draw conveyance allowance in accordance with the following scales:-

- i) Employees drawing a pay of less than Rs.250/- p.m. : Rs.5/- p.m. if he maintains a bicycle.
- ii) Employees drawing a pay of and above Rs.250/- but Less than Rs.1,000/- p.m. : Rs.5/- p.m. if he maintains a bicycle. Rs.50/- if he maintains a scooter or Motor cycle.
- iii) Employees drawing a pay of and above Rs.1,000/- p.m. Rs.200/- p.m. : Rs.50/- p.m. if he maintains a scooter or motor cycle. if he Maintains a car.

(d) REIMBURSEMENT OF MEDICAL EXPENSES:

The proposal as set out in the agenda notes was approved.

No.17: OTHER SUBJECTS (Not included in the Agenda earlier)

- (a) The Board approved the proposal to open a bank account in the State Bank of India, Hyderabad.
- (b) The Board approved the proposal to take on rent at 75 paise per sq.ft. the newly constructed private building on Bombay Road, Khairatabad, for accommodating the office of the Corporation.

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ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION (P) LTD

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MINUTES OF THE THIRD MEETING OF THE BOARD OF DIRECTORS  
HELD ON 25<sup>TH</sup> FEBRUARY, 1974.

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PRESENT:

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|----|---------------------------|------------------|
| 1. | Sri A.Krishnaswamy        | : Chairman       |
| 2. | Sri B.C.Gangapadhyay      | : Director       |
| 3. | Sri M.A.Haleem            | : Director       |
| 4. | Sri V.P.Rama Rao          | : Director       |
| 5. | Sri N.Luther              | : Director       |
| 6. | Sri C.S.Sastry            | : Director       |
| 7. | Sri M.Harischandra Prasad | : Director       |
| 8. | Sri P.M.Reddy             | : Director       |
| 9. | Sri P.S.Krishnan          | :Special Invitee |

The Board granted leave of absence to Sri C.R.Krishnaswamy Rao Saheb and Sri M.Vnekataratnam.

The Chairman welcomed Sri V.P.Rama Rao, who has been appointed as Managing Director in place of Sri V.Sundaresan. The Board placed on record its appreciation of the services rendered by Sri V.Sundaresan during his tenure as Managing Director.

No.1: CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING:

The Minutes as already circulated were confirmed.

No.2: REVIEW OF ACTION TAKEN ON THE MINUTES OF THE SECOND MEETING:

Noted by the Board.

In regard to the disposal of effluents in the Industrial Estates and Industrial Development Areas where chemical industries are planned to be set up, the Board suggested that the Central Public Health Research Institute and the Chief Engineer (Public Health) may be consulted in regard to the adequacy of treatment of industrial and trade wastes.



The Board ratified the action of the Corporation in having offered the appointment to the post of Financial Controller to Sri J.Kameshwar Rao with a starting salary of Rs.1,420/- in the scale of Rs.1300-60-1600-100-1800.

The Board also approved the action of the Corporation in having offered the appointment to the post of Senior Accounts Officer to Sri A.J.Yuvaraj who will look after in the first instance mainly work relating to collection of rental arrears amounting to Rs.70 lakhs from estates.

No.3: PAPERS TO BE PLACED BEFORE THE BOARD FOR INFORMATION:

1. G.O.Rt.No.2505, General Administration (Special) Department dated 13-12-1973 read with G.O.Ms.No.87, Ind. & Com. Dated 18-1-74, regarding terms and conditions for appointment of Sri V.P. Rama Rao, I.A.S., as Managing Director.
2. G.O.Ms.No.57 Industries & Commerce dated 11-1-74 regarding procedure for disbursement of amounts sanctioned under the State scheme of incentives and Central Scheme of capital subsidy to industries in the State.
3. G.O.Ms.No.1163 Industries & Commerce dated 4-12-73 regarding transfer of Industrial Estates etc., to the Corporation.

No.4: G.O.Ms.No.35 Industries & Commerce dated 8-1-74 regarding transfer of all rents and other receipts in respect of Industrial Estates etc. to the Corporation:

Noted by the Board.

With regard to orders issued in G.O.Ms.No.35, Ind. & Com. Dated 8-1-74 directing that all rents and other receipts accruing with effect from 1-1-74 in respect of Industrial Estates / Industrial Development Areas shall be transferred to the Corporation and such revenues shall be treated as share capital subscribed by the Government to the Corporation, the Board observed that the stand taken by the Government was not correct and that the arrears received after 1-1-74 should be treated as normal income. The Board, therefore, directed that the Government should be addressed requesting them to modify the G.O. to the effect that all rents and other receipts accruing upto 1-1-74 should be treated as share capital subscribed by the Government and arrears of rent and receipts received after 1-1-74 should be treated as current revenues to the Corporation.

No.5: INDUSTRIAL DEVELOPMENT AREAS – LAND AVAILABLE IN BACKWARD DISTRICTS – PROPOSALS FOR DEVELOPMENT:

Information furnished in the Agenda Notes regarding the proposals for development of land now in possession of the Corporation in the backward districts of Kothagudem, Cuddapah, Ramagundam and Guntakal and Tadipatri has been noted by the Board.

The Board suggested that detailed contour survey might be useful particularly to know the details of the levels of the lands for laying water lines etc., and that this might be got examined. The Chairman also suggested that while taking up the development of these areas the number of new entrepreneurs who are prepared to avail of the facilities of the land etc., should be assessed so that land may be developed in a phased programme depending on the needs of the entrepreneurs in question.

No.5: PROPOSALS FOR FURTHER LAND ACQUISITION IN BACKWARE AREAS AND REST OF THE STATE:

Proposals for further land acquisition in backward areas and rest of the State as set out in the Agenda Notes have been generally approved.

The Board expressed the view that as in Maharashtra our Corporation or the Managing Director also should have specific powers for rent recovery etc., to expedite matters. The Board decided that this should be further examined and proposals sent to Government in due course to vest the Corporation if possible or the Managing Director with required powers for land acquisition and rent recoveries.

In regard to development of Industrial areas in Visakhapatnam, the Board expressed the view that a Master plan in consultation with the Director of Town Planning should be prepared for development of this area and plots of 10 acres, 5 acres etc., should be made for allotment to the entrepreneurs, suitable to their needs and requirements.

The Board desired that ground water potential should also be examined before lands are acquired, as inadequate water facilities will make it impossible for industries to come up. While bores need not be dug, atleast a broad survey of the land should be taken up.

In regard to Kushaiguda Electronics Complex Sri P.M.Reddy suggested that if ring roads are formed it will attract a lot of new entrepreneurs.

No.6: PROGRAMME FOR THE YEAR 1973-74 AND 1974-75  
UNDER SELF EMPLOYMENT SCHEMES:

Details of programme for the year 1973-74 and 1974-75 under Self Employment Schemes entrusted to the Corporation for implementation as set out in the Agenda Notes have been noted by the Board.

In regard to Kattedan, the Managing Director pointed out that 100 sheds will be ready by the end of March and Electricity Department has been addressed to provide power to these sheds. He also stated that the Electricity Board is insisting on voluntary loan being paid. The Board desired that while the work should not be delayed under any circumstances, this question may be taken up with the Electricity Board again. Managing Director had also stated that he had discussed with the Chairman, Rural Electrification Corporation whether these areas could be developed as "Mini Centres" for financial assistance as most of them work in Panchayat areas. The Board desired that this question should be further pursued by the Managing Director with the Electricity Board.

The Board further suggested that for development of each Estate a Master Plan should be prepared and only such number of sheds as may be necessary should be constructed depending upon the response from the entrepreneurs. It was felt that it would be more realistic and economical, if only a few sheds are constructed to start with, machinery installed and commissioned instead of completing all the sheds programmed to be constructed and keeping most of them vacant, thus locking up the Corporations' funds. It was felt that "simultaneous action" should be taken upto get the financial arrangements of the entrepreneurs approved and also orders for machinery placed.

With regard to Kakinada, the Board observed that a lot of land is available in the port area and we might go ahead with the acquisition of this land for Industrial development.

Sri Krishnan suggested that there are a few growth points in Chintapalli and Araku in Visakhapatnam District and this land which belongs to Government maybe acquired by the Corporation for development of Industries for tribal people. It was, however, felt that any construction of sheds in tribal areas should be done only after making sure that there will be demand for these sheds and that they will be occupied without delay.

No.7: RE-ORGANISATION OF DISTRICT SET UP OF THE  
STAFF DEPUTED TO THIS CORPORATION FROM THE  
DIRECTOR OF INDUSTRIES:

The Board directed that this proposal may be put up before Business Committee at its next meeting.

No.9: PAYMENT OF SPECIAL ALLOWANCE TO THE STAFF  
DEPUTED TO THIS CORPORATION FROM THE  
DIRECTOR OF INDUSTRIES OFFICE:

The Board strongly felt that deputation allowance should be sanctioned to the staff by the Government and desired that the managing Director may take up this issue again with the Government. The Board also felt that the Corporation should have option to take only such of those members of the staff whom they consider to be use and all the staff dealing with the particular subject a point of time should not be transferred as a matter of course. The Board desired that the Managing Director may take up this issue further with the Government, after discussing with the Director of Industries also.

No.10: CONVEYANCE ADVANCES REGULATIONS 1974.:

Draft rules for sanction of advances to employees of the Corporation for the purchase of Motor Cars, Motor cycles, Mopeds and Cycles as set out in the Agenda Notes have been approved.

No.11: ADDITIONAL CHARGE ALLOWANCE PAYABLE TO  
SRI V. SUNDARESAN, I.A.S., SECRETARY TO  
GOVERNMENT, REVENUE DEPARTMENT:

The proposal to sanction remuneration to Sri V.Sundaresan upto 1/5 of his pay for the period of additional charge of the post of the Managing Director of the Corporation has been approved by the Board.

No.12: ADMISSION OF AUDITORS FOR AUDITING THE  
COMPANY'S ACCOUNTS FOR THE FIRST FINANCIAL  
YEAR:

The proposal to make the Managing Director as Member in two clubs viz. Secunderabad Club and Fateh Maidan Club was approved by the Board.

No.13: APPOINTMENT OF AUDITORS FOR AUDITING THE COMPANY'S ACCOUNTS FOR THE FIRST FINANCIAL YEAR:

The Board decided to sanction Rs.3,500/- as remuneration to the Auditors to be appointed by the Corporation for auditing the Company's accounts for one full financial year. The Board also approved the following panel of auditors.

1. M/s.Venugopal and Chenoy & Co., Tilak Road, Hyderabad.
2. M/s.Nataraja Ayyar & Co., Abid Road, Hyderabad.
3. M/s.Brahmayya and Co., Hyderabad

No.14: CONVEYANCE ALLOWANCE SANCTION:

The Action of the Managing Director in having sanctioned Rs.50/- as Conveyance Allowance to the employee, who is drawing a basic salary of Rs.710/- and maintaining a car, has been ratified.

No.15: PROVIDENT FUND RULES:

The proposals as set out in the Agenda Notes have been approved by the Board. The Board also directed that the Commissioner of Provident Fund and the Income Tax Commissioner should be addressed in the matter.

No.17: MEHADRIGADDA RESERVOIR SCHEME:

The proposal for entrustment of implementation of Mehadrigadda Water Supply Reservoir Scheme, Visakhapatnam to the Corporation for providing infrastructure has been noted by the Board. The Board desired that it might be further examined and placed before it for approval in due course.

No.18: INTERIM BUDGET AND CASH FLOW STATEMENT FOR THE YEAR 1974-75:

The Board approved budget and cash flow statements and desired that a more detailed budget in the appropriate form should be put up as early possible.

No.19: SANCTION OF TWO JEEPS FOR CONSTRUCTION  
WINGS AT VIJAYAWADA AND KURNOOL:

The Board expressed the view that from the point of operation cost, jeeps or Ambassador cars will be costly in view of the ever increasing prices of petrol and that it would be more economical to go in for METADOR VAN (diesel engine) manufacture by M/s. Bajaj Limited, although the initial cost of the vehicle is more than that of a jeep or of a car.

No.20: OPENING OF AN ACCOUNT IN THE  
BRANCH OF INDIAN BANK:

The action taken by the Corporation in opening an account in the branch of Indian Bank in Hyderabad has been ratified by the Board.

No.21: TRAVELLING ALLOWANCE RULES AND  
COMPENSATORY ALLOWANCE AND  
TRAVELLING ALLOWANCE:

The Board decided that the Managing Director should be eligible for air condition travel. With this modification the Board approved the T.A. Rules.

Sd/-  
A.Krishnaswamy  
Chairman

STRICTLY CONFIDENTIAL

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION (P) LTD

-:o0o:-

MINUTES OF THE IVTH MEETING OF THE BOARD OF DIRECTORS  
HELD ON 20<sup>TH</sup> MAY, 1974.

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PRESENT:

- |    |                           |                   |
|----|---------------------------|-------------------|
| 1. | Sri A.Krishnaswamy        | : Chairman        |
| 2. | Sri V.P.Rama Rao          | : Director        |
| 3. | Sri M.A.Haleem            | : Director        |
| 4. | Sri C.S.Sastry            | : Director        |
| 5. | Sri M.Venkataratnam       | : Director        |
| 6. | Sri M.Harischandra Prasad | : Director        |
| 7. | Sri P.M.Reddy             | : Director        |
| 8. | Sri P.S.Krishnan          | : Special Invitee |

The Board granted leave of absence to Sri C.R.Krishnaswamy Rao Saheb and Sri B.Gangopadhyaya.

No.1: Confirmation of the Minutes of the previous Meeting Minutes already circulated were confirmed.

No.2: Review of Action Taken on the Minutes of the Third Meeting:

With regard to the disposal of the effluents in the Industrial Development Area, Uppal, the Chairman desired that he might be informed about the further action proposed to be taken in the matter.

Whether we should have one treatment plant for effluents for several industries put together was also considered and it was felt that it would be premature to think of common treatment plants to be operated by the Corporation.

About the appointment of the Financial Controller it was felt that Sri Ramachandra might be informed that the Board could not concede his request. The Board suggested that a panel of Chartered Accountants might be prepared from the list that is already available with the State Financial Corporation and a final choice made by the Chairman and the Managing Director for the post of the Financial Controller. This procedure it was felt would save lot of time in fresh advertisement etc.

Regarding the taking over of the Industrial Estate in Azamabad which Sri Krishnan had raised the point was discussed at some length and it was felt that as the organisation is to first deal with the existing industrial Estates and the problems therein it would be better not to take up any fresh responsibilities for some time to come until the organisation is geared upto the required level. The Managing Director had also mentioned that even taking the Estates now operated by the Small Scale Industries corporation would be done only in a phased manner, after all the problems are thoroughly examined. The Board approved this suggestion.

It was resolved that the Corporation should approach the BHEL for a 100 acres plot in the Medak area for future development. It was also felt that number of blue prints of layouts of Industrial Development Areas might be kept ready and handed over to the intending entrepreneurs so that they know what the area would be ultimately when it is developed.

#### No.3 Review of the activities of the Corporation since its inception

The Chairman observed that the review reports could be modified and a brief format devised for reporting.

With regard to the recruitment of staff, the Board desired that after selections are over, a report on the method adopted for recruitment might be placed before the board for information in due course.

#### No.4: Papers placed before the Board for information:

- i) G.O.Ms.No.408, Industries & Commerce Department dated 11.4.1974 regarding the sanction of deputation allowance to the staff deputed from the Directorate of Industries and enhancing the period of deputation to three years.
- ii) G.O.Ms.No.433, Industries & Commerce Department dated 24.4.1974 transferring certain Industrial Estates and Craftsman Guilds hitherto being managed by A.P.Small Scale Industrial Development Corporation to A.P.Industrial Infrastructure Corporation Private Limited.
- iii) Govt. Memo No.1229-ID/74-4, dated 2-5-1974 transfer of all rents and other receipts in respect of Industrial Estates/Industrial Development Areas to the A.P.Industrial Infrastructure Corporation Private Limited.



- iv) G.O.Ms.No.514, Industries & Commerce Department dt.15-5-1974, Valuation of assets transferred to the Corporation – Orders – Issued.

After perusing the papers the Board resolved that the Government might be addressed as far as the transferring of the units operated by the Small Scale Industries Development Corporation is concerned which might be done in a phased manner as the Industrial Infrastructure Corporation would not be in a position to take over all the Estates straight away.

No.5: Subjects discussed in the business committee meeting:

The Minutes of the Business Committee meeting held on 8-4-1974 were read and recorded by the Board.

No.6: Disposal of sheds and plots in Industrial Estates on Hire Purchase Basis

The policy with regard to disposal of sheds and plots in Industrial Estates/Assisted Private Industrial Estates to occupant tenant Industrialists on hire purchase basis was considered by the Board and approve in principle. The Board however desired that the Managing Director may further examine and modify the agreement in certain respects. If it is found expedient for instance the land could be given on a 99 years lease instead of straight transfer of ownership then a lease agreement could be execute. It was also suggested that in the old cases the legal complications, if any, should be carefully studied. It was felt that a special drive should be launched to bring in as many units as possible under hire purchase scheme at an early date. The Managing Director was authorised to enter into Hire Purchase or out-right sale or long leases as could be done and report the progress to the Board.

No.7: Scheme for Advancing Money to Electricity Board:

The Board approved the scheme for financing the money to Electricity Board for Electric connections and ratified the action of the Managing Director in having paid the amount to the Electricity Board on behalf of 3 private entrepreneurs who have been allotted plots in the Industrial Development Area, Balanagar. Managing Director has also been authorised to extend similar facilities to the entrepreneurs in future, subject to availability of funds. Preference may be given to people coming up in Industrial Development Areas and Industrial Estates and Self Employed people.

No.8: Pricing Policy for lands to be adopted by the Corporation:

The note containing the pricing policy for lands to be adopted by the Corporation and the orders issued by the Government in G.O.Ms.No.514, Industries and Commerce Department, dt.15-5-1974 were perused by the Board.

In this connection, the Board observed that now that the Government have issued orders laying down the principles of valuation, revaluation of assets should be taken up and prices fixed early. The Board also observed that in cases where the Corporation adopts Tender System in metropolitan areas like Hyderabad, Vizag, Vijayawada where there is a great demand for land, the lines of manufacture should also be taken into consideration for finalising the tenders and allotting the land. A small number of plots might be reserved to deserving the technocrats for special lines of manufacture and for those who may not be in a position to participate in the Tender. Managing Director was authorised to fix the land values from place to place taking all aspects into consideration.

No.9: Delegation of powers to Managing Director with regard to opening of Accounts in the authorised banks in the State:

The Board ratified the action of the Managing Director in opening a current account in Canara Bank, Abid Road and also permitted the Managing Director to open Current Accounts in such banks as may be deemed necessary and expedient..

No.10: Draft service recruitment rules for the Employees of the Corporation.

The Board approved the Service Recruitment Rules with the modifications as indicated in the Annexure.

It was decided that these service and Recruitment Rules should be in operation for a period of 2 years in the First instance and may be reviewed later again.

No.11: Draft Conduct, Discipline and Appeal Rules for the Employees of the Corporation:

Draft Rules regarding the Conduct, Discipline and Appeal Rules as outlined in the Agenda Notes have been approved by the Board.

It was also decided that these rules should be in operation for a period of 2 years in the first instance and may be reviewed later again.

No.12: Draft Leave Rules for the employees  
of the Corporation:

The draft leave Rules as set out in the Agenda Notes have been approved by the Board.

It was also decided that these Leave Rules should be in operation for a period of 2 years in the first instance and may be reviewed later again.

No.13: Delegation of borrowing powers from Banks and  
other Financial Institutions to Managing Director:

The Board authorised the Managing Director to borrow funds, execute loan agreements and to affix the seal of the Corporation on any instrument to be executed in favour of Banks, on Behalf of the Corporation.

Sd/-  
A.Krishnaswamy,  
CHAIRMAN

STRICTLY CONFIDENTIAL

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION (P)  
LTD.,

-:o0o:-

MINUTES OF THE V MEETING OF THE BOARD OF DIRECTORS HELD  
ON 19<sup>th</sup> AUGUST, 1974

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PRESENT:

Sri A.Krishnaswamy	: Chairman
Sri C.R.Krishnaswamy Rao Saheb	: Director
Sri B.C.Gangopadhyay	: Director
Sri V.P.Rama Rao	: Director
Sri M.A.Haleem	: Director
Sri P.M.Reddy	: Director
Sri P.S.Krishnan	: Director

The Board granted leave of absence to Sri C.S.Sastry, Sri M.Venkataraman and Sri M.Harichandra Prasad.

NO.1. CONFIRMATION OF THE MINUTES  
OF PREVIOUS MEETING:

The minutes as already circulated were confirmed.

No.2: REVIEW OF ACTION TAKEN ON THE MINUTES  
OF THE IV MEETING:

Regarding disposal of Effluents in Industrial Development Area, Uppal, the Board desired that the scheme should be finalised expeditiously.

1. Managing Director indicated that he is considering the question of taking a S.E. (Planning) for some time past to concentrate on "effluent disposal" and "water supply" scheme. It was also considered that at an appropriate time we have to take an Electrical Engineer either on deputation or as a Consultant to look into our electrification projects for Industrial Development Areas and the problems.

Regarding the recruitment of Staff, Managing Director pointed out that according to the Staff study report of the Productivity Council, there is a large surplus staff in different categories transferred from the Industries Department and in the interest of economy, it is necessary either to abolish these posts or to adjust the surplus staff in future vacancies arising consequent on the creation of new estates or to revert them to the parent department. He also explained the need for screening the transferred staff, with a view to select good and efficient hands and revert others to Industries Department, who can be absorbed in the new posts created in that Department.

2. It was felt that when the deputation allowance and other perquisites on Corporation rates are being given the Corporation should have a choice of personnel and they should not be compelled to take people on "as is where is" basis. If a competent man considered suitable from the Industries Department is willing to be absorbed in the Corporation Managing Director stated that experience in the field being an additional advantage, he is likely to be preferred. However, it was decided that the policy of taking people on deputation should not indefinitely be dragged on particularly in a major department of the Corporation and the Corporation should have its own cadre. He also indicated the need to lay down principles and terms and conditions proposed to be offered to take employees for absorption. In this connection, he suggested that we might refer to the principles adopted by the Agriculture University, Electricity Board, etc.,
3. Managing Director mentioned that Government of India had given some guidelines and State Government also had given a few some time back. He said that those (guidelines) would be adhered to.
4. Sri Krishnan stated that he would discuss this subject further with the Managing Director about the personnel to be withdrawn and the alternative arrangements to be made and then the subject could be taken up again.

Regarding Deputy Zonal Engineers, who have been selected to undergo training, the Chairman suggested that monthly evaluation reports should be obtained regarding the performance of the trainees and at the end of the training a Review Committee appointed for the purpose might go into these reports and makes their final recommendations regarding their suitability for regular appointment.

No.3: PROGRESS REPORT ON THE ACTIVITIES OF  
THE CORPORATION SINCE THE LAST  
BOARD MEETING:

The report was perused by the Board. While reviewing the list of plots allotted in the Industrial Estates, the Chairman suggested that monthly progress reports should be obtained to show the progress made in the number of Units which have gone into production.

Shri Kirshnaswamy Rao Saheb suggested that, as Andhra Pradesh industrial Infrastructure Corporation is presumably one of the agencies for executing the works coming within the fold of the Urban Development Authority, we may write to H.H.M.A. indicating our interest to participate in these activities with a request to furnish details for taking up development work by the Corporation.

While reviewing the new projects proposed to be taken for implementation during 1974-75 for establishment of Industrial Sheds the Chairman observed that we should economise on the buildings constructed as an Industrial Shed should initially be used as administrative building also and later handed over to some industry as soon as all the preliminary work about the organisation is completed.

NO.4: PAPERS TO BE PLACED BEFORE THE  
BOARD FOR INFORMATION.

G.O.Ms.No.514, Industries & Commerce Department dated 15-5-1974 regarding valuation of assets on book value.

Noted by the Board.

NO.5: WAIVAL OF INTERESTS ON THE ARREARS DUE FROM  
THE INDUSTRIAL DEVELOPMENT AREAS

The Board approved the proposal of the Managing Director to waive the interest and the penal interest on arrears of amount due from the Industrial Development Areas if the entire arrears are cleared by a particular date. The Board also ratified the action of the Managing Director in having fixed the date as 15-8-1974 and authorised him to extend the time limit for clearing the dues from the entrepreneurs, "upto 30-11-1974 and not beyond that under any circumstances". The Board felt that this move was really helpful in collecting all the arrears that have accrued so far.

NO.6: LEVY OF PENAL INTEREST ON OUTSTANDING  
AMOUNT PAYABLE TO THE CORPORATION

The Board approved the proposal of the Managing Director that in all fresh cases, where lease deeds are executed for plots and sheds in industrial Estates and Assisted Private Industrial Estates, Interest will be charged at 12% per annum upto the due date for all amount payable by the Lessee and penal interest at 18% for payments beyond the due date so as to serve as a deterrent for default.

NO.7: DRAFT RULES GOVERNING GRANT OF  
FESTIVAL ADVANCE

The Board approved the draft rules subject to the deletion of the provision contained in rule 3 of the Rules stipulating the nature of Festival for which the employees are eligible for advance. The Board authorised the Managing Director to exercise his discretion in the matter.

NO.8: PAYMENT OF GRATUITY RULES

The draft rules as contained in the Agenda notes have been approved by the Board.

NO.9 AMENDMENT OF REGULATION 7 OF THE STAFF

The Board approved the proposal to amend regulation 7 of the Staff Regulations so as to empower the Managing director to appoint Officers on contract basis to posts whose maximum scale of pay does not exceed Rs.1,250/- per annum. The Board also ratified all the appointments made by the Managing Director by contract.

NO.10: BUDGET FOR 1974-75

The Board approved the budget proposals for 1974-75 as set out in the Agenda Notes.

NO.11: ALLOTMENT & ISSUE OF SHARE CERTIFICATES

The Board passed the following resolutions:

1. "RESOLVED to allot in favour of the Governor of Andhra Pradesh 1498 full paid equity shares of Rs.1,000/- each in the name of the governor of Andhra Pradesh for the total amount of 14,98,000/- subscribed by the Government towards share capital of the Corporation."

2. "FURTHER RESOLVED to allot one share of Rs.1,000/- each in the name of the following 3 members representing the Government of Andhra Pradesh, who formed the company (Andhra Pradesh Industrial Infrastructure Corporation (P) Limited).
  - i. Sri S.R.Rama Murthy, Secretary to Govt., Industries & Commerce Department.
  - ii. Sri V.Sundaresan, Secretary to Govt., Revenue Department.
  - iii. Sri N.Luther, formerly Director of Industries.
3. FURTHER RESOLVED that (i) 14 share certificates for 100 shares each and one share certificate for 98 shares in the name of the Governor of Andhra Pradesh and (ii) one share certificate for one share in the name of each of the 3 members mentioned above, be issued under the common seal of the Corporation affixed thereto in the presence of
  - i. Sri V.P.Rama Rao (Director)
  - ii. Sri P.S.Krishnan (Director)
  - iii. Shri (Secretary)

Who shall sign the Share Certificates.

4. (a) RESOLVED to authorise Sri P.S.Krishnan, Director of Industries & Commerce to sign the Share Certificates.  
  
(b) RESOLVED that Sri M.Sriramulu, Administrative & Personnel Officer, who is already performing the Secretarial functions of the Company be appointed as Secretary of the Company.

5. "FURTHER RESOLVED to authorised the Managing Director to have all the forms intended for the issue of Share Certificates printed."

NO.12: DELETION OF THE WORD "PRIVATE" IN THE  
NAME OF THE CORPORATION

The Board resolved to delete the word "Private" in the name of the Corporation and to address the Registrar of Companies to cause such deletion.

Sd/-  
A.Krishnaswamy,  
CHAIRMAN



STRICTLY CONFIDENTIAL

MINUTES OF THE VI MEETING OF THE BOARD OF DIRECTORS HELD  
ON 15<sup>th</sup> NOVEMBER, 1974

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PRESENT:

- |     |                                |                     |
|-----|--------------------------------|---------------------|
| 1.  | Sri A.Krishnaswamy             | : Chairman          |
| 2.  | Sri V.P.Rama Rao               | : Managing Director |
| 3.  | Sri C.R.Krishnaswamy Rao Saheb | : Director          |
| 4.  | Sri M.A.Haleem                 | : Director          |
| 5.  | Sri M.Gopalakrishnan           | : Director          |
| 6.  | Sri C.S.Sastry                 | : Director          |
| 7.  | Sri M.Venkatratnam             | : Director          |
| 8.  | Sri P.M.Reddy                  | : Director          |
| 9.  | Sri M.Harischandra Prasad      | : Director          |
| 10. | Sri P.S.Krishnan               | : Director          |

The Chairman welcomed Sri M.Gopalakrishnan, who has been appointed as Director in the place of Sri B.C.Gangopadhyay. The Board placed on record its appreciation of the services rendered by Sri Gangopadhyay during his tenure as Director.

**1. CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING:**

The Minutes as already circulated were confirmed.

**2. REVIEW OF ACTION TAKEN ON THE MINUTES OF V MEETING:**

With reference to the statement furnished to the Board regarding the progress made in the Industrial Units which have gone into production, the Chairman suggested that in future the statement should contain particulars of scheduled date, the actual date on which they have gone into production and reasons for the delay if any. Chairman suggested that a regular Monetary Cell should be set up to undertake the necessary follow up action. Chairman emphasised that our main objective should be to ensure increase of production in Industrial Estates by providing necessary amenities.

Sri P.M.Reddy suggested that with a view to conserve and economise water the question of re-cycling of water used in the process of chemical manufacture might be considered. He also suggested that

the distribution of water to various units should be based not on a mere demand from them but on the basis of careful scrutiny of the requirements. Otherwise, scarce water resources will be waste. It was also suggested that periodic review of the requirements of water and also of the land should be taken up so that any surplus made initially are withdrawn at the earliest possible time and redistribute to other needy industries.

**3. PAPERS PLACED BEFORE THE BOARD FOR INFORMATION:**

G.O.Ms.No.895 Inds. & Comms dt.28-8-1974 regarding the appointment of Sri M.Gopalakrishnan, I.A.S., as Director in place of Sri B.C.Gangopadhyay, I.A.S.

Noted by the Board.

**4. PROGRESS REPORT ON THE ACTIVITIES OF THE CORPORATION DURING THE LAST BOARD MEETING:**

The report was perused by the Board.

While reviewing the report on the allotment of plots and sheds in the Industrial Estates and Industrial Development Areas, the Chairman suggested that in future, a D.C.B. type of statement should be enclosed showing the opening balance i.e., number of plots unallotted at the beginning of the quarter. Number of plots allotted during the quarter and the closing balance at the end of the quarter.

Regarding fixation of market value of land, the Board was satisfied with the policy adopted by the Corporation in this regard. In this connection, Mr.Harishchandra Prasad suggested that the corporation might get relevant data from the Maharashtra Industrial Development corporation and examine with a view to see whether there were any good features which could be adopted by this Corporation.

While reviewing the progress made in the construction of sheds and laying of plots, the Chairman suggested that in future the Board might be furnished with information regarding the budgeted expenditure for the quarter under review, the value of the works actually executed and balance remaining to be executed.

**5. NEW EMPLOYMENT SCHEMES SANCTIONED BY GOVERNMENT OF INDIA:**

Perused and Recorded.

**6. SPECIAL CENTRAL ASSISTANCE FOR BACKWARD AREAS ALLOTMENT OF FUNDS FOR THE INFRASTRUCTURE FACILITIES:**

The note of the Managing Director on the above subject was noted by the Board. The Board desired that as the Government of India are making substantial assistance available for the development of the backward areas, special steps should be taken to accelerate the completion of the projects in the backward areas.

**7. HIRE PURCHASE FOR OLD CASES - PRINCIPLES PROPOSED TO BE ADOPTED:**

The proposal that the Unit-holders in the Industrial Estates who have qualified for opting to hire purchases and also have opted to the scheme before 31-12-1973 may be offered the terms which the Government have enunciated in their G.O.Ms.No.470 Ins. & Comms. Dt.1-5-1969 and G.O.Ms.No.415 Inds. & Comms. Dt.20-4-1966, where on account of some difficulty the parties were not brought under hire purchase. It was emphasised, in this connection, that the terms of G.O. might be extended only in respect of applications which are complete in all respects.

As regards the cases where the Unit-holders are not entitled to come under the scheme as on 31-12-1973 but who had occupied the sheds prior to 1-1-1974, the Board felt that the proposal needs a further examination and that the Business Committee might go into this question and take an appropriate decision.

**8. FIXATION OF MARKET COST OF THE EXISTING BUILDINGS TO THE NEW ENTREPRENEURS ENTERING:**

The Note furnished by the Managing Director in this regard was noted and the proposal made therein was approved.

**9. REFUND OF AMOUNTS PAID BY INDUSTRIALISTS IN RESPECT OF THE SURRENDER OF LAND VOLUNTARILY BY THEM ON THE INDUSTRIAL DEVELOPMENT AREAS:**

The proposal of the Managing Director to allow refund of the amounts in cases where the Unit-holders have volunteered to surrender the plots on the ground that they have no interest in setting up a project for which the land was taken or for the reason that they could not start industries after taking over the land due to difficulties, has been approved.

The action of the Managing Director in having allowed such refunds in certain cases has been ratified.

**10. DRAFT AMENDMENT OF T.A. RULES OF THE CORPORATION:**

The Draft Amendments were approved by the Board.

**11. TRANSFER T.A. RULES:**

The proposals placed before the Board were approved.

**12. RE-ORGANISATION OF THE SET UP OF THE INDUSTRIAL ESTATES:**

The proposals contained in the Note circulated to the Board were approved.

