

MEMORANDUM OF ASSOCIATION OF KARNATAKA STATE BIOFUEL DEVELOPMENT BOARD (KSBDB)

1. **Name of the Society:** The name of the Society shall be “**Karnataka State Biofuel Development Board**” (hereinafter referred to as KSBDB or the Society. The Society is sponsored by the Government of Karnataka.
2. **Area of Operation:** The area of operation of The Society shall extend throughout the territorial limits of the State of Karnataka.
3. **Location and Address:** The Board shall have its head office at Bengaluru in the State of Karnataka and may establish one or more branches or outlets anywhere in the State, if required. The registered Office of the Board presently is located at : - C/o The Secretary to Government, Rural Development and Panchayat Raj Department, 3rd Floor, 3rd Stage, M.S. Building, Bangalore-560 001.
4. **Scope of work:** The Society shall act as an independent autonomous body. It shall manage funds that may be allocated for the implementation of the Karnataka State Bio-fuel Policy by the Government of India and Government of Karnataka or any other funding agencies duly approved by Central / State Government
5. **Principles and Objectives of the Society:** The Society shall act as an independent autonomous body with the following objectives:-
 - a. To plan, promote, organize, implement, monitor and evaluate schemes, projects, activities, etc., for bio-fuel development in the State.
 - b. Achieving energy self-reliance and fuel security by progressive use of renewable energy through harnessing potential of the State in bio-fuels without affecting the food security.
 - c. Reducing the import bill of oil for the country.
 - d. To achieve 10% blending of Bio-fuel with Petrol / Diesel by the year 2017 and above 15% beyond 2017.
 - e. Reducing of toxic emissions and reduction of green house gas emission through partial substitution of fossil fuels with bio-fuels.
 - f. Earning carbon credits and promote trading in Certified Emission Reductions.
 - g. Increasing rural income and women empowerment by generating rural employment.
 - h. Contributing to the social and economic development of rural and urban areas.
 - i. Facilitating coordination of the work of different departments, farmers, NGOs and private agencies dealing in various aspects of bio-fuels.
 - j. Synchronizing all other policies and programmes of the State as well as the Government of India and other Funding Agencies which have direct or indirect bearing on harnessing bio-fuel potential of the State.
 - k. To encourage and support research and development activities for bio-fuel development in the State.
 - l. Designing and operating bio-fuel projects under appropriate comprehensive, transparent, consultative and participatory processes that involve all relevant stakeholders.

- m. To take-up plant propagation and distribution of various species of bio-fuel seedlings for the benefit of farmers so that farmers derive greater benefits.
- n. To sponsor and organize workshops, seminars, exchange visits and experience sharing regarding bio-fuel development.
- o. To publish journals, documents and other relevant literature in any manner as may be considered desirable in furtherance of the objectives.
- p. To appoint requisite staff.
- q. To mobilize funds from various sources such as self-generation, State Government/Central Government and their agencies, Banks, International Funding Agencies, Private Sector, etc., as donation, grant, aid, loan, equity participation, goodwill, subsidy etc., for meeting the objectives.
- r. To acquire, undertake or enter into any arrangement to meet the objectives.
- s. To facilitate contract framings, by encouraging private entrepreneurs to set up processing units and the farmers with vacant land to be garnered around the enterprise.
- t. To undertake enumeration of waste land / marginal land available in the States with Forest and Revenue Departments and notify the same at the District, Taluk and Hobli levels.
- u. To do all such acts and things as the Society may consider necessary, conducive or incidental, directly or indirectly, to the attainment and enlargement of the aforesaid objectives or any of them.

6. Management of the Society:

The management of the affairs of the Society shall be vested with the General Body and the Executive Committee.

7. Powers and functions of the Society :: In Pursuance of the aforesaid objectives, the powers and functions of the Society shall be as below, subject to over all supervision of the State Government:-

- a. To Evolve, approve and oversee the implementation and monitoring of the policies and programmes related to bio-fuel in the State of Karnataka, by encouraging private entrepreneurs and farmers.
- b. To facilitate assessment, identification of resource requirements and their allocation under various existing programmes related to the KSBDB and if necessary to mobilize additional resources to implement such programmes.
- c. To facilitate single window clearance and support experimental and commercial ventures for Biofuels through private public participation models.
- d. **To promote** – in coordination with relevant agencies and departments – backward and forward linkages towards optimal utilization of State’s resources for bio-fuel development.
- e. To facilitate information collection documentation, dissemination and outreach activities related to bio-fuels.

