

GOVERNMENT OF KARNATAKA

DEPARTMENT OF CABINET AFFAIRS

And

DEPARTMENT OF PERSONNEL

And

ADMINISTRATIVE REFORMS

ANNUAL REPORT

2005-2006

INTRODUCTION:

The Department of Cabinet Affairs and the Department of Personnel and Administrative Reforms mainly deal with :

- a) The State Government's Personnel Management that Facilitates implementation of policies structuring and management of personnel of all departments of Government and providing advice and guidance in all service matters.
- b) All matters concerning the process of Administration with a view to increase efficiency and bring improvement in the quality of work in every sphere of administration.

FUNCTIONS:

The functions comprise four broad groups as under:-

I – NODAL FUNCTIONS:

1. Formulation of Personnel policies on matters relating to recruitment, promotion and conditions of service.
2. Reservation for SC/ST and other backward classes in the Civil Services.
3. Morale of the services including disciplinary and vigilance procedures.
4. Staff Welfare.
5. Training
6. Research in personnel administration.

II – SUBSTANTIVE FUNCTIONS:

1. Cadre Management, regulations and control of the State Services like K.A.S. and the State Secretariat Services.
2. Cadre Management, regulation and control of the All India Services.
3. Departmental enquiries against officers working under the administrative control of D.P.A.R.
4. Formulation of training policy and training programme in the field of public administration.

III – ADMINISTRATIVE MATTERS CONNECTED WITH:

1. Karnataka Public Service Commission.
2. Karnataka Lokayukta.
3. Recruitment Committees
4. Administrative Training Institute, Mysore.
5. District Training Institutes.
6. Karnataka Government Secretariat Training Institute, Bangalore.
7. Karnataka Administrative Tribunal.
8. Karnataka High Court.

IV – ADMINISTRATIVE REFORMS:

1. To provide management consultancy services to the various secretariat departments and heads of field departments.
2. To promote and develop the role of management in Government.
3. To disseminate information on administrative practices and modern management systems.
4. Application of new technologies for efficient governance.

The Department of Personnel and Administrative Reforms and Cabinet Affairs also covers certain functions that span the domain of all other Secretariat Departments.

I. LIBRARY:

The Karnataka Government Secretariat Library, which is situated in the north wing of Vidhana Soudha at Room No. 28 also has a branch in multistoried building, is an important information center. A total number of 1523 new books were added to the stock during the year 2005. The stock number of the Secretariat Library at the end of December 2005 is 120892. The working hours of the Secretariat Library and its branch at Multistoried building are from 10.00 AM to 6.00 PM. The reading room is kept open to the members from 9.00 AM to 10.00 AM and during the lunch hours. A total of 170 Secretariat Officials & 15 officials of other departments were given new membership during the year. The Apprenticeship Training Scheme is also being continued in the Secretariat Library. The Secretariat Library is handling the Technical work of the Libraries of the Department of Law, the Department of Parliamentary affairs & the Finance Department.

2. KARNATAKA GOVERNMENT SECRETARIAT TRAINING INSTITUTE:

The Karnataka Government Secretariat Training Institute is functioning independently for the last 25 years and celebrated its Silver Jubilee Function during February 2005. A Souvenir “ àúóÔñ ÄñÔî ” was also released on this occasion. This Training Institute is mainly imparting training to the Officers/ staff of Secretariat and also to the Supervisory staff of Field Departments, Legislature Secretariat, and Karnataka Public Service Commission, regarding office procedure, Service matters, Court cases, Accounts and budget matters, legislative matters, Behavioral science, planning matters, disciplinary matters etc., totally on 15 different subjects. Training programmes are also conducted on requests from the Field Departments. Also, short term trainings on Transparency in Public procurements and Right to Information, are being conducted fro the officers of Secretariat. During 2005-2006 i.e., from 1.1.2005 to 31.12.2005, 22 training programmes have been conducted successfully and 696

Officers/Officials have been trained. During the course of these trainings, Trainees are being taken to District and Taluk level Offices for Field Visits compulsorily.

Subjects like Yoga, Meditation, Health, Civil defence, Environment protection and First Aid etc., are also included in the training programmes which are need of the day. Another important feature of the training programme of this Institution is taking out the participants for “Field Visit” to the field departments, the objective of which is to make them to understand the functioning of Offices at field level and to have direct experiences of the problems that may arise in implementing Government schemes and remedies to them.

Training programmes on “Personal Management” from 11.4.2005 to 16.4.2005 and “Financial Rules” from 26.12.2005 to 31.12.2005 have been conducted to the Officers/ staff of secretariat in collaboration with the ISTM, New Delhi.

3. JANASPANADANA

The DPAR (Janaspandana) Cell was established in the year 1983, This Cell has received 19976 petitions from January 2005 to March 2006. Out of which 13764 petitions forwarded it to different departments to taking necessary action, 6157 petitions are filled and 55 petitions are called for reports.

Instruction have been issued to conduct Janaspandana meetings in atleast two Hobalies in a month by the Deputy Commissioners, Chief Executive Officers, Zilla Panchayats and Superintendents of Police to redress the grievances of the Rural people. It was also instructed to sort out the issues in the meeting itself. If any further time extension is required to redress the grievances it could be done within 15 to 30 days only.

The Supreme Court in its order, dated 9.5.2005 in WPNo 196/2001 has asked the State Government to respond to the recommendation of the Commissioners made in the 5th Report of August 2004. The recommendation was discussed in the committee of Secretaries and it was decided that at the district level three member committees may be formed consisting of Deputy Commissioner, Chief Executive Officers of Zilla Panchayat and Secretary incharge of the district to look into the redressal of all grievances concerning Food Security Schemes of Government of Karnataka, namely. P.D.S. I.C.D.S, Mid-day meal scheme etc. This Committee will meet on 1st and 3rd Saturday of every month and take decision on the Petition received.

5. Regarding the system of Co-ordination and Monitoring of the public grievances redressal mechanism concerning food security schemes, Government have formulated a mechanism and issued direction vide Government Order No. DPAR 59 YOMASA 2005 dated 4th June 2005. On first Wednesday of every month Additional Chief Secretary and Development commissioner reviews the reports and issue appropriate instructions to the concerned District Authorities.

Implementation of Right to Information Act;

The Government of India have enacted the Right to Information Act 2006 with effect from 15.6.2005. This Act applies to all the State and State has taken all preparatory steps to implement this Act. Consequently the State Right to Information Act 2000 has been repealed with effect from 17.10.2005 under the Central enactment the State has already established in the State the Karnataka Information Commission with effect from 30.7.2005. Sri.K.K.Misra has been appointed as the State Chief Information Commissioner and Sri.K.A.Thippeswamy has been appointed as State Information Commissioner. Under the Central Act.,all Public Authorities are required to identify the Public Information officers, Asst.PIOs and Appellate Authorities and accordingly all Govt.Departments. State owned Corporations/Boards/Local Authorities etc are taking action to identify them under section 4(1)(b) of the Act the respected authorities are required to publish Suo-motto notification and the concerned authorities are also taking action in this behalf. The State

has framed rules under the Central enactment creating awareness of the Act being one of the important aspects, the Govt. of India have checked out a programme to train officers and staff in the backward districts in the State under UNDP assisted programme.

In our State Chitradurga and Bidar Districts have been identified and the Administration Training Institute, Mysore is formulating suitable programme in the behalf. Similar steps have to be taken up in respect of other districts also and ATI is requested to chalk out suitable programme. To create awareness about the enactment the bodies dailies/NGOs etc., are writing articles, arranging Seminars/Workshop etc. The State Govt. is thinking of adopting wide range of activities in their direction.

4. ADMINISTRATION WING:

The department of Personnel and Administration Reforms (Administration) deals with the service matters of Section officers. Gazetted Personal Assistants, Deputy Librarians, Senior Translators, Translators, Senior Assistants, Assistants, Senior Stenographers, Stenographers, Junior Assistants, Typists, Senior Drivers, Drivers and Group-D employees of Karnataka Government Secretariat Service.

As on 31.12.2005, out of 358 sanctioned posts of section officers 315 have been filled up and 49 are vacant. All the 27 sanctioned posts of Gazetted Personal Assistants have been filled and no post is vacant. The posts of Translators sanctioned to the establishments of Principal Secretaries\Secretaries are included in the sanctioned strength of Section Officers. However, if any of the Principal Secretaries\Secretaries desires, the posts of Translators are also filled from the cadre of Senior Assistants as per the provisions made. Out of 350 posts of Senior Assistants sanctioned. 348 posts have been filled and 02 posts are vacant. All the 53 sanctioned posts of Senior Stenographers have been filled and no post is vacant. 591 posts of Assistants have been sanctioned against have been sanctioned against which 497 posts have been filled (including one employee deputed outside) and 94 posts are vacant. Out of 393 sanctioned posts of Stenographers, 350 posts have been filled and 43 posts are vacant. As against sanctioned strength of 62 posts of Senior Typists 41 posts have been filled(including two employees deputed outside) and 21 posts are vacant.

458 posts of Junior Assistants have been sanctioned out of which 254 posts have been filled and 204 posts are vacant. The total cadre strength of Typists is 229 posts, out of which 107 posts have been filled (including 18 posts deputed outside) and 122 posts are vacant. 69 Second Division Assistant have been working on deputation in Karnataka Government Secretariat, out of 107 posts of Drivers, 49 posts are filled from the Secretariat employees, 15 are filled by deputation from other department\corporations, 16 posts are filled on contract basis and 27 posts are filled OOD basis, and there is no vacancy of the post of Drivers. In respect of Group –D staff, as against 935 sanctioned posts, 769 persons are working and 166 posts are vacant..

5. SERVICES WING:

DPAR (services wings) deals with subject pertaining to service matters of All India Services like Indian Administrative Service, Indian Police Service and Indian Forest Services officers and Heads of Departments, Chief Engineer, Karnataka Administrative Service officers and Group ‘A’ officers of secretariat . This wing also deals with service matters relating to Judges of High Court of Karnataka and District Judges and matters relating to take over and transfer of palaces at Mysore and Bangalore.

6. INSPECTION WING:

DPAR (Inspection Wing) is conducting detailed inspection of various field departments. The Wing also conducts surprise inspection to check punctuality in attendance. During the period from 1.1.2005 to 31.12.2005, 63 District and Taluk level offices of various department wise inspected. Surprise checks regarding punctuality in attendance in 311 offices were conducted.

The Section also monitors the preparation of quarterly, half-yearly and annual inspection reports of Secretariat departments.

7. WORKSTUDY

A Committee under the Chairmanship of ACS has been appointed to look into the issues of simplification of rules and procedures.

Pending proposals of the State Government in Government of India have been computerized under Mukhya Vahini and made available at Karnataka Bhavan, New Delhi, for pursuing with the Central Government.

Full Co-operation will be extended to the Central Government to conduct ' AERO INDIA ' – 2007.

During 2005-06 Rs. 70-00 lakhs have been earmarked under modernization scheme out of this Rs. 70-00 lakhs have been released.

Conference of Deputy Commissioners, Police Officer and Excise Deputy Commissioners was held on 01.05.2005 under the Chairmanship of Honourable Chief Minister. In this Conference overall development programmes of the Government as well as implementation of Government Schemes were discussed.

Under the Programme relating to abolition of 5% posts in total 20,142 unwanted posts in various Government Departments were identified, out of which 18,332 posts have been abolished so far, by the Departments.

Empowered Committee constituted under the Chairmanship of Additional Chief Secretary to Government to examine the proposals relating to abolition of 80% vacant posts in various Government Departments as on 01.04.2000, has so far met 39 times to discuss the proposals. So far the committee has to abolish 9743 vacant posts in various depts.. Accordingly, the various depts. have taken action to abolish 7724 vacant posts in various cadres. The proposals of remaining depts. are required to be taken up for discussion before the Committee.

8. TRAINING WING:

The training wing of DPAR looks after the establishment and training matters of the Administrative Training Institute, Mysore, District Training Institutes and Karnataka Govt. Secretariat Training Institute. It functions as

the nodal agency for deputation of Government servants of various department for attending training courses abroad.

9. POLITICAL PENSION:

In the Government vide its Order No: DPAR 59 PFG 94 dated 9-3-1995 Government has ordered revision of the cases in which the State honorarium was sanctioned with retrospective effect between the period 1991-1993. Accordingly after getting reports from concerned Deputy Commissioners, and also after conducting detailed enquiry at Government level the honorarium in 6 cases has been cancelled and also sanctions was given to 23 cases. And 397 cases have been rejected.

In Government Order No. DPAR 16 PFG 2004, dated: 6.7.2005 honorarium of State Freedom Fighters and including Tamra Patra holders have been enhanced from Rs.1000/- to Rs.1,500/- per month with effect from the date of issue of the said Government Order.

10. EXECUTIVE :

During the year 2005-06 9 departments situated in M.S. building have been shifted to new Vikasa Soudha Building. It is proposed to shift the remaining 5 departments at the earliest.

11. SERVICE RULES:

Karnataka Administrative Tribunal:

Justice Sri.A.V.Srinivasa Reddy, Vice Chairman of Karnataka Administrative Tribunal has been appointed as Chairman K.A.T. on 2.5.2005.

Justice Sri.S.B.Majage ,Retired Judge of High Court of Karnataka has been appointed as Vice Chairman, Karnataka Administrative Tribunals on 19.12.2005

Medical Facilities to State Government Servants:

53 Private Hospitals and 5 Diagnostic centres have been recognized during the calendar year for providing medical treatment of State Government Servants.

12. STENOGRAPHERS & TYPISTS SELECTION AUTHORITY:

On the request of the various appointing Authorities to select candidates for filling up of the vacancies of the Stenographers and Typists in their Departments, this Authority calls for the applications from the suitable candidates to the Appointing Authorities for issuing appointment orders. The performance of this Authority for the year 2005 is as indicated below.

2) As there are specific restrictions on filling up of posts in the economy orders issued by Government, the concerned appointing authorities have been informed to obtain the concurrence of Finance Department through their respective Administrative Departments for filling up of posts of Stenographers and Typists by direct recruitment and then furnish the details of vacant posts of Stenographers and Typists to this Authority. The Finance Department has given concurrence to fill up sixty seven (67) posts of Typists in respect of Karnataka Government Secretariat, Information Department and survey settlement & Land Records Department. Accordingly in this Authority's Notification dated. 06.10.2005, applications from the eligible candidates have been called for, for filling up of the said posts. The remaining appointing authorities are being reminded periodically to send suitable proposal for filling up of the posts of Stenographers and Typists after obtaining the necessary concurrence of the Finance Department.

3) The applications received in response to the Notification mentioned above for the posts of Typists are under process.

4) Apart from this, the Authority is also attending to matters pertaining to cases filed by the candidates before Karnataka Administrative Tribunal.

13. PROTOCOL:

1. State Hospitality Organisation:

Kumara Krupa Guest House and Balbrooie Guest House at Bangalore, Government Guest House at Mysore, Gandhi Nilaya at Nandi, Karnataka Government Guest House at Ooty and Karnataka Bhavan at New Delhi come under the administrative control of the state Hospitality Organisation. This organization is providing lodging, boarding including transport facilities to VVIPs distinguished persons and State Guests during visits to the state and looking after uninterrupted hospitality to guests without causing any damage to dignity and honour of the state.

In recent days, the number of guests visiting the State has increased considerably. During the year up to December 2005 State guests who visited is 294 and family members who accompanied the State Guests have been extended hospitality treating them as State guests and 107 non-paying guests and 4937 paying guests have been provided facilities. An amount of Rs.17,68,052/- has been received as tariff on this account.

2. KARNATAKA BHAVAN, NEW DELHI:

The liaison between the Centre and the State Government, follow up of cases of State with Central Government (cases of foreign tours of state Minister and cases pertaining to State Government pending in the Supreme Court of India are major works entrusted to Karnataka Bhavan, New Delhi. Providing boarding, lodging and transport facilities to Ministers, Legislators and Members of Parliament and Officers of the State who visits Delhi is also major task of Karnataka Bhavan..

During the year under report totally 9179 guests were provided accommodation in Karnataka Bhavan I, ii and iii and an amount of Rs.88,62,215-00 was collected to tariff from them.

A total Budget provision of Rs.14,29,10,000-00 has been provided for the State Hospitality Organisation for the year 2005-2006.

14. ELECTIONS:

Details of Elections	Date of Poll
1) By-Elections to 21-Shimoga Parliamentary Constituency	2-6-2005
2) By-Elections to 81-Chamarajpet Assembly Constituency	2-6-2005
3) By-Elections to Karnataka Legislative Council by the Members of Legislative Assembly	14-7-2005

1. As per the direction of Election Commission of India a programme was chalked out to eliminate the errors in the electoral rolls of the entire State and to make them error free.

2. As per the directions of the Election Commission of India, all the supplementary rolls which were prepared and published every year subsequent to the mother roll as of 01-01-2002 were integrated and consolidated with the mother roll and thereafter, the Special Summary Revision of Electoral Rolls with reference to 1-1-2006 as the qualifying date was taken up in all Assembly Constituencies in Karnataka. The services of the delivery post offices were also utilized for functioning as designated centers for receiving filled in applications for enrolment of names in the electoral rolls, deletion of names as well as modifications in the personal data in the electoral rolls, as was done in the previous revision of rolls. Further, the facility for filing of applications through internet for inclusion of names in the rolls which was provided to the citizens of Bangalore Mhanagara Palike area on a pilot basis during the previous revision was provided to the residents of other Muncipal Corporations viz., Hubli-Dharwad, Mysore, Mangalore, Belgaum and Gulbarga City during the current special summary revision of the rolls.

3. The final electoral rolls will be published in all the designated centers on 29-04-2006.

15. ADMINISTRATIVE TRAINING INSTITUTE, MYSORE:

In order to provide training to the officers for smooth functioning of the administrative machinery the GOI set up the “ Orientation study centre” at Mysore in 1959. This institute was handed over to the Government of Mysore in 1967 and the Institute was renamed as Administrative Training Institute. Under aegis of Administrative Training Institute 20 District Training Institutes (DTIs) are also functioning. The ATI trains Group ‘ A’ and ‘B’ Officers and DTIs train group ‘C’ and ‘D’ Officials.

The Administrative Training Institute is headed by a Director General. He is assisted by a two Joint Director, 8 Faculty Members and other supporting staff. Joint Director looks after the Administration, training, accounts of ATI and DTIs in the State. The Faculty Members have specialized in the fields of Public Administration, Law, Financial Management, Women and Child Development and Computers and Rural Appropriate Technology.

The State Institute for Urban Development (SIUD), established in the year 1999 by the Urban Development Department to cater to the training needs of urban sector. The Institute is an autonomous institute managed by the Governing Body and Governing Council. The SIUD will be taking up a large number of training programmes on Municipal Governance and Reforms for elected representatives and officials of ULBs. The Director General of ATI is holding additional charge for the post of Director General of SIUD. A Professor of Urban and Regional Planning is working in SIUD. Three Divisional level SJSRY faculty members are also working at Bangalore, Gulbarga and Belgaum DTIs. The Institute is supported by two supporting staff. The Institute entered into a Memorandum of Understanding (MoU) with HUDCO.HSMI, New Delhi for creation of HUDCO chair. The institute also entered MoU with the NIUA, New Delhi under FIRE (D), US-AID project.

Each DTI is headed by a Principal. The other staff comprises of a Vice-Principal, two Instructors and other supporting staff.

2. ADMINISTRATIVE CONTROL:

The Government constituted a Managing Committee under the Chairmanship of the Additional Chief Secretary, Government of Karnataka to oversee the work and to lay down broad policies for the ATI and DTIs.

The Committee provide/guidelines of training as well as the developmental activities of ATI and DTIs.

3. AIMS AND OBJECTIVES:

1. To organize Foundation Courses for Gazetted Probationers of the State Civil Services;
2. To conduct Job Courses for Gazetted Probationers of the State;
3. To give Orientation Training to Officers promoted to the higher cadres in the Government;
4. To impart in-service Training to Officers of various Departments of the State Government;
5. To organize special Courses, Seminars, Workshops, Discussions and Conferences;
6. To conduct various Courses sponsored by the Training Division, Government of India, New Delhi;

7. To conduct Orientation courses for IAS/IFS Probationers allotted to the Karnataka Cadre;
8. To conduct Training of Trainers Courses.

4. INFRASTRUCTUREAL FACILITIES AT THE ATI:

The Institute has the following facilities:

1. An Administrative Block and four lecture halls.
2. Residential quarters for some of the officers and supporting staff.
3. A guest house.
4. A library with 51112 books and a reading room.
5. A 52 room hostel and 2 mess.
6. 2 Computer center with 50 computers and internet facilities.
7. An extension counter of the State Bank of Mysore, a Recreation Club, a Dispensary and a Post Office.
8. Multi-media projector, overhead Projectors, slide projectors, T.V., VCR and Plain Paper copiers etc.

5. COLLABORATIVE STUDY:

This Institute is one of the Regional Training Centres recognized by the Government of India for Training of Trainers.

Some of the Faculty Members have been trained by the Thames Valley University, London, in Training Methodology and Techniques. The ATI has been conducting the Trainers Training Programmed according to the above Methodology and Techniques.

Administrative Training Institute has been recognized by the Election Commission of India as Southern Regional Training Centre (4 States viz., Karnataka, Chennai, Andhra Pradesh and Kerala) for imparting training courses on Election matters.

For the last 2 years Election Training Courses have been conducted for Officers to the level of Deputy Commissioners of Districts.

6. TRAINING METHODOLOGY:

The Training methodology consists mainly of participatory methods including class room lectures, Syndicate Reports, Group Discussions, Exercises, Field Visits, Study Tours, Debates and Seminars, Audio-Visual aids and film analysis are used in training. Hands on in computers training is given for making use of computers.

Facilities for sports like Volley Ball, Ball Badminton, Shuttle Badminton, Table Tennis, Carrom have been provided. A Physical Instructor is in charge of physical training.

7. TRANSPORT FACILITIES:

The Institute has four cars, one jeep one matador and one mini bus. Vehicles are hired from KSTDC and KSRTC for study tours and village practical whenever necessary.

8. BUDGETARY ALLOCATION AND EXPENDITURE:

The ATI receives budgetary allocation from the Government of Karnataka. For the year 2005 December an amount of Rs. 209.37 lakhs was

sanctioned to meet the annual expenditure. An allocation of Rs. 197.41 lakhs was made for the DTIs.

9. TRAINING PROGRAMMES:

During 2005-06, 71 Training Programmes were conducted and in all 1703 Officers trained .

17. DEPARTMENT OF DISINVESTMENT AND STATE PUBLIC SECTOR ENTERPRISES REFORMS:-

The erstwhile Department of Disinvestment and Public Sector Enterprises Reforms (DDPER) has been renamed as the Department of Public Enterprises (DPE) vide G.O.No. DCA/3/ARB/2004, Bangalore Dated: 24.03.2005. The Department is entrusted with the following functions:-

- (i) To oversee, coordinate and monitor all matter relating to functioning of PSEs.
- (ii) To lay down, with the approval of the Government, a general policy relating to privatization, restructuring and disinvestments in PSEs.
- (iii) To formulate the guidelines regarding financial management, wage settlement, Human Resources Development, Performance Appraisal etc., in respect of the PSEs.
- (iv) To review the implementation of MOUs between the PSEs and the Administrative Departments.
- (v) To review the proceedings of the Board Meetings and to evaluate the performance of the PSEs.
- (vi) To undertake in-depth study of the selected PSEs.
- (vii) To function as an interface between the PSEs/Administrative Departments and other bodies like the Legislature Committees, Indian Audit and Accounts Department, Departments of Government of India and other States Governments etc.,
- (viii) To function as a Data Bank in respect of PSEs regarding empanelment of candidates for executive posts and to circulate among PSEs requirements of Public Enterprises Selection Board for Executive posts.
- (ix) To bring out an Annual Survey Report on the performance of PSEs and cause it to be placed before the State Legislature.