**13. ALLOTMENT AND ISSUE OF SHARE CERTIFICATES:**

The Board resolved to allot in favour of the Governor of Andhra Pradesh 1,500 fully paid equity shares of Rs.1,000/- each for the total amount of Rs.15 lakhs subscribed by the Government towards Share Capital of the Corporation.

The Board further resolved that 15 Share Certificates for 100 shares each in the name of the Governor of Andhra Pradesh be issued under the common seal of the Corporation in the presence of:

- i. SriV.P.Rama Rao -- Managing Director
- ii. Sri P.S.Krishnan -- Director
- iii. Sri M.Sriramulu -- Secretary

Who shall sign the Share Certificates.

**14. EVICITION OF UNAUTHORISED OCCUPANTS ON THE INDUSTRIAL ESTATES:**

The Board considered the proposal whether the arrears of Rs.22,086.34 should be collected from Messrs. Andhra Oil Reclamation Industry or the recovery of the amount waived. The Board felt that the question of waiver might be left to the decision of the Government but in case the amount be refunded, the government should be requested to reduce the assets transferred to the Corporation to that extent.

**15. ANY OTHER MATTER:**

Managing Director indicated that the next meeting of the Board would have to be convened in January, 1975 to consider the Annual Accounts for 1973-74 to be placed before the Annual General Body Meeting proposed to be held in February, 1975. The date was tentatively fixed as 6-1-1975.

Sd/-  
A.Krishnaswamy  
CHAIRMAN

**STRICTLY CONFIDENTIAL**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION  
LIMITED** (Regd. Office: 6-2-12/1, Saifabad, Hyderabad 500004)

**MINUTES OF THE VII MEETING OF THE BOARD OF DIRECTORS  
HELD ON 6<sup>TH</sup> JANUARY 1975**

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**PRESENT:**

- |                                       |                 |
|---------------------------------------|-----------------|
| <b>1. SRI A KRISHNA SWAMI, IAS.,</b>  | <b>CHAIRMAN</b> |
| <b>2. SRI V.P. RAMA RAO, IAS</b>      | <b>MD</b>       |
| <b>3. SRI M A HALEEM, IAS</b>         | <b>DIRECTOR</b> |
| <b>4. SRI M A VENKATA RATNAM, IAS</b> | <b>DIRECTOR</b> |
- 

The Board granted leave of absence to Sarvasri C.R .Krishna Swami Rao Saheb, M. Gopalakrishnan, C.S Sastry, M.Harichandra Prasad, P.M. Reddy and P.S.Krishanan.

**1. CONFIRMATION OF THE MINUTES OF THE PREVIOUS  
MEETING:**

The Minutes as already circulated were confirmed.

**2. REVIEW OF ACTION TAKEN ON THE MINUTES OF THE VI  
MEETING:**

It was observed that there were a number of cases where land was allotted to the Industrialists but not utilized for an industrial activity. The question of resuming such unutilized land was discussed by the Board. Managing Director stated that government is shortly appointing a committee to look into the questions of resuming that land if necessary by enacting legislation. The Chairman also suggested that heavy taxation on unutilized land might be considered as one way to make a disincentive for anyone to hold vast extent of land. He also suggested that in the future allotments, a provision may be made in the agreement for issuing a notice for resumption of unutilized land within a prescribed period.

Regarding question of extending the terms of G.O. Ms. No. 470 Industries & Commerce , dated 1-5-'66 and G.O.Ms.No.418 Industries & Commerce, dt 20-04-'66 to cases where unit holders are not entitled to come under Hire Purchases Scheme as on 31-12-'73 but who had occupied the Sheds before 1-1-'74, the Board decided in its previous Meeting dated 15-11-'74 that the proposal might be examined further and appropriate decision taken by the business committee. The Managing Director indicated that the business committee Meeting had been fixed on 1-2-'75.

### **3. PAPERS TO BE PLACED BEFORE THE BOARD FOR INFORMATION**

While discussing the Housing Schemes for Industrial workers, the Chairman suggested that dues towards property tax and other liabilities payable by Industrial workers might be made a charge on Provident Fund of the Employees. It was suggested that this might be considered with the Provident Fund Commissioner and adopt if feasible.

Sri M. Venkata Ratnam suggested that a scheme might be worked out in consultation with the employees whereby the increase in wages may be paid straight away to the Corporation towards the adjustment of loan instalments payable by the Industrial workers to whom houses have been allotted.

### **4. PROGRESS REPORT ON THE ACTIVITIES OF THE CORPORATION SINCE THE LAST BOARD MEETING HELD ON 15-11-'74.**

While discussing the progress of arrear recoveries, the Chairman suggested that with a view to expedite collection of arrears it might be stipulated that if the entrepreneur paid the principal by a fixed date, he might be given some remission in the interest. The Managing Director has been authorised to take necessary action accordingly.

With a view to reduce the cost of land, the Chairman suggested that we might examine the proposal to request the Government that the cost of public services like roads etc., may be given as subsidiary.

**5. TO CONSIDER AND APPROVE THE VALUATION OF ASSETS TRANSFERRED TO THE CORPORATION ON 1-1-1974.**

The Board approve the course of action adopted by the Managing Director in arriving at the book value assets transferred to the Corporation on 1-1-'74 as set out in the Note placed before the Board.

**6. TO APPROVE THE DEPRECIATION OF RATES ADOPTED IN THE COMPIATION OF ACCOUNTS FOR THE PERIOD FROM 26<sup>TH</sup> SEPTEMBER, '73 TO 31<sup>ST</sup> MARCH '74.**

The approved the following rates of depreciation adopted under straight line method while compiling the final accounts for the period from 26<sup>th</sup> September, '73 to 31<sup>st</sup> March '74 pending fixation of the rates separately for the Corporation by Technical Experts in conformity with the provisions of the Income Tax Act.

Depreciation rates

Buildings	2%
Water supply &	
Sewerage and electrical	5%
Installation	
Development	5%
Roads & Bridges	2%
Furniture & fixtures	10%
Office equipments	15%
Vehicles	20%

It has been suggested in this connection that next year we might examine the proposal to have graded system of incentives. It has also been suggested that the Government might be asked to subsidize the land cost. The Board desired that the suggestion might be examined by the Managing Director.



**7. TO CONSIDER AND APPROVE THE BALANCE SHEET AS AT 31-03-'74 AND THE PROFIT AND LOSS ACCOUNT OF THE CORPORATION FOR THE PERIOD ENDED 31-03-'74.**

The Board after discussions approved and signed the Balance Sheet and Profit and Loss Account and schedules attached there to as required under section 215 of the Companies Act 1956.

The Board noted that the Corporation had profit of Rs. 9,565 during the year 1973-74 after charging all the expenses including depreciation and making necessary provisions towards to outstanding expenses. The placed on record its appreciation of the services rendered by the Managing Director, all the officers and members of the staff in making the first years operation profitable.

The Board approved the action taken by the Managing Director in having made a provision for bad and doubtful debts at 5% of the sundry debtors, as several sick units are in the existence in the Industrial Estates who have defaulted payments towards the rentals for the period prior to and after 1-1- '74.

The Board also approved the action of the Managing Director in having the preliminary expenses written off to the extent to which the profit remained after charging all expenses and making provision for bad and doubtful debts.

**8. TO CONSIDER AND APPROVE THE DIRECTORS' REPORT:**

The Board approved the Draft Directors' Report and authorised Chairman to sign the Directors' Report on behalf of the Board.

**9. REVISED ESTIMATES FOR 1974-'75 AND BUDGET ESTIMATES FOR 1975-'76**

The Board approved the proposals contained in the estimates as set out in the Note placed before the Board.

**10. REIMBURSEMENT OF MEDICAL CHARGES TO MANAGING DIRECTOR**

The proposal to authorise the Managing Director to claim reimbursement of medical expenses without any limit has been approved.

**11. SANCTION OF LOAN BY THE HUDCO FOR HOUSING FOR INDUSTRIAL WORKERS AT CHANDULAL BARADRI INDUSTRIAL ESTATE, HYDERABAD.**

The approved the proposal placed before it and passed the following Resolutions:

- a) Resolved that the Board of Directors of the Corporation approved and authorised the borrowing from the HUDCO for a construction scheme of housing to accommodate industrial workers in the Industrial Estate, Chandulal Baradari, Hyderabad.
- b) Resolved further that the Corporation represented by the Managing Director or any officer of the Corporation authorised by the Managing Director may affix the common seal of the Corporation on the documents to be executed with HUDCO.
- c) The Board also approved the proposal to authorise the Managing Director to incur legitimate charges of unusual characters like legal and documentation charges under the HUDCO scheme and such other charges in other cases of borrowings.
- d) The Board approved the proposal to authorise the Managing Director or other officers as authorised by him, to borrow of execute agreements , affix the common seal of the Corporation or such other matters connected therewith, form institutions other than banks such as HUDCO.

**12. ANDHRA PRADESH STEELS LTD., - STEEL BILLETS PROJECT PARTICIPATION OF ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD., HYDERABAD IN THE EQUITY SHARE:**

The Board approved the proposal to permit the Andhra Pradesh Industrial Infrastructure Corporation Ltd., Hyderabad to participate in the Equity share capital to the extent of Rs.2.80 Lacks of the Andhra Pradesh Steels Ltd., as co-promoters of the Andhra Pradesh Industrial Development Corporation.

**13. M/s. INDO-SWING PVT. LTD., - WAIVAL OF INTEREST - RATIFICATION**

The Board approved as special case the action of the Managing Director to waive the interest accrued due to delayed payment of balance amount of Rs. 1, 38,230 paid by Ms. Indo- Swing Pvt Ltd., in respect of 11.5 acres of land allotted to them in Balanagar Industrial Development Area.

**14. RECOVERY - BALANCE COST OF LAND - INTEREST ON ARREARS - WAIVAL - REG:**

The Board in its Resolution of V Meeting dated 19-08-'74 approved the proposal of the Managing Director to waive the interest and penal interest on arrears of the amount due from the Industrial Development Areas, if the entire arrears were cleared by 15-08-'74 and authorised the Managing Director to extend the time limit upto 30-11-'74. There is still a balance of Rs.8,29,710/- to be collected from about 50 entrepreneurs. The Board has now approved the proposal of the Managing Director to extend the time limit beyond 30-11-'74 upto 31-03-'75 for payment of dues. The Board however desired that all such cases shall put up to the Board for information.

**Sd/-**

**A. Krishna swami, IAS  
CHAIRMAN**

**STICTLY CONFIDENTIAL**

A.P.INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED  
(Regd.Office:6-2-12/1, Saifabad, HYDERABAD-500 004)

MINUTES OF THE VIII MEETING OF THE BOARD OF DIRECTORS  
HELD ON 5-4-1975 AT 9-00 A.M.

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PRESENT:

- |    |                                     |    |          |
|----|-------------------------------------|----|----------|
| 1. | Shri A.Krishnaswamy, IAS            | :: | Chairman |
| 2. | Shri V.P.Rama Rao, IAS              | :: | MD       |
| 3. | Shri C.R.Krishnaswamy Rao Seheb,IAS | :: | Director |
| 4. | Shri M.Gopalakrishnen, IAS          | :: | Director |
| 5. | Shri C.S.Sastry, IAS                | :: | Director |
| 6. | Shri P.S.Krishnan, IAS              | :: | Director |
| 7. | Shri P.M.Reddy                      | :: | Director |
- 

The Board granted leave of absence to Sarvasri M.A.Haleem, M.Venkatratnam and M.Harishchandra Prasad.

1. Confirmation of the Minutes of last Meeting.

Minutes as already circulated were confirmed.

2. Circular Resolutions passed by the Board on 27-12-1974 and 20-2-1975:

Perused and recorded by the Board.

3. Review of action taken on the minutes of the previous meeting:

Noted.

The proposal to request the Government to subsidise the cost of public services like providing (1) roads (2) protected water supply (3) underground drainage etc., was discussed by the Board at length. The Board felt that as there was continuous pressure from the entrepreneurs to reduce the prices of developed plots and the Government have also expressed an opinion that the prices of the land should be brought down as an incentive to encourage new industries, some steps have to be taken in this direction.

However, as the Corporation has to operate on commercial lines and show a profit in the balance sheet to attract bank finances the Board decided to request the Government to subsidise the cost of land for roads and the cost of roads in all the industrial development areas and estates so that the development cost as a whole would come down. The Board felt that there was justification for subsidizing the cost of roads, as ultimately the sheds are going to be public roads thrown open to all types of traffic.

The suggestion made that if Government land was given free of cost to the Corporation, only development charges might be collected from the entrepreneurs was also discussed. It was felt that this would lead to anomalous situation as we would be charging much higher rates in areas where we have to acquire the land. The Board decided that even if Government lands were given free of cost to the Corporation, the Corporation should fix the rates for land in accordance with the general principles and not on grounds that the land has been obtained free of cost. The normal principle should be to fix it according to the market value of the neighbouring land subject to such special preference as may be given for backward areas.

The proposal to have a graded system of incentives was also discussed. It was felt that this matter might be taken up with the Government and keeping in view the incentives offered by Government, our own additional schemes of incentives might be formulated in due course. It was felt that early completion of industrial project should be one of the important criteria in making a unit eligible for an incentive.

The progress made in regard to collections made in respect of Industrial Development Areas as a result of giving the benefit of payment of dues without interest in the Industrial Development Areas was reviewed. As the collections were substantial and the results found encouraging, the Board felt that in cases where only part payments have been received we might extend the time limit for a further period upto 30-6-1975.

The Board also felt that it was better we complete the recovery of the balance of dues from Industrial Development Areas by offering this incentive to those who pay off the principal upto 30-6-1975.

4. PAPERS PLACED BEFORE THE BOARD FOR INFORMATION:

Perused by the Board.

With reference to the letter received from the Government stipulating certain terms and conditions for appointment of Legal Advisors in the Corporations, it was suggested that in important cases which required to be argued in the Courts, the Corporation might consider appointing senior Counsel of its choice and confidence.

5. Progress Report on the activities of the Corporation since the Last Board Meeting held on 6-1-1975.

While reviewing the progress of work in the allotment of sheds and plots, the Director of Industries desired to have information regarding the plots and sheds not yet allotted, so that he might plan out the promotional activities for enlistment of entrepreneurs.

6. Subjects discussed in the business committee meeting held on 6-2-1975:

The Minutes of the Meeting were perused and ratified by the Board.

7. Appointment of Tax Consultants for the year 1974-1975 – M/s. Venugopal & Chenoy – Appointment as Tax Consultants:

The Board ratified the action of the Managing Director in having appointed M/s. Venugopal & Chenoy, Chartered Accountants as Tax Consultants of the Corporation on a consolidated pay of Rs. 1,000/- for the year 1974-95.

8. To consider and approve the transfer of shares with the Distinctive numbers 2 and 3 standing in the name of Sarvasri N.Luther, & V.Sundaresan in the name of the Governor of Andhra Pradesh.:

The Board considered and passed the following Resolution:  
“Resolved that the two fully paid Equity Shares of Rs. 1,000/- each with distinctive numbers 2 and 3 standing in the name of Sarvasri N.Luther and V.Sundaresan be transferred in the name of the Governor of Andhra Pradesh”.

In this connection, Shri C.S.Sastry pointed out that under the recent amendment of the Companies Act, if the annual turnover of a private company is Rs. 1 crore and above, it shall become a public company and suggested this point might be examined with reference to the position obtaining in our Corporation. Managing Director said that our turnover so far our Corporation is concerned was over Rs. 1Crore and that the consequent effects due to the Corporation becoming a public limited company would be examined.

9. Allotment and issue of Share Certificates:

The Board passed the following resolution:  
“Resolved to allot in favour of Governor of Andhra Pradesh 10,406 fully paid Equity Shares of Rs. 1,000/- each for the total amount of Rs. 1,04,06,000/- subscribed by the Government towards Share Capital of the Corporation.

Further resolved that 104 Share Certificates for 100 shares each and one Certificate for 6 Shares in the name of the Governor of Andhra Pradesh be issued in the common seal of the Corporation in the presence of:

1. Shri V.P.Rama Rao
2. Shri P.S.Krishnan
3. Shri M.Sriramulu

Who shall sign the Share Certificates”.

10. Payment of Allowances Like D.A.,C.A. etc., to the employees of the Corporation on par with State Government Employees – Reg.

The Board ratified the action of the Managing Director in having allowed the enhanced rates of CCA and ADA of the Government to the employees of the Corporation in all the categories with effect from the dates notified by the Government ie., 1.10.1974 and 1.11.1974. The Board felt such decisions may be taken from time to time whenever Government enhance the allowances etc. to its own employees rather than to take a general decision in advance.

11. Industrial Estates – Rental Arrears Due from the tenant Industrialists Sanction of incentives in the shape of waiver of interest on the rental Arrears for those who pay before a certain date:

The Board approved the proposal to address the Government to permit the Corporation to waive the entire interest from the rental arrears accrued upto 31-12-1973, provided that full payment is made within a certain period on or before 1<sup>st</sup> August, 1975.

12. Loans & Advances on Short Term Basis:

The note put up by the Managing Director to the Board indicating the names of the Institutions and the amount of loans given was perused and noted by the Board.

13. To approve the Depreciation Rates for adoption in the Accounts for 1974-75.

The Board approved the proposal that the rates adopted for the year 1973-74 might be continued for the year 1974-75 also. The Board also approved the proposal that for purpose of Income Tax assessment the depreciation might be worked out on written down value of the assets in the Tax Returns filed.

14. Donation from the Government Corporations in connection With the World Telugu Conference:

The Board approved the proposal to authorize the Managing Director to donate as directed by the Government Rs. 5,000/- from the Corporation funds to meet the expenditure in connection with the World Telugu Conference commencing with 12-4-1975.

15. To consider a note from the Managing Director regarding Issue of Unguaranteed Debentures:

The Board approved the following resolutions:

“Resolved that the Corporation, as represented by the Managing Director and officers as may be authorized by him, wherever necessary, may borrow funds by issuing Unguaranteed debentures to the extent of Rs. 2 Crores during the financial year 1975-76 on the following terms and conditions.



- i) The debentures shall be issued at par and deemed at par at the end of 10 years from the date of allotment.
- ii) The debentures shall carry interest at 8% payable half-yearly by 30<sup>th</sup> September and 31<sup>st</sup> March every year during the currency of the debenture loan.
- iii) That the amount equal to the amount subscribed to the Unguaranteed debentures would be kept in the fixed deposit with the banks for a period of one year and this amount would be utilized by the Corporation as it may deem fit, after one year”.

The Board also noted that the Banks have agreed to subscribe to the Unguarantes only on the understanding that an amount equal to the amount subscribed by them would be kept in fixed deposits with them for a period of one year.

16. Jawahar Autonagar, Vijayawada – Allotments made Prior to 1-1-1974 – Rate of land cost fixation of:

The Board approved the proposals:

- 1) to fix the rate at the subsidized rate of Rs. 10/- per sq. yard for land in phases I & II of Autonagar, Vijayawada for those who were allotted land prior to the formation of the Corporation and to address the Government to grant the necessary subsidy, and;
- 2) to fix at the economic rate for the new entrants after 1-1-1974 for those who do not pay the amount in the stipulated time;

The Board felt that this concession of charging subsidized rate for Vijayawada Autonagar was likely to create a precedent for other Industrial Estate Centres. However, in order to reduce the other costs the Board decided that the Government might be asked to bear the cost of public utility services like laying roads etc., in the Industrial Estates and Industrial Development Areas and the Corporation might take up this work as an Agency function. The following Resolution was approved;

“In the light of representations made by the entrepreneurs of Autonagar, Vijayawada and in the light of hardships brought to the notice of the Corporation and the State Government, the Corporation has considered carefully and recommends to the Government that his scheme might be treated as subsidies scheme and a subsidy of Rs. 29.55 lakhs may be given by the Government to enable the Corporation to fix the rates for land in Phases I&II of Autonagar, Vijayawada at Rs. 10/- per sq.yard for all those all those allotted land prior to the formation of the Corporation. This concession will, however, be limited to only those who pay 50% of the amount within a period of three months balance within another three months. For those who do not pay the amount in the stipulated time the rate would be the economic rate fixed for new entrants after 1-1-1974”.

“The Board also recommends to the Government that as a general principle with a view to reduce the land cost, particularly in backward areas, an annual grant of certain amount to cover the cost of public utility services like roads etc., in the Industrial Estates and Industrial Development Areas might be sanctioned to the Corporation making it as an Agency to the Government making it as an Agency to the Government for executing these public utility services”.

**OTHER MATTERS:**

Shri P.M.Reddy indicated that in the long run it would be cheaper to go in for diesel engines manufactured by M/s. Kirlosker to be fitted into the Corporation’s jeeps and cars and that this question may be examined further. The cost of this engine is reported as Rs. 16,000/- and it is supposed to give 40miles per hour. It was suggested that this might be examined further.

Sd/-  
A.KRISHNASWAMY  
CHAIRMAN

**CONFIDENTIAL**

A.P.INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED  
(Regd.Office:6-2-12/1,Saifabad,HYDERABAD-500 004)

MINUTES OF THE IX MEETING OF THE BOARD OF DIRECTORS  
HELD ON 15-5-1975 AT 11-00 A.M.

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PRESENT:

- |    |                             |                     |
|----|-----------------------------|---------------------|
| 1. | Shri A.Krishnaswamy, IAS    | : Chairman          |
| 2. | Shri V.P.Rama Rao, IAS      | : Managing Director |
| 3. | Shri M.A.Haleem, IAS        | : Director          |
| 4. | Shri M.Gopalakrishnan, IAS  | : Director          |
| 5. | Shri C.S.Sastry, IAS        | : Director          |
| 6. | Shri M.Venkatratnam, IAS    | : Director          |
| 7. | Shri M.Harishchandra Prasad | : Director          |
- 

The Board granted leave of absence to Sarvasri  
C.R.Krishnaswamy Rao Saheb, P.S.Krishnan and P.M.Reddy.

1. Confirmation of the Minutes of last Meeting.

Minutes as already circulated were confirmed.

2. Allotment of Unguaranteed Debentures to the Banks:

The Board passed the following Resolution:

“Resolved to allot 5,000 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of M/s. The Andhra Bank Limited, 2,500/- debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of the Vijaya Bank Limited, 2,500 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of the Syndicate Bank, 1,000 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of the Union Bank of India, 1,000 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of M/s. Canara Bank, 1,000 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of the Vysya Bank Limited 500 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of Indian Overseas Bank and 200 debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of M/s. Bank of Baroda for the amounts subscribed by the above mentioned Banks respectively towards mentioned Banks respectively towards Unguaranteed debentures of the Corporation”.

“Further Resolved that five debenture Certificates for 1,000 debentures in the name of M/s. Andhra Bank Limited. Three debenture Certificates – two for 1,000 (One thousand only) debentures each and one for 500 (five hundred only) debentures to M/s. Vijaya Bank Limited, Three debenture Certificates – two for 1,000 ( one thousand only) debentures each and one for 500 (Five hundred only) debentures to M/s. Syndicate Bank, one denture Certificate for 1,000 (one thousand only) debentures in the name of M/s. Union Bank of India, One Debenture Certificate for 1,000 (one thousand only) debentures in the name of M/s. Vysya Bank Limited, One debenture Certificate for 500 (Five hundred only) Debentures in the name of M/s. Indian Overseas Bank and one debenture Certificate of 200 (Two hundred only) debentures in the name of M/s. Bank of Baroda be issued under the common seal of the Corporation affixed thereto in the presence of:

1. Shri V.P.Rama Rao
2. Shri P.S.Krishnan
3. Shri M.Venkataratnam

Who shall sign the Debenture Certificates:.

The Debenture Certificates shall be issued on the terms and conditions agreed upon by the Board in Resolution No.15 of the VIII Meeting of the Board of Directors held on 5<sup>th</sup> April, 1975.

“Further resolved to authorise the Managing Director to have all the forms intended for the issue of Debenture Certificates printed:

**Sd/-**  
**A.KRISHNASWAMY**  
**CHAIRMAN**

A.P.INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED  
(Regd.Office:6-2-12/1, Saifabad, Hyderabad-500 004)

MINUTES OF THE TENTH MEETING OF THE BOARD OF DIRECTORS HELD ON 21-7-1975 AT 11-00 A.M. AT THE REGISTERED OFFICE.

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PRESENT:

- |    |                             |   |                   |
|----|-----------------------------|---|-------------------|
| 1. | Shri A.Krishnaswamy, IAS    | : | Chairman          |
| 2. | Shri V.P.Rama Rao, IAS      | : | Managing Director |
| 3. | Shri M.Gopalakrishnan, IAS  | : | Director          |
| 4. | Shri C.S.Sastry, IAS        | : | Director          |
| 5. | Shri M.Harishchandra Prasad | : | Director          |
| 6. | Shri P.M.Reddy              | : | Director          |
| 7. | Shri P.S.Krishnan, IAS      | : | Director          |
| 8. | Shri T.G.Vasantha Gupta     | : | Director          |
- 

Shri T.G.Vasantha Gupta, Managing Director, Rayalaseema Paper Mills, Kurnool who has been nominated on the Board of Directors of the Andhra Pradesh Industrial Infrastructure Corporation Limited, Hyderabad in G.O.Ms.No.550 (Industries & Commerce) Department dt.22.5.1975 was introduced to the Directors.

The Board granted leave of absence to Sarvasri C.R.Krishnaswamy Rao Saheb, Shri M.A.Haleem, M.Venkatratnam, IAS and Chebrolu Hanumaiah.

1. Confirmation of the Minutes of last Meeting.

Minutes as already circulated were confirmed.

2. Review of action taken on the Minutes of the VIII & IX Board Meeting held on 5.4.1975 & 15.5.1975 respectively:

The Board was informed that all the items shown against item Nos. 1 to 15 in the list of collections noted at page 3 of the Agenda Notes, represent the clearance of entire dues by the firms including that by M/s. Ampro Food Products.

The part-payments made by M/s. United Auto Tractors Limited, Spectra Structural (P) Limited, Narne Tulaman Manufactures (P) Limited were also discussed. The Managing Director explained the circumstances under which only part-payments could be realized.

In the case of Narne Tulman, under the circumstances explained by the Company in their letter it was agreed that the firm may be given time to clear their last instalment by December, 1975.

The question of arrears of Republic Forge was also discussed.

The question of how to fix the final values for land was discussed at some length. The Chairman suggested that we may try to make an approximate estimate of the ultimate compensation and arrive at the sale price and to get the sale deed executed. It was also noted that if we wait for the verdict of the final court in land acquisition case the land values will not get fixed for a long time with the result the sale deeds cannot be registered and parties cannot make their financial arrangements as banks and lending institutions will not lend them money without a sale deed. The Managing Director stated that a detailed note would be put up to the Board in due course.

The Board noted that the progress of collection in respect of Industrial Development Areas has been quite satisfactory and on the suggestion of the Managing Director, the Board considered and resolved to extend the time limit for payment of dues on land cost without interest and penal interest in Industrial Development Areas from 30-6-1975 to 30.9.1975 so as to give another chance to the entrepreneurs to clear off their dues.

3. Papers placed before the Board for information:

Perused and recorded.

4. Progress reports on the activities of the Corporation since the last meeting held on 5.4.1975:

While reviewing the progress of the work in the Development Wing a point was made that close contact with the Urban Development Authority is necessary.

The Managing Director mentioned that we are working in coordination and that the master plans of Hyderabad City was discussed jointly before sending it to Government for final approval. It was also mentioned that the new Urban Development Authority act will have some implications on the working of this Corporation and a separate note would be prepared on this question. It was suggested that it would be advantageous if the Managing Director of the Corporation is represented on all the Urban Development authorities to be formed and the Director of Town Planning or the Secretary, Health, Housing & Municipal Administration dealing with Town Planning in the Secretariat may be nominated on the Board of this Corporation.

The Board also observed that while furnishing the particulars of pending applications for allotment, only those pending for over one month noted be reported and taken into consideration. The Managing Director also mentioned to the Board that no applications are allowed to be delayed and all the applications for land are being promptly attended to.

While reviewing the progress of collections in Industrial Development Areas the Chairman desired to know how much arrears were due from new allottees. It was explained that out of the 47 outstanding cases covering about Rs. 8.40 lakhs, a sum of Rs. 5.50 lakhs is due from 8 firms. Among these 8 firms there are two new allottees two new allottees from who a sum of about Rs. 1 lakh is due, there are about 15 more new allottees from whom a sum of about Rs. 1.17 lakhs is due. Action has been taken in all these cases by issue of notices demanding immediate payment. The Board agreed that in the case of new allottees also the waiver of interest would apply upto 30-9-1975 as already offered to the old allottees. It was considered that any benefit given to the old allottees has to be extended to the new allottees also. It was also agreed that the Managing Director be given discretion to waive the interest in all such cases where the development facilities are not completed as the amount is due from the parties only towards the payment of "developed land".

While reviewing the budget provision and progress of expenditure in the Engineering Wing, the Chairman observed that the time schedule for the proposed expenditure may be furnished in addition to an analysis of the variations compared to the budgetted expenditure.

With regard to water-supply schemes the Managing Director explained in detail about the several schemes listed out. As regards water supply to proposed Kakinada Fertilizer Factory, the Managing Director stated that the Corporation's commitment is to the tune of Rs. 30 lakhs and this would be a purely financial operation as the scheme would be executed by the Municipality.

In respect of Cuddapah also the main bottleneck is that a minimum of Rs. 75 lakhs is required and that the banks are not coming forward easily to finance such a scheme.

The Managing Director stated that he has already discussed with Secretary, Health to see whether the scheme of the Municipality to provide additional drinking water to Cuddapah town can be linked up with this.

Coming to the progress in the Finance Wing, the Managing Director explained that he has discussed with the concerned officers of the Industrial Development Bank of India at Hyderabad and Madras and that the Madras Officers approved the schemes after some modifications were made by us and that the final schemes have been forwarded by the Madras Office to Bombay and that the Corporation can expect a substantial amount from Industrial Development Bank of India. The Managing Director also mentioned that the Secretary, Industries who is on the Regional Board of the Industrial Development Bank of India has also discussed this question with the Industrial Development Bank of India on behalf of the Corporation.

The Managing Director while stating that the subscriptions from banks towards Unguaranteed debentures so far received amounted to Rs. 16 lakhs, it may go up to a total sum of Rs. 2 crores in the near future.

With regard to hire purchase, the Managing Director stated that even though Government orders have not been received, the Corporation is going ahead finalizing the schemes and that this work will be completed according to a time schedule.



5. Sanctioned of loan to the Entrepreneurs ie. Private Limited Companies Starting Industries on Industrial Estates and outside Industrial Estates towards Voluntary Loan Contribution:

The Board considered and approved the proposal for sanction of loan to the self-employed entrepreneurs towards voluntary loan contribution and to incur expenditure under the voluntary loan contribution from the amount made available by the Government to the Corporation under Self employment Schemes.

The Managing Director apprised the Board of the discussions he had with the Secretary, Industries and the Secretary, Finance Department on this subject. He informed the Board that Government have agreed to waive the condition that this amount will have to be refunded by the Corporation that this amount will have to be refunded by the Corporation, if the planning Commission does not approve the scheme. The Government, however, desired that as this money is being provided by the Planning Commission for the benefit of the self-employed people, the rate of interest to be charged may be limited to 7% i.e, approximately 2 ½% above the borrowing rate from the centre. This 2 ½% the Government wanted the Corporation to consider as an adequate margin. In view of the specific understanding that the amount will not be asked to be repaid from the Corporation to the Government, the Managing Director recommended to the Board that we may agree to charge only 7% (inclusive of 6% paid by the Electricity Board) for self-employed entrepreneurs. It was also mentioned that whatever loan is given to the Electricity Board for electrification of the Estate as a whole should again be apportioned between various occupants and interest recovered from the occupants at 7%. In other words, as the electricity Board is already paying 6% interest on the loan given under Voluntary Loan Contribution, the amount to be charged will be only 1% extra from self-employed entrepreneurs. The Board approved the proposals of the Managing Director and desired that they may be implemented as soon as formal orders of the Government are received.

In respect of other than Self-employed entrepreneurs it was decided that the Corporation may charge 6% interest (6% being received from the Electricity Board) provided the amount is paid in for all the 5 years. If the to be paid in two installments/ one instalment then the Board decided that we may charge 8% from the entrepreneurs 50% of the amount due for the full five years to be paid immediately and 50% after one year.

6. Sanction of bridge loans for covering central subsidy for units coming up in Industrial Development Areas and Estates:

The Board considered and approved the scheme for sanction of bridge loans for covering central subsidy to entrepreneurs, whose applications have been sanctioned by State Level Committee and also to entrepreneurs whose applications are pending with State Level Committee for sanction. The Board also approved the overall limit of Rs.50 lakhs for sanction of loans under this scheme during the year 1975-1976. The Board further resolved that preference will be given to units coming up in our Industrial Development Areas and Industrial Estates and authorised the Managing Director to finalise the modes of security to be obtained from entrepreneurs on individual merits and disburse the loans.

7. Contributions made to Seminar held by Urban Development Authority and to delegate Powers to Managing Director in such cases:

The Board ratified the action of the Managing Director in having contributed Rs. 5,000/- towards the expenditure on the seminar on Urban Development Authority.

The Board also ratified the action of the Managing Director bases on Government instructions in contributing a sum of Rs. 5,000/- for the World Telugu Conference.

The Board also considered and resolved to authorise the Managing Director to sanction an expenditure not exceeding Rs. 10,000/- at a time towards contributions for seminars, exhibitions and other item of like nature.

8. To consider a note from the Managing Director for authorization to conduct a seminar of All India Infrastructure Corporations at Hyderabad and to incur expenditure on it:

The Board approved the proposal of the Managing Director to hold a seminar on "Infrastructure" of all Corporations in India and to incur the expenditure to the extent necessary.

9. To allot Shares in favour of the Governor of Andhra Pradesh for the amounts received from the Government of Andhra Pradesh towards Share Capital of the Corporation:

The Board considered and passed the following resolutions:  
“RESOLVED to allot in favour of the Governor of Andhra Pradesh 10,001 fully paid Equity Shares of Rs. 1,000/- each for the total amount of Rs. 1,00,01,000/- subscribed by Government of Andhra Pradesh towards Share Capital of the Corporation.

“Further Resolved that 10 Share Certificates for 1000 Shares each and one Share Certificate for one Share in the name of the Governor of Andhra Pradesh be issued under the Common Seal of the Corporation affixed thereto in the presence of

1. Shri V.P.Rama Rao : Managing Director
2. Shri M.A.Haleem : Director
3. Shri C.S.Sastry : Director

Who shall sign the Share Certificates”.

10. To allot Unguaranteed Debentures in favour of the Banks who subscribed amounts to the Corporation:

The Board considered and passed the following Resolution:

“RESOLVED to allot 2,500 debentures of Rs. 1,000/- (Rupees one thousand only) in the name of M/s. Central Bank of India for the amount subscribed towards Unguaranteed debentures of the Corporation.

FURTHER Resolved that three debenture Certificates, two for 1,000 (one thousand only) debentures each and one for 500 (five hundred only) debentures be issued to M/s. Central Bank of India under the Common Seal of the Corporation affixed thereto in the presence of:

1. Shri M.A.Haleem : Director
2. Shri C.S.Sastry : Director
3. Shri V.P.Rama Rao : Managing Director

Who shall sign the Share Certificates”.

11. To consider a note from the Managing Director on certain amendments to the Staff Regulations of the Corporation:

The Board approved the proposal:

While considering the proposals the Board felt that the category of clerk should be called "Accounts Clerk" and the qualifications should be as follows:

1. II Class Commerce Graduate  
or  
II Class Post-graduate in Commerce.
  2. Preference for those who have passed typewriting Lower-grade.
12. To consider a note on the sanction of Conveyance Allowance to certain categories of Employees of the Corporation working at Hyderabad and Visakhapatnam:

The Board deferred consideration of the proposal to sanction conveyance allowance to the Corporation own employees.

13. To consider and approve the Balance Sheet as on 31.3.1975 and Profit & Loss Account for the year ended 31<sup>st</sup> March, 1975:

The Board considered and adopted the balance sheet as on 31.3.1975 and Profit & Loss Account for the year ended 31.3.1975. The Board noted that the Corporation earned a profit of about Rs. 2.5 lakhs during the year 1974-75 and recorded its appreciation of the work done by the Managing Director and the staff.

The Board approved the exhibition of the value of assets transferred by Government to the Corporation as on 1.1.1974 under & unsecured loans' pending acceptance of the valuation by the Government and also approved the incorporation of changes pointed out by the Government Auditors in the accounts.

The Board also approved the provision made for bad and doubtful debts at 5% on Sundry debtors.

The Board further approved the appropriations proposed viz., to write off the balance of preliminary expenses of Rs. 1,44,462/-, transfer to general reserve Rs. 1,00,000/-. Leaving a balance profit of Rs. 5,744/- to be carried forward to the next year.

The Board also authorised the Managing Director to make such changes as are suggested by the Comptroller and Auditor General of India in the accounts in consultation with the Chairman and Statutory Auditors. The Board desired that such changes, if any, incorporated in the accounts may be intimated to the Board in its next meeting.

**13.a.** In appreciation of the good work done by the officers and staff of the Corporation during 1974-75, the Board resolved to grant an ex-gratia payment as noted below to all employees including those on work-charged basis. Those who are on daily wage basis are not entitled for this ex-gratia payment.

In respect of those who had put in atleast four months service in the Corporation during the period from 1.4.1974 to 31.3.1975, the ex-gratia payment shall be equivalent to one month's basic pay as on 31.3.1975.

In the case of those appointed on consolidated pay the ex-gratia may be limited to the pay they would have drawn had they been appointed on a regular time scale. The Managing Director was authorised to decide an exact quantum in individual cases. It was noted that in other State Corporations like the Industrial Development Corporation and Andhra Pradesh Small Scale Industrial Development Corporation a substantial amount of bonus is being declared. As the employees of this Corporation are also performing similar work it was considered that ex-gratia payment would be justified.

**13.b.** The Board considered that the present sitting fee for the Directors is not adequate and resolved to address the Government to permit the Board to enhance the sitting fee of its Directors to Rs. 100/- for each sitting.

14. Allotment and Issue of Shares:

The Board passed the following Resolutions:

“RESOLVED to allot in favour of the Governor of Andhra Pradesh 1,500 fully paid Equity Shares of Rs. 1,000/- each for the total amount of Rs. 15,00,000/- subscribed by Government of Andhra Pradesh towards Share Capital of the Corporation.

FURTHER RESOLVED that 1 Share Certificate for 1,000 Shares and 1 Share Certificate for 500 Shares in the name of the Governor of Andhra Pradesh be issued under the Common Seal of the Corporation affixed thereto in the presence of:

- |    |                   |                     |
|----|-------------------|---------------------|
| 1. | Shri V.P.Rama Rao | : Managing Director |
| 2. | Shri M.A.Haleem   | : Director          |
| 3. | Shri C.S.Sastry   | : Director          |

Who shall sign the Share Certificates”.

15. Loads from H.E.H.the Nizam’s Tursts:

The Board approved the borrowing of Rs. 1 crore from the H.E.H. the Nizam’s Trusts on the terms and conditions stipulated. The Board has authorised the Managing Director to execute the loan agreements and affix the Common Seal of the Corporation and to complete all formalities including the legal formalities.

16. Sanction of Loan to M/s. Volrho Limited:

The Board considered the letters from M/s. Volrho Limited for loan from this Corporation and decided to consider the question of granting the term loan in due course after the Industrial Development Bank of India and other financial institutions complete the appraisal of their project. Pending the completion of the Techno Economic Survey and the Project appraisal by Financial Institutions, the Board approved the grant of a bridge loan of Rs. 20 lakhs repayable in 6 months with interest at 15% per annum to M/s. Volrho Limited in order to facilitate quick implementation of the project. The Board authorised the Managing Director to obtain adequate security for the bridge loan and disburse the loan amount.

17. To consider and approve the Directors' Report:

The Board considered and approved the Directors' Report. The Board also authorised the Chairman to sign the Directors' Report on behalf of the Board of Directors. The Board further authorised the Chairman to make such changes as may be found necessary in this report.

18. Purchase of land at Tirupathi for an Electronic Complex:

The Board considered and approved the proposal for purchasing the private land at Tirupathi from the holders at a total valuation of Rs. 3.25 lakhs as a private transaction without going through the Land Acquisition provisions. The Board desired that legal opinion from the Corporation's Legal Adviser may be obtained in the matter about the title before the actual purchase of the land.

18. Study of Growth Centres in Andhra Pradesh – Undertaking By Tata Economic Consultancy Services – Reg:

The Board considered and approved the proposal to have a comprehensive study of the following six growth centres to be conducted by the Tata Economic Consultancy Services, Bombay at a cost Rs. 25,000/- for each centre.

- i Patancheru;
- ii Shadnagar;
- iii Tirupathi;
- iv Cuddapah;
- v Visakhapatnam;
- vi Srikakulam.

19. To fix the date for the Second Annual General Meeting and approve the draft notice:

The Board decided to convene the Second Annual General Meeting on Monday, the 29<sup>th</sup> September, 1975 and approved the Draft Notice.

The Board authorised the Managing Director to sign the notice on behalf of the Board.

**Sd/-**  
**A.KRISHNASWAMY, IAS**  
**CHAIRMAN**

**STRICLY CONFIDENTIAL**

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED  
Regd. office: 6-2-12/1, Saifabad.

MINUTES OF THE XI MEETING OF THE BOARD OF DIRECTORS HELD  
ON 22-9-1975 AT 4.00 PM AT THE CHAMBER OF THE CHAIRMAN IN  
THE BOARD REVENUE OFFICE:

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**PRESENT:**

1 Shri A.krishnaswamay, IAS	:	CHAIRMAN
2 Shri V.P.Rama Rao, IAS	:	MANAGING DIRECTOR
3 Shri C.S.Sastry, IAS	:	DIRECTOR
4 Shri P.M.Reddy,	:	DIRECTOR
5 Shri M.A.Haleem, IAS	:	DIRECTOR
6 Shri P.S.Krishnan, IAS	:	DIRECTOR

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The Board granted leave of absence to Sarvasri C.R. Krishnaswamay Rao Sahab, M. Venkataratnam, M. Harischandra Prasad, M. Gopalakrishnan, T.G Vasantha Gupta and Chebrolu Hanumayya.

1. **CONFIRMATION OF THE MINUTES OF THE LAST MEETING**

Minutes as already circulated were confirmed

2. **TO CONSIDER AND APPROVE THE BALANCE SHEET AS AT 31.3.1975 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.3.1975**

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Managing Director appraised the Board the need for a marginal revision of the accounts based on Accountant General's observations.

The Board considered and adopted the balance sheet as at 31.3.1975 and Profit and Loss Account for the year ended 31.3.1975. The Board approved the appropriations proposed viz. To write off the balance amount of Rs 1,44,462 /- , preliminary expenses and transfer to general reserve a sum of Rs. 65,000/- leaving a balance Profit of Rs . 3,646/-to be carried forward.



### 3. TO CONSIDER AND APPROVE THE DIRECTORS' REPORTS

The Board considered and approved the Directors' Report. The Board also authorised the Chairman to sign the Directors Report on behalf of the Board of Directors.

### 4. AUTHORISATION FOR FURTHER ISSUE OF DEBENTURES

The Board noted that in the present issue of unguaranteed debentures subscription to the extent of Rs . 2.02 Crores have been received from the arnicas bank and in view of the several commitments on hand, the Board approved borrowing additional funds under the present issue bringing the total to Rs. 2.50 crores. The Board also noted about the Tirumala Tirupati Devasthanam proposal to invest fund up to maximum of Rs. 50.00 lakhs in a bank. Which subscribes to unguaranteed debentures of this Corporation.

The Board after due consideration permitted the Corporation to issue a second series of unguaranteed debentures to extend of Rs. 50 lakhs on the following terms and conditions to avail of the facility offered by Tirumala Tirupathi Devasthanam .

1. The debentures shall be issue at par and redeemed at par at the end of ten years.
2. The debentures shall carry interest @ 8 ½ % per annum payable half yearly
3. It is also proposed to create a Debentures Redemption Fund from the commencement of the fourth year.

Managing Directors apprised the Board that the Vysya Bank Limited who were informally approached earlier to consider this proposal have agreed to subscribe to the unguaranteed debentures under the proposed issue.

The Board also authorised the Managing Directors to taken further action in this matter.

### 5. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES

The Board passed the following resolutions:

"RESOLVED to allot 500 Unguaranteed Debentures ( Five Hundred Unguaranteed Debentures only ) of Rs. 1,000/- each ( Rupees one thousand only ) in the name of M/s karur Vysya Bank Limited , Secunderabad, 1000 Unguaranteed Debentures ( one thousand Unguaranteed Debentures only ) of Rs. 1,000/- each (Rupees one thousand only) in the name of Vysya Bank Limited, 1000 Unguaranteed

Debentures ( one thousand Unguaranteed Debentures only ) of Rs. 1,000/-, ( Rupees one thousand only )each in the name of Dena Bank Limited Hyderabad, 500 unguaranteed debentures (five hundred unguaranteed debentures only) of Rs. 1,000/- (Rupees one thousand only ) each in the name of Oriental Bank of Commerce Limited Hyderabad, 500 unguaranteed debentures (five hundred unguaranteed debentures only ) of Rs. 1,000/- each ( Rupees one thousand only ) in the name of the Bharat Overseas Bank Limited, Madras, 500 unguaranteed debentures ( Five hundred unguaranteed debentures only ) of Rs. 1,000/- each ( one thousand only ) in the name of New Bank of India limited, Hyderabad for total amount subscribed by them towards unguaranteed debentures of the Corporation " .

"FURTHER RESOLVED THAT one Debenture Certificate for 500 Debenture be issue to the Karur Vysya Bank Limited , one Debenture Certificate for 1000 Debentures be issue to M/s Vysya Bank Limited, one Debenture Certificate for 1000 Debenture be issue to the Dena Bank Limited, one Debenture Certificate for 500 Debenture be issued to the Oriental Bank of Commerce Limited, one Debenture Certificate for 500 Debenture be issued to the Bharat Overseas Bank Limited and Debenture Certificate for 500 Debenture be issued to the New Bank of India Limited, under the common seal of the corporation affixed there to in the presence of :

1 Shri M. Venkataratnam	:	DIRECTOR
2 Shri C.S. Sastry	:	DIRECTOR
3 Shri V . P.Rama Rao	:	MANAGING DIRECTOR

Who shall sign the Debenture Certificates.

**sd/-**  
**A.KRISHNASWAMAY**  
**CHAIRMAN**

STRICTLY CONFIDENTIAL

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.  
Regd. office: 6.2.12/1, Saifabad, HYDERABAD -500 004.

MINUTES OF THE XII MEETING OF THE BOARD OF DIRECTORS HELD  
ON 20.12.1975 AT 11.00 AM AT THE REGISTERED OFFICE OF THE  
CORPORATION

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PRESENT

1	Shri M.R. Pai, IAS	:	CHAIRMAN ELECT
2	Shri V.P. Rama Rao, IAS	:	MANAGING DIRECTOR
3	Shri N.K.Muralidhar Rao, IAS	:	DIRECTOR
4	Shri P.S. Krishnan, IAS	:	DIRECTOR
5	Shri M.Venkatarathnam, IAS	:	DIRECTOR
6	Shri P.M.Reddy	:	DIRECTOR
7	Shri M.Harishchandra Prasad	:	DIRECTOR
8	Shri N.Tata Rao	:	DIRECTOR
9	Shri Ch.Hanumaiah	:	DIRECTOR
10	Shri K.V.S.Padmanabha Raju	:	DIRECTOR
11	Shri P.Obul Reddy	:	DIRECTOR

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As the Chairman A.Krishnaswamay, IAS, first member, Board of Revenue could not attend the meeting, Shri M.R.Pai, IAS, Secretary, Health, Housing and Municipal Administration was requested to provide over the meeting by the Director present and Shri M.R.Pai, I.A.S, presided.

Sarvasri M.R.Pai, IAS, Secretary, Health, Housing & Municipal Administration Department, N.K. Muralidhar Rao, IAS, Managing Director, A. P. Small Scale Industrial Development Corporation, N.Tata Rao Chairman, A.P. State Electricity Board, K.V.S. Padmanabha Raju, MLA and P.Obul Reddy, Industrialist, Madras who were appointed Director on the Board on its reconstruction were welcome to the Board by the

Managing Directors and introduced to the other members of the Board. Shri Chebrolu Hanumaiah, who was attending the Board for the first time was also welcomed.

The Board granted leave of absence to Sarvasri A. Krishnaswamay, C.R.Krishnaswamay Rao Saheb and T.G. Vasantha Gupta.

The Board resolved to place n record its appreciation of the service rendered by Sarvasri M. Gopalakrishnan, IAS, M.A. Haleem, IAS and C. S. Sastry, who retired from the Board.

1. CONFIRMATION OF THE MINUTES OF THE XI BOARD MEETING HELD ON 22.9.1975

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The minutes already circulated were confirmation.

2. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF X AND XI BOARD MEETING HELD ON 21.7.1975. AND 22.9.1975. RESPECTIVELY.

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Its was suggested by the Managing Directors that the concession granted from payment on interest and penal interest on the arrears due in Industrial Development Areas which expired by 30.9.1975 mat be extended upto 31.12.1975 as it would serve as an incentive for the industries to clear off the arrears . The Board accordingly resolved to extend the benefit of waival of the interest and penal interest on the due in Industrial Development Arears upto 31.12.1975.

While reviewing the action on the minutes of the Tenth Board Meeting, the chairman expressed the view that the Urban Development Authority has already taken steps to appoint consultants to prepare zonal Development Plans for Twin cities and the Economic consultants appointed by the corporation should Co-ordinate their activities with the Consultants appointed by the Urban Development Authority . The chairman also expressed the view that where the town planning trusted have already been formed it would be better for the Corporation to keep in touch with them for a comprehensive studies of Industrial Growths Centres.

3. PERUSAL OF THE PAPERS PLACED BEFORE THE BOARD

Perused and Recorded.

4. REVIEW OF THE PROGRESS ON THE ACTIVITIES  
OF THE CORPORATION SINCE X BOARD MEETING  
HELD ON 21.7.1975

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The Managing Director informed the Board that second Annual Report has been placed before the Board. He outlined generally the progress achieved by the corporation during the last two years of its existence. He informed the Board that the financial activity of the Corporation is of the order of Rs 8 crores per annum. He also informed the Board that lot of industrial development has taken place in Patancheru where committed expenditure by the industrialist is to the tune of Rs . 40 crores. He further informed the Board that 800 acres acquired in Patancheru in phases I and II has already been allotted to industrialist and that 800 acres more is under acquisition. Some of the entrepreneurs like Volrhos and Ambica Mills from outside the state have taken up major industries and the local entrepreneurs like Nagarjuna steels, Tantalum Capacitors, Andhra Pradesh Scooters are setting up some major industries in Patancheru. The Managing director also informed the Board that instead of allotting plots and sheds on rental system as was in vogue previously, the Corporation is trying to dispose off the plots and sheds on hire purchase basis or outright sale. He also informed the Board that under the Voluntary Loan Contribution Scheme Rs. 30 lakhs had already been spent and before the end of the year it is expected that the expenditure under this head would be of the order of Rs. One crore. The Managing Directors explained that the advance of bridge loans by the Corporation for immediate financial needs of entrepreneurs before they get regular financial assistance from financial institutions is helping substantially at a time when they have to pay amount to machinery suppliers.

The Managing Director explained that the Corporation has come into existence only two years back and that the activities of this corporation are almost on par with similar Corporation in other states like Tamil Nadu, Maharashtra, and Gujarat which were established a long time back. He also informed the board that there would be some difficulty in making available adequate quantity of water for industries in Hyderabad and Visakhapatnam. He informed the Board that supply of 11 Million Gallons from manjeerawater supply scheme phase II to Patancheru area which was assured is insufficient as the existing demand itself for water is of the order of 17 Million Gallon day. He has, therefore informed the Board that it would be necessary to take special steps to meet the further demand. At this stage, the Chairman observed that if the corporation given the estimated demand for water, the Government would take this also into consideration as one or two schemes for augmenting water supply position in the twin cities are under consideration. The chairman also informed

that some delay in the implementation of manjeera water supply scheme phase II is likely to occur as the Contractor is not able to complete the work as per schedule due to some financial difficulties and if the corporation is willing to advance some money, its may help in the early completion of the scheme. The Managing Director informed the Board that this matter would be examined further. The Managing Director also informed the Board that the water effluent disposal and sewerage schemes are costly requiring high capital expenditure and unless the state Government some of the aid of the corporation it may not be possible for the corporation to taken up effluent disposal and sewerage schemes.

5. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING ISSUE OF THE FIRST SERIES OF UNGRENTEED DEBENTURES - PAYMENT OF DEBENTURES INTREST AS ON 30.9.1975

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The Board resolved to ratify the action of the Managing Director in having paid Rs. 1.09 lakhs for the different Banks towards the interest for the period between the date of receipt of the amount from the banks and the date of allotment of debenture.

6. CONSIDRATION OF A NOTE FROM THE MANAGING DIRECTOR ON THE ISSUE OF SECOND SERIES OF UNGRENTEED DEBENTURES:

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The Board having taken in to consideration the note placed before it by the Managing Director passed the following resolution:

"RESOLVED to allot 7,500 (seven thousand five hundred only) debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of M/s. Vysya Bank Limited and 2,500 (two thousand five hundred only) debentures of Rs. 1,000/- (Rupees one thousand only) each in the name of M/s karur Vysya Bank Limited, Karur."

FURTHER RESOLVED that eight debenture certificates, seven for 1,000 (one thousand only) debentures each and one for 500 (five hundred only) debentures be issues in the name of M/s Vysya Bank Limited and three debenture certificate, two for 500 (five hundred only) debentures be issued in the name of M/s Karur Vysya Bank Limited under the common seal of the Corporation affixed there to in the presence of:

1 Shri N.K. Muralidhar Rao	:	DIRECTOR
2 Shri M.Venkatarathnam	:	DIRECTOR
3 Shri V.P. Rama Rao	:	MANAGING DIRECTOR

who shall sign the debenture certificates.

7. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR ON THE SANCTION ACCORDED FOR BRIDGE LOANS

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The Board resolved to ratify the action of the managing Director in having advanced Bridge loans to six industries. As regards delegation of power to the managing Director to sanction Rs. 20 lakhs in each case, the Board resolved that made or whether it is necessary to constitute a sub-committee of the Board to sanction loans. It was resolved that if there is no statutory difficulty for the managing Director to exercise sanction of loans upto Rs. 20 Lakhs, it may be done as proposed in the note.

8. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING REVISION OF RATES OF C.C.A.

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The Board resolved to revise the C.C.A., to the employees of the Corporation with effect from 1.8.1975. on the same term and condition stipulated in G.O.Ms. No .191 date 1.8.1975. The Chairman, however, observed that a policy decision as to whether the revision of allowances to Corporation employees have to be linked up with the revision of emoluments to Government employees or not has to be taken. The Chairman also suggested that it would be better if a Committee is constituted to go into the pay scales of the various Corporation of the Government. The Managing Director explained that SCOPE on the instructions for the Industries Department had already submitted its recommendations on the pay scales of the offices and that another sub-committee headed by Shri O. Swaminatha Reddy completed the study of the pay scales of staff obtaining in various Corporations and a meeting being convened in January 1976 to finalize its recommendations .

9. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING DELEGATION OF THE POWERS TO THE MANAGING DIRECTOR FOR ACCEPTANCE OF TENDERS

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The Board resolved to ratify the action of the Managing Director in having accepted the tenders involving premiums exceeding 10 % over the technically sanctioned estimates. The Board further resolved to delegate full power to the Managing Director for accepting tenders involving premiums exceeding the technically sanctioned estimates.

10. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING ENHANCMENT OF POWER DELEGATED TO THE MANAGING DIRECTOR IN SECOND AND FOURTH BOARD MEETING IN REGARD TO THE CREATION OF POSTS AND APPOINTMENT OF PERSON TO THE POSTS:
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The Board resolved to delegate power to the Managing Director to create posts and appoint persons to the post whose maximum in the pay scales does not exceed Rs 1,450 /-

11. RATIFICATION OF THE ACTION OF THE MANAGING DIRECTOR IN HAVE DONATED RS 5,000/- TOWARDS PRIME MINISTER'S NATIONAL RELIF FUND AND TO DELEGATE POWER TO THE MANAGING DIRECTORS TO INCUR SUCH EXPENDITURE UPTO RS. 5,000/- AT A TIME.
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The Board resolved to approve and ratify the action of the Managing Director in having contributed Rs. 5,000/- to the Prime Minister's National Relief Fund.

12. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR ON AMENDMENT TO RULE 27 OF THE LEAVES REGULATION OF THE CORPORATION PROVIDING ENCASHMENT OF LEAVE WITHOUT AVAILMENT OF LEAVE .
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The Board approved the proposal of the Managing Director for encashment of leave without availing leave and to sub – para (c) to rule 27 of the leave regulation of the Andhra Pradesh Industrial Infrastructure Corporation Limited as follows and to re-number the existing rule 27(c) as 27 (d).

Rule 27 ( c ) : " The employees 'Both Officers and Staffs' may also surrender earned leave not exceeding 15 days once in a year without actually availing leave . The interval between the surrender of earned leave in this case should not be less then 12 months . Where the interval is 24 month or more , the employees can avail of surrender leave not exceeding 30 days.



The leave salary and allowances admissible for the leave surrendered shall be the salary and allowances to which the employees is eligible as on the date of surrender."

13. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING INCREASE OF SUBSCRIPTION FROM Rs. 2.80 LAKHS TO 3.00 LAKH IN THE EQUITY SHARES CAPITAL OF ANDHRA PRADESH STEEL LIMITED AND TO APPROVE THEIR TERM AND CONDITIONS.
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The Board resolved to approved to proposal of the Managing Director for:

1. Participation of Andhra Pradesh Industrial Infrastructure Corporation Limited in equity share capital of Andhra Pradesh Steel Ltd. To the extend of Rs. 3.00 lakhs as Co-promoters.
2. The final project cost of the financing pattern suggested by central Financing Institution.
3. The conditions contained in the sanction letter of Industrial Development Bank of India.
4. Provision for appointment of a nominee of the Andhra Pradesh Industrial Infrastructure Corporation Limited on the Board of Director of the Andhra Pradesh.

14. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING ENTRUSTING GRATUITY SCHEME TO LIFE INSURANCE CORPORATION OF INDIA AND TO AUTHORISE THE MANGING DIRECTOR TO TAKE NECESSARY ACTION FOR IMPLEMENTING THE SCHEME.
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The Board entrust the Gratuity Scheme to life insurance Corporation of India under Group Gratuity life Assurance Scheme and also to authorise the managing director to take necessary further action for implementing the scheme.

15. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING REVISION OF RATE OF H.R.A.
- 

The Board resolved to accept the proposal of the Managing Director to revise the rate of H.R.A, with effect from 1.5.1975. as follows treating

pay for this purpose as basic in the Corporation scales plus D.A., admissible at the rates existing as on 31.12.1973 in the Corporation appropriate to such basic pay.

1. The corporation employees whose place of duty is Hyderabad, Secunderabad, Visakhapatnam, Warangal, Vijayawada and Guntur drawing pay upto 1,000/- shall be eligible to draw House Rent Allowances at the rate of 15% of pay without the maximum limit of Rs . 75/-as at present.
2. The Corporation employees drawing pay of more then 1,000/- whose duty is in the places mention in item (1) above shall continue to draw House rent Allowance at 7 1/2% subject, however, to a minimum of Rs. 150/- p.m.

16. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING REVISION OF RATES OF ADDITIONAL D.A.

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The Board resolved to approve the proposal of the Managing Director to revise the rate of D. A. To the corporation employees with effect from 1.1.1976 as follows.

Pay range	Revised rate of D. A. Per month.
Upto Rs 300/- Above Rs300 and	43% of the subject to maximum of Rs . 128. 32% of pay subject to a minimum of Rs.128 and maximum of Rs.283/-
upto Rs . 1600/- Above Rs . 1,600 and	Amount by which pay and Ad hoc D.A. Falls Short of Rs. 1,883/-.
upto Rs . 1640.	
Above Rs . 1,640/- and	Rs. 243 with marginal adjustments at higher pay levels so
upto Rs. 2,250/-	that pay plus ad hoc Dearness Allowance does not exceed Rs.2,400/-

Pay for this purpose shall be the basic pay plus the dearness allowance admissible at the rate which existed as on 31<sup>st</sup> December 1973 in the Corporation appropriate to such basic pay .

17. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO PAYMENT OF VOLUNTARY LOAN CONTRIBUTION TO APSEB ON BE HALF OF ANDHRA PRADESH STEEL LTD. INDUSTRIAL DEVELOPMENT AREA, PALONCHA
- 

The Board approved the proposal of the Managing Director to pay of Rs .13.40 lakhs toward the voluntary loan contribution to Andhra Pradesh Electricity Board on behalf of A.P. Steels Limited, industrial Development Area , Paloncha with out in being treated as a precedent .

18. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO THE NECESSITY TO GIVE ADVANCE INCREMENT TO SUPERVISORS WORKING IN THE CORPORATION:
- 

The Board resolved to approved the proposal of the Managing Director to give four advance increment to supervisors with the degree qualification in the existing pay scale of Rs . 250-20-450-25-500.

19. PERPUSAL OF NOTE FROM THE MANAGING DIRECTOR IN REGARD TO VOLUNTARY LOAN CONTRIBUTION TOWARD ELECTRICAL CONNECTIONS:
- 

Perused and recorded.

20. CONSIDERATION OF A NOT FROM THE MANAGING DIRECTOR IN REGARD TO THE PRICING POLICY FOR LAND COST AT INDUSTRIAL DEVELOPMENT AREAS / INDUSTRIAL ESTATES:
- 

The Board discussed the note on pricing policy for land. Cost at Industrial Development Areas and Industrial estates. It was resolved that the matter may be brought before the next Board meeting for further consideration .The chairman suggested that the existing Industrial Development Areas and Industrial Estates may be classified into different categories depending on the level of development and a note prepared on the pricing policy .

**Sd/-**  
**M.R. PAI.**  
**CHAIRMAN**

**STRICTLY CONFIDENTIAL**

Andhra Pradesh Industrial Infrastructure Corporation Limited  
Regd. Office: 6.2.12/1, Saifabad Hyderabad-500 004.

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MINUTES OF THE XIII MEETING OF THE BOARD OF DIRECTORS HELD  
ON 17-3-1976 AT 3-00 P.M. AT THE REGISTERED OFFICE OF THE  
CORPORATION.

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Present:

- |     |                                      |                     |
|-----|--------------------------------------|---------------------|
| 1.  | Shri A.Krishnaswamy, IAS             | : Chairman          |
| 2.  | Shri C.R.Krishnaswamy Rao Saheb, IAS | : Director          |
| 3.  | Shri M.R.Pai, IAS                    | : Director          |
| 4.  | Shri V.P.Rama Rao, IAS               | : Managing Director |
| 5.  | Shri N.Tata Rao                      | : Director          |
| 6.  | Shri M.Venkatarathna, IAS            | : Director          |
| 7.  | Shri K.Jayabharata Reddy, IAS        | : Director          |
| 8.  | Shri P.M.Reddy                       | : Director          |
| 9.  | Shri K.V.S.Padmanabha Rahu           | : Director          |
| 10. | Shri P.Obul Reddy                    | : Director          |
- 

Shri K.Jayabharata Reddy who was newly appointed to the Board in place of Shri P.S. Krishnan was welcomed to the Board by the Managing Director.

The Board granted leave of absence to Sarvasri T.G.Vasanth Gupta, Chebrolu Hanumaiah, M.Harishcandra Prasad and N.K.Muralidhara Rao.

The Board resolved to place on record its deep appreciation of the services rendered by Shri P.S.Krishnan who retired from the Board.

1. CONFIRMATION OF THE MINUTES OF THE XII MEETING OF THE BOARD OF DIRECTORS HELD ON 20-12-1975.
- 

The Minutes as already circulated were confirmed.

2. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF THE PREVIOUS MEETINGS:

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Reviewed. The Managing Director informed the Board that four firms had made use of the concession granted waiving the interest and penal interest upto 31-12-1975 and that an amount of Rs. 2,45,740/- was collected from the above firms. The Managing Director also expressed the view that as the Corporation had already extended the time limit for payment of arrears four times and it may not be desirable to extend the time limit any further. He, however, informed that if any deserving individual cases are there the matter will be brought before the Board or the Business Committee for taking a decision. The Board agreed with this view.

3. PERUSAL OF G.O.MS.NO.85 INDUSTRIES & COMMERCE (PE CELL) DEPARTMENT DT.19-1-1976 IN RESPECT OF CESSATION OF THE EX-OFFICIO DIRECTORSHIP OF SHRI P.S.KRISHNAN, IAS, FORMER DIRECTOR OF INDUSTRIES AND APPOINTMENT OF SHRI K.JAYABHARATA REDDY, I.A.S, DIRECTOR OF INDUSTRIES, HYDERABAD IN HIS PLACE.

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Perused and recorded.

4. REVIEW OF THE PROGRESS REPORTS ON THE ACTIVITIES OF THE CORPORATION FROM THE XII MEETING OF THE BOARD OF DIRECTORS HELD ON 20-12-1975.

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The Managing Director informed the Board that number of Industrial Estates have been completed since the last Board Meeting in the Twin Cities and in the districts, Kushaiguda Electronics Complex being one among them. The Managing Director also informed the Board that the Corporation is now concentrating its attention on the coordination functions ie., arrangement of finances, sorting out bottlenecks etc., and that Meetings have been so far held in respect of 5 Estates and the results are encouraging. The Managing Director also explained that the general complaint is that though the entrepreneurs are paying heavy amounts to Municipalities and Panchayats in the shape of taxes, the services that are being rendered by the local bodies are most inadequate. The Managing Director informed the Board that in Madras 80% of the taxes due to the Panchayats or Municipalities is being diverted to SIPCOT or SIDCO which undertake the responsibility for maintaining the civic amenities in the Industrial Area.

The Managing Director suggested that similar practice could be followed here also. Shri M.R.Pai informed the Board that according to the existing provisions of the Municipalities Act no such diversion could be allowed and that it is doubtful whether the Government would agree to amend the Municipalities Act in such a way that it would be obligatory on the part of local bodies to spend a major portion of the taxes collected in the same area in which the taxes are collected. Shri M.R.Pai has, however, informed that certain amendments to the Municipalities Act are under active consideration of the Government which would provide for appointment of a Commissioner the works that have to be taken during a particular year and that the Commissioner has to make necessary budget provision according to the recommendations of the Committee. In case the proposal of the Commissioner is not accepted by the Municipal Council, the matter could be brought to the notice of the Government which will have power to issue appropriate directive to the Council to undertake a particular work in a particular area. After further discussion it was decided that the matter may be further examined and necessary proposals for amending the Municipalities Act may be sent to the Government for their consideration. The Managing Director also informed that amendments to Revenue Recovery Act and Public Premises Act are likely to be passed in this Session it self enabling the Corporation to recover its dues as Government dues.

5.                   CONSIDERATION OF REVISED ESTIMATES FOR 1975-1976 AND BUDGET ESTIMATE FOR 1976-1977.

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The Board considered and resolved that the revised estimates for 1975-1976 and Budget Estimates for 1976-1977 as detailed in the Agenda Notes be approved.

6.                   CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO THE REVIEW OF CERTAIN REULES AND REGULATIONS OF THE CORPORATION.

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The Board resolved to extend the operation of:

1. Leave Regulations;
2. Conduct of discipline and appeal rules; and
3. Service and recruitment rules of the Corporation for one more month from the 19<sup>th</sup> May, 1976. The Board also resolved that the matter be again placed before the next Meeting after examining the necessity for bringing out any amendments to the above rules and regulations.

7. PERUSAL OF A NOTE OF THE REMUNERATION FIXED BY THE CENTRAL GOVERNMENT FOR THE AUDITORS APPOINTED FOR 1975-1976:

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Perused and recorded.

8. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO CERTAIN AMENDMENTS TO T.A. RULES OF THE CORPORATION.

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The Board resolved to add the following clause as Rule 14 C to the Corporation T.A. Rules:

“An employee, who is deputed for training to a place outside his headquarters at the expense of the Corporation and where the training fee includes Boarding and Lodging charges, he will be eligible to 25% of the rate of normal D.A. admissible to him towards ‘out-of-pocket expenses’.

“In case where the training fee does not include the Boarding and lodging charges, the employees will be allowed the D.A. to which he is eligible as on tour”.

The Board further resolved to amend Col.4 of Rule 15 of the Corporation Travelling Allowance Rules with effect from 1-10-1975 as follows:

Existing Provision	Provision as amended
Expensive localities (Bombay, Calcutta, Delhi and Bangalore)	Expensive localities (Bombay, Madras, Calcutta, Delhi, Madras, Bangalore and Hyderabad) all other State capitals and places like Baroda, Nagpur, Allahabad , Indore, Cochin And Jabalpur.

9. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO SANCTIONING OF ADDITIONAL CHARGE ALLOWANCE TO THE OFFICERS & STAFF OF THE CORPORATION:

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The Board resolved to add the following Rule as Rule 29A to the Staff Regulations:

“ Officers and Staff may be placed in full additional charge of any post or equivalent or higher category by the authority competent to make appointment to that particular post. Charge allowance shall be paid at 1/5<sup>th</sup> of pay when the period exceeds 14 working days and upto a maximum of 3 months. When the period exceeds 3 months, charge allowance shall be paid at 1/10<sup>th</sup> of pay upto a maximum of 6 months. However, Managing Director shall have power to relax the rule of the maximum period for which charge allowance 1/5<sup>th</sup> of pay is permissible. Charge allowance shall be paid at 1/10<sup>th</sup> of pay only, for discharging current duties when the period exceeds 30 days. The Managing Director shall decide the rate of charge allowance in respect of officers and staff appointed on contract basis or on consolidated pay depending upon the merits of each case. The authority for sanction of charge allowance shall be the officer competent to make appointment to that particular post”.

The Board also resolved to ratify the action of the Managing Director in having sanctioned charge allowance to the following officers and Staff of the Corporation:

1. Shri P.A.P.Murthy, Dy.Fainancial Controller-II
2. Shri A.V.Ramachndran, Officer on Special Duty,(RII):
3. Shri Ratna Kumar, Dy.Zonal Engineer;
4. Shri Srinivasa Rao, Typist;
5. Shri Khazim Ali, Tupist.



10. CONSIDERATION OF A NOTE FROM THE  
MANAGING DIRECTOR ON CENTRAGE CHARGES  
TO BE LEVIED FOR WORKS ENTRUSTED BY  
GOVERNMENT AND OTHER SISTER  
CORPORATIONS:

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The Board resolved to confirm the following centage charges that are being levied for works entrusted by the Government and other Sister Corporations;

- |  |                         |
|--|-------------------------|
| 1. For works executed on behalf of any Government                                    | 13% of works outlay.    |
| 2. Works undertaken on behalf of Public Sector Undertakings of the State Government. | 14 ½% of works outlay.  |
| 3. Works undertaken on behalf of other Departments and Private bodies.               | 15 ½ % of works outlay. |

11. CONSIDERATION OF A NOTE FROM THE MANAGING  
DIRECTOR IN REGARD TO SANCTION OF THE LEAVE  
TRAVEL CONCESSIONS TO THE EMPLOYEES OF THE  
CORPORATION:

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The Board resolved to approve the Leave Travel Concession Rules as detailed in the Agenda & Notes.

12. CONSIDERATION OF A NOTE FROM THE MANAGING  
DIRECTOR IN REGARD TO WAIVER OF INTEREST  
AND PENAL INTEREST ON THE BALANCE LAND COST  
PAYABLE BY M/S. NARNE TULAMAN  
MANUFACTURING PRIVATE LIMITED:

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The Board resolved to waiver the interest and penal interest on the balance land cost payable by M/s. Narne Tulaman Manufacturing Private Limited.

13. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO WAIVER OF INTEREST AND PENAL INTEREST ON THE LAND ALLOTTED TO M/S. ROSE & COMPANY:

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The Board resolved to waive the interest and penal interest on the land allotted to M/s. Rose & Company as water connection has not been given to the Company so far. The Board resolved that the Managing Director will have the discretion to decide when the interest charge would commence keeping in view the provision of the basic amenities like water supply, road access etc.

14. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO RE-ALLOTMENT OF SHEDS IN WHICH THERE HAS BEEN NO INDUSTRIAL ACTIVITY:

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The Board resolved to authorise the Managing Director to allow the present occupant to surrender the sheds in which there is no industrial activity by clearing the rentals in full at subsidized rate as on date of surrender whenever there is another entrepreneur willing to take over the same unit at the current valuation.

The Board resolved to recommend to the Government to write off these claims on sick units who have vacated or have been evicted after paying subsidized rent fully, as on the whole the Government does not lose anything.

15. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO PRICING POLICY FOR LAND COST ON INDUSTRIAL ESTATES AND INDUSTRIAL DEVELOPMENT AREAS:

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The Board considered and resolved to authorise the Managing Director to fix and revise prices of lands in various industrial estates/Industrial Development Areas keeping in view the following factors:

1. Subsidising underdeveloped areas from surplus generated in developed areas;
2. Replacement of cost of developed lands;

3. Encouraging growth centres by offering subsidies for the first few entrants;
4. Other relevant factors such as market conditions etc., as long as the overall 'profit and loss account' of the Corporation does not show a lose.

16. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO AMENDMENT TO RULE 5 OF THE CONVEYANCE ADVANCE REGULATIONS, 1974:

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The Board resolved to approve the Amendment to Rule-5 of the Conveyance advance Regulations, 1974 as follows:

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Officers of grade who are Eligible for the conveyance Advance.	Mode of Conveyance To which eligible	Amount of advance to which eligible
1. Officers drawing a pay Rs.1500/-p.m.	Motor Car	Rs.35,000/- or Exceeding 20 times of the pay Whichever is less
2. Officers drawing Rs.700/-p.m.andabove.	Motor Cycle	Rs.5,000/- or 15 Times the pay or the Cost of vehicle is which Ever is less
3. Officers drawing a pay Exceeding Rs. 250/-p.m	Moped	Rs.2,500/- or 15 Times the pay or the Cost of the vehicle whichever is less

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17. CONSIDERATION OF A NOTE FROM THE  
MANAGING DIRECTOR IN REGARD TO  
ADOPTION OF D.A.MEGRED SCALES TO  
EMPLOYEES OF THE CORPORATION:

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The Board considered and resolved to adopted the D.A. merged  
scales to the employees of the Corporation as follows:

Sl. No.	Name of the post	Corporation's Existing scales	Proposed D.A.megred scales
1	Engineer-in-Chief, Chief Development Officer Financial Controller	1300-60-1600- 100-1800	1400-75-1625-100-202
2	Chief Personnel Officer, Dy.Financial Controllers, Zonal Engineers, Development Officers	800-50-1250	950-50-1500
3	Dy. Zonal Engineers Dy.Development Officers, Assistant Personnel Officer, Accounts Officers.	450-40-850	650-4-1130
4	Supervisors, Asst. Development Officers, Stenographers, Accountants, Assistants.	250-20-450-25- 500	430-20-650-25-800
5	Draughts men	200-12-320-16- 400	360-18-540-20-700
6	Junior Stenographers, Clerk-cum-Typists, Telephone Operators, Copyist	150-10-210-15- 300	310-14-380-15-560
7	Electrician-cum-Mechanic	125-7-160-10- 250	275-10-355-12-475
8	Drivers	100-6-160-8- 200	250-10-430
9	Literate Attenders, Blue Print Operators	100-5-150	250-8-370
10	Messengers, Watchmen	70-3-100-4-120	175-8-255-9-300
11	Sweepers, Malies, Scavangers,Gardeners	60-2-80-4-100	165-5-190-6-250

The revised scales will come into effect from 1-8-1974 and the monetary benefit will be given from 1-5-1975.

The Board also resolved that the next increment of the employees whose pay is fixed in the D.A.megred scales shall be due on the date on which he would have drawn his increment had be continued in the existing scale.

The Board further resolved that if any doubt or anomaly arises in the implementation of the D.A. merged decision which will be final.

18. CONSIDERATION OF A NOTE FROM THE  
MANAGING DIRECTOR IN REGARD TO  
CONTRIBUTION OF RS.10,000/- BY THE  
CORPORATION TO ANDHRA PRADESH STATE  
HARIJAN CONFERENCE:

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The Board resolved to contribute Rs. 10,000/- to the ensuing Andhra Pradesh State Harijan Conference in the shape of advertisements only instead of giving partly in the shape of advertisements and partly by way of donations.

19. LEVY OF HIRE CHARGES FOR THE USE OF OFFICE  
CARS OF LESS THAN 15 HP FOR PRIVATE  
PURPOSES BY THE CHIEF EXECUTIVE AND OTHER  
OFFICERS:

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The Board resolved that the following hire charges be collected when the Corporation's Cars are used either by the Chief Executive or other Officers for private purposes so far made and in future.

Prior to 1-3-1975 (Prior to petrol Price hike)	After 1-3-1975 (after Petrol price hike)
Rs. 0.19 per km	Rs. 0.40 per km

**Sd/-**  
**A.KRISHNASWAMY**  
**CHAIRMAN**

**STRICTLY CONFIDENTIAL**

Andhra Pradesh Industrial Infrastructure Corporation Limited  
Regd. Office: 6.2.12/1, Saifabad, Hyderabad-500 004.

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MINUTES OF THE FOURTEENTH MEETING OF THE BOARD OF DIRECTORS HELD ON 26<sup>TH</sup> MARCH, 1976 AT 12-00 NOON AT THE REGISTERED OFFICE OF THE CORPORATION.

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Present:

1.	Shri A.Krishnaswamy, IAS	Chairman
2.	Shri V.P.Rama Rao, IAS	Managing Director
3.	Shri K.Jayabharata Reddy, IAS	Director
4.	Shri M.Venkatarathna, IAS	Director
5.	Shri P.M.Reddy	Director
6.	Shri M.Harishcandra Prasad	Director
7.	Shri N.Tata Rao	Director
8.	Shri M.R.Pai, IAS	Director
9.	Shri K.V.S.Padmanabha Raju	Director

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The Board granted leave of absence to Sarvasri C.R. Krishnaswamy Rao Saheb, N.K.Muralidhara Rao, T.G. Vasantha Gupta, Chebrolu Hanumaiah, and Shri P.Obul Reddy

**1. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR FOR PROVIDING TERM LOAN TO M/S. VOLHRO COMPANY LIMITED, SECUNDERABAD:**

The Board resolved to agree in principle to sanction a term loan of Rs. 75,00,000/- to M/s. Volrho Limited, Secunderabad subject to the project being found technically feasible and economically viable and also subject to availability of funds, the terms and conditions and date of disbursement of loan being finalised in consultation with the Company.

**2. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR TO ISSUE UNGUARANTEED DEBENTURES UNDER T.T.D SCHEME. OTHER SUGAR FACTORIES IN THE STATE**

Managing Director apprised the Board the proposal of the Government to advance Rs. 3.00 crores out of T.T.D funds to various sugar factories in the state through this Corporation. According to this arrangement T.T.D would deposit Rs.3.00 crores with the Banks which would subscribe to the unguaranteed debentures of this Corporation.

He also stated that the Government desires that this amount should be deposited by T.T.D in the banks nominated for this purpose before 31.03.1976. After some discussion, Board adopted the following resolution.

“RESOLVED to borrow Rs.3.00 crores by issue of unguaranteed debentures under third series to the scheduled banks on the following terms and conditions:

1. The debentures shall be issued at par and redeemed at par at the end of ten years:
2. The debentures shall carry an interest at 8 ½ % per annum payable half yearly.
3. The debentures redemption fund will be created for the redemption of debentures.

The Board noted the Corporation has received that subscriptions to this series of unguaranteed debentures from Central Bank of India, Andhra Bank Limited and the New Bank of India Limited and passed the following resolutions:

“Resolved to allot 10,000 debentures of Rs.1000/- (Rupees one thousand only) each in the name of Central Bank of India, 2,500 debentures of Rs.1000/- (Rupees one thousand only) each in the name of New Bank of India Limited and 10,000 debentures of Rs.1000/- (Rupees one thousand only) each in the name of Andhra Bank Limited for the amounts subscribed by the Banks towards unguaranteed debentures of the Corporation”.

“Further resolved that 10 debenture certificates for 1000/- (Rupees one thousand only) debentures in the name of Central Bank of India, 2 debenture certificates for 1000/- (Rupees one thousand only) debentures and one debenture certificate for 500/- (Rupees five hundred only) debentures in the New Bank of India Limited and 10 debenture certificates for 1,000/- (Rupees one thousand only) debentures in the name of Andhra Bank Limited be issued under the common seal of the Corporation affixed thereto in the presence of:

1. Sri K. Jaya Bharat Reddy
2. Sri M. Venkata Ratnam
3. Sri V P Rama Rao (Managing Director)

Who shall sign the debenture certificate”.

“Further resolved to authorise the Managing Director to have all the forms intended for the issue of debentures certificates printed”.

The Board also resolved to grant a loan of Rs. one crore to M/s Nizam Sugar Factory Limited, Hyderabad on suitable terms and conditions besides their agreeing to any liability on account of tax on respect. In view of Government’s directive, the Board has further resolved that this Corporation may not insist on the Government guarantee being produced by them for this loan.

**3. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR TO PROVIDE LOAN TO M/S REPUBLIC FORGE COMPANY, MOULA ALI, HYDERABAD.**

The Board noted the proposal of this Corporation to grant a loan of Rs.10 Lakhs to M/s. Republic Forge Company, Moula Ali, Hyderabad.

Sri P.M. Reddy, one of the Director of this Corporation and who is Director in M/s. Republic Forge Company did not participate in the discussion.

**Sd/-  
A KRISHNA SWAMI  
CHAIRMAN**



STRICTLY CONFIDENTIAL

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.  
Regd . Office: 6.2.12/1, saifabad, HYDERABAD -5 00004.

MINUTES OF THE FIFTEETH MEETING OF THE BOARD OF DIRECTORS  
HELD ON 28.06.1976 AT 3.00 PM AT THE REGISTERED OFFICE OF  
THE CORPORATION

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PRESENT

1. Shri V . P . Rama Rao , IAS : MANAGING DIRECTOR
2. Shri C . R. Krishnaswamay Rao, IAS : DIRECTOR
3. Shri N . K . Muralidhar Rao, IA S : DIRECTOR
4. Shri G . V . Ramakrishna , IAS : DIRECTOR
5. Shri M. Venkatarathnam , IAS : DIRECTOR
6. Shri P . M. Reddy , : DIRECTOR
7. Shri M. Harishchandra Prasad : DIRECTOR
8. Shri N. Tata Rao : DIRECTOR
9. Shri K . V . S. Padmanabha Raju , : DIRECTOR
10. Shri P . Obul Reddy. : DIRECTOR

**IN ATTENDANCE:**

Shri A . Seetarama Sastry : SECRETARY

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**1. CONFIRMATION OF MINUTES OF THE 13<sup>th</sup> AND 14<sup>th</sup> MEETINGS :**

The Minutes of the 13<sup>th</sup> and 14<sup>th</sup> meeting of the Board of Directors held on 17-3-1976 and 26-3-1976 respectively as already circulated were confirmed.

**2. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF THE PREVIOUS MEETINGS :**

The action taken on the minutes of the previous Meeting was reviewed.

**3. TO PERUSE THE PAPERS PLACED BEFORE THE BOARD FOR INFORMATION:**

Perused and Recorded.

Managing Director explained that adequate number of Schedule Castes and Schedule Tribes candidates from open markets are not always available and as such the Corporation in consultation with the Director of social welfare is designing a training scheme for scheduled Castes and Backward Classes. M . D. also explained that every attempt will be made to fill up the quota of scheduled Castes and Schedule Tribes as indicated in the G.O.

Sri P. Sitapathi, Managing Director, APSSIDC and Sri G.V. Ramakrishna, Secretary, Housing, Municipal Administration & Urban Development who have been nominated to the Board of Directors of APIIC Ltd., Hyderabad were welcomed to the Board.

It was noted that Shri N. K. Muralidhara Rao and Shri M .R. Pai resigned their directorship in APIIC Limited as they were transferred to other Departments. It was resolved to place on record the appreciation of the Board for the valuable services rendered by them during their tenure of office.

Leave of absence was granted to Sarvasri T . G . Vasanatha Gupta , Ch Hanumaiah and N . Tata Rao who could not attend the meeting due to pre-occupation.

**4. PROGRESS REPORT ON THE ACTIVITIES OF THE CORPORATION SINCE THE LAST MEETING HELD ON 17 - 3 - 1976 :**

While reviewing work of the Development Wing the Board observed that a special studies may be commissioned taking one industrial Estate to examine the incidence of sickness in Industrial units and what remedial measures can be taken to prevent them from becoming sick. It was also felt that while the main aim of this Corporation is to provide infrastructure facilities, the Corporation should also in Co-ordination with the other development corporation like the state financial Corporation and the state small scale Industrial Development Corporation ensure that the units which are started in the Industrial Estates continue to function and flourish.

The Board then reviewed the work of the other wings. While reviewing the work of the lands may be acquired for industrial development keeping in view the Master plan for the various towns and also as far as Hyderabad city is concerned in close co-ordination with the Hyderabad Urban Development Authority.

Reviewing the progress under " Finance Wing ", the Board noted that a substantial amount on unguaranteed debentures has been raised at a very attractive rate of interest and recorded its appreciation for the work done in this regard.

An observation was made that this amount has to be profitable utilized in the development works . M . D. started that we have a number of big project on hand and we will needing all this money in the next one to one and half years . Apart from that M . D. explained that some money has to be keep reserved for our bridge loan operations which have proved very use ful to the new entrepreneurs . M . D. also brought to the notice of the Board that as much as Rs 4.63 crores were given by way of bridge loans.

#### **5. APPROVAL OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.3.1976.**

The Board consideration and adopted the Balance Sheet as on 31-3-1976 and Profit and Loss Account for the year ended 31-3-1976. The Board noted that the Corporation has earned a net profit of Rs. 5, 54,229 /- during the year 1975 - 1976 as against Rs . 2, 13,108/- during the year 1974 - 1975. and recorded its appreciation of the work done by the M. D. and Officers and staff of the Corporation .

The Board noted that the financing operations started by the Corporation earlier have contributed 22.4 percent of the total revenues of the Corporation.

The Board approved the incorporation of hire purchase value in the accounts in respect of 30 units in the industrial Estates , Sanathnager, Chandulal Baradari, Moula Ali , Nizambad and Warangal, even though the formal hire purchase agreements were not concluded during the year and also approved the carryover of a surplus of Rs . 2,85,126 /- in the Balance Sheet as "Hire purchase premium suspense " under " Reserves and Surplus " no Profit being taken pending acceptance of the valuation of these assets by the Government and further examination of the issue .

The Board also approved proposals to write off irrecoverable bad debts, totaling Rs. 85,592-73 as per details below:

- 1) Rs. 41,777-22, representing the difference between the economic rent and the subsidized rent in the respect of 5 sick units in Industrial Estates, Visakhapatnam. Though the unit have either been surrendered or occupants evicted the amount mention above could not be recovered even after taking effective steps such as issue of legal notice and ensuring that the units have been surrendered after the payment of subsidized rent in full . This was also done with reference to the earlier decision of the Board.

- II) Rs .23, 856-22 is in respect of sick unit in Industrial Estate, Vijayawada. The party has filed insolvency petition and the amount has become irrecoverable.
- III) Rs .19, 959-29, being the amount shown in our books as on 1-4-75 towards interest demands on the rental arrears which the industrialists of evicted or vacated units prior to 1-1-1974 owe. The amount has also become irrecoverable.

The Board approved the adoption of the provision of 5% towards bad and doubtful debts as in the previous years.

The Board also approved the exhibition of the value of the assets under unsecured Loans as was followed in the previous year pending acceptance of the valuation by Government.

The Board also approved the provisional calculation of interest at 6 1/2% on the loan released by Government pending receipt of the term and conditions of those loans. In respect of a loan of Rs .19.95 lakhs however placed at the disposal of the corporation by the Government towards voluntary loan contribution, interest calculation at 4 1/2% per annum was also approved.

In appreciation of the good of work done by the officers and staff of the Corporation during 1975-76 including officers on deputation, the Board resolved to grant an ex- gratia payment as proposed by the Managing Director , as under :

Employees who had put in one Year of service as on 31.03.'76	one month's basic pay on 31.03.'76
Employees who had put in the Service of 8 months and above But less than one year during 1975-'76.	2/3 <sup>rd</sup> of one month's basic pay last drawn during the year.
Employees who had put in the Service of 4 months and above But less than 8 year during 1975-'76.	1/3 <sup>rd</sup> of one month's basic pay last drawn during the year.
Employees who had put in a service Of less than 4 months during 1975 - '76.	No Payment.

For this purpose, basic pay will be reckoned as per D.A. Merged scales approved by the Board in their 13<sup>th</sup> Meeting held on 17-3-1976.

In respect of the employees on consolidation pay, the payment will be limited to the pay they would have drawn had they been appointed on the minimum of the scale of the pay of the post they are holding.

In the case of any doubts regarding payment of ex-gratia, M. D. is authorised to decide in individual cases and his decision shall be final.

The Board noted and approved the provision of Rs. 3.95 lakhs towards stamp duty in the accounts. Payable on the debentures raised during the year pending receipt of orders from the Government of Andhra Pradesh for waiver of stamp duty.

The Board noted and approved the method followed for capitalization of the sheds constructed after 1-1-1974.

The Board approved the appropriation of Rs . 6,35,000 /- toward general reserve and noted that with this addition the total amount transferred to end of 31<sup>st</sup> march , ' 76 to general reserve will be Rs .6,00,000 /- .

The board noted that no provision has been made for the taxation on the year's profits as the previous year's losses, worked out as per Income Tax Act will not be wiped out by the current year's profits.

The Board authorised Sri G . V. Ramakrishna , I . A . S. , Director , to sign the Balance Sheet and Profit & Loss account in addition to the Managing Director .

**6. AMENDMENTS TO T. A . RULES REVISING MILEAGE RATES:**

The Board resolved to revise the mileage rates as under:

	mileage rates if an employee of the corporation (including a deputationist ) travels by his own car to motorcycle.	
	-----	-----
	By car	By Motor-cycle
	-----	-----
1. M.D and other officers whose pay exceeds. Rs . 1,800 /- p.m.	0.70 paise per KM	0.33 paise per km
2. Officers and the staff Whose pay exceeds Rs . 500 /- and which Is below Rs . 1800/-	0. 50 paise per KM	0.30 paise per km.

3. Staff whose pay Exceeds Rs. 300 /- Upto Rs.500/- 0.40 paise per KM 0.20 paise per km.
4. Other staff whose pay Is less than Rs.300/- p.m . Actual charge by public conveyance.

**7. AMENDMENT TO MEDICAL REIMBURSEMENT RULES OF THE CORPORATION:**

The question of amendments of medical reimbursement rules was discussed and in view of the implementation of the D.A . merged pay scales in the corporation , the existing provision under rule 3.2 may be substituted as noted below :

"Officers in the scale of pay of Rs.650-113 and above and also other employees who draws a basic pay of Rs. 650 and above "

**8. REVIEW OF STAFF REGULATIONS:**

The Board discussed the staff regulations as proposed in the agenda notes and after review of the staff regulations in the light of the past experience, the Board approved the regulations as stated in the agenda notes which for the purpose of authentication is initialed by the chairman . The Board also approved to give effect to these rules from 26-9-1973.

**9. REVIEW OF LEAVE REGULATIONS:**

M.D explained that the leave rules were reviewed in the light of past experience and it was proposed to extend the facility of leave to tempory employees also . After discussion, the Board approved the rules together with the amendments to the existing rules. The Board also approved to give effect to these rules from 26-9-1973.

**10. REVIEW OF CONDUCT, DISCIPLINE AND APPEAL RULES :**

It was noted that there is no need to amend the Conduct , Discipline and Appeal rules and the Board resolved to approve the Conduct , Discipline and Appeal rules as they are .

The Board resolved that the MD of the Corporation, is authorised to exercise the power of the competent authority under rules 11,14,15 of the Conduct Discipline and Appeal rules.

"Resolved that the MD of the Corporation is authorised to exercise the power of the competent authority under the powers of the competent authority under the conduct, Discipline and Appeal rules ".

The Board also approved to give effect to these rules from 26-9-1973.

**11. REVIEW OF FESTIVAL ADVANCE RULES:**

Consequent on the revision of pay scales of the Corporation employees, the Board resolved to substitute the amount of Rs. 650/- in place of Rs. 450/- .

**12. CONSTITUTION OF INFORMAL CONSULTATIVE COMMITTEE:**

The Board approved the formation of the Informal Consultative committee to facilitate speedy implementation of the programmes and the Board resolved to pay sitting fee of Rs. 75/- (Rupees seventy five only) to each member of the Informal Consultative committee as is done in the case of sub-committee of the Board . The Board noted the proceedings of the first meeting of the Informal Consultative committee held on 21-4-1976 .

**13 . REFUND OF EMD/ ID PAID BY THE ALLOTEES OF THE LAND AND SHEDS IN VARIOUS IDAs/IEs :**

The action taken by the MD in ordering of refund of amount in the cases as mentioned in the agenda notes was approved and the Board further resolved to authorise the MD to follow the above procedure in future.

**14. FIXATION OF THE RATES AND ADOPTION F PROCEDURE IN SUPPLYING METARIAL HELD IN THE STOCK TO THE INDUSTRIAL ENTREPRENEURS IN THE IEs AND IDAs:**

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In view of the fact that there are no storage facilities for the construction material etc. , the Board approved levying of 5% of commission on materials for sale of materials as per the provisions in P.W.D. Rules.

**15. AUTHORISATION TO THE MANAGING DIRECTOR FOR DEPOSITING TITLE DEEDS OF PROPERTY BELONGING TO THE CORPORATION TO AVAIL TERMS LOANS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS :**

It was decided to ratify the action of MD in depositing the title deeds of the following five Estates with the Banks:

SEIE	...	Kurnool
SEIE	...	Ongole
AAIE	...	Cuddapah
SEIE	...	Kakinada
AAIE	...	Warangal

The Board also authorised the MD to deposit with the Banks necessary titles deeds of property belonging to the corporation for creating a charge in favour of the Banks as security for term loans sanctioned by them for execution of the Projects.

**16. LOANS FROM H . E . H . NIZAM TRUST:**

The Board discussed the proposals of obtaining a loans of Rs . One crore from Nizam Trust under certain terms and conditions . In view of the change conditions mention in the Agenda notes , the Board decided to take a loan of one crore from Nizam Trust at 11% interest per annum as it would be cheaper when compared to the interest by the Banks . MD authorised to take necessary action to avail the loan from Nizam Trust .

**17. CREATION OF REVOLVING FUND FOR FINANCING CO- OP. SUGAR FACTORY UNDER T.T.D SCHEMES:**

The Board ratified the action of the MD in having released the loan to an extend of Rs. 121.25 lakhs at an interest of 11 % per annum against the Government guarantee to the following parties. It was also noted that the Corporation will be getting 2 1/2% margins on the above short – term loans. The Board approved the proposal as mentioned in the Agenda Notes.

- 1 . thandava co-op .Sugers ... 30.00 lakhs
2. palakole co-op .sugars ... 20.00 lakhs
3. vijayarama gajapathi ..... 71.25lakhs  
Co-op sugar

-----  
121.25 lakhs  
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**18. REMUNERATION TO THE AUDITORS FOR THE YEAR 1975-1976:**

The Board consideration enhancing the remuneration to the auditor of the company for the year 1975 – 1976 and resolved to recommend the audit fee of Rs. 5,000/- towards audit of the accounts for the year 1975-1976 fixing remuneration excluding the actual T.A and other expenses in view of the increase in transactions of the corporation for the year 1975 -1976 .



## **19. ALLOTMENT AND ISSUE OF SHARES:**

The Board passed the following resolutions.

"RESOLVED to allot in favour of the Governor of Andhra Pradesh 8,315 fully paid equity shares of 1000 Rupees each for the total amount of Rs 83,15,000/- subscribed by the Government of Andhra Pradesh towards Share capital of the Corporation."

"FURTHER RESOLUTION that 8 shares certificates for 1000 shares each one shares certificate for 315 shares in the name of the governor of the Andhra Pradesh be issue under the common seal of the Corporation affixed in thereto in the presence of

- i ) Shri V.P. Rama Rao                    ::     Managing Director
- ii ) Shri K . Jayabharat Reddy        ::     Director Industries
- iii ) Shri A . Seetarama Sastry        ::     Secretary

## **20. SANCTION OF CONVEYANCE ALLOWANCE TO THE CORPORATIO EMPLOYEES WORKING AT HYDERABAD AND VISAKHAPATNAM & TRIRUPATI:**

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It was resolved that the employees of the Corporation who are working in twin cities and who are incurring Rs . 35/- or above towards the bus pass are allowed general bus peas a payment of Rs .25/- and the balance of Rs . 10/- being borne by the employee and also allow a sum of Rs . 20/- per month toward conveyance allowances to those who do not avail the general bus peas facility. This facility may be allowed to those whose pay-scale is upto Rs . 430 – 800. This sanction may be extended to the employees at Visakhapatnam and Tirupathi also in view of the distance to the Industrial area. This will come into effect from 1-7-1976.

## **21. UNDERTAKING TO BE GIVEN TO THE FINANCIAL INSTITUTIONS – IFCI, ICICI, IDBI AND LIC, IN RESPECT OF ANDHRA PRADESH STEELS LIMITED:**

The Board approved the draft letters of undertaking to be given to the various financial institutions as the promoters of A. P . Steels ltd. To enable them to avail the financial assistance sanctioned by the financial institution and passed the following resolutions:

" RESOLVED

1. That in consideration of Industrial Development Bank of India ( IDBI) having agreed at our request to underwrite 3,00,000 equity shares of the face value of Rs 10/- each out of the total issue of 7,35,000 equity shares of Rs 10 /- each and 33,000 preference shares of Rs . 100 /- each to be offered for public subscription at par , by Andhra Pradesh Steels Limited (APSL ) , the Corporation do execute in favour of IDBI an undertaking for over-run jointly and severally with APSL and Andhra Pradesh Industrial Development Corporation Limited (APIDC ) agreeing to procure for APSL at the appropriate time , on terms acceptable to IDBI , funds to meet the short – fall, if any , in the resources of APSL for financing the cost of its projects as at present estimated and / or for working capital .

2. THAT the Corporation do execute and undertaking for over-run in favour of APSL jointly and severally with APIDC on similar lines.

3. THAT the Corporation do execute an undertaking for non – disposal of shareholdings in favour of IDBI jointly and severally with APIDC agreeing not to dispose of their shareholdings in present and future, without the prior approval in writing of IDBI.

4. THAT the draft of the undertakings for over-run , the undertakings for non-disposal of shareholdings received from IDBI and/ or APSL along with its letter No IDBI. I D. NO 1228/76 Dated 21-5-1976 (copies were of duly authenticated by Sri A Krishnaswamay , I . A . S., Chairman for the purpose of identification) be and the same are hereby approved.

5. THAT the following directors, namely, Sri. A. Krishnaswamay and Shri . V. P. Rama Rao be and are hereby authorised severally to accept on behalf of the Corporation any change in the aforesaid draft undertakings as may be suggested by execute on behalf of the Corporation the fair stamped engrossment of the said undertakings .

6. THAT the following directors, namely, sri A Krishnaswamay and Shri V. P . Rama Rao be and are hereby authorised severally to excute and delever on behalf of the Corporation and in favour of IDBI and / or APSL such other deeds, documents, instruments and writings what so ever as may be required by IDBI and/or APSL in connection with the financial assistance of IDBI to APSL.

FURTHER RESOLVED.

1. THAT the corporation do execute undertakings for over run and non disposal of shares holding in favour of the ICICI, IFICI , AND LIC in connection with their financial assistance to the A.P Steel Ltd .

2. THAT draft of the following documents in this connection (copies whereof duly authenticated by Sri A. Krishnaswami, chairman the purpose of identification) be and are hereby approved.

- a) Undertaking to be given ICICI in respect of over run in the project cost.
- b) Undertaking to be given to ICICI for non- disposal shareholdings in AP Steel Ltd.
- c) Undertaking to be given IFCI in regard to meeting short – fall in the resources of the company for completing the project .
- d) Undertaking to be given IFCI for non – disposal of the shareholdings in AP Steel Ltd.
- e) Undertaking to be given to LIC in regard to meeting short-fall in the resources of the company for completing the project.
- f) Undertaking to be given to LIC for non – disposal of shareholdings in AP Steel Ltd .

3. THAT the following Directors , namely , Sri A . Krishnaswami and Sri V .P. Rama Rao , be and are hereby authorised severally to execute and deliver on behalf of the corporation and in favour of the financial institutions and other writings whatsoever's may be required by the financial institutions and / or APSL in connection with the financial assistance to APSL " .

**22. ALLOTMENT AND ISSUE OF DEBENTURES (WITH PERMISSION OF THE CHAIR :**

The Board passed the following resolutions:

" Resolved to allot 7,500 (seven thousand five hundred only ) debentures of Rs. 1,000/- ( Rupees one thousand only ) in the name of M/s Vysya Bank Limited .