- f. Make rules and bye-laws for the conduct of the affairs of the Society and add to, amend, vary or rescind them from time to time.
- g. Raise funds and accept donations or grants in cash or in kind including property of any kind.
- h. Borrow money required for the purpose of the Society with or without security upon such terms and in such manner as may be determined by the Executive Committee of the Society with the prior approval of the State Government.
- i. Invest any money of the Society not immediately required for any of its objectives in such a manner as determined by the Executive Committee of the Society.
- j. Meet out of the funds of the Society all expenses which the Society may incur with respect to the formation, registration and operations of the Society.
- k. Open bank accounts of any type including overdraft account as determined by the Executive Committee of the Society and operate the same in ordinary course of business.
- l. Own, establish or have and maintain offices, branches and agencies within the State for the purpose of carrying on its business.
- m. Promote, form, conduct or associate in the promotion, formation or conduct of companies, subsidiaries, societies or such other associations of persons as it may deem fit.
- n. Sell or dispose of any Undertaking of the Society or any part thereof with prior approval of the Executive Committee for consideration as it may deem fit; and in particular for shares, debentures or securities of any other Company having objectives altogether or in part similar to those of the Society.
- o. Enter into partnership or any joint venture with any Company, Society, Association or person, or to co-operate with or subsidize or assist in any way such Company, Society, Association or any person.
- p. Do all other such things, as the Society may consider necessary, incidental or conducive to the attainment of its objectives.

Provided that for clauses **l, m, n, o,** and **p** above, if any decision is being taken in which either State funds are required or transaction involves any asset, acquisition, investment etc., primarily derived from the said funds, prior permission of the State Government shall be required

8. Authority to Correspond: The Managing Director of the Karnataka State Bio-fuel Development Board shall be the authority to correspond behalf of the Board.

9. Founding Members and formation of the Society:

The undersigned eight members, associating themselves for the purpose describes in this Memorandum of Association and desirous of formation themselves into a Society are the founding members of the Society. The founder members are full members of the

Society by designation and their successors shall be treated as founder members in their place.

We, the undersigned, whose names, designation and addresses are given below, do hereby subscribe our names to this Memorandum of Association and form ourselves into a Society namely, the Karnataka State Biofuel Development Board (KSBDDB) under the Karnataka Societies Registration Act, 1960.

Sl.No	Name	Designation and Address
1	Abhijithdas Gupta	Additional Chief Secretary to Government and Development Commissioner
2	P. Ravi Kumar	Principal Secretary to Government Rural Development and Panchayat Raj Department
3	G.S. Narayanaswamy	Secretary to Government (Panchayat Raj), Rural Development and Panchayat Raj Department
4	Nagarajan L.V.	Principal Secretary to Government, Finance Department
5	E. Venkataiah	Secretary to Government (Agriculture), Agriculture & Horticulture Department
6	M.K. Shankarlinge Gowda	Secretary to Government (Transport), Home & Transport Department
7	Meera C. Saksena	Principal Secretary to Government, Forest, Ecology & Environment Department
8	V.P. Baligar	Principal Secretary to Government, Commerce and Industries Department

Witnesses:

Sl.No	Name	Designation and Address
1	C.S. Raju	Executive Director, Mahatma Gandhi Institute of Rural Energy and Development, Jakkur, Bengaluru
2	P.A. Meghannavar	Director(RI) & E/o Joint Secretary to Government, Rural Development and Panchayat Raj Department

RULES AND REGULATIONS OF THE KARNATAKA STATE BIO-FUEL DEVELOPMENT BOARD (KSBDDB) :

- 1. Title :** These Rules and Regulations shall be called "The Rules and Regulations of the Karnataka State Bio-Fuel Development Board"

2. **Status of the Society (KSBDDB):** The Society shall be a juristic person, shall have perpetual succession and can sue or be sued in its own name through its Managing Director/Member-Secretary.
3. **Scope and Application:** These Rules and Regulations shall extend to all the units and activities of the Society.
4. **Applicability:** These Rules and Regulations shall come into force from the date on which the Society is registered under the Karnataka Societies Registration Act, 1960.
5. **Definitions:** In these Rules the following expressions shall have the meaning as indicated below, unless the context otherwise requires:-
 - a. **“Act”** means the Karnataka Societies Registration Act, 1960.
 - b. **“Bio-fuels”** means: Renewable Bio-fuels viz., Bio-diesel & Bio-ethanol.
 - c. **“Board”** means the Karnataka State Bio-fuel Development Board.
 - d. **“Chairman”** means the person heading the General Body and the person presiding over a meeting in his absence as the case may be.
 - e. **“Competent Authority”** means the State Government.
 - f. **“Executive Committee”** means the Governing Body to which, by these Rules and Regulations, the management of the Board and its affairs are entrusted.
 - g. **“General Body”** