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## PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

**Subject:** Setting up Karnataka Necravari Nigam  
as a Government Company under the  
Companies Act, 1956 – regarding.

**Reference:**

1. Letter No. KBJNL/DF/98-99/172/1399 dated July 14, 1998  
from Director Finance, Krishna Bhagya Jala Nigam Limited.
2. G. O. No. ID 131 MMG 98 Bangalore dated 7.8.1998
3. G. O. No. DPAR 561 SAS 98 Bangalore dated 28<sup>th</sup> August, 1998
4. G. O. No. DPAR 35 SEM 98 Bangalore dated 2<sup>nd</sup> September, 1998

**PREAMBLE:**

1. There are 22 major and medium irrigation projects in the Krishna River Basin. Krishna Bhagya Jala Nigam (KBJNL) was set up in August, 1994 with a view to expedite completion of the Upper Krishna Project (UKP) by the year 2000. KBJNL has raised the required resources and speeded up implementation of UKP. Another four projects are being financed by NABARD. Government is keen to accelerate the tempo of the other projects.
2. In G. O. No. ID 131 MMG 98 cited above, Government has decided that a new Irrigation Corporation should be set up immediately to implement projects in the Krishna Basin other than UKP and those funded by NABARD.
3. In its letter referred to above, Krishna Bhagya Jala Nigam Ltd., has suggested that 8 projects could be taken up for execution by the proposed Corporation and submitted its draft Memorandum and Articles of Association.
4. In G. O. No. DPAR 561 SAS 98 dated 28<sup>th</sup> August, 1998, Mr. S. Krishna Kumar has been appointed as Special Officer for setting up a new Irrigation Corporation for the Krishna Basin. He has suggested that a Government Order specifying various parameters of the proposed Corporation be issued so that the legal formalities for its registration could be taken up.
5. In G. O. No. DPAR 35 SEM 98 dated 2<sup>nd</sup> September, 1998, it has been clarified that pre-operational expenses of the Corporation will be incurred through Krishna Bhagya Jala Nigam Ltd., reimbursed by Government from the budget and eventually capitalised by suitable accounting adjustment.
6. Government has considered the matter in detail and is pleased to issue the following order.

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GOVERNMENT OF KARNATAKA  
JUL. NR. 1/2001/10000-1  
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Government Order No. ID 201 KBN 98, Bangalore Dated 26<sup>th</sup> November 1998

1. Approval is hereby accorded to the setting up of Company as per the provisions of the Companies Act, 1956 to implement major and medium irrigation projects in the Krishna Basin other than Upper Krishna Project and those financed by NABARD.
2. The name of the Company will be Karnataka Neeravari Nigam. Limited. Its registered office will be in Bangalore in a suitable rented premises.
3. The authorised share capital of the Company will be Rs. 3,000 (Rupees Three Thousand ) crores divided into three (3) crores equity shares of Rs. 1,000 (Rupees One Thousand) each.
4. Approval is also accorded to the Memorandum and Articles of Association of the Nigam being drawn up on the lines of those of Krishna Bhagya Jala Nigam Limited.
5. The promoters of the Company and the number of shares subscribed to by them will be as follows:

- |    |   |             |
|----|---|-------------|
| 1. | Shri. B. K. Bhattacharya<br>Chief Secretary                                 | One share   |
| 2. | Shri. N. A. Muthanna<br>Additional Chief Secretary                          | One share   |
| 3. | Shri. C. Gopala Reddy<br>Principal Secretary, Finance Department            | One share   |
| 4. | Shri. L. Basavaraju<br>Secretary, Irrigation Department                     | One share   |
| 5. | Shri. B. S. Patil,<br>Principal Secretary to the Chief Minister             | One share   |
| 6. | Shri. M. B. Prakash<br>Managing Director, Krishna Bhagya<br>Jala Nigam Ltd. | One share   |
| 7. | Shri. S. Krishna Kumar<br>Special Officer, Karnataka Neeravari Nigam        | Four Shares |

6. Consistent with Government's intention to prioritise irrigation projects in the Krishna Basin, the new Nigam will implement specific projects to begin with. These will be Bhima Lift, Ghataprabha III, Malaprabha, Upper Tunga, Harinala, Markandeya and Singatlur. These projects will enable the State to utilise about 83 TMC of water out of its share and will require an investment of around Rs. 2, 400 crores.

7. The Board of Directors of the Company will consist of:

- |    |   |               |
|----|---|---------------|
| 1. | Shri. J. H. Patel,<br>Chief Minister  | Chairman      |
| 2. | Shri. K. N. Nage Gowda<br>Minister for Major Irrigation                     | Vice-Chairman |
| 3. | Shri. B. K. Bhattacharya<br>Chief Secretary                                 | Director      |
| 4. | Shri. N. A. Muthanna<br>Additional Chief Secretary                          | Director      |
| 5. | Shri. C. Gopala Reddy<br>Principal Secretary, Finance Department            | Director      |
| 6. | Shri. B. S. Patil,<br>Principal Secretary to the Chief Minister             | Director      |
| 7. | Shri. L. Basavaraju<br>Secretary, Irrigation Department                     | Director      |
| 8. | Shri. M. B. Prakash<br>Managing Director, Krishna Bhagya<br>Jala Nigam Ltd. | Director      |
| 9. | Shri. S. Krishna Kumar<br>Special Officer, Karnataka Neeravari Nigam        | Director      |

7. Shri. S. Krishna Kumar is appointed as Managing Director of the Company. The Chairman, Vice-Chairman, Managing Director and other Directors will assume their office from the date of registration of the Company.
8. A committee chaired by the Additional Chief Secretary to Government with the Secretaries of Irrigation, Finance, Planning and Law Departments as Members and Special Officer as Member-Convenor will consider and take decisions on the transfer of assets and liabilities, deputation of staff and other matters incidental to the formation of the Company.
9. This Government Order issues with the concurrence of the Finance Department vide Note No.LOYEE 1048 AKO 1:98 dated 25.11.1998.

By Order and in the name of the  
GOVERNOR OF KARNATAKA

*J. C. Chidambara Murthy*  
26/11/98

(J.C. CHIDAMBARA MURTHY)  
Under Secretary to Government  
Irrigation Department (KBJN Spl.Cell)

Copy to:

1. The Accountant General (Accounts), Karnataka, Bangalore.
2. The Accountant General (Audit-2), Karnataka, Bangalore.
3. The Principal Secretary to Chief Minister, Vidhana Soudha, Bangalore.
4. The Secretary to the Deputy Chief Minister, Vidhana Soudha, Bangalore.
5. The Personal Secretary to Minister for Major and Medium Irrigation, Vidhana Soudha, Bangalore.
6. The Chief Secretary to Government, Vidhana Soudha, Bangalore.
7. The Additional Chief Secretary to Government, Vidhana Soudha, Bangalore.
8. The Principal Secretary to Government, Revenue Department/Housing and Urban Development Department, M.S. Building, Bangalore.