"Further resolved that 8 debentures certificates, 7 for 1000 debentures each and one for 500 debentures be issue in the name of M/s Vysya Bank Limited ., under the common seal of the Corporation affixed thereto in the presence of :

- |          |  |            |
|----------|--|------------|
| Director | i ) Shri V . P . Rama Rao , I . A . S. | Managing   |
|          | ii ) Shri K . Jayabharat Reddy         | Director   |
|          | iii ) Shri A . SeetaramaSastri         | Secretary. |

Who shall sign the debentures scraps.

### **23. GRANT OF LOAN TO M/s CHOWGULE MATRIX LTD :**

The Board approved the proposal of granting an unsecured loan of Rs. 2.50 lakhs to M/s Chowgule Matrix Hobs Ltd.

This has become necessary in view of the fact that the A.P .Industrial Development Corporation could not given more than 20% of the equity as assistance and the promoters were not permitted to invest more than a certain percentage in view of the recent Company Law regulations .

The Board felt that unless the Industrial Infrastructure Corporation comes to the assistance of this company the project may not materialize at all in Hyderabad. The Board was also informed that the Letter of Intent for this was originally for the location of the project in Maharashtra and with great difficulty the location was shifted to Hyderabad and as the party is likely to set up many more industries it would be worthwhile giving him thus special concession by way of loan.

As this to be something of the nature of quasi equity to satisfy the Industrial Development Bank of India regulations the Board approved the granting of unsecured loan. The Managing Director had also informed the Board that he had personally discussed this matter with the Executive Director, Industrial Development Bank of India.

The Board also approved that this amount will not be withdrawn unless and until the financial institutions allow the same, and that the interest rate payable on this loan will be same as that payable to the long term loan being received from the financial institutions.

The Board authorised the Managing director to attend the all other formalities.

The meeting terminated with a vote of thanks to the chair.

**Sd /-  
CHAIRMAN**

STRICTLY CONFIDENTIAL

Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.

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MINUTES OF THE SIXTEEN MEETING OF THE BOARD OF DIRECTORS HELD  
ON 1-9-1976 AT 11-00 A. M . AT THE REGISTRARED OFFICE

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PRESENT

- |  |                   |
|--|-------------------|
| 1. Shri V . P . Rama Rao , I . A . S . , | MANAGING DIRECTOR |
| 2. Shri A . Krishnaswamay Rao, I. A .S., | CHAIRMAN          |
| 3. Shri P. Sitapathi, I . A . S . ,      | DIRECTOR          |
| 4. Shri P . M. Reddy ,                   | DIRECTOR          |
| 5. Shri M. Harishchandra Prasad,         | DIRECTOR          |
| 6. Shri K . V . S. Padmanabha Raju ,     | DIRECTOR          |
| 7. Shri P . Obul Reddy.                  | DIRECTOR          |
| 8. Shri T . G . Vasantha Gupta ,         | DIRECTOR          |

In Attaendance :

Shri A . Seetarama Sastry .

Secretary

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The Board of Directors granted leaves of absance to Savasri C. R. Krishnaswamy Rao saheb , N . Tata Rao , M . Venkatarathnam , G. V. Ramakrishna and K . Jayabharat Reddy .

Shri Ch . Hanumaiah has been appointed as a Member of Council of Ministers and therefore tendered his resignation . Board resolved to place on record its apperication of the services rendered by Shri Ch . Hanumaiah during his tenure as Director of this Corporation and also convey its Congratulations to Shri Hanumaiah on his appointment as a Minister in the State Cabinet .

**1. CONFORMATION OF THE MINUTES OF THE 15<sup>th</sup> MEETING ;**

The minutes of the 15<sup>th</sup> meeting of the Board of Directors held on 28-6-1976 as already circulated were confirmed .

## **2. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF THE PREVIOUS MEETING :( AND PROGRESS REPORTS):**

Managing Director explained that 42 plots and 45 sheds were allotted and that a sum of Rs . 10.57 lakhs has been realised from the various entrepreneurs during the period under review . Managing Director also explained that 18 units with a capital investment of Rs. 24.00 lakhs have gone into production providing employment to 144 persons . In Jeedimatla industrial Estate 9 units manufacturing Textile , dye – stuffs . Washing Powder and Bread etc. Have gone into production and that it is expected that a total investment in Jeedimatla Industrial Development Area would be of the order of Rs. 425 lakhs generating employment opportunity to 1600 persons directly and 5000 persons indirectly Managing Director also explained that a total extent of 1,200 acres is available in Jeedimatla which would take care of future land requirements also . Managing Director also explained that Manjeera water supply lines are running close to the Industrial Development Area Jeedimatla and that the water from Manjeera Water Supply Scheme Phase II would be available to Patancheru Industrial Development Area by about May 1977 . The Chairman observed that the Corporation should take quick action for construction of the pump or overhead tank as may be needed at Industrial Development Area , Patancheru so that there will not be any delay in utilisation of water when it is made available from Manjeera Water Supply Scheme Phase II .

Managing Director explained that Industrial Development Area , Gajulamandiyam one unit has already gone into production and that two more units would go into production soon . Two units of Industrial Development Corporation will also be located in the Industrial Development Area , Gajulamandiyam . Managing Director also explained that work in commercial complex at Cuddapah will be started soon . Managing Director informed that there would not be any difficulty about allotting the required developed land or sheds to A. P . small Scale Industrial Development Corporation to set up units under self Employment Scheme in any place in the state .

Managing Director explained that so far during the current year 83 sheds have been constructed and 144 plots were developed . Construction of another 105 sheds and development of another 310 plots is expected to be completed before the end of December 1976.

Managing Director explained that HUDCO have sanctioned scheme costing Rs. 16.393 lakhs and that some more schemes costing about Rs . 75.926 lakhs are likely to be sanctioned by HUDCO soon . The Chairman observed that it would be better if the Corporation concentrate on making available plots for construction of houses . Managing Director explained that the Corporation would make available plots for construction of houses at Jeedimatla and Palaoncha .

Managing Director explained that out of Rs . 266.83 lakhs bank loans applied . Clearance has been obtained from IDBI for scheme costing about Rs . One crore and that action is being pursued to get the remaining loans sanctioned . Managing Director also explained that the procedure for getting terms loans has been simplified and from hereafter the Industrial Development Corporation will be financing schemes which would get refinance from IDBI . Managing Director also explained that Bridge Loans to the tune of Rs . 709.46 lakhs has been sanctioned out of which Rs. 226.17 lakhs have already been repaid . These loans are helping not only entrepreneurs but also the Corporation to break - even . Managing Director also explained that under hire purchase , 129 units have been cleared and remaining units will be - cleared before the end of this year. Managing Director explained that collection of arrears in Industrial Development Areas is not posing much problem whereas about Rs . 72 lakhs has to be realised from various entrepreneurs in Industrial Estates and that number of cases where abouts of the entrepreneurs are not known which is posing problems to collect the arrears . Managing Director also explained that amendment to Revenue Recovery Act is on the avail and that an amendment to the act will be issue soon . The chairman pointed that good Revenue Officer may be asked to investigate into each case of arrears and in cases where it is not possible to recover the amounts action may have to be taken for writing off the arrears .

Managing Director explained that as far as land acquisition is concerned , there are no problems and that awards have been passed in respect of land acquisition for Industrial Development Area , Patancheru and amounts were also disbursed . The Chairman observed that the Corporation should take active interest once a notification under section 4(1) is published and that it should associate itself in fixing the market value of lands.

Managing Directors also informed that water is available in Industrial Development Area . Tada and electricity will also be extended in about 4/6 months time under rural Electrification Scheme . Managing Director further explained that the Corporation had prepared a plan and submitted proposal to planning Commission for sanction of Rs . 30 crore of loans for industrial development in metropolitan areas of the twin cities . Shri P . Obul Reddy observed that panchayats / Municipalities are collecting huge amounts as taxes, but they are not providing any civic amenities . The Chairman observed that a meeting with the secretary Housing, Municipal Administration and urban Development Department and other concerned officers may be discussed and sorted out .

Managing Director explained that new Industrial Estates are being set up in number of places in the state and hereafter it would be necessary to concentrate on the development work . Managing Director also explained that the year 1975-76 capital works to the tune of Rs . 11.00 crores are likely to be taken up.

Managing Director explained that examination for the recruitment of the posts of Assistant Development Officer/supervisors and Electrician - cum Mechanic would be conducted during this month and selection would be completed by the end of October 1976.

**3. APPROVAL OF THE BALANCE SHEET AS ON 31ST MARCH 1976 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31-3-1976.**

Managing Director appraised the Board of the need for marginal adjustment and verbal changes in the accounts based on Accountant general's audit observations. The Board noted that the final position in regard to profit remained same as in original being Rs . 5,54,229 /- .

Board considered and adoption of the balance sheet and profit and loss account for the year ended 31-3-1976 . Board authorised Sri P . Obul Reddy and Sri T.G. VasanthaGupta, Directors to sign the balance sheet and profit and loss account in addition to Managing Director .

**4 . FIXING OF DATE FOR THE THIRD ANNUAL GENERAL MEETING AND APPROVAL OF THE DRAFT NOTICE :**

Board decided to convene the third Annual General Meeting of the Shareholders of the corporation on Wednesday the 29<sup>th</sup> September 1976 at 12.30 P.M. And approved the draft notice. The Board authorised Secretary to sign the notice on behalf of the Board .

**5. APPROVAL OF DIRECTORS ' REPORT FOR 1975-1976 :**

Board considered and approved the Directors' report . The Board also authorised the chairman to sign the Directors' Report on behalf of the Board of Directors . Board further authorised the chairman to make such other changes as may be found necessary in this Report .

**6. PAYMENT OF DEBENTURES INTEREST FROM THE DATE OF RECEIPT OF SUBSCRIPTION TO THE DATE OF ALLOTMENT OF DEBENTURES :**

The Board ratified the action of the Managing Director in having paid the amount of Rs. 57.480 /- towards interest paid to various Banks between the date of receipt of amount from the various Banks and the date of allotment of debentures of the second series to different banks.

Board also authorised the Managing Director to pay interest of about Rs . 9,900-00 on the debentures floated by the Corporation , from the date of receipt of the amount from the bank till the date of allotment of debentures of third series , if and when bank represent for the payment of the same . Board further resolved that in future issues of debentures also Managing Director may pay interest for the period between the date of receipt of amount from the Banks till the date of allotment of debentures at the rate at which debentures are issued.



**7. SANCTION OF BRIDGE LOAN OF Rs . 50 LAKHS TO MESSRS SRI RAYALASEEMA PAPER MILLS LIMITED KURNOOL :**

The question of sanctioning of a Bridge loan of Rs . 75 lakhs to M/s Sri Rayalaseema Paper Mills Ltd . Was discussed and it was agreed in principle to sanction Bridge Loan of Rs . 75 lakhs for a peiod of six months initially to M/s Sri Rayalaseema Paper Mills Lumited, subject to the party furnishing bank guarantee , ect .

Shri V.P. Rama Rao , Managing director of the corporation who is the Chairman of Rayalaseema paper Mills Limited and shri T.G. VasanthaGupta, one of the Directors od this corporation and who is also Managing Director of M/s RayalaseemaPaper Mills Limited did not participate in the discussion .

**8. SANCTION OF A LOAN BY HOUSING AND URBAN DEVELOPMENT CORPORATION FOR INDUSTRIAL HOUSING SCHEME OF APIIC LIMITED :**

Board noted the HUDCO has Sanctioned loan assistance for construction of 48 houses in Industrial Estate , Suryapet at cost of Rs . 5.212 lakhs and 96 houses at Jawahar Autonegar , Vijayawada , at a cost of Rs . 11.181 lakhs on seprate gurantee being given by the Governement of Andhra Pradesh .

1. The Board resolved that the Board of Directors of the corporation approved and authorise the borrowing a sum of Rs . 16.393 lakhs from the HUDCO for construction of 48 houses for industrial workers at Industrial Estates , Suryapet and construction of 96 houses at Jawahar Autonagar , Vijayawada .

2. The Board further resolution that the Corporation represented by the Managing Director may affix the common seal of the Corporation on the documents to be executed with HUDCO and authorise the Managing Director or any other authorised by him to execute such documents .

The Board authorise the Managing Director to incur an expenditure of Rs . 5,000/- towards legal documentationcharges for each one of the schemes sanctioned by the HUDCO .

Board also noted that six more schemes are pending with HUDCO for construction of 630houses for various categories at an estimated cost of Rs . 75.926 lakhs

**9. RAISING THE CELING LIMIT FOR SANCTION OF BRIDGE LOANS BY THE MANAGING DIRECTOR :**

Board noted that the bridge loans have been sanctioned to various parties upto a limits of Rs. 2.50crores . In view of increased demand from the entrepreneurs for bridge loans , under circumstance of the nature , such as , pending completion of formalities with the financial institutions etc . The Board resolved to increase the existing limit of Rs . 2.50crores to Rs. 4.00crores , upto which Bridge Loans can be sanctioned by the Managing Director .

## **10. REVISION OF PAY SCALE OF ASSISTANCE DEVELOPMENT OFFICERS:**

The question of revision of pay scales of Assistance Development Officers was discussed, keeping in view of the duties performed by the Assistant Development Officers at the Estate level. It was decided to revise the present scale of pay of Assistant Development Officers from Rs. 430-20-650-25-800 to Rs. 530-30-770-40-1050, fixing the following minimum qualifications for direct recruitment.

First Class Degree in any branch of science or Engineering or Technology  
or High II business Administration.

Preference : Two Years experience in  
Industrial Development.

The action taken by the Managing Director in having issued a notification calling for applications for the post of Assistant Development officers in the scale of pay of Rs. 530-30-770-40-1050 with the above qualification was ratified.

## **11. REVISION OF PAY SCALE OF CIVIL ENGINEERS :**

The question of revision of Scales of pay of civil Engineer was discussed. The individuals recruited as Civil Engineering have to shoulder heavy responsibilities in the organisation. It is therefore, necessary to recruit candidates with higher qualifications i.e., First class Degree holders or First Class Diploma with two years experience and in order to attract better talent. It is resolved to revise the scale of pay of civil Engineers from Rs. 430-800 to 530-30-770-40-1050. The revised scale of pay will come into effect from 1-8-1976. The revision of scale of pay may also be made applicable to the existing incumbents and the advance increment already sanctioned to them will be merged in the proposed scale.

The action taken by the Managing Directors in having issued a notification calling applications for the post of civil Engineers in the scale of pay of Rs. 530-30-770-40-1050 was ratified.

## **12 . PROVISION FOR PROVIDING RAILWAY COMMUNICATION FACILITIES BETWEEN VARIOUS WORK CENTRES OF THE INDUSTRIAL ESTATES ETC . IN AND AROUND THE CITY OF HYDERABAD.**

The question of adequate railway communication facilities between the various work centres of the Industrial Areas etc. Within the limits of Hyderabad Municipal Corporation and the metropolitan area of Hyderabad was discussed and it was felt necessary to provide the facilities for the expeditious transportation of work to the workshop swiftly.

Board resolved to authorise the Managing Director to pay upto an amount of Rs. Three lakhs to the south central Railway to undertake preliminary traffic engineering surveys for provision of fast moving trains and additional lines, if necessary to the existing railway lines.

**13. SANCTION OF LOAN OF Rs. 30 LAKHS TO THE KAKINADA MUNICIPALITY TO SUPPLY WATER TO THE PROPOSED NAGARJUNA FERTILIZER PLANT AT KAKINADA .**

The question of sanctioning a loan to Kakinada Municipality for water supply scheme proposed for the Nagarjuna Fertilizer Plant at Kakinada was discussed and it was decided to sanction a loan of Rs . 30 lakhs to Kakinada Municipality subject to the following terms and conditions .

1. That the loan of 30 lakhs in the form of term loans will be sanctioned to Kakinada Municipality with an interest rate of 11 1/2% per annum or the rate of interest on the loan will be the borrowing rate by this Corporation plus 2 1/3 % over and above the rate for service charges , whichever is less . The repayment period will be then year from the date of payment.

2. The loan is to be secured by a Government guarantee as to repayment of principal and interest thereon the dates to be specified later .

Other terms and conditions as applicable to the term loan financial institutions with such modifications as are necessary will be decided by the Managing Director of A.P . Industrial Infrastructure Corporation Limited .

**14. DELEGATION OF POWERS FOR SANCTION OF MATCHING GRANT TO THE LITERARY CLUB OF THE EMPLOYEES OF THE CORPORATION :**

The Board resolved to authorise the Managing Director to sanction a matching grant of Rs . 1,000/- per annum to the literary Club in the Head office of the Corporation for the literary activities conducted by the Head Office employees , subject to the condition that the records and accounts , maintained by the Club are scrutinised by the officer nominated by the Managing Director .

**15. SANCTION OF BRIDGE LOANS OF Rs. 15 LAKHS TO MESSRS. TANT CAP ELECTRONICS LTD . HYDERABAD :**

The question of sanctioning of a Bridge Loan of Rs .15 lakhs to M/s .Tant Cap Electronics Limited , Hyderabad was discussed and it was agreed in principle to sanction a Bridge loan of Rs. 15.00 lakhs for a period of three months subject to the party furnishing Bank guarantee etc .

**16. SANCTION OF BRIDGE LOAN OF Rs. 25 LAKHS TO MESSRS  
AVANTHI LEATHERS LIMITED , CHITTOR DT.:**

The question of sanctioning of a Bridge Loan of Rs . 25 lakhs to M/s .  
Avanthi Leathers Limited , Chittoor district was discussed and it was agreed in  
principle to sanction a Bridge loan of Rs . 25.00 lakhs for a period of three  
months to M/s Avanthi Leathers Limited , Chitttoor district subject to the party  
furnishing a bank gurantee , etc

The meeting termination with to the Chair .

**Sd /-**  
**A . KRISHNASWAMAY**  
**CHAIRMAN**

STRICTLY CONFIDENTIAL

ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.

Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.

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**MINUTES OF THE SEVENTEEN MEETING OF THE BOARD OF DIRECTORS  
HELD ON 26-11-1976 AT 11-00 A. M . AT THE REGISTERED OFFICE**

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**PRESENT**

- |  |          |
|--|----------|
| 1. Shri V . P. Rama Rao , I . A . S . ,      | MD       |
| 2. Shri A . Krishnaswamay Rao, I . A . S . , | CHAIRMAN |
| 3. Shri N . Tata Rao                         | DIRECTOR |
| 4. Shri P . M. Reddy                         | DIRECTOR |
| 5. Shri G . V . Ramakrishna , I.A.S ,        | DIRECTOR |
| 6. Shri P. Sitapathi, I . A . S . ,          | DIRECTOR |
| 7. Shri K . Jayabharata Reddy, I.A.S.,       | DIRECTOR |
| 8. Shri T . G . Vasantha Gupta ,             | DIRECTOR |
| 9. Shri K.V.S . Padmanabha Raju              | DIRECTOR |

**IN ATTENDANCE :**

Shri A . Seetarama Sastry . SECRETARY

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Baord granted leave of absence to Sarvasri C.R. Krishnaswamay Rao Saheb , M. Venkatarathnam, M . Harishchandra Prasad and P. Obul Reddy.

**1. CONFIRMATION OF THE MINUTES OF THE XVI MEETING :**

The minutes of the xvi Meeting of the Board of Directors held on 1-6-1976 as already circulated were confirmed .

## 2. REVIEW ON THE PROGRESS REPORTS :

The Managing Director explained that the establishment of Industrial Development Area Kothur has been completed and that one unit has already gone into production . He also explained that the Industrial Development Area is proposed to be expanded and that two major industries viz ., fibre Glass Plant and silicon Carbide may be set up in the Kothur I.D.A . The Managing Director explained that about 26 new units have gone into production in various industrial estates.

The Managing Director also explained that the Tata Economic Consultancy have completed their study relating to Patancheru Industrial Growth centre and that after taking some more copies they will be circulated to the Board of Directors for discussions on the recommendations made by the Tata Economic Consultants . The Managing Director further explained that the Tata Economic Consultancy would be taking up the Growth Centre study in respect of four more centres shortly.

Shri G.V. Ramakrishna suggested that the Tata Economic Consultancy should undertake not only the study of various Industries that would be set up in the patancheru area but also linking of the various industries . The Managing Director had informed that this aspect would also be studied by the Tata Economic Consultancy . Shri P.Sithapathi wanted that the infrastructure Corporation should provide sheds in place like Tirupathi, Visakapatanam and Ongole for sitting up of functional and self-employment complexes . The Managing Director informed that there would be any difficulty for allotment of sheds in these places . The Managing Director explained that the Corporation might be taking up the establishment of Marine Complex on the Visakapatanam – Bheemunipatanam road about 3 kms . Away from Visakapatanam and that the proposals for acquiring land have already been sent .

The Managing Director explained that the corporation has taken up establishment of new industrial estates in Anakapalli, Tadipatri and at Sattenapalli and that the Government has passed orders for handing over 500 acres of forest land for expansion of Autonager, Hyderabad.

The Managing Director Explained that 15 sheds were constructed and 125 plots were developed so far during this financial year .

workers in a big way , the The Managing Director explained that HUDCO had so far granted loans to the tune of Rs . 1 crore for the construction of houses for industrial workers and that schemes for sanction of Rs. 1.5 crores have already been submitted to the HUDCO . Shri G.V. Ramakrishna suggested that the Infrastructure Corporation may take up schemes for construction of houses for industrial workers the A P housing board could concentrate on construction of houses for Government employees and houses under the general housing schemes . After detail discussion it was felt that as the corporation has to acquire some more experience before it could undertake the construction of houses for industrial housing Board may continue to be the main agency

for construction of houses and that APIIC would step in wherever it/is not possible for the Housing Board to take up any housing scheme for industrial workers . It was also felt that there may not be any objection for the APIIC to undertake construction part of the housing scheme " and then hand over the houses for Management to the Housing Board "

The Managing Director explained that so far term loans of Rs. 68.5 lakhs have been availed and that refinance for schemes costing about Rs. 1.25 lakhs have been cleared by the IDBI . The Managing Director also explained that so far a sum of Rs . 36.7 lakhs were disbursed by te corporation during the last three months towards state incentives . The Managing Director explained that the Corporation is proposing to produce a film in co-ordination with the A.P.S. F.C A.P.S.S.I.D.C., about the industrail progress in Andhra Pradesh for screening it in other countries.

### **3. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING AUTHORISATION TO SECURE TERM LOANS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS FOR SETTING UP ESTATES AND I.D.AS :**

The Board resolved to authorise the Managing Director to borrow funds from the various banks on behalf of the Corporation for setting up Industrial Estates and Industrial Development Areas upto a total sum of Rs. 4.00 crores.

Board also resolved to authorise the Managing Director to incur any legal , documentation and other Incidental charges necessary for the purpose of availing the loans from the banks .

The Board ratified the action taken by the Managing Director in availing the term loans to the tune of Rs . 68.54 lakhs under IDBI Refinance scheme for setting up ten industrial estates as detailed in the Agenda & Notes .

### **4 . CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING AUTHORISATION TO BORROW FUNDS FROM BANKS BY WAY OF OVERDRAFT ARRANGMENT :**

The Board resolved to authorise the Managing Directors to keep the funds in fixed deposite with the schedule banks and avail overdraft facilities on the pledge of fixed deposits whenever necessary upto a total sum of Rs . 3.00 crores.

The Board further resolved to authorise the Managing Director to execute the necessary loan agreements and affix the common seal of the corporation for availing the overdraft facilities .

**5. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING SANCTION OF BRIDGE LOANS TO ENTREPRENEURS :**

Board noted that the Corporation disbursed bridge loan of the Rs. 25 lakhs to Indo Nippon Precision Bearing Limited , repayable by 31<sup>st</sup> march , 1977 as also bridge loan of Rs . 5 lakhs to M/s Krishi Engines Limited on the strength of the promissory notes .

Board ratified the action of the Managing Director in having released that said bridge loans on the recommendation of the state Government .

Board also resolved to delegate powers to Managing Director to grant bridge loans to the extent of Rs. 20 lakhs at a time after obtaining suitable security depending upon the merits of each case .

**6. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING THE ISSUE OF DEBENTURES UNDER TIRUMALA TIRUPATHI DEVASTHANAM SCHEMES :**

Managing Director apprised the Board that Government have requested TTD to keep an additional sum of Rs. 3 crores with the Banks who subscribe to the unguaranteed debentures of the corporation for utilising the same for financing the industries coming up in the state . Board noted that Dena bank and Union Bank of India have agreed to subscribe to the unguaranteed debentures of the corporation on the condition that TTD would keep in fixed deposit, the sums equivalent to the amounts subscribed by them. After discussion Board adopted the following resolution .

"Resolved to borrow Rs . 3. crores by issue of unguaranteed debentures under fourth series from the schedule banks under the TTD scheme on the following terms and conditions .

- 1 . debentures shall be issue at par and redeemed at par at the end of 10 years
2. the debentures shall carry interest at 8 1/2% per annum payable half-yearly.
3. the debentures redemption fund will be created for redemption of debentures.

Board noted that the Corporation has since received the subscriptions of Rs . 1 crore from Dena Bank and Rs . 0.25 crores from the Union Bank of India under this series and passed the following resolutions .



"Resolved to allots 10,000 debentures of Rs. 1000/- each in the name of Dena Bank for the total amount of Rs. 1 crore and 2,500 debentures of Rs. 1000/- each in the name of Union Bank of India for the total amount of Rs . 0.25 crores subscribes of the corporation under 4<sup>th</sup> series .

" Further resolved that ten debentures certificates for 1,000 debentures each in the name of Dena Bank and three debentures certificates two for 1,000 debentures each and one for 500 debentures in the name of M/s Union Bank of India be issued under the common seal of the corporation affixed thereto in the presence of :

1. shri V. P Rama Rao , Managing Director
2. shri K Jayabharata Reddy , Director
3. shri A Seetarama Sastry , Secretary

who shall sign that debentures certificates .

Further resolved to authorise the Managing director to have all the forms intended for the issue of debentures certificates printed .

**7. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO SANCTION OF LOAN BY HOUSING AND URBAN DEVELOPMENT CORPORATION FOR INDUSTRIAL HOUSING SCHEMES OF APIIC LIMITED .**

Board noted that HUDCO sanctioned 5 more Industrail Housing Scheme at Visakapatanam , phase I and II , Kushaiguda , Gajulamandyam and Trupathi witha total laon concent of Rs . 51.523 lakhs and approved the said borrowing .

the Board further resolved that the corporation represented by the Managing director may affix the common seal of the corporation on the documents to be execute with HUDCO and authorised the Managing Director or any other officer authorised by him to execute such documents .

Board noted that the documentation shall be completed with in 4 months from the date of sanction , and decided to delegate the powers to the Managing Director to facilitate speedy completion of documentation in respect of the schemes sanctioned by HUDCO in future . Board thus adopted the following resolutions .

" Resolved that the Board of Directors of the corporation be and hereby authorise the Managing Director to approved each borrowing from HUDCO for implementation of various Industrial Housing Schemes upto a total sum of Rs. 2 crores"

" The Board further resolved that the Corporation represented by the

Managing Director may affix the common seal of the Corporation on the documents to be executed with HUDCO , and authorised the Managing Director or any other officer authorised by him to execute such documents " .

" Resolved further that Managing Director may incur the sums towards legal and documentation charges and pay the same to HUDCO " .

**8. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING REMUNERATION TO THE AUDITORS APPOINTED FOR THE FINANCIAL YEAR 1976-1977 .**

Board noted that Governement of India have appointed M/s Sekhar & company, Secunderabad as the Auditors of the corporation for the financial year 1976-1977.

Board resolved to recommend the Audit fee of Rs . 5,000/- payable to the Statuary Auditors for the Audit of accounts of the Company for the year 1976-1977 . excluding the actual TA and other expenses to the Company law Board .

**9. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN REGARD TO ALLOTMENT AND ISSUE OF SHARES :**

Board passed the following resolutions :

" Resolved to allot in favour of the governor of Andhra Pradesh 2,200 fully paid equity shares of Rs . 1,000 /- each for the total amount of Rs . 22,00,000 subscribed by the Governament of Andhra Pradesh share capital of the corporation " .

"Further resolved that two share certificates for 1000 shres each and one share certificates for 200 shares in the name of the Governor of Andhra Pradesh be issued under the common seal of the corporation affixed there to in the presence of :

1. Shri V. P Rama Rao , Managing Director
2. Shri K . Jayabharata Reddy , Director
3. Shri A Seetarama Sastry , Secretary.

who shall sign the share certificates

**10 . CONSIDERATION OPF A NOTE FROM THE MANAGING DIRECTOR IN RESPECT OF EXPENDITURE ON STAFF WELFARE :**

The Board resolved to authorise the Managing Director to incur an expenditure not exceeding Rs . 300 per mesum as subsidy on staff welfare schemes and also ratified the action taken by the Managing Director in haveing incurred the expenditure on staff welfare schemes so far.

**11. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING ALLOTMENT OF 8 ACRES OF LAND TO ST. JOHN'S CATHOLIC CHURCH , RAMACHANDRAPURAM FOR SOCIO EDUCATIONAL PURPOSE IN THE INDUSTRIAL DEVELOPMENT AREA, PATANCHERU AT CONCESSIONAL RATE :**

The Board resolved to charge a concessional rate of Rs. 8,000 per acre on the scale of 8 acres of land to St. John's catholic Church , Ramachandrapuram as against the present rate of Rs . 15,000 per acre in view of its socio educational purpose in the Industrial Development Area , patancheru . The Board authorised the Managing Director to impose such conditions as may be necessary to ensure proper utilisation of this land by the society .

**12. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING ADOPTION OF INCENTIVES AND DISINCENTIVES TO THE EMPLOYEES OF THE CORPORATION ON RESPECT OF FAMILY PLANING PROGRAMME :**

The Board consideration and resolved that the incentives and disincentives to the employees of the government in respect of Family Planning programme as stipulated in G .O .Ms .No. 943 , Medical & Health Department dated 27-9-1976 be Made applicable to the employees of the Corporation also . The Board further resolved that this will be in addition to the existing provision of 6 days special casual leaves and also cash grant of Rs. 100 /- being given by the Government .

**13. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING WAIVER OF DIFFRANCE BETWEEN INTREST AND PENAL INTREST PAYABLE BY M/s NAVOPAN INDIA LIMITED ALLOTTEE IN I . D . A . PATANCHERU :**

The Board consideration the note and decided that penal intrest may be waived in all cases where payment is recived before December1976 including the present case of Navopan

**14 . CONSDERATION OF A NOTE FROM THE MANAGING DIRECTOR REGARDING UNDERTAKING GIVEN TO IDBI AND ICICI SEPERATELY AS DESIRED BY THEM :**

The Board ratified the action of the Managing Director in haveing executed the undertaking as required by IDBI and ICICI for the long term loan facilities sanctioned by them to the A P Steels Limited .

**15. CONSIDERATION OF A NOTE FROM THE MANAGING DIRECTOR IN THE EXISTING RATES IN DEARNESS ALLOWANCES TO THE EMPLOYEES OF THE CORPORATION WITH EFFECTS FROM 1-10-1976 :**

The Board resolved to allow the revised rates of D A to the corporation employees with effect from 1-10-1976 on par with the state Government employees as given under :

<b>pay range</b>	<b>Revised rates of D A per month</b>
upto Rs, 300 /-	50% of pay subject to a maximum of Rs. 148/-
above Rs. 300 /- and upto 900/-	37% of pay subject to a minimum of Rs. 148/- and maximum of Rs. 323 /-
Above Rs. 900 /- and upto Rs. 920 /-	Amount which pay and ad hoc D A falls short of Rs . 1,223 /-
Above Rs . 920 /- and upto Rs. 2,250 /-	Rs . 303/- with marginal adjustments at higher pay levels so that pay levels so that plus ad hoc D A does not exceed Rs . 2,400 /-

The meeting ended with a vote of thanks to the Chair .

**Sd /-  
A .KRISHNASWAMY  
CHAIRMAN**

**STRICTLY CONFIDENTIAL**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

**Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.**

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**MINUTES OF THE 18<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON  
23-12-1976 AT 3.00 P. M . AT THE REGISTRARED OFFICE**

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**PRESENT**

- |   |                          |
|---|--------------------------|
| <b>1. Shri V . P . Rama Rao , I . A . S . ,</b> | <b>MANAGING DIRECTOR</b> |
| <b>2. Shri A . Krishnaswamay Rao, I. A .S.,</b> | <b>CHAIRMAN</b>          |
| <b>3. Shri (DR) Ram K . Vepa. I. A. S.,</b>     | <b>DIRECTOR</b>          |
| <b>4. Shri P . M. Reddy .,</b>                  | <b>DIRECTOR</b>          |
| <b>5. Shri M. Harishchandra prasad .,</b>       | <b>DIRECTOR</b>          |
| <b>6. Shri N . Tata Rao.,</b>                   | <b>DIRECTOR</b>          |
| <b>7. Shri K.V.S . Padmanabha Raju</b>          | <b>DIRECTOR</b>          |

**IN ATTAENDANCE :**

**Shri A . Seetarama sastry .** **SECRETARY**

Board granted leave of absance to Sarvasri C. R . Krishnaswamay Rao Saheb, K. Jayabharata Reddy , P. Sitapathi , T . G . VasanthaGupta, G.V. Ramakrishna and P.Obul Reddy.

**1. CONFIRMATION OF THE MINUTES OF THE 17<sup>th</sup> MEETING :**

The Minutes of the 17<sup>th</sup> meeting of the Board of Directors held on 26-11-1976 as already circulated were confirmed .