- (x) To function as a Secretariat to the PSEs.
- (xi) To conduct training courses for the PSE personnel.
- (xii) To perform any other duties that may be entrusted by the Government from time to time.
- (xiii) The DPE shall be consulted on matters relating to
 - Amendments to the Memorandum and Articles of Association.
 - Privatisation/disinvestments/reorganization/rehabilitation proposals of PSEs.
 - Revision of the Pay scales.
 - Creation of posts which carry minimum pay scale of Rs.4,700.00 PM and above.
 - Appointment of the Officials on contract basis.
 - Fixing of sitting fees for the Directors of Boards.
 - Introduction of new welfare measures/perquisites to officials/non-officials, CEOs, Directors, other officials and employees.
 - Foreign Travel proposals of PSEs Officials of all status.

(b) The following matters hitherto handled by KSBPE were transferred to the DPE in terms of 72b of the Karnataka Government (Transaction of Business) Rules 1977. All the Administrative Departments concerned are required to consult the DPE on any proposal specified below, soliciting approval of the Cabinet.

- (i) All proposals relating to creation of new Corporations or Companies either wholly owned or partially financed by the State Government or by a Public Sector Undertaking.
- (ii) Participation by the State Government or a Public Sector Undertakings, other than Karnataka State Industrial Investment and Development Corporation and the Karnataka State Financial Corporation, in providing Share Capital to a new or an existing Corporation or Company.
- (iii) Providing share capital exceeding rupees fifty lakhs by the Karnataka State Industrial Investment and the Karnataka State Financial Corp., to a new or an existing Corp. or Company.

(iv) Increase in capital cost estimates of the State owned Public Sector Corporations, Companies, Enterprises and a Projects where such increase is more than twenty percent or rupee twenty five lakhs, whichever is less.

(c) The PSEs, as a rule, shall route their proposals to the DPE, only through their respective Administrative Departments. The Administrative Departments shall in turn forward the proposals with their views/suggestions to the DPE with the approval of the Secretary of the concerned Department.

(d) The Principal Secretary to Government, who is assisted by other Officers and staff with relevant background, heads the department. The department has a sanctioned strength of 60 as given in Annexure-I.

2. State Public Sector Enterprises Reforms:

In order to evaluate the State PSEs and suggest measures for restructuring through rationalization, closure or disinvestments of sick PSEs, the State Govt., had appointed a Public Sector Restructuring Commission (PSRC) vide its Order No: DPAR) BPE) 23 ARU 2000 dated: 15.03.2000. The term of the commission expired on 30.03.2002.

The PSRC identified 20 enterprises in the Phase-I and 16 enterprises in the II Phase for privatization /closure and submitted reports on individual enterprise with its recommendations.

3. VRS for the employees of PSEs :

In case of PSEs, which have been ordered of closure/ privatization, the Government has offered VRS benefit to the employees. So far 7,302 employees have been paid VRS benefits amounting to Rs.553.27 crores released by Government.

4. Training Programme :

Imparting HRD training to the senior and middle level PSE officials is one of major programmes of the department. Besides, HRD training,

programme are conducted in computer education. Further, counseling sessions under SSN programme to the officials availing VRS are organised.

During the period under review, 2 HRD programme at a cost of Rs.0.58 lakhs to benefit 34 employees have been conducted. Training in computer education was given to 171 employees at a cost of Rs.1.69 lakhs. 168 persons have been benefited under the SSN programme during the period under review.

5. Performance Report of PSEs :

The department has brought out the annual performance report of PSEs for the year 2003-2004.