**2. APPOINTMENT OF DR . RAM k.VEPA, IAS ., AS DIRECTOR ON THE BOARD  
IN PLACE OF SRI M.VENKATARATNAM, IAS , RESIGNED :**

Board noted that Dr.Ram K . Vepa has been appointed as Director on the Board of APIIC Limited in place of Sri M.Venkataratnam , I.A.S ., resigned , and welcomed Dr. Ram K . Vepa to the Board .

Board resolved to place on record its deep appreciation of the services rendered by sri M.Venkataratnam , I.A.S ., during his tenure as Director .

### **3. CONTRIBUTION OF Rs. 1 LAKHS TOWARDS CHIEF MINISTER'S RELIF FUND:**

It was decided that an amount of Rs. 1 lakhs be given as donation to the chief Minister'sRelif fund on behalf of the APIIC Limited.

### **4. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES :**

Board passed the following resolutions :

"Resolved to allot 5000 debentures of Rs. 1,000 /- ( Rupees one thousand only) each in the name of State Bank of India for the amount of Rs . 50 /- lakhs ( rupees fifty lakhs only ) subscribed by them towards unguaranteed debentures of the Corporation under 4<sup>th</sup> series."

"Further resolved that 5 debentures certificates for 1000/- debentures each in the name of State Bank of India be issued under the common seal of the Corporation affixed thereto in the presence of :

1. Shri V . P. Rama Rao , I . A . S .,MANAGING DIRECTOR
2. Shri (DR) Ram K . Vepa. I. A. S., DIRECTOR
3. Shri A . Seetarama Sastry ., Secretary

### **5. SANCTION OF FESTIVAL ADVANCE TO THE EMPLOYEES OF THE CORPORATION :**

Board approved the proposal for enhancement of the festival advance limit from Rs. 150 /- to Rs. 250 /- to the employees of the Corporation . Board also noted the proposal, as set out in the Agenda & Notes , of the Central Government to adopt uniform policy in all public undertakings which has been referred to scope for their consideration .

### **6. REVISION OF PAY SCALE OF ARCHITECTURAL ASSISTANCE :**

Board ratified the action of the Managing Director in haveing revied the scale of pay of Architectural Assistants from 480-900 to 530-1050 with effect from 1-8-1976 .

### **7. PROVISION OF SEED MONEY TO ANDHRA PRADESH FOREST DEVELOPMENT CORPORATION TO ENABLE THEM TO RAISE MONEY FROM COMMERCIAL BANKS/FINANCIAL INSTITUTIONS :**

The question of sanctioning a sum of Rs . 25 /- lakhs to Andhra Pradesh Forest Development Corporation towards seen money to enable them to raise loans from commercial Banks / financing Institutions was discussed . As it amounts to long term financeing , the Board felt that with the limited funds available at its disposal, the corporation cannot finance scheme for out of its own funds. However if the Government have no objection to our meeting the above loan out of the revolving fund earmarked for financing Co-operative suger Factories , this may be considered in consultation with the Government . The Managing Director was requested to discuss the matter further with the Government in consultation with the Bhadrachalam Paper Boards of Andhra Pradesh Forest Development corporation and bring up the subject in the next meeting .

## **8. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES :**

Board passed the following resolutions :

"Resolved to allot 5000/- debentures of Rs. 1,000/- ( Rupees one thousand only ) each in favour of Canara Bank and 2500/- debentures of Rs.1,000/- ( Rupees one thousand only ) each in favour of the New Bank of India Limited for the amount of Rs.50/- lakhs (Rupees fifty lakhs only) and Rs.25/- lakhs ( Rupees twenty five lakhs only) subscribed by them respectively towards unguaranteed debentures of the corporation under 4<sup>th</sup> series"

" Further resolved that 5 debenture certificates for Rs 1,000/- ( rupees one thousand only ) each in the name of Canara Bank and 2 debenture certificates for 1000 debentures each and 1 debenture certificates for 500 debentures in the name of New Bank of India Limited be issued under the common seal of the corporation affixed thereto in the presence of :

1 . Shri V . P . Rama Rao , I . A . S . ,	MANAGING DIRECTOR
2.Shri (DR) Ram K . Vepa. I. A. S.,	DIRECTOR
3. Shri A . Seetarama Sastry .,	SECRETARY

who shall sign the debentures certificates . "

## **9 . SANCTION OF BRIDGE LAON OF Rs. 20 /- LAKHS TO M/s SHRI RAYALASEEMA PAPER MILLS LIMITED , KURNOOL .**

Board approved the proposal of sanction of additional bridge loan of Rs 20/- lakhs ( Rupees twenty lakhs only ) to M/s Rayalaseema Paper Mills Limited , to meet their urgent requirements on their project, subject to the condition that they would furnish bank guarantee as security for the loan and also pay an interest at the rate of 15 % per annum .

## **10. DELEGATION OF POWERS TO SANCTION FINANCIAL ASSISTANCE TO THE FAMILIES OF THE DECEASEDEMPLOYEES FOR PERFORMING OBSEQUIES ETC :**

Board considered the proposal and decided to delegate powers tto the Managing Director to sanction an expenditure upto one month basic pay of the deceased individual subject to a minimum of Rs. 300/- (Rupees three hundred only ) in each case towards financial assistance for the family or nearest relatives or to ther person lawful in possession of the body of the deceased employee to perform the obsepuies or to transport the dead-body to the native place or other place of the deceased employee .

Board also authorised the meeting the Managing Director to delegate power to Zonal Engineers and industrail Development officers to the extand necessary .

The meeting terminated with a vote of thanks to the chair .

**Sd /-  
KRISHNASWAMAY  
CHAIRMAN**

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ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.

Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.

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MINUTES OF THE 19<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON 18-3-1977 AT 3-00 P. M . AT THE REGESTRARED OFFICE

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PRESENT

- |  |                   |
|--|-------------------|
| 1. Shri A . Krishnaswamay Rao, I . A .S.,    | CHAIRMAN          |
| 2. Shri V . P . Rama Rao , I . A . S . ,     | MANAGING DIRECTOR |
| 3. Shri C . R . Krishnaswamay Rao, I . A .S. | DIRECTOR          |
| 4. Shri G . V . Ramakrishna , I.A.S ,        | DIRECTOR          |
| 5. Shri P . Sitapathi, I . A . S . ,         | DIRECTOR          |
| 6. Shri K . Jayabharata Reddy, I.A.S.,       | DIRECTOR          |
| 7. Shri P . O bul Reddy                      | DIRECTOR          |
| 8. Shri P . M. Reddy                         | DIRECTOR          |
| 9. Shri N . Tata Rao                         | DIRECTOR          |
| 10. Shri M . Harishchandra Prasad            | DIRECTOR          |
| 11. Shri K.V.S . Padmanabha Raju             | DIRECTOR          |
| 12 . Shri P . Laxmaiah                       | DIRECTOR          |

IN ATTENDANCE :

Shri A . Seetarama Sastry .

SECRETARY

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Board granted leave of absence to Sarvasri (Dr .) Ram K. Vepa and T . G . VasanthaGupta .

1. CONFIRMATION OF MINUTES OF THE 18<sup>th</sup> MEETING :

The Minutes of 18<sup>th</sup> Meeting of the Board of Directors held on 23-12-1976 as already circulated were confirmed .



## **2. PERUSAL OF THE PAPERS PLACED BEFORE THE BOARD :**

The Managing Director welcomed Shri P.Laxmaiah who has been appointed as one of the Directors on the Board .

The Board also noted the orders issued in G.O . Ms.No.1001 Industries & Commerce , Dt 26-11-1976 ratifying the action taken by the Corporation in haveing waived interest and penal interest on the arrears of the land cost amounting to Rs. 5.17 lakhs in Industrial Development Areas in anticipation of the Government approval .

### **SALIENT FEATURES OF THE BUDGET ESTIMATES FOR THE YEAR 1977-1978.**

Item no 23 taken up first as the budget estimates for the year 1977 -1978 and the revised estimate for the year 1976 -1977 were to be considered .

While mentioning the salient features of the budget estimates for the next year i.e, 1977-1978, Managing Director stated that the budget for the year 1977-1978 , is likely to be of the order of Rs. 24.93 crores whereas the outlay in 1974-1975 and 1975-1976 was Rs. 2.06 crores and Rs . 7.27 crores respectively . The budget for the current year is of the order of Rs. 14.19 crores . Managing Director further stated that the internal generating of resources is expected to be of the orderof Rs.3.00 crores this year and Rs,5.00 crores in 1977-1978 and that an amount of Rs. 5.75 crores is expected to be raised by way of debentures this year and Rs. 1.00crores in 1977-1978 . The corporation also expects to raise Rs. 0.26 crores this years and Rs.1.39 crores next year for HUDCO and Rs . 1.37 crores this year and Rs . 2.50crores in 1977-1978 from Bank under I.D.B.I. Re-finance scheme .

Regarding working results, Managing Director stated that in the first two years, the Corporation was able to breake – even and that during 1975-1976 the Corporation had made a profit of Rs.5.54 lakhs . Managing Director further stated that the Corporation is likely to make profit of Rs.6.00 lakhs to Rs. 8.00 lakhs during the financial year 1976-1977. Managing Director stressed the need to make a small profit in the operations every year as this would help the corporation in raising loans from banks and other financial institutions . If the economic viability of the corporation itself is in doubt there will be lot of problems in raising funds for the corporation's activity from the various commercial bank and the activities would be hampered. In view of this Boars decided that it should always aim to make a certain marginal profit in order to see that the flow of funds for its activity is kept up .

As regards the capital budget , ManagingDirector stated that major water supply schemes are being taken up at cuddapah , Visakapatanam ,Hyderabad , Bhadrachalam , Kakinada and Tirupathi . Managing Director mentioned that in Hyderabad , the corporation will be getting 11 million gallons water from the Government . The water will be given in bulk by the Government and the Corporation has to do the distrubution of water to various industries . Managing Director also mentioned that as the internal distrubution of water posed number of administrative difficulties , the Corporation had requested the Government to take up the distribution of water and that the orders of Government are awaited . Managing Director also mentioned that the M.ID.C. of Maharastra not only takes up responsibility of distribution of water but has also constructed some major water works for supplying water to varios industries . As regards water supply scheme for Bhadrachalam Paper Board , Managing director stated that the Bhadrachalam Paper Boards itself will take up the construction of water works and that a seprate proposal is placed before the Board for sanctioning a loan to the company for this purpose .

It is expected that 15 m.g.d will be available and the Bhadrachalam Paper Board Limited will give the Corporation 2m.g.d. For distribution to various other industries . This will enable the corporation to develop an ancillary Estate to the Paper Board Project around the present project site and also encourage several upstream and downstream industries . In respect of water supply scheme for Nagarjuna Fertilisers , Managing Director stated that as at present there is no operational commitment on the part of the Corporation and that the Corporation will give only loan assistance to the municipality Managing Director stated that in Tirupathi two major water supply schemes have been taken up one on Kalayni River and the other on Svarnamukhi river. Managing Director mentioned that the Corporation hopes to get one million gallons of water from the Kalyani Reservoir project . These water supply schemes are being taken up as two major projects viz ., Rocket Testing Complex costing about 100 crores of rupees and another project – National textile Corporation costing about Rs.20 crores are expected to come up in Tirupathi areas. One director observed that we should lay a great emphasis on recycling of water so that as much of water as possible could be conserved .

As regards financing operations, Managing Director mentioned that it proposed to disburse Rs.5.00 crores as bridge loans and Rs.2.50 crores as V.L.C . major industries in 1977-1978 out of funds raised by issue of unguaranteed debentures . Managing Director stated that out of Rs. 12.00 crores debentures floated , Rs.10.00crores have been linked up with T.T.D. Investment in various banks.

As regards Housing Schemes , Managing Director stated that the Corporation has completed construction of 100 houses in Chandulal Baradari and that it has taken up construction of 200 houses in Visakapatanam , 200 houses in Vijayawada and 680 houses in Patancheru . Managing Director also stated that during 1977-1978.it is proposed to take up construction of 2000 houses for industrial workers in several places.

It was pointed out by one of the Directors that in the budget no provision was made for payment of various liabilities and that it is desirable to have debt redemption fund . Managing Director stated that it is proposed to create debentures redemption fund from the fourth year of issue of debentures . He also said that the matter would be examined further to see whether it is desirable to create debentures redemption fund earlier .

One of the Director observed that there is considerable increase in the revenue expenditure as compared to the expenditure in 1975-1976. managing Director replied that as there is tremendous increase in the activities of the Corporation and as the capital expenditure increased sharply , there is bound to be corresponding increase in the revenue expenditure and most of the expenditure would be included in the cost of the various works and recovered.

The chairman observed that ratios may be worked out showing the expenditure of staff and compare to the volume of work taken up so that constant control can be exercised about the growth of the revenue expenditure.

With these observations the Board approved the revised estimates for 1976-1977 and the Budget Estimate for 1977-1978.

**3. REVIEW OF THE PROGRESS IN THE ACTIVITIES OF THE CORPORATION :**

While reviewing the progress of various wings , Managing Director stated that during ther period under review 40 new units have gone into the production in various industrial estates industrail development areas involving a capital investment of about Rs.45 lakhs involving as annual turnover of about Rs. 2.5 crores . Managing Director stated that an extant of 4,513 acres has been taken possession so far . Managing Director stated that S.18 referances have been made in some cases where the corporation has not been able to arrive at a settlement with the pattaders regarding the valuation of the lands. Managing Director further stated that in respect of Patancheru land aquisation , the land Aquisation Officer has awarded a compensation of about Rs. 5,000 per acer where as the parties have filled claims before the civil court for compensation of Rs.15 to Rs . 20 per sq.yd and if compensation was to be given , at the rates requested by the pattedars, the additional compensation payable would be of the order of Rs. 5 crores . Managing Director further stated that in order to meet the liabilities arising out od enhanced compensation it is desirable that an equalisation fund is created . Managing Director aslo stated that the progress of S.18 reference in respect of patancheru land aquisation is being closly reviewed every fortnight in order to ensure proper defence on the part of the corporation . The Chairman observed that proposal have been sent to the governement for levying stamp duty in cases where the pattedars claim enhanced compensation and this liability on the part of the pattereddar to pay stamp duty would be a disincentives for them claim exorbitant compensation before civil courts .

The chairman also desired that information relating to the increase in industrial activity as a result of various programmes of the APIIC be compiled.

**4. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES UNDER THE TTD SCHEME :**

The Board passed the following resolutions in rehard to allotment of debentures in favour of banks which have subscribed to the fifth series of unguaranteed debentures uner the TTD scheme.

" RESOLVED to allot 10,000 debentures of Rs1000 /- (Rupees one thousand only) each in the name of State Bank of India and 5000 debenture of Rs.1000/- (Rupees one thousand only) each in the name of Canara Bank for the amount subscribed by the banks towards unguaranteed debentures of the corporation under fifth series".

"FURTHER RESOLVED that 10 debentures certificates for 1000 debentures in the name of State Bank of India and 5 debentures certificates for 1000 debentures in the name of Canara Bank be issued under the common seal of the corporation affixed there to in the presence of :

1. Shri V . P . Rama Rao , I . A . S . , MANAGING DIRECTOR
2. Shri K . Jayabharata Reddy, I.A.S., DIRECTOR
3. Shri A . Seetarama Sastry . Secretary

WHO SHALL SIGN THE DEBENTURES CERTIFICATES " .

**5. SANCTION OF BRIDGE LOANS TO CORPORATIVE SUGAR FACTORIES BY THIS CORPORATION :**

It was noted so far a sum of Rs.3.46 crores was sanctioned as bridge Loans to the various Co-oprative sugar Factories .

In view of the instructions issued in G.O Ms.No.93, Inds.&Comms. (I.A & S) department ,dated 17-2-1977. it was resolved that the corporation need not insist upon the bank gurantee for Bridge loans already granted to co-oprative sugar factories and also to be financed in future .

**6. SANCTION OF BRIDGE LOAN FOR COVERING STATE INVESTMENT SUBSIDY TO UNITS COMING UP IN INDUSTRIAL ESTATES INDUSTRIAL DEVELOPMENT AREAS :**

The Board considered the schemes of sanction Bridge Loans for covering state investment subsidy to entrepreneurs whose applications have been sanction by the state Level Committee and approved the scheme. The Board approved to grant the Bridge loan to the needy entrepreneurs till the subsidy is disbursed on the following and terms and conditions :

1. the amounts to be disbursed under the scheme will be limited to 75 % of the State investment susbsidy payable to the parties .
2. The loan shall carry an interest of 15% per annum with quarterly rests.
3. Mode of security to be obtained will be finalised by the Managing Director depending on the merits of each case .

The Board also approved the over all limits of Rs.50 lakhs for sanction of Bridge Loan against State Investment Subsidy.

**7. SANCTION OF BRIDGE LOAN TO ENTREPRENEURES TOWARDS DIFFERENTIAL RATE OF INTREST PAYABLE BY THEM ON VOLUNTARY LOAN CONTRIBUTION PAID TO APSEB :**

The Board considered the proposal and resolved to approve the scheme of sanction of loan to the entrepreneurs towards the differential in rate of interest payable by them on the VLC paid to the APSEB on the following terms and conditions :

1. The period of loans towards differetail rate of intrest payable by them will be for maximum period of 3 years.
2. This loans will carry an intrest of 15% per annum with quartly rest .
3. The mode security to be obtained towards loan will be decided by the managing director depending in merits of each case .

The Board also approved the overall limits Rs.50.00 lakhs under the scheme.

**8. BORROW TO THE TUNE OF Rs. 3.00 CRORES BY ISSUE OF FIFTH SERIES OF UNGURANTEED DEBENTURES UNDER TTD SCHEME :**

Managing director apprised the Board that discussions were held in the chambers of the secretary , Industries Department with the Executive Officers, T.T.D. And the Executive officer indicated that T.T.D funds to the extand of Rs 3.00 crores will be available for investment in banks and the banks could subscribeto the debentures being issue by this corporation for utilisation of the

same for financing the co-operative sugar factories and also to provide V.L.C. To A.P.S.E.B. On behalf of entrepreneurs for providing electricity connection , on large scale , in order to enable the industries to come up speedily . In view of this the Board resolved to borrow Rs. 3.00 crores by issue of ungaranteed debentures under the fifth series from the scheldule banks under the T.T.D. Schemes on the following terms and conditions.

1. the debentures shall be issue at par and redeemed at par at the end of 10 years.
2. The debentures shall carry intrest at 8 1/2% per annum payable half yearly .
3. The debentures redemption fund will be created at the end of the 4<sup>th</sup> year for redemption of debentures.
4. T.T.D. Will keep in deposit a sum equivalent to the amount subscribed by the Banks .

The Board noted that the corporation has since have recived the subscription of Rs.1.00 crores from State Bank of India , Rs.50.00 lakhs from Canara Banks and Rs.10.00 lakhs Indian Bank aginst 5<sup>th</sup> series .

#### **9. PAYMENT OF ADDITIONAL COMPENSATION TO THE PATTEDARS :**

The Board observed while perusing the information placed before the Board that it is better that due examination is made wether an equalisationfund can be created to meet any such an unexpected liability on account of enhanced land compensation . However the Board desired that it is always essential to include a clause in the agreement with the allottees that any enhanced land compensation would have to be borne by the allottee. The Board also noticed that in view of the uncertainty about the price of land the price of the initail allotment should be substantially higher then the indicated cost so that any likely enhancement is atleast partially covered .

#### **10. AVAILING TERM LOANS FROM BANK OF INDIA UNDER IDBI REFINANCE SCHEME :**

The Board considered the draft resolution as required by the Bank of India for releasing term loan of Rs. 20.00 for sitting up Auto Ancillary Estates at Jeedimatla under I.D.B.I. Re-finance schemes and adopted the following resolution :

Certified copy of an extract from the minutes of a meeting of the Board of Directors of Andhra Pradesh Industrial Infrastructure Corporation Limited duly convened and at which a proper quorum was present held at the Registered office of the corporation on the 18<sup>th</sup> day of march 1977 .

the chairman reported that bank of india ( herein after referred to as "the bank") had at the request of the company agreed to grant to the company terms loan facility to the extent of Rs.20,00,000/- (Rupees twenty lakhs only ) on the terms and conditions and security mentioned below :

Amount /limit	Rs. 20, 00,000/-
Term :	Term loan – repayment before march 1984 as stipulation , in the repayment schedule .
Rate of intrest	12 1/2% subject to IDBI charging the Bank no higer than 9% .

#### **SECURITY :**

1. Term Loan agreement for Rs. 20.00lakhs in form IFD-I and interest at the rate aforesaid to be executed by the Company in favour of the bank.

2. Letter of lien and set off .
3. Delegation regarding the changes/ alterations in original schemes .
4. Equitable mortgage of the company's immovable properties – land (factory sheds) , Administrative buildings and /or other super structure in the Auto Ancillary Industrial Estate at Jeedimatla .

The chairman requested the Board to pass necessary Resolutions for availment of the loan facility , execution of Bank documents and creation of security in favour of the Bank .

**IT WAS RESOLVED AS FOLLOWS :**

That the company borrow from the bank by way of term loans of Rs 20lakhs repayable as per the instalments stipulated in the term loan agreement at 12 1/2%p.a ( subject to IDBI charging the Bank not higher than 9% p.a)with quarterly rates or at such other rates as may be notified to the company by the bank from time to time .

That as security for the due for repayment of the said loan of Rs. 20,00,000/- and interest at the rates aforesaid the Company do execute in favour of the Bank the document referred to below :

1. term loan agreement (IFD-I)for Rs 20,00,000/- and interest at the rate aforesaid '
2. letter of lien and set off;
3. Declaration regarding changes /alteration in the original schemes , in terms of the printed forms of these documents which are produced to the Board and initialled for identification by the Chariman . That the common seal of the Company to be affixed to the said documents namely ;
  1. Term Loan Agreement (IFD-I) for Rs 20,00,000/-
  2. Letter of lien and set off ;
  3. Declaration regarding the changes / alterations in the original schemes .

In the presence and they be signed by the Managing Directors be and he is hereby authorised and empowered to attend at the Bank and to deposit on behalf of the company the title deeds of the Companies immovable properties situated at jeedimatla consisting of land building ( both present and future ) with intent to create security there on by the way of equitable mortgage for the repayment of the loan of Rs. 20,00,000/- with interest at the agreed rate or at such other rates as may be notified to the company by the Bank from time to time and / or for any advances of any nature now due or pending or that may be made or become due hereafter from time to time in the said loan account or in any other account and whether singly or jointly with another or other and wether at Hyderabad branch or any other Branch of the bank and/or for any indebtedness or liability whatsoever and for all costs (between attorney and client ) charge and expenses incurred by the Bank for the protection preservation enforcement and realisation of such security and recovery of its dues and so that the security so created shall be a continuing security .

THAT the secretary be and is hereby also authorised to assure and declare to the Bank on behalf of the company that the company has a marketable title to the said immovable properties which are to be equitable mortgaged to the bank and that there is no mortgage charge lien or other encumbrance on the said immovable properties and that no such mortgage charge lien or other encumbrances whatsoever will be created by the company or any attachment allowed to be levied on the said immovable properties or any part or parts thereof in favour of any person , association , firm , company or any other incorporated body or society other than Bank so long as the company continues to be indebted to or liable to the bank on the said loan , account or any other account or in any manner whatsoever .

THAT the said loan account to be operated on and instruction concerning the same may be given by an any acknowledgement or confirmation or debt and / or security , which may be required by the Bank , may be executed on behalf of the company by the Managing Director of the company .

AND THAT A COPY of the foregoing resolutions to be a true copy by the secretary be furnished to the Bank .

**11. REIMBURSEMENT OF EXPENDITURE ON MAINTENANCE OF CONVEYANCE :**

The question of treating conveyance allowances as reimbursement of expenses incurred on the maintenance of vehicles by the employees instead of sanctioning it as "Allowances " was discussed and it was resolved to treat it from financial year 1976-1977. as reimbursement of expenses laid out wholly , necessarily and exclusively for the performance of duties of an office , instead of treating them as "Conveyance Allowances " .

In view of the increase in the prices of petrol. It was resolved to increase the reimbursement of expenses from Rs.50/- to Rs.75/- with effect from 1.4.1977.

**12. SANCTION OF ADVANCE TO THE CORPORATION EMPLOYEES FOR CELEBRATION OF MARRIAGE :**

The Board considered the proposal for sanction of advance to the employees of the corporation for celebration of marriage and resolved to approve that draft rules appended to the Agenda & notes .

The Board desired that in due course the rules may be examined with a view to simplify the procedure.

**13. REVISION OF PAY SCALE OF DY . ZONAL ENGINEERS AND INDUSTRIAL DEVELOPMENT OFFICERS :**

The Board noted the anomalies in pay scales of certain cadres of officers in the Corporation and resolved to revise the scale of pay from Rs. 650/- -1130/- - to Rs. 700/- - Rs.1200/- in respect of the following cadres with effects from 1-4-1977.

1. Deputy zonal Engineers
2. Industrial Development Officer
3. Assistant personal officer
4. Accounts officers
5. Assistant Lands officer

**14. PAYMENT OF CHARGE ALLOWANCES TO SHRI V.P. RAMA RAO. I.A.S. FORMERLY MANAGING DIRECTOR, APIDC FOR HOLDING ADDITIONAL CHARGE OF THE POST OF MANAGING DIRECTOR OF APIIC LIMITED FROM 11-7-1976 TO 14-11-1976 :**

The Board noted that sum of Rs. 1,875/- was paid to shri V.P. Rama Rao . I.A.S, formally Managing Director ,APIDC as additional charge allowances for holding of the post of Managing Director of APIDC Limited for the period from 11.7.1976. to 14.11.1976. as per G.O.Rt.No.87 (Genl.Admn.) dt. 7.1.1977.

**15. UPGRADING THE POST OF CHIEF PERSONAL OFFICERS AND CONSEQUENT REVISION OF THE SCALE :**

The Board resolved to revise the existing scale of pay of Rs . 950/- - - 1500/- attached to the post of Chief Personal officer to Rs.1400-2025 with effect from 1.3.1977. The Board also ratified that action of the managing Director in having requested the Government to spare the services of an officer in the cadre of Andhra Pradesh State Administration service for appointment as chief personal officers . The Board also ratified the action of the Managing Director in having appointed shri Ch.Venkatapathi Raju as Chief Personal officer in the Corporation .

**16. TREATING DEPUTATION ALLOWANCE AS PAY FOR PAYMENT OF T.A AND D.A.**

It was resolved to add the word " or Allowance " after the words " deputation pay " in rule 3 of the corporation T.A.rules . Consequently the amended rule will be as follows:

" Pay " for the purpose of calculating travelling allowances means the actual pay drawn by an employee in his substantive or officiating post . It includes personal pay granted to protect an employee from loss of emoluments and deputation pay or allowance but excludes personal pay granted on other consideration, special pay etc."

This amendment will come into force with effect from 1-4-1977.

**17. AMENDMENT TO STAFF REGULATION RELAXING QUALIFICATION FOR CLERK -CUM- TYPIST :**

The Board considered the proposal and resolved to amend the existing provision against item ( 9 ) to the Annexure of the staff regulation as follows :

12<sup>th</sup> or equivalent with 60% in aggregate with Typewriting Lower Grade & short hand Lower Grade;

or

Graduation other than B.Com., in II Class with Typewriting lower :

or

commerce graduation with a minimum of 45% in the aggregate with typewriting lower grade .

Preference will be given to person who possess Short hand lower qualifications.



**18. CONSTITUTION OF SELECTION COMMITTEE FOR RECRUITMENT OF FINANCIAL CONTROLLER :**

The Board resolved to constitute a selection Committee with the following members

1. Shri A. Krishnaswamay Rao, I. A .S., CHAIRMAN
2. Shri V . P. Rama Rao , I . A . S ., MANAGING DIRECTOR
3. Shri R. Rajamani , I.A.S. , Joint Secretary to Govt.Finance department

The Board aslo resolved to authorise the above committee to co-opt three expert members to the above Committee .

**19 . VOLUNTARY LOAN CONTRIBUTION TO APSEB FOR CERTAIN MAJOR INDUSTRIES :**

The Board consideration proposal and resolved to sanction the V.L.C . to the Andhra Pradesh State Electricity Board on behalf of 5 major industries for accelerating the work .

However , the limit under this scheme will be Rs.3 lakhs.

**20 . TRANSFER OF 100 ACRES OF LAND TO HUDA FOR DEVELOPING A TOWNSHIP IN JEEDIMATLA VILLAGE :**

It was resolved that out of Governement land transferred to APIIC , 100 acres be kept at the disposal of HUDA for developing a township in jeedimatla on the following terms and conditions .

1. the land cost would be charged from HUDCO at the rate fixed by the Government plus 10% towards incidental charges .
2. HUDCO should furnish a time bound programme for developing the township in jeedimatla village .

**21. EXTENSION OF TIME FOR REPAYMENT OF BRIDGE LOAN GRANTED TO M/s VOLRHO LIMITED\_**

The Board consiered the request of the volrho Limited for extention of time for repayment of loan of Rs. 44 lakhs outstanding upto 31-3-1978 and resolved to give extention of time upto 31-3-1978 for payment of amount due to the Corporation towards Bridge loan with the following terms and conditions :

- 1 . The company submits the revised bank gurantee for these loans for extended period
2. The loans will carry interest at 15% per annum with quarterly rests .

**22. TAKING OVER OF TECHNOCRAT INDUSTRIAL ESTATE, BALANAGAR AND CRAFTMAN GUILDS AT MALLEPALLI AND WERANGAL FROM APSSIDC LIMITED :**

The Board authorised the Managing Director to take over the Estates and Guilds now run by the state Industrial Development Corporation ( SIDCO )with effect from 1-4-1977 and resolved that the terms and conditions should be the same as those on which the Estates run by the Director of industries were taken over by the corporation earlier . The Board also authorised the Managing Director to take such action as is necessary in consultation with the Government .

**23. ALLOTMENT AND ISSUE OF DEBENTURES IN THE FAVOUR OF THE INDIAN BANK FOR THEIR SUBSCRIPTION TO THE FIFTH SERIES OF THE UNGUARANTEED DEBENTURES UNDER T.T.D . SCHEME:**

" Resolved to allot 1000 debentures of Rs. 1000/- ( Rupees one thousand only ) each in the name of the Indian Bank for the amount of Rs . 10.00 lakhs ( Rupees ten lakhs only ) subscribed by them towards unguaranteed debentures of our corporation under 5<sup>th</sup> series " .

" Further resolved that one debenture certificates for 1000 debentures be issue in the name of the Indian Bank under the common seal of the corporation affixed thereto in the presence of :

- |   |                   |
|---|-------------------|
| 1. Shri V . P. Rama Rao , I . A . S . , | MANAGING DIRECTOR |
| 2. Shri K . Jayabharata Reddy, I.A.S.,  | DIRECTOR          |
| 3. Shri A . Seetarama Sastry .          | Secretary         |

who shall sign the debenture Certificates" .

**24. DRAWING LOANS FROM HOUSING AND URBAN DEVELOPMENT CORPORATION FOR INDUSTRIAL HOUSING SCHEME OF APIIC LIMITED:**

" RESOLVED that the Board of Director of the corporation be and here by authorise the Managing Director to approve each Borrowing from HUDCO for implemantation of various Industrial Housing scheme upto a total sum of Rs. 7.00 crores as against the existing limited of Rs. 2.00 crores " .

" The Board further resolved that the corporation represented by the Managing Director may affixed the common seal of the corporation on the documents to be executed with HUDCO , and authorised the Managing Director or any other officer authorised by him to execute such documents " .

" RESOLVED further that the Managing Director may incur the sums towards legal and documentation charge and pay the same to HUDCO " .

**25. GRANT OF LOAN TO M/S. BHADRACHALAM PAPER BOARDS LIMITED FOR THE WATER SUPPLY SCHEME AND ALSO FOR THE CONSTRUCTION OF HOUSES FOR THEIR EMPLOYEES :**

The Board considered the proposal and resolved to sanction the loan of Rs. 1.00crores to Bhadrachalam paper Boards Limited for the water supply scheme . The Board however , imposed two condition namely that the Bhadrachalam paper Boards would obtain necessary clearance from the Government for taking the water from the river and that it would provide two million gallons of water negotiated rates to other industries as indicated by APIIC . While rate for water will be negotiated between Bhadrachalam paper Board and the APIIC if there is any difference of opinion the rate as such suggested by the APIIC shall prevail .

The second conditions is that the loan shall bear interest at 15% with quarterly interest and with a repayment period of 8 years to be extended to 10 years if necessary .

**b) Housing schemes :**

The Board perused the proposal to grant a loan to the extent of 15% of the cost of the housing scheme for the employees of the Bhadrachalam Paper Board under its normal terms . This is subject to a limit of Rs. 15 lakhs.

**26. LOAN TO KAKINADA MUNICIPALITY TOWARDS WATER SUPPLY SCHEME FOR NAGARJUNA FERTILISERS LIMITED :**

The Board perused the Paper placed before them and decided to agree to draw the loan of Rs.33 lakhs from the Government to be advanced to the Kakinada Municipality for the water supply scheme for this project . The Board , however , stipulated that the corporation should not incur any loss in the transaction and also that the Government should **not put any pressure on** the Corporation to repay the loan till the Kakinada Municipality actually repays the loan to the Corporation .

The meeting terminated with a vote of thanks to the chair .

Sd/-  
**A . KRISHNASWAMAY**  
**CHAIRMAN**

**STRICTLY CONFIDENTIAL**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

**Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.**

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**MINUTES OF THE 20<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON  
22.06.1977 AT 11.00 A. M . AT THE REGESTRARED OFFICE**

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**PRESENT**

- |  |                          |
|--|--------------------------|
| <b>1. Shri A . Krishnaswamay Rao, I . A .S.,</b> | <b>CHAIRMAN</b>          |
| <b>2. Shri C.N . Shastry , I . A . S . ,</b>     | <b>MANAGING DIRECTOR</b> |
| <b>3. Shri (Dr.) Ram K. Vepa , I . A .S.</b>     | <b>DIRECTOR</b>          |
| <b>4. Shri S . V . Subramanian , I.A.S ,</b>     | <b>DIRECTOR</b>          |
| <b>5. Shri P . M. Reddy . ,</b>                  | <b>DIRECTOR</b>          |
| <b>6. Shri M . Harishchandra Prasad</b>          | <b>DIRECTOR</b>          |
| <b>7. Shri T. G.Vasanta Gupta</b>                | <b>DIRECTOR</b>          |
| <b>8. Shri K.V.S . Padmanabha Raju.,</b>         | <b>DIRECTOR</b>          |
| <b>9. Shri Paidi Lakshmaya</b>                   | <b>DIRECTOR</b>          |

**IN ATTAENDANCE :**

**Shri A . Seetarama Sastry .** **SECRETAR**

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The Board welcomed Sri C.N. Shastry , I.A.S. Who has been appointed as Managing Director of the corporation and Sri S.V. Subramanian , I.A.S. , as Director on the Board of APIIC Limited .

The Baord further resolved to place on record of appreciation of services rendered by Sri V.P. Rama Rao , I.A.S., during his tenure as Managing Director and Sri C.R. Krishnaswamay Rao Saheb , I.A.S . , as Director.

The Board granted leave of absence to Sarvasri G.V. Ramakirshna , P . Sitapati , N.Tata Rao , K . Jayabharata Reddy and P. Obul Reddy.

**1. CONFIRMATION OF MINUTES OF THE 19<sup>th</sup> MEETING OF THE BOARD  
OF DIRECTORS HELD ON 18-3-1977 .**

The D.O.Lr.No.2262, dated 17-4-1977 recived from sri P.Sitapathi , I.A.S., Managing Director APSSIDC was discussed . It was fel that taking over of the Estates and guilds by this Corporation was in accourdance with the instructions issue by the Government and if at all the guilds are not to be taken over by this Corporation , the Managing Director , APSSIDC should

taken up the matter with the Government and get the Government orders suitably amended and so far as this Corporation was concerned, orders of the Government will be followed .

In view of this , it was felt that there is no need to amend item no . 22 of the minutes and the minutes of the 19<sup>th</sup> Meeting of the Board of Director held on 18-3-1977 as already circulated were confirmed .

## **2. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF THE REVIOUS MEETING :**

Action taken on the minutes of the previous Board Meeting was reviewed .

Managing Director stated that amendment to Revenue recovery Act enabling the Government companies to recover the rental arrears etc ., by operation of the Act is expected to come up in the current session of the Legislature . Rental arrears transferred from the Government as on 1-1-1974 are to the tune of Rs. 57.00 lakhs and that one Dy. Collector has been posted to take suitable action to recover the rental arrears etc . Expediently .

In regard to sanction of loan of Rs. 30.00 lakhs to the Kakinada Municipality for the water supply scheme Managing Director stated that the Kakinada Municipality has not availed the loan sanctioned by the Corporation towards the water supply scheme for the Nagarjuna Fertilisers project as the scheme is under finalisation . the amount will be disbursed to the Kakinada Municipality as soon as the scheme is finalised and the Municipality puts up the requisition for the loan . The expenditure will be booked against the amounts already released by the Government . Sri P.M. Reddy wanted to know whether in the Nagarjuna Fertilisers Factory the water is being recycled or in it is drained out . The chairman explained that recycling is not done as water is available in plenty and the waste water is let out into the sea .

It was noted that all the scheme submitted by the corporation for housing projects have been approved by HUDCO and no scheme is pending with them . Dr .Vepa pointed out that the Industrialists are not aware that the Corporation is taking up industrial housing schemes for the workers on behalf of the entrepreneurs and obtaining loans from HUDCO . Managing Director explained that information covering various patterns of housing schemes taken up by APIIC with assistance from HUDCO will be circulated among the various entrepreneurs for their benefit .

Managing Director explained that the request of the Corporation for acquiring land to the extent of 27.58 acres in surveys no.145 in Yendada Village of Vizag for setting up of a marine products processing unit is under consideration of the Collector and he had promised to consider our request at the time of allotment .

Managing Director stated that the proposal for producing a film on Industrial Progress in Andhra Pradesh for screening in the other countries to attract foreign capital is in the preliminary stages and as soon as a tangible scheme is formulated the same will be submitted to the Board . The A. P. Film Development Corporation is already on the job and as soon as the programme and get up of the film is finalised it will be brought before the Board together with the estimated cost . Dr. Vepa suggested that as production cost of film covering all the aspects of industrial progress in the state will be high , the film should be taken up by the Government and if necessary the matter may be discussed in the Co-ordination Committee Meeting . He also suggested that we may adopt with advantage the preparation of colour slides as is done by Gujarat state since its works out much cheaper and will ensure the desired result .

Managing Director explained that the corporation has drawn a sum of Rs. 153 lakhs so far out of Rs.270 lakhs sanctioned by IDBI for setting up Estates and IDAs and the balance of Rs. 64.00 lakhs will be drawn shortly . He further stated that eight schemes are pending with IDBI costing about Rs . 104 lakhs,.

Regarding sanction of seed money to A.P . Forest Development Corporation to enable them to raise loans from commercial Banks, Managing Director explained on ascertaining from Government we were informed that A.P. Forest Development Corporation have not submitted any detailed proposal so far .

Managing Director explained that Broad details regarding preparation of perspective plan for next five years have been chalked out and date is being collected . The perspective plan will be placed before the Board as soon as it is ready . The amount required for redemption of debentures will be provided in the perspective plan .

Managing Director explained that liabilities arising out of enhanced compensation will be very high and as the entrepreneurs are already complaining that the rates at which the lands are being sold are high , if further burden is brought on the entrepreneurs , it may not be well received by the entrepreneurs . The chairman stated that two or three contingent plans may be thought of to discourage the Pattadars from preferring appeals under section 18 of Land Acquisition Act and it may also be considered whether we can refuse to take possession of the land in case the pattadars wants to go on appeal under section 18 of the Land Acquisition Act on the Question of compensation . As it is taking lot of time to finalise the appeals , it was felt that it may be difficult to recover enhanced amount of compensation from the entrepreneurs , at a future date .

**3. PAPER PLACED BEFORE THE BOARD :**

Perused and recorded .

**4. REVIEW OF THE PROGRESS ON THE ACTIVITIES OF THE CORPORATION :**

While reviewing the progress reports of various wings the Managing Director mentioned that the reports will be made brief enumerating the important items of the progress made in the various wings during the period under review and also the cumulative figure of each wings will be mentioned in the progress report.

Managing Director has stated that there are 176 suits pending in Civil Court referred by the land Acquisition officers section under 18 of the land Acquisition Act and the cases are being pursued . Chairman desire that at the enquiry stage itself the land Acquisition Officers should enquire into the objection of the pattadars and also find out the rate at which pattadars is prepared to sell the land , so that the claim made by the pattadars may be examined in the presence of the Corporation Officers and the award passed keeping in view the PV Statements as approved by collector . The chairman also suggested that as the cases are many in patancheru , the Government may be approached for appointing a special judge with Head Quarters at Sangareddy exclusively to hear the cases of the corporation and the Corporation may bear the entire expenditure for his Office , so that the cases could be cleared off quickly . The Managing Director was requested to take necessary action in this regard.

Reviewing the progress made on the execution of works , the Chairman desired that the accounts for the works completed should be finalised within one year from the date of completion of the work and completion reports sent so that accounts could be settled early and incorporated in the final accounts of the Corporation .

While Reviewing the Major Water Supply Scheme at Kurnool, Cuddapah and Gajulamandym, Chairman desired that a time bound programme should be prepared showing the physical as also the financial progress made on the works together with the expected date of completion of the scheme . The variations if any in the execution may also be brought to the notice of the Board . The procurement policy for the materials for works should be planned in advance so that the works do not get delayed in the process of the execution , for want of material . If necessary procurement of materials may be made as part of contract and the Corporation could render assistance to the contractors for procurement of scarce materials .

The Managing Director explained that HUDCI have cleared 17 schemes for the construction of 2968 quarters costing Rs . 419.631 lakhs, with a loan component of Rs . 318.851lakhs from HUDCO . The Board noted the progress made in the execution of the Housing Schemes.

The Board noted that 108 suits have been filed and 237 legal notices were issued against the entrepreneurs for recovery of rental arrears . The Chairman desired that the analysis of the legal suits may please be made regarding the collection of the amount from the parties keeping in view the financial soundness of the entrepreneurs as the passing of a decree by the court may not help , if the party cannot pay and in such cases the amount may have to be written off as unrecoverable amounts . The Managing Director was requested to get each case thoroughly scrutinised , if necessart by appointing a Committee . Write off proposals if any may also be brought before the Board .

The Board noted that the total arrears as on 30-4-1977 amounted to Rs . 77.33 lakhs . The Chairman suggested that the current dues may be collected from the entrepreneurs so that a dilogue with the entrepreneurs could be made for the settlement of the old arrears . It was aslo suggested that whenever the entrepreneurs requested for extention of time for payment of arrears an affidavit showing the properties owned by the entrepreneurs may be taken , so that in case of necessary the properties may be attached for recovery of arrears .

## **5. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES UNDER T.T.D SCHEMES :**

Board passed the following resolutions :

" Resolved to allot 5000 debentures of Rs. 1000/- ( Rupees one thousand only ) each in the name of Andhra Bank for the total amount of Rs. 50,00,000 /- ( Rupees fifty lakhs only ) subscribed by them towards unguaranteed debentures of the Corporation underTTD Scheme under 4<sup>th</sup> series "

" Further resolved that 5 debentures certificates for 1000 debentures each in the name of Andhra Bank be issued under the common seal of the Corporation affixed thereto in the presence of :

- |                                       |                   |
|---------------------------------------|-------------------|
| 1. Shri C.N . Shastry , I . A . S .,  | MANAGING DIRECTOR |
| 2. Shri S . V . Subramanian , I.A.S , | DIRECTOR          |
| 3. Shri A . Seetarama Sastry .        | Secretary         |

who shall sign the debentures certificates "

**6. WAIVER OF INTEREST AND THE PANEL INTEREST PAYABLE BY M/s.COSMAS RUBBER ( ANDHRA ) PRIVATE LIMITED:**

Noted .

**7. MINUTES OF THE THIRD MEETING OF THE INFORMAL CONSULTATIVE COMMITTEE HELD ON 20-2-1977 :**

Perused and recorded .

**8. AMENDMENT TO THE MARRIAGE ADVANCE RULES OF THE CORPORATION :**

Board considered the proposal of extending the Marriage Advance Rules to the deputationists working in this corporation and decided to add the following to the existing Regulation No . 1 of the Marriage Advance Rules .

**9. AMENDMENT TO CONVEYANCE ADVANCE REGULATION OF THE CORPORATION :**

The Board resolved to amend rules 5 of Conveyance Advance Rules in respect of Motor Cycle / Scooter Advances as follows :

Si . NO .	DESCRIPTION	MOTOR CYCLE / SCOOTER .
1.	Amount of Advance	a) Rs . 5000/- or 15 times the pay or the cost of the vehicle whichever is less . b) Rs . 2,500/- or 6 times the pay or the cost of the vehicle whichever is less
2.	Eligibility	a) Officers drawing Rs . 700/- and above per month . b) Officers drawing Rs . 450 /- and above per month .
3.	Period of recovery	60 equal monthly instalments

**10. REVISION OF SCALE OF PAY OF DRAUGHTSMEN :**

The question of revision of pay scale of Draughtsmen was discussed and it was resolved to revise the scale from Rs . 360 - 700 to Rs . 410 - 750 .

**11. AMENDMENT TO RULE 25 OF THE LEAVE REGULATIONS OF THE CORPORATION :**

Resolved to amend rule 25 of the leave Regulations of the Corporation as under:

" Earned leaves shall be computed at the rate of 1/22 in respect of the probationers and temporary employees and 1/11 in respect of the approved probationers of duty performed without any interruption " .



**12. AMENDMENT TO RULE 6 OF LEAVES TRAVEL CONCESSION RULES :**

Resolved to amend rule 6 of the Leave Travel Concession Rules as under :

" Employees of the Corporation are eligible for the concession when the journeys are performed during any kind of leave including casual leave but the sanctioned authority shall satisfy himself before sanctioning the Leave Travel Concession whether the leave applied for is sufficient to cover to and fro journeys " .

This is effective from 22-6-1977.

**13 . AMENDMENT TO T.A. RULES OF THE CORPORATION :**

Board approved the proposal to permit Officers to travel by Air from Hyderabad to Tirupathi and resolved to add the following proviso to rule 17(a) of T.A. Rules of the corporation .

" Provided that Officers drawing basic pay of Rs . 1,000 /- and above may travel by air from Hyderabad to Tirupathi and vice versa without the prior sanction of the Managing Director .

**14. WITHDRAWAL OF DISINCENTIVES IN RESPECT OF FAMILY PALNNING PROGRAMME :**

Board noted that Government have instructed all the public sector undertaking to withdraw the disincentives in respect of family planning programme indicated in G.O.Ms.No. 943 , M.H . Department , dated 27. 9. 1976 . on par with the Government .

Board also ratified the action of the Managing Director in haveing issued orders withdrawing the disincentives as per Government orders .

**15. APPOINTMENT OF SRI B.V. RAMANA MURTHY AS FINANCIAL CONTROLLER :**

It was noted that B.V. Ramana Murthy assumed charge as Financial Controller on 25 . 5 . 1977.

**16. SANCTION OF 10% REBATE ON LAND COST TO THOSE WHO HAVE CONSTRUCTED THE SHEDS ON THE LANDS ALLOTED AND GONA INTO PRODUCTION WITHIN THE STIPULATED PERIOD FROM THE DATE OF TAKING POSSESSION OF THE LAND :**

Board ratified the action of the former Managing Director in haveing allowed the rebates of 10% on land cost to M/s Balaji Industrail and agriculture Castings who have gone into production with in the stipulated period as per the terms of allotment of land in I.D.A ., Balanagar .

Board also resolved to authorise the Managing Director to accord such sanction in futures as an incentive when ever to accord such sanction in future as an incentive whenever the entrepreneurs set up their units and go into production with in the stipulated time as per the terms of allotment .

#### **17. ALLOTMENT AND ISSUE OF SHARES :**

Board passed the following resolutions :

" Resolved to allot in favour of the Governor of Andhra Pradesh 6,316 fully paid equity shares of Rs. 1,000/- ( Rupees one thousand only ) each for the total amount of Rs. 63,16,000 /- subscribed by the Government of Andhra Pradesh towards shares capital of the Corporation ".

" Board further resolved that 6 share Certificates for 1000 shares each and 1 shares certificates for 316 shares in the name of the Governor of Andhra Pradesh be issued under the common seal of the Corporation affixed there to in the presence

1 . Shri C.N . Shastry , I . A . S . ,                     MANAGING DIRECTOR

2. Shri S . V . Subramanian , I.A.S ,                 DIRECTOR

3. Shri A . Sectarama Sastry .                                 Secretary

who shall sign the Share Certificates " .

#### **18. AMENDMENT TO STAFF REGULATIONS :**

Board considered the proposal of prescribing the minimum qualification for recruitment of clerk – cum – typists as Graduation with diploma in Typewriting in English Lower , given preference to the candidates who have passed shorthand Lower Grade , and resolved to substitute the following clause for the existing provision of qualifications against Item no 9 under " 4 Administration of the annexure to the staff Regulation ".

" Graduate of any university or equivalent qualification with typewriting ( english ) Lower . Preference may be given to the persons who have passed Shorthand Lower Grade Examination ".

#### **19. OPENING OF NON- OPERATIVE COLLECTION ACCOUNTS WITH ANDHRA BANK , SANATNAGAR AND STATE BANK OF INDIA , CHANDULAL BARADARI :**

Board noted that the collection accounts at state Bank of Hyderabad , sanatnagar and Hussaini – Alam were closed and new collection accounts were opened with Andhra Bank , Sanatnagar and State Bank of India , Chandulal Baradari .

Board ratified the action of the Managing Director in having taken the action as aforesaid .

#### **20. RELEASE OF VOLUNTARY LOAN CONTRIBUTION TO A. P. S. E. B.ON BEHALF OF INDUSTRIES :**

It was noted that the Voluntary Loan Contributions were disbursed to the Andhra Pradesh state Electricity Board on behalf of the following Companies :

1. M/s Delta Paper Mills
2. M/s A.P. Carbides Limited
3. M/s . Bhadrachalam Paper Boards

The Board approved the release of voluntary Loan Contribution amounts to A.P. State Electricity Board on behalf of the following entrepreneurs as shown against them subject to the availability of funds :

M/s Rayalaseema Paper Mills Ltd . Rs . 33.00 lakhs  
M/s Andhra Cements Ltd                      Rs . 50.00 lakhs

The Board authorised the Managing Director to release Voluntary Loan Contribution of Rs . 10.00 lakhs and above in respect of industries on the following terms and conditions :

1. The Voluntary Loan Contribution amount is to be released as soon as the company pays the first year's differential interest at 9% per annum . The differential interest is also payable by the company at the rate of 9% per annum at the beginning of every year for the next 4 years .
2. If there is any default in payment of differential interest ,an interest at 15% is chargeable in addition , on the differential interest due with quarterly rests from the date of default .
3. The company executes a money bond on a non- judicial stamp paper of proper value agreeing to pay the differential interest at 9% per annum on dates specified therein for the next 4 years .
4. The promissory note is furnished by the Company agreeing to pay the differential interest to this corporation on dates specified in the agreement .

The Board further resolved to authorise the Managing Director to release Voluntary Loan Contribution on behalf of any entrepreneurs in case of urgency depending on the merits of each case upto a limit of Rs. 30.00 lakhs at a time within the overall limits of Rs . 6 crores and details of such sanctions be placed before the Board in the next meeting for

information .

Shri T.G.Vasanta Gupta , Director being interested in the Rayalaseema Paper Mills did not participate in the discussion .

The Meeting ended with a vote of thanks to the Chair .

Sd/-  
**A. KRISHNASWAMY**  
**CHAIRMAN**

STRICTLY CONFIDENTIAL

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

Regd.office: 6.2.12/1 , saifabad, HYDERABAD -5 00 004

**MINUTES OF THE 21<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON 7-9-1977 AT 4-00 P. M . AT THE REGISTERED OFFICE**

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**PRESENT**

- |  |          |
|--|----------|
| 1. Shri A . Krishnaswamay Rao, I. A .S., | CHAIRMAN |
| 2. Shri C.N . Shastry , I . A . S .,     | MD       |
| 3. Shri (Dr.) Ram K. Vepa , I. A .S.     | DIRECTOR |
| 4. Shri P . M. Reddy . ,                 | DIRECTOR |
| 5. Shri P. Obul Reddy.,                  | DIRECTOR |
| 6. Shri M . Harishchandra Prasad         | DIRECTOR |
| 7. Shri K.V.S . Padmanabha Raju.,        | DIRECTOR |
| 8. Shri P. Lakshmaiah                    | DIRECTOR |
| 9. Shri T. G.Vasanta Gupta               | DIRECTOR |

**IN ATTENDANCE :**

Shri A . Seetarama Sastry . SECRETARY  
=====

**1. CONFIRMATION OF THE MINUTES OF THE 20<sup>th</sup> MEETING :**

The Minutes of the 20<sup>th</sup> Meeting of the Board of director held on 22-6-1977 as already circulated were confirmed .

**2. LEAVE OF ABSANCE TO THE DIRECTOR WHO WERE UNABLE TO ATTEND THE MEETING :**

Leave of Absance was granted to Savasri G.V. Rama Krishna , P. Sitapathi , N.TataRao , S.V . Subramanian and K.Jayabharatha Reddy , Director who were unable to attend the Meeting .

**3. REVIEW OF THE ACTION TAKEN ON THE MINUTES OF THE PREVIOUS MEETING :**

Action taken on the Minutes of the previous Meeting was noted by the Board .

#### **4. REVIEW OF THE PROGRESS :**

The Managing Director explained the progress made on the various activities of the corporation since last Board meeting and the same was reviewed and recorded .

#### **5. APPROVAL OF DIRECTORS REPORTS FOR 1976-1977 :**

Board considered and approved the Directors' Reports. The Board resolved to authorise the Chairman to sign the Director ' Reports on behalf of the Board of directors. Board also authorised the Chairman to make such changes as are deemed necessary in this respect.

#### **6. APPROVAL OF BALANCE SHEET AS AT 31-3-1977 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-3-1977:**

Board considered and approval the Balance sheet as at 31-3-1977 and Profit and Loss Account for the year ended 31-3-1977 .

The Board noted that the Corporation earned a net profit of Rs. 6,60,037/- during this year 1976 – 77 . as against Rs . 5,54,299 /- during the previous year 1975-1976 and recorded its appreciation of the work done by the Managing Director ,Officers and staff of the Corporation.

Board noted that the financing operation have contributed 51.30% of the total revenue of the Corporation.

It was noted that transactions where sale deeds have been executed, in respect of the sale of plots and sheds were incorporated in the Accounts as under.

In respect of sale committed by Government, no profit was reflected in Books as the assets were taken into the books only to the extent of the dues receivable from the allottees and on receipt of the same scale deeds were concluded; that in respect of scale out of the assets taken over from the Government sales to an extent of Rs. 1,70,694/- were refelected in the amount realising a profit of Rs. 50,439/- and that in the case of sales out of the new Industrial Estates set up by the Corporation no profit was taken into account as the fianal Land Acquisition awards have not been passed and the Development works have not been completed. Board approved the provision of the entire Balance amount of Rs. 7,86,449/- towards committee development costs .

Board approved the incorporation of the Hire Purchase of sheds of value Rs . 40,75,704/- in the accounts in respect of 63 units in the Industrial Estates at Samalkot, Vijayawada, Visakhapatnam, Moula Ali, Kothagudam, Warangal, Sanatnagar, Kisannagar, Nizamabad, Pattancheru, Cuddapah and Suryapet, even though the formal H.P. Agreements were not concluded the carry – over of surplus of Rs. 7,80,873/- to the balance Sheet as H.P. Premium Suspense' under' Reserves and surplus'; no profit being taken to the Profit & Loss Account as the value of the assets as on 1-1-1974 incorporated in the accounts is yet to be approved by the Government

The Board also approved the transfer of the provisional surplus of Rs. 6,52,358/- derived in respect of 60 units constructed by the corporation and disposed off on H.P.basis in Industrail Estates at Jeedimetla, Kushiguda, Visakhapatnam, Kakinada, and kurnool, to H. P. stock III adjustment Account without taking this amount to Profit & Loss Account as final cost could not be determined due to non-receptit of completion reports and non-execution of other committed development works.

Board considered and approved proposals to write off irrecoverable bad debts totalling Rs. 1,43,646/- as per the details set out in the agenda & Notes which amount represents arrears of rentals and water charges. Board also approved the adoption of the provision of 5% towards bad and doubtful debts on the outstanding sundry debtors as on 31-3-1977 as in the previous years.

Board approved the exhibition of the value of assets transferred by the Government to the Corporation with effect from 1-1-1974 under unsecured loans as in the previous years pending acceptance of the valuation by the Government.

Baord noted that Government have sanctioned various loans to the Corporation under half a Million Job Programme Employment Promotion Programme, Spill over schemes and Voluntary Loans contribution etc., amounting to Rs. 192.86 lakhs upto 31-3-1977 from 1973 onwards without stipulating terms and conditions.

Baord noted that Government have since specified certain terms and conditions in G.O.Ms.No.140, Ind.& Com., dt. 10-3-1977 as noted below in respect of loans sanctioned against eleven Government orders orders for Rs . 129.71 lakhs.

Rate of Interest	:	7 <sup>3</sup> / <sub>4</sub> % with the rebate of 1/4% promt payment
Penal Interest	:	1 <sup>1</sup> / <sub>2</sub> times of the normal rates of interest on delayed payments.
Period of repayment of	:	8 years in six annual Instalments commencing From second anniversary of drawl with interest on outstanding balance . The amount annually payable by way of principal and interest should be repaid 4 equal instalments on the 1 <sup>st</sup> of july, October January and April .
Moratorium	:	Two years .

Board approved calculation of interest on the above loans on the basis of the aforesaid terms and conditions as also the provision of penal interest on the overdue payment only from 10-3-1977 to 31-3-1977 treating the Government order effective from the date of its issue .

In appreciation of the good work rendered by the Officers and staff of the Corporation including those on deputation ,Board resolved to grant cash incentive at 12 ½ % of the annual gross pay plus DA to all the employees including the work charged establishment , who have served for a minimum for a period of not less than one month during the year 1976-1977 .

The Board approved the payment of honorarium ar 12 ½ % of the retainers fees paid durig 1976-1977 to the Corporation Medical Officer and Legal Adviser.

Further resolved to grant honorarium to employees who are working on daily rate basis , who have contributed to the sucessful working of the Corporation as under :

	Employees with daily wage rate of Rs. 10/- -----	Employees with daily wage rate of Rs.5/- to Rs . 9/- -----	Employees whose daily rate is below Rs. 5/- -----
<p><b>a.</b> Employees who are not eligible for the cash incentive consequent upon their regularisation in the year 1976-1977 but have worked in the Corporation on daily rate basis for a minimum period of 4 months in 1976-1977 .</p>	<b>Rs.200/-</b>	<b>Rs.150/-</b>	<b>Rs.75/-</b>
<p><b>b.</b> Employees who are still working on daily rate basis and have put in 4 month minimum service in 1976-1977.</p>			
<p><b>c.</b> Daily rated employees becoming eligible for cash incentive payment consequenton their regularisation during 1976-1977 will not be eligible for the honorarium mentioned above . However , in case where their eligibility for cash incentive based on their regularised service is less then the honorarium payable to daily rates employee , they will be paid a minimum amount of cash incentive equivalent to honorarium payable to the daily rated employees as indicated above .</p>			

In respect of the employees on consolidated pay , the consolidation pay will be taken into account for purposes of calculating the Cash Incentive .

In case of any doubts regarding payment of Cash Incentive and Honorarium the Managing Director is authorised to decide in individual cases and his decision shall be final.

The Board noted and approved the provision of Rs. 4,10,250/- towards Stamp duty in the Accounts for the year 1976-1977, payable on the unguaranteed debentures issued during the year to an extent of Rs. 5.35 crores at the rate of Rs . 7.50 per Rs. 1,000 /- pending receipt of orders from the Government of India for waiver of stamp duty .

Board noted that completion reports in certain cases in respect sheds constructed after 1-1-1974 were not received as on 31-3-1977 . Sheds given on rental basis in the Estates at Kattedan , Kurnool, Visakhapatnam, Kakinada , Suryapet, Vijayawada, Nandyal, Tirupathi, Madanapalle, AIE, Ramachandrapuram, Kushaiguda, Jeedimetla, Bapatla have been provisionally capitalised to the extent sheds are given on rental and depreciation provided on straight line basis at the rates approved by the Board earlier .

Board considered and approved the proposal to write off expenditure of Rs. 1,95,579-25 incurred towards preliminary land survey expenses from inception to 31-3-1977 by charging to the Profit & Loss Account of the current year 1976-1977. Board also authorised the Managing Director to write off such expenditure as and when incurred by charging the same to Profit & Loss Account of the relevant year .

Board approved the Appropriation of Rs. 6,82,000/- towards the General Reserve out of the net Profit of Rs . 6,60,037 /- in the current year and the balance profit of Rs. 22,945/- in respect of the previous years lying in Profit & Loss Account and noted that with this addition . The total amount transferred to General Reserve will be Rs . 12,82,000 /- .

Board noted that no provision has been made for taxation on the current year's profit as previous years losses worked out as per I.T. Act will not be wiped out by the current year's profit .

Board authorised Sri A . Krishnaswamay, chairman and Dr. Ram K.Vepa, Director to sign the Balance Sheet and Profit & Loss Account on behalf of the Board in addition to the Managing Director .

**7 . FIXING OF DATE FOR 4TH ANNUAL MEETING AND APPROVAL OF THE DRAFT NOTICE :**

Board resolved to convene the 4<sup>th</sup> Annual General Meeting of the Share holders of the Corporation on Friday , the 30<sup>th</sup> September ,1977 at 4 P.M. At the Registered Office of the Corporation 6-2-12/1 , Saifabad Hyderabad and approved the draft notice set in the Agenda and Notes . The



Board authorised the Secretary to sign and issue the notice on behalf of the Board .

**8. AMENDMENT TO THE ARTICLES OF ASSOCIATION OF APIIC LIMITED:**

Board perused the Govt. Lr.No.2233/PE Cell/77-1,dt 9-8-1977 requesting for amendment to the Article of Association making provision for appointment of vice -chairman.

Board approved the proposed amendment as set out in the Agenda &Notes .

**9 & 12. ALLOTMENT AND ISSUE UNGUARANTEED DEBENTURES :**

Board noted that The South Indian Bank Limited , Hyderabad , Indian Bank , Hyderabad and Syndicate Bank , Hyderabad have subscribed Rs . 10/- lakhs Rs. 25/- lakhs and Rs. 25 lakhs respectively to the 5<sup>th</sup> series of Unguaranteed Debentures of the Corporation and passed the following resolutions :

" Resolved to allot 1000 Debentures of Rs. 1000/- ( Rupees one thousand only) each in the favour of the South Indian Bank Limited and 2500 debentures of Rs. 1,000/- each in favour of the Indian Bank and 2500 debentures of Rs. 1,000/- each in favour of the Syndicate Bank for the amount of Rs . 10 lakhs, Rs . 25 lakhs and Rs . 25 lakhs respectively subscribed by them towards Unguaranteed Debentures of the Corporation under 5<sup>th</sup> series ".

" Further resolved that one debentures certificates for 1000 debentures in the name of The South Indian Bank Limited , three debentures certificates ; 2 for 1000 debentures each and one for 500 debentures in the name of the Indian Bank and 3 debentures certificates ; 2 for 1000 debentures each and one for 500 debentures in the name of the Syndicate Bank , be issue under the common seal of the Corporation affixed thereto in the presence of :

- |    |                                    |           |
|----|------------------------------------|-----------|
| 1. | Shri C.N . Shastry , I . A . S . , | MD        |
| 2. | Shri (Dr.) Ram K. Vepa , I. A .S.  | DIRECTOR  |
| 3. | Shri A . Seetarama Sastry .        | Secretary |

who shall sign the debentures certificates ".

**10. ALLOTMENT AND ISSUE OF EQUITY SHARES :**

the Board noted that Government have sanctioned a sum of Rs . 21.145 lakhs in G.O.Ms.No.604, Industries & Commerce Department , dt.23-5-1977 towards equity share Capital of the Corporation and that an amount of Rs. 4.795/- lakhs was received so far out of the amount sanctioned . The Board also noted that an amount of Rs . 4,79,000/- was taken up for allotment Keeping Rs. 500/- in Suspense Account and passed the following resolutions :

"RESOLVED to allot in the favour of the Governor of Andhra Pradesh 479 fully paid Equity Shares of Rs. 1,000/- each for the amount of Rs . 4,79,000 /- subscribed by the Government of Andhra Pradesh towards share capital of the Corporation " .

" FURTHER RESOLVED that one Share Certificates for 479 Equity Shares in the name of the Governor of Andhra Pradesh be issued under the common seal of the Corporation affixed thereto in the presence of :

1. Shri C.N . Shastry , I . A . S . , MD
2. Shri (Dr.) Ram K.Vepa , I. A .S. Director
3. Shri A . Seetarama Sastry . Secretary

who shall sign the debentures certificates " .

**11. SANCTION OF HOUSES BUILDING ADVANCE TO THE EMPLOYEES OF THE CORPORATION :**

The Board considered the proposal for sanction of House Building Advance to the employees of the Corporation and RESOLVED to approved the proposal and draft rules as set out in the Agenda & notes , with the Modification that the highest amount of advance be limited to Rs. 50,000/- instead of Rs. 80,000 /- as proposed .

The meeting terminated with a vote of thanks to the Chair .

**Sd /-**  
**A. Krishnaswamay**  
**CHAIRMAN**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

**Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.**

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**MINUTES OF THE 22<sup>nd</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON  
6-12-1977 AT 3-00 P. M . AT THE REGISTERED OFFICE**

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**PRESENT**

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|--|--------------------------|
| <b>1. Shri A. Krishnaswamay Rao, I. A .S.,</b> | <b>CHAIRMAN</b>          |
| <b>2. Shri C.N. Shastry , I. A . S .,</b>      | <b>MANAGING DIRECTOR</b> |
| <b>3. Shri K. Jayabharata Reddy , I. A .S.</b> | <b>DIRECTOR</b>          |
| <b>4. Shri N . Tata Rao,.</b>                  | <b>DIRECTOR</b>          |
| <b>5. Shri K.V.S . Padmanabha Raju.,</b>       | <b>DIRECTOR</b>          |
| <b>6. Shri Paidi. Lakshmaiah</b>               | <b>DIRECTOR</b>          |
| <b>7. Shri R.V.G . K. Ranga Rao</b>            | <b>DIRECTOR</b>          |
| <b>8. Shri M.P. Somanna</b>                    | <b>DIRECTOR</b>          |
| <b>9. Shri Krishna Bhoopal</b>                 | <b>DIRECTOR</b>          |

**IN ATTENDANCE :**

**Shri A. Seetarama Sastry .** **SECRETARY**

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At the out – set , Board expressed deep concern at the unprecedented devastation and loss of life caused due to recent cyclone in the Andhra Area and observed 2 minutes silence as a mark of sympathy to the victims .

Then the Managing Director welcomed the Directors of the reconstituted Board , particularly new Directors Sarvasri K.S.R . Murthy, R . V . G . K . Ranga Rao ,M . P. Somanna and Krishna Bhoopal . Managing Director introduced the new Director Sarvasri R.V.G.K Ranga Rao , M.P. Somanna , and Krishna Bhoopal to the other Directors . Shri K.S.R Murthy could not attend the meeting .