6. Social Safety Network Programme :

‘Social Safety Network’ is a programme designed to empower the employees of PSEs under closure/ privatization. Under this programme, the VRS optees are counseled to take up alternative employment or to start new enterprise to earn their livelihood. Short-term training programmes for enhancement of the skills/ entrepreneurship development are also organized.

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The Department of Disinvestments and State Public Sector Enterprises Reforms (DDPER) was created vide Government order No. DPAR 48 SEM 2002, Bangalore Dated 5.8.2002 with an objective to provide impetus to the Public Sector Enterprises Reforms. The erstwhile Karnataka State Bureau of Public Enterprises (KSBPE) was also merged with the Department of Disinvestment and State Public Enterprises Reforms.

In order to evaluate State PSEs and suggest measures for restructuring through rationalization, closure or disinvestments of sick PSEs, the State Government had appointed a Public Sector Restructuring Commission (PSRC) vide its order No. DPAR (BPE) 23 ARU 2000 dated: 15.3.2000. The term of the commission expired on 30.3.2002.

The PSRC identified 20 enterprises in the Phase-I for privatization/closure and submitted reports on individual enterprise with its recommendations in respect of 16 enterprises.

Under Public Sector Restructuring Programme, 19 PSEs were identified for closure/privatization. Out of these 19 PSERs it has been divided to continue the following 3 enterprises as PSEs.

1. Karnataka Compost Development Corporation Limited
2. Karnataka Cashew Development Corporation Limited
3. Jungle Lodges and Resorts Limited

VRS for the employees of PSEs:-

In case of PSEs, which have been ordered of closure/privatization, the Government has offered VRS benefit to the employees and the amount released for this purpose is as follows:-

Sl.No.	Name of the PCEs	Rs. in Crores
1	NGEF Ltd., Bangalore	191.63*
2	Mysore Lamps Works Ltd.	51.85
3	Chamundi Machine Tools Ltd.	2.26
4	Mysore Acetate and Chemicals Ltd	10.19
5	Karnataka State Textiles Ltd	5.00
6	Karnataka Telecom ltd	8.55
7	Mysore Cosmetics Ltd	0.48
8	Mysore Match Co. Ltd.	0.05
9	Karnataka Agro Industries Corpn. Ltd.	10.00
10	Karnataka Silk Industries Corpn. Ltd.	24.58
	TOTAL	304.59

* including OTS amount of Rs.62.69 crores

Training Programme:

Imparting training to the senior and middle level executives of the Public Sector Enterprise is one of the main functions of this department. During 2003-04, 484 executives were imparted training under HRD training programme through 23 programmes at a cost of Rs.5.73 lakhs.

In addition to the HRD training programme, three computer-training programmes were conducted during this period to 78 employees of the PSEs. The objectives of the Computer training Programmes were to provide basic understanding of computer operation and knowledge of common application software like word processing, spread sheet etc. An amount of Rs.89,700.00 was spent on these programmes.

During 2003-04, 431 employees of PSEs were given training in computers through 22 programmes with an expenditure of Rs. 4.69 lakhs upto December 2004 154 executives were imparted training under HRD training programme through 08 programme at a cost of Rs.2.79 lakhs.

Performance Review of PSEs:-

The Principal Secretary reviewed the functioning of most of PSEs during 2004 and 2005 with the twin purpose of evaluating their performance and identifying problems, if any, encountered by them. Important issues observed during the review have been brought to the notice of concerned administrative departments for taking corrective measures. Guarantee Commission and repayment of loan by the PSES to the Government have been communicated to the Finance Department so that the Government representatives on the Boards of the PSEs can take action to safeguard the interests of Government.

6. Social Safety Network Programme:

`Social Safety Network` is a programme designed to empower employees of PSEs under closure/privatization. Under this programme interested VRS optees are counseled to take up alternative employment elsewhere or to start and enterprises to earn their livelihood,. Short-term training programmes for enhancement of the skills/entrepreneurship development are organized. Ten Social Network programmes were conducted during 2002-03 for the benefit of the employees who availed VRS. 315 employees participated in the programme.