The Board resolved to place on record its deep appreciation of the service rendered by Sarvasri Ram K.Vepa , P. Sitapathi, P.M. Reddy , T. G. Vasantha Gupta and P.Obul Reddy , during their tenure as Directors on the Board of the Corporation .

1. **LEAVE OF ABSENCE TO THE DIRECTOR WHO WERE UNABLE TO ATTEND THE MEETING :**

Leave of absence was granted to Sarvasri S.V.Subramanian , K.S.R . Murthy , G.V. Ramakrishna and M. Harishchandra Prasad.

2. **CONFIRMATION OF THE MINUTES OF THE 21<sup>th</sup> MEETING :**

The Minutes of the 21<sup>th</sup> Meeting of the Board of Director held on 7-9-1977 as already circulated were confirmed .

3. **TO PERUSE THE PAPER PLACED BEFORE THE BOARD :**

Perused and Recorded .

4. **REVIEW OF THE PROGRESS :**

Deferred .

5. **APPROVAL OF BALANCE SHEET AS AT 31-3-1977 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-3-1977 :**

Vice – Chairman and Managing Director apprised the Board of the need for marginal adjustment and verbal change in the Accounts based on the observations of the Comptroller and Auditor General of India . The Board noted that the final position of the Profit of Rs. 6,60,037/- remained the same as in the original Accounts .

Board considered and approved the Balance Sheet as at 31-3-1977 and Profit & Loss Accounts for the year ended 31-3-1977 . Board authorised Sarvasri A.Krishnaswamy and K. Jayabharata Reddy , to sign the Balance sheet and Profit & Loss Account in addition to Vice – Chairman and Managing Director, behalf of the Board .

6. **CONVENING OF ADJOURNED 4<sup>th</sup> ANNUAL GENERAL MEETING AND APPROVAL OF DRAFT NOTICE :**

Board resolved to convene the adjourned 4<sup>th</sup> Annual General Meeting of the Corporation on Friday , the 6<sup>th</sup> January , 1978 at 4.00 PM at a Registered office of the Corporation 6-2-12/1 , saifabad , Hyderabad – 500004. The Board approved the draft notice set out in the Agenda and Notes and authorised the Secretary to sign and issue the notice on behalf of the Board .

7. **INVESTMENT IN HYDERABAD CONNECTRONICS LIMITED :**

Board perused the D.O.Lr.No.4042/77 dated 3-10-1977 from Dr. Ram K.Vepa, Vice-Chairman and Managing Director , Andhra Pradesh Industrail Development Corporation and approved the investment to the extent of Rs. 2.40 lakhs ( 3 % of Rs . 80.00 lakhs of the total Share Capital ) in the Hyderabad Connectronics Limited by way of transfer of share from A.P. Industrail Development Corporation to A.P. Industrial Infrastructure Corporation .

**8. ISSUE OF 6<sup>th</sup> UNGUARANTEED DEBENTURES UNDER T . T . D . SCHEME:**

Board noted with satisfaction that the 5<sup>th</sup> series of unguaranteed debentures issue for a sum of Rs . 3.00 Crores was fully subscribed and that there are several commitment towards developmental activities payment of voluntary Loan Contributions to Andhra Pradesh state Electricity Board on behalf of the Entrepreneurs , and other Bridge Loans operations . As ther is still need to raise additional finances Board considered the proposal for Borrowing a sum of Rs . 4.00 crores by way of issue of 6<sup>th</sup> series of Unguaranteed Debentures and passed the following resolution .

- 1 . Debentures shall be issued at par and redeemed at par the end of 10<sup>th</sup> year .
2. The debentures carry as interest at 8.5% per annum payable half-yearly.
3. A debentures redemption fund would be created for the commencement of the 5<sup>th</sup> year .
4. T.T.D . will deposite for a period of 61 month with the Banks which subscribe to the unguaranteed debentures for the amounts equivalent to their subscription .

Board authorised the Managing Director to have the Necessary debentures certificates printed for issue of the same after allotment .

**9. ALLOTMENT AND ISSUE OF UNGUARANTEED DEBENTURES :**

Board passed the following resolution :

" RESOLVED to allot

1. 5000 debentures of Rs.1,000/- each in favour of State Bank of Hyderabad for the amount of Rs . 50.00 lakhs ;
2. 1500 debentures of Rs. 1,000/- each in favour of The New Bank of India Ltd., for the amount of Rs. 15.00 lakhs and
3. 1500 debentures of Rs . 1,000/- each in favour of Indian Bank for the amount of Rs . 15.00 lakhs .

Subscribed by them to the 5<sup>th</sup> series of unguaranteed debentures of the Corporation under T.T.D. Schemes " .

" FURTHER resolved that

1. 5 debentures Certificates for 1000 debentures each in the name of the State Bank of Hyderabad.
2. 2 Debentures Certificates , one for 1000 debentures and one for 500 debentures in the name of The New Bank India Limited ;and
3. 2 Debentures Certificates , one for 1000 debentures and one for 500 Dentures in the name of the Indian Bank,

be issued under the common seal of the Corporation affixed thereto in the presence of and signed by ;

1. C.N.Shastry , IAS Vice – Chairman & Managing Director

2. Sri K.Jayabharatha Reddy Director

OR

Sri Krishna Bhoopal Director

3. Sri A . Seetarama Sastry Secretary

Board noted that Indian Bank already subscribed Rs . 25.00 lakhs under T.T.D. Scheme and passed the following resolution ;

" RESOLVED to allot 2,500 debentures of Rs. 1,000/- in favour of Indian Bank for the amount of Rs. 25.00 lakhs subscribed by them to the 6<sup>th</sup> series of unguaranteed debentures of the Corporation under T.T.D. Scheme " .

" FURTHER resolved that 3 debentures certificates , 2 for 1000 debentures each and one for 500 debentures issued in the name of the Indian Bank under the common seal of the Corporation affixed thereto in the presence of and signed by :

1. C.N.Shastry , IAS Vice – Chairman & Managing Director

2. Sri K.Jayabharatha Reddy Director

OR

Sri Krishna Bhoopal Director

3. Sri A . Seetarama Sastry Secretary

**10. CYCLONE RELIEF MEASURE :**

The Vice – Chairman and Managing Director informed the Board that as the Chief Minister was away , the cheque for Rs.1.00 lakhs could not be handed over to him . Board considered the proposals for the cyclone relief and approved the construction of a pucca Community Hall / School Building with a floor area of about 1.800 sft costing about Rs 1.00 lakh as donation to the cyclone Relief Fund which would be of permanent utility to the people in any one of the affected villages . The village should be selected in consultation with the District Collector .

**11. SURRENDER LEAVE FOR THE EMPLOYEES IN A BLOCK PERIOD:**

Board resolved to permit the employees of the Corporation to surrender leave at any time not exceeding 15/30 days with in a block period of ½ Calender years respectively.

**12. REVISION OF RATE OF H.R.A. IN RESPECT OF CORPORATION OFFICERS :**

Board approved the proposal of revision of the rate of House Rent Allowance to the Officers of the Corporation whose place of duty is Hyderabad , Secunderabad , Warangal , Visakhapatnam , Vijayawada , and Guntur which is as follows :

<u>Pay Range</u>	<u>Revised rate of HRA</u>
More then Rs. 1000/- P.M	15% of pay subject to a maximum of Rs.400/- P.M.

**13. SANCTION OF ADVANCE TO THE EMPLOYEES WORKING IN THE CORPORATION AFFECTED BY THE CYCLONE IN THE DISTRICTS OF KRISHNA, GUNTUR AND PRAKASAM :**

Board considered and approved the proposal of sanction of special advance equivalent to one month basic pay to the employees of the Corporation who are int her scale of pay of Rs. 430-20-650-25-800 and below and who are either natives of krishna , guntur and Prakasam Districts or who are working inthe above three districts and afected by the cyclone. The advance shall be subject to the terms and conditions as applicable to Festival Advance Rules of the Corporation .

The Managing Director was authorised to sanction the advance or to nominate ant officers on his behalf for the purpose.

**14. PAYMENT OF ADDITIONAL AMOUNT TO RAILWAY BOARD TO UNDERTAKNG PRELIMINARY TRAFFIC – CUM – ENGINEERING SURVEY FOR PROVIDING RAILWAY COMMUNICATION FACILITIES IN AND AROUND TWIN CITIES :**

Board considered any approved the payment of Rs. 4.41 lakhs being share of the Corporation against the estimated cost of Rs. 8.82 lakhs instead of Rs . 3.00 lakhs as already approved , to railway Board to undertake preliminary traffic – cum – Engineering Survy for providing railway communication facilities between various work centres of Industrail Areas etc . , in and around the twin cities . Board also ratified the action of the Managing Director in haveing paid the amount of Rs. 10.00 lakhs to the Railway Authorities in anticipation of approval , in view of the urgency expressed by Railway Authorities .

The Managing Director explained that the interim report on the Traffic - cum – Engineering Survey for the railway communication facilities is almost ready .

**15. AMENDMENTS TO EMPLOYEES PROVIDENT FUND RULES :**

Board considered and approved the amendments to the Employees Provident Fund Rules of the Corporation as set out in the Agenda & Notes . Board also ratified the action of the Managing Director in having approved the same from communication to the Income tex Department in anticipation of the Board approval .

**16. PURCHASE OF DEBENTURES OF HUDCO :**

Board deferred consideration of the proposal and requested the Managing Director to examine the proposal further and negotiate with HUDCO .

**17. RECONSTRUCTION OF DAMAGED PORTION OF SHEDS SOLD TO ENTREPRENEURS ON HIRE PURCHASE BASIS IN CYCLONE DEVASTATION AREAS :**

Managing Director explained that entrepreneurs in Industrial Estates in cyclone affected areas have represented that due to unprecedented cyclone , the roofs of the sheds / building in certain cases have collapsed and in other cases they were blown off and the entrepreneurs who have taken sheds/ buildings on hire purchase basis requested the Corporation to get the sheds/buildings repaired to the pre- cyclone conditions as the same was caused due to natural calamity .

The Board considered the above proposal and decided that the reconstruction of damaged portions of the sheds /buildings should to entrepreneurs on hire- purchase basis be undertaken by the corporation at its cost and restored to the pre-cyclone conditions to alleviate the difficulties of the affected entrepreneurs .

**18. SUPPLY OF SCARCE MATERIAL LIKE CEMENTS AND A.C. SHEETS TO THE INDUSTRIALISTS AND OTHERS WHOSE STRUCTURES WERE DAMAGED IN THE CYCLONE :**

Managing Director stated that many industrial buildings of the entrepreneurs were damaged and in certain cases the A.C.Sheets on the sheds were blown off in the cyclone affected districts of the state Viz. Krishna, Guntur, Prakasam Districts. With a view to quickly bring the industries to normalcy , the Government of India have issued special allotment of the cements to be sold through the established retailers and also through A.P. Industrial Infrastructure Corporation . The Corporation has agreed to take up this agency function of distribution cement and A.C.Sheets to the needy entrepreneurs and to the public in the cyclone affected districts . For this purpose it was proposed to open suitable number of sales depots at various places . The total value of the cements and A.C.Sheets would come to the order of Rs. 2.00 crores . The purchase of these materials will be made depending upon the demand of the entrepreneurs and sold on no profit no loss basis .

Board discussed the above proposition and agreed to the recommendations of the Managing Director .

The meeting terminated with vote of thanks to the chair .

**Sd /-**  
**A . KRISHNASWAMY**  
**CHAIRMAN**



**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

Regd . office :  
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**MINUTES OF THE 23<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON  
4-2-1978 AT 4-00 P. M . AT THE REGISTERED OFFICE**

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**PRESENT**

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|--|-----------|--------------------|
| <b>1. Shri K.Rosaiah, MLC</b>            | <b>::</b> | <b>CHAIRMAN</b>    |
| <b>2. Shri C.N . Shastry , IAS</b>       | <b>::</b> | <b>VC &amp; MD</b> |
| <b>3. Shri S.V.Subramanian, IAS</b>      | <b>::</b> | <b>DIRECTOR</b>    |
| <b>4. Shri K . Jayabharat Reddy, IAS</b> | <b>::</b> | <b>DIRECTOR</b>    |
| <b>5. Shri K.S.R .Murthy, IAS</b>        | <b>::</b> | <b>DIRECTOR</b>    |
| <b>6. Shri Harishchandra Prasad, M.</b>  | <b>::</b> | <b>DIRECTOR</b>    |
| <b>7. Shri Paidi. Lakshmaiah</b>         | <b>::</b> | <b>DIRECTOR</b>    |
| <b>8. Shri Krishna Bhoopal</b>           | <b>::</b> | <b>DIRECTOR</b>    |

**IN ATTENDANCE :**

- |                                  |           |                  |
|----------------------------------|-----------|------------------|
| <b>Shri A . Seetarama Sastry</b> | <b>::</b> | <b>SECRETARY</b> |
|----------------------------------|-----------|------------------|
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Board welcomed Sri K.Rosaiah , M.L.C. Who has been appointed as Chairman of the Corporation.

Board resolved to place on record its deep appreciation of the services rendered by Sri A. Krishnaswamy , IAS ( Retd .) during his tenure as Chairman of the Corporation .

**1. LEAVE OF ABSENCE TO THE DIRECTOR WHO WERE UNABLE TO ATTANED THE MEETING :**

Leave of absence was granted to Savasri N. Tata Rao . G.V.Ramakrishna, IAS ., KVS . Padmanabha Raju , RVGK Ranaga Rao and M P . Somanna .

**2. CONFIRMATION OF THE MINUTES OF THE 22<sup>nd</sup> MEETING :**

The Minutes of the 22<sup>nd</sup> Meeting of the Board of Directors held on 6-12-1977 as

already circulated were confirmed.

**3. TO PERUSE THE PAPERS PLACED BEFORE THE BOARD :**

Perused and recorded .

**4. ALLOTMENT AND ISSUE OF SHARES :**

Board passed the following resolution :

" Resolved to allot in favour of the Governor of Andhra Pradesh 217 fully paid equity shares of Rs. 1,000/- each for the amount of Rs . 2,17,000/- subscribed by the Government of Andhra Pradesh towards Equity Shares Capital of the Corporation " .

" Further resolved that one share certificate for 217 Shares be issued in the name of the Governor of Andhra Pradesh under the common seal of the Corporation affixed in the presence of and signed by :

- |   |                      |
|---|----------------------|
| 1. Sri C N Shastary , IAS.,                                   | Managing Director    |
| 2. Sri S V Subramanian , IAS<br>or<br>Sri K S R. Murthy IAS., | Director<br>Director |
| 3. Sri A. Seetarama Sastry                                    | Secretary            |

**5. DONATION TO BUILDING FUND OF THE FEDERATION OF A. P. CHEMBERS OF COMMERCE AND INDUSTRY:**

Board ratified the action of the Managing Director in haveing Donated Rs. 1,500/- to fedration of A.P. Cambers of Commerce and industry towards the Building fund of the Federation .

**6. PURCHASE OF DEBENTURES OF HUDCO :**

Board discussed the matter and passed the following resolution :

" Resolved to authorise the Managing Director to invest funds from time to the extent of 40 % of the EMDs collected from the contractors of the Houseing Schemes which being implemented with the loan assistance of HUDCO in HUDCO debentures upto a maximum limit of Rs. 10.00 lakhs " .

**7. SANCTION OF REVISED RATES DEARNESS ALLOWANCES TO THE CORPORATION EMPLOYEES :**

Board approved the proposal of revision of the existing rates of Dearness Allowance to the Corporation employees to be on par with Government employees with effect from 1-9-1977 as under :

Pay range	Revised rates of DA per Month
Up to Rs .300 /-	53.5% of pay subject to a minimum of Rs. 158/-
Above Rs. 300/- and upto 1,600/-	39.5% of pay subject to a minimum of Rs. 158/- and maximum of Rs. 343/-
Above Rs1,600/- and upto 1,640/-	Amount by which pay and adhoc dearness allowances falls short of Rs . 1,943/-
Above Rs. 1,640 /- and upto	Rs. 303/- with marginal adjustments at higher pay levels so that pay plus adhoc Dearness Allowances does not exceed Rs.2,400/-

**8. PAYMENT OF V. L. C. TO A . P . S . E . B . ON BEHALF OF M/s NAVABHARAT FERROW ALLOYS LTD ., HYDERABAD .**

Board discussed the matter and passed the following resolution :

" Resolved to ratify the action of the Managing Director in paying the V.L.C of Rs . 4.50 lakhs on 19-12-1977 to A . P . S . E . B . on behalf of M/s Navabharat Ferrow Alloys LTD ., Hyderabad on the similar terms and conditions as applicable to V.L.C. Amount of Rs. 10.00 lakhs and above approved by the Board in its Meeting dated 22-6-1977 ".

**9. APPOINTMENT OF M/s VENUGOPAL & CHENOY CHARTERED ACCOUNTANTS AS TAX CONSULTANTS :**

Resolved to ratify the action of the Managing Director in continuing M/s Venugopal and Chenoy , Chartered Accountants as Tax Consultations Corporation for the financial years 1974- 1975 to 1976- 1977 on a consolidated fee of Rs . 1,000/- per annum .

Further resolved to authorise the Managing Director to appoint the above firm as Tax Consultants for a period of 3 more financial years from 1977- 1978 to 1979- 1980 on a consolidated fee of Rs. 1,000/- per annum for te following work :

- a ) Filling of income Tax returns on due dates and attaned to the some with Income Tax authorities as and when called for .
- b) Assessing of advance Tax and filling the returns if any on due dates .
- c) Consultation in any matter on income Tax and sales Tax pertaining to Corporation .
- d) Registration of Corporation with Sales Tax Authorities for trade in steel , cement and other Building materials .

**10. 6<sup>th</sup> SERIES OF UNGUARANTEED DEBENTURES :**

The Board noted the instructions given by the Indian Banks Association to its members not to subscribe to the unguaranteed debentures hereafter . In view of this position , Managing Director was requested to take up the matters with the Government for arranging lending by T.T.D. Direct to our Corporation .

**11. SANCTION OF A BRIDGE LOANS AGAINST S . T. LOANS AND MARGIN MONEY :**

Board discussed the matter and resolved to authorise the Managing Director to sanction loans upto over all limits of Rs. 75.00 lakhs against interest free S . T. Loans and margin Money subject to the following terms and conditions :

1. The entrepreneurs will make application to this Corporation for sanction of Bridge Loans against interest free sales Tax Loans/ margin money .
2. Bridge loans will be granted on the basis of :
  - a) Eligibility Certificate / letter given by Director of Industries in respect of margin money and ;
  - b) Letter from Director of Industries indicating the eligibility of the party for interest free sales tax loan on the Basis of the claim received from the Party :
3. the loan carries an interest @ 15% p.a. With quarterly rests :
4. The loan will be secured by bank guarantee or any other security to the satisfaction of the Managing Director .

Board also ratified the action of the Managing Director in sanctioning Bridge Loans to the tune of Rs. 1.56 lakhs against interest free S. T. Loans and Margin Money to the 4 firms mentioned in the Agenda and notes after securing Banks Guarantee .

**12. ADVANCE TO APIDC FOR INVESTMENT IN A. P. HEAVY MACHINERY AND ENGINEERING LTD AS EQUITY :**

Board noted the directive of the Government for release of loan of Rs . 66,33,000/- to A.P. Industrial Development Corporation for investment as equity in A.P. Heavy Machinery and Engineering Limited and ratified the sanction of the Managing Director in releasing the said amount on 20-1-1978 .

**13. OBTAINING OF UNSECURED LOANS FROM OTHERS :**

It was resolved to ratify the action of the Managing Director in obtaining Short Terms unsecured loan of Rs. 6.00 lakhs at 9% interest per annum from M/s A.P. Heavy Machinery and Engineering Limited for the purpose of developmental activities and outstanding commitments .

Board also authorised the Managing Director to borrow unsecured loans further from the same company to the extent of Rs . 1.00 Crores at 9% interest p.a.

Managing Director was also authorised to execute necessary documents and affixed the common seals of the Corporation .

**14. SANCTION OF SERVANT ALLOWANCES TO THE OFFICERS OF THE CORPORATION :**

Board considered and approved the proposal for sanction of compensatory allowance in lieu of the residential peons to all the officers of the Corporation as under :

<u>Pay range</u>	<u>Amount</u>
1. Rs. 700 – Rs .1,300 /- and above	Rs . 125/- per month
2. Rs. 1,400/- - Rs. 2,025 /-	Rs . 250/- per month

**15. AMENDMENT TO RULES 6 ( a ) OF THE RULES REGARDING GRANT OF LOANS TO THE EMPLOYEES FOR THE PURPOSE OF HOUSING BUILDING :**

Board approved the proposal for amendment of rule 6 ( a ) of the Rules Governing grant of Loans for the purpose of Housing Building, as under :

**EXISTING PROVISION RULES 6(a)**

The Corporation shall grant the loan at its discretion any employee of the Corporation who is an approved probationer and who has rendered not less than 4 years continuous service and who has the required length of services to repay the loan as fixed at the time of granting the loan subject to fulfil the conditions laid down and to the extent of provision in the budget .

**PROVISION AS AMENDED**

The Corporation shall grant the loan at its discretion to any employee of the Corporation who is approved probationer and who has rendered not less than 3 years continuous service and who has the required length of service to repay the loan as fixed at the time of granting the loan subject to fullfilling the conditions laid down and to the extant of provision in the Budgets.

The Meeting terminated with a vote of thanks to the Chair .

Sd/-  
**K . ROSAIAH,**  
**CHAIRMAN .**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

**Regd . office :  
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**MINUTES OF THE 24<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON  
28-3-1978 AT 12.00 NOON AT THE REGISTERED OFFICE :**

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**PRESENT**

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|---|--------------------|
| <b>1. Shri K.Rosaiah, MLC.</b>                | <b>CHAIRMAN</b>    |
| <b>2. Shri C.N . Shastry , I . A . S . ,</b>  | <b>VC &amp; MD</b> |
| <b>3. Shri N. Tata Rao</b>                    | <b>DIRECTOR</b>    |
| <b>4. Shri K . Jayabharat Reddy., I.A.S.,</b> | <b>DIRECTOR</b>    |
| <b>5. Shri S.V.Subramanian , I. A .S.</b>     | <b>DIRECTOR</b>    |
| <b>6. Shri M. Harishchandra Prasad,</b>       | <b>DIRECTOR</b>    |
| <b>7. Shri M. P . Somanna</b>                 | <b>DIRECTOR</b>    |
| <b>8. Shri Krishna Bhoopal</b>                | <b>DIRECTOR</b>    |

**In Attendance :**

**Shri A . Seetarama Sastry .** **SECRETARY**

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**1. LEAVE OF ABSENCE TO THE DIRECTORS WHO WERE UNABLE TO  
ATTEND THE MEETING :**

Leave of absence was granted to Saevasri G.V.Ramakrishna, K.S.R. Murthy, Paidi Laxshmaiah and RVGK Ranga Rao.

**2. CONFIRMATION OF THE MINUTES OF THE 23<sup>rd</sup> MEETING :**

The Minutes of the 23<sup>rd</sup> Meeting of the Board of Directors held on 4-2-1978 as already circulated were confirmed .

**3. TO PERUSE THE PAPERS PLACED BEFORE THE BOARD :**

Perused and Recorded .

Board noted with pleasure that shri KVRS Padmanabha Raju has been appointed as a member of council of Ministers and therefore tendered his resignation Board resolved to place record its deep apperication of the services rendered by Shri KVRS Padmanabha Raju during his tenure as Director on the Board of this Corporation and also to convey its congratulations to Shri KVRS Padmanabha Raju on his appointment as a minister in the state cabinet .

**4. APPOINTMENT OF SHRI V RAGHAVAN , SUPERINTENDING ENGINEER( R & B) DEPARTMENT AS ENGINEER-IN-CHIEF ( HOUSING ) INPLACE OF SHRI D BASAPPA RETIRED :**

Noted by the Board .

**5. ALLOTMENT AND ISSUE OF SHARES :**

Board passed the following resolutions :

" Resolved to allot 1635 fully paid equity Shares of Rs . 1,000/- each in favour of Governor of Andhra Pradesh for the amount of Rs . 16,35,000/- subscribed by the Government of Andhra Pradesh towards Equity shares Capital of the Corporation " .

" Further resolved that 2 Shares Certificates one for 1000 shares and one for 635 Shares in the name of Governor od AndhraPradesh be issued under the common seal of the corporation affixed thereto in the presence of and sign by

- |                                      |                   |
|--------------------------------------|-------------------|
| 1. Shri C.N. Shastry , IAS .,        | Managing Director |
| 2. Shri K . Jayabharat Reddy , IAS., | Director          |
| or                                   |                   |
| Shri S .V . Subramanian , IAS.,      | Director          |
| 3. Shri A . Seetarama Sastry         | Secretary         |

**6. DELEGATION OF POWER IN RULE 24(2) OF CONDUCT DISCIPLINE AND APPEAL RULES :**

Board approved the proposal for amendment of Rule 24(1) and 24(3) of Conduct , Discipline and Appeal Rules of the Corporation as under :

FOR RULE 24(1)

NO employee of the Corporation shall save in good faith for the purpose of residence acquire any immovable property in india by purchase or gift except with the previous sanction of the Board .

READ  
RULE 24 (1)

no employee of the Corporation shall save in good faith acquire or dispose of or permit any member of his family to acquire or dispose of any immovable property by exchange ., purchase , sale , gift , or other -wise Either by himself or through others except with the previous sanction of the Managing Director or other officers duly authorised by Managing Director .

RULE 24(3)

AN employee of the Corporation one who already owns a house or site may not acquire another site for residential purpose without the sanction of the Board .

DELETE

May be delete as this is covered by provision in rule 24 (1) .

Board also resolved to delegate the powers provided in Rule 24( 1) of conduct , Discipline and Appeals Rule to the Managing Director or other Officers authorised by the Managing Director .

**7. REVISED ESTIMATES FOR 1977 -1978 AND BUDGET ESTIMATES FOR 1978-1979 .**

Managing Director explained the salient feature Revised Estimates for 1977-1978 and Budget Estimates for 1978-1979 .

the Board then discussed the Budgets and resolved that the revised estimates for 1977 – 1978 and the Budget Estimates for 1978 – 1979 as detailed in the Agenda and notes be approved .

The Meeting terminated with a vote of thanks to the chair .

Sd/-  
**K. ROSAIAH**  
**CHAIRMAN .**



**STRICTLY CONFIDENTIAL**

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.**

**Regd . office :  
6.2.12/1 , saifabad ,  
HYDERABAD -5 00 004.**

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**MINUTES OF THE 25<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON 22-6-1978 AT 11.00 A.M AT THE REGISTERED OFFICE :**

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**PRESENT**

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|---|--------------------|
| <b>1. Shri K. Rosaiah, MLC.,</b>              | <b>CHAIRMAN</b>    |
| <b>2. Shri C.N . Shastry , I . A . S . ,</b>  | <b>VC &amp; MD</b> |
| <b>3. Shri K . Jayabharat Reddy., I.A.S.,</b> | <b>DIRECTOR</b>    |
| <b>4. Shri S.V.Subramanian , I. A .S.</b>     | <b>DIRECTOR</b>    |
| <b>5. Shri K . S . R . Murthy , I.A.S.,</b>   | <b>DIRECTOR</b>    |
| <b>6. Shri M. Satyanarayana Rao MP.,</b>      | <b>DIRECTOR</b>    |
| <b>7. Shri Paidi Lakshmaiah</b>               | <b>DIRECTOR</b>    |
| <b>8. Shri M. P. Somanna</b>                  | <b>DIRECTOR</b>    |
| <b>9. Shri Krishna Bhoopal</b>                | <b>DIRECTOR</b>    |

**In Attendance :**

**Shri A . Seetarama Sastry .** **SECRETARY**

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The Chairman welcomed the new Directors Savasri M . Satyanarayana Rao, M .P. And K.V. Natarajan , I.A.S. The chairman introduced Sri M. Satyanarayana Rao M.P. To the other directors Sri K.V.Natarajan ,I.A.S, could not attend the Meeting .

Board resolved to place on record its deep appreciation of the services rendered by Sarvasri K.V.S. Padmanabha Raju and G.V.Ramakrishna , I.A.S ., during this tenure as Director on the Board of the Corporation .

**1. LEAVES OF ABSENCE TO THE DIRECTORS WHO WERE UNABLE TO ATTEND THE MEETING .**

Leave of absence was granted to Sarvasri M . Harishchandra Prasad , R.V.G.K. Ranga Rao , N . Tata Rao and K.V.Natarajan I.A. S .

**2. CONFIRMATION OF THE MINUTES OF THE MEETING :**

The Minutes of the 24<sup>th</sup> Meeting of the Board of Director held on 28-3-1978 as already circulated were confirmed .

**3. TO PERUSE THE PAPERS PLACED BEFORE THE BOARD :**

Perused and Recorded .

**4. RE- DESIGNATING THE POST OF DEVELOPMENT OFFICERS AS CHIEF DEVELOPMENT OFFICER AND POSTIONG SHRI P.S. KRISHNAIAH AS CHIEF DEVELOPMENT OFFICER :**

Noted by the Board .

**5. SANCTION OF REVISED RATES OF DEARNESS ALLOWANCE TO THE CORPORATION EMPLOYEES :**

Board approved the Proposal of revision of the rates of the Dearness allowance to the Corporation Employees to be on par with Government employees with effect from 1-4-1978 , as under :

<b>Pay range</b>	<b>Revised rate of Dearness allowance per month</b>
upto Rs . 300/-	57% of pay subject to a maximum of Rs .168/-
Above Rs, 300/- and upto Rs. 2,250/-	42% of pay subject to minimum of Rs.168/- and maximum of Rs. 363/- with marginal adjustments at higher levels so that pay plus ad hoc Dearness Allowances does not exceed Rs. 2,400/- .

**6. REVIEW OF THE INVESTMENT MADE BY THE CORPORATION :**

Board noted the investments made by the Corporation in equity Share Capital and in the HUDCO DEBENTURES .

The Managing Director brifed the Board about the financial position and stated that an amount of Rs . 348.08 lakhs was kept in fixed Deposit representing the amounts received party from the Government towards agency functions and unguaranteed debentures subscribed by Commercial Banks . There are major commitments already entered into to the extent of Rs. 356.95 lakhs and therefore the financial position of the corporation is very tight .

Further owing to the restrictions imposed by the Indian Banks Association on the subscription of unguaranteed debentures by Commercial Banks , there is no inflow of funds .

The Managing Director stated that in case we were to take up the works as per the budget Estimates for 1978- 1979 to the tune of Rs . 23.7 crores approved by the Board , there will be a heavy deficit of funds . Therefore , Managing Director explained that the matter has been taken up with the state Government for lending of funds by T.T.D. To the Corporation Directly .

Managing Director explained that the Corporation has constructed and allotted 983 sheds and developed 3,642 plots during the 4 years of its existence as against 495 sheds constructed and 2,240 plots developed prior to the formation of the Corporation . Managing Director stated that while taking up the construction of sheds the various places was taken into account , so that the occupancy of the sheds and plots will be full . The Corporation has got a programme as approved by the Board for the construction of 576 sheds and development of 2,545 plots at various places in the state for the year 1978-1979 . The overall expenditure on account of works from the inception of the Corporation was of the order of Rs. 11.32 crores .

**7. AUTHORISATION TO MANAGING DIRECTOR TO OBTAIN BANK GUARANTEES FROM COMMERCIAL BANKS FOR THE ACTIVITIES OF THE CORPORATION :**

Resolved that the Managing Director be authorised to obtain Bank Guarantees from the Commercial Banks as and when required for any of the activities of the Corporation upto a limit of Rs. 2.00 crores at a time not exceeding Rs. 4.00 crores .

It was also resolved to ratify the action of the Managing Director in having obtained the Bank Guarantees earlier for the cases mentioned in the Agenda and Notes .

**8. HANDLING , CLEARANCE AND DISTRIBUTION OF IMPORTED CEMENT AT VISAKHAPATNAM PORT :**

The Managing Director explained to the Board that this Corporation was entrusted to the Board that this Corporation was entrusted with a special work of handling , clearing and distribution of imported cement received from Visakhapatnam Port and the clearance work at Visakhapatnam Port was done in recorded time by the staff of the Corporation which got the appreciation from the Government of India and all concerned agencies . The brisk handling of clearance etc., at the port has resulted in good earnings to the Corporation .

In view of this , Board considered the proposal to give some cash award to the staff who have worked in connection with the clearance work of cement at Visakhapatnam port , and resolved as under :

1. To place and record its deep appreciation for the outstanding services rendered by all the staff connected in clearing the imported cement at Visakhapatnam port in a record time .
2. (a) The Board also agreed in principle to give cash incentive equivalent to two month basic pay or two advance increments with cumulative effect to all the officers and staff working in the Corporation as mentioned in the annexure to the Agenda & Notes

(b) as the clearance from the Government is necessary for sanction of awards to the staff working on deputation , the Board decided to recommend to the

Government the following :

- i ) to award two advance increments in their respective scale of pay with cumulative effects ; or
- ii ) to permit the Corporation to award the cash incentive equivalent to two month basic pay .

**9. OTHER SUBJECT :**

The Chairman desired to examine the ways and means to charge differential prices towards land cost for the small scale industries , if necessary by approaching the Government for suitable subsidies .

The Managing Director stated that the construction of mini Industrial Estates was taken up as an experimental measure at Guntur as a part of the Rural Industrialisation programme to meet requirements of the tiny sector . The Board discussed the need for Rural Industrialisation keeping view the Industrial policy of the Government to encourage the Rural Cottage and Small Scale Industries .

The Corporation should co – ordinate with various agencies for the establishment of mini Industrial Estates for Rural Industrialisation . The Managing Director was requested to take up the co-ordination work with the various agencies in this regard .

The meeting terminated with the vote of thanks to the chair .

**Sd /-**  
**K . ROSAIAH**  
**CHAIRMAN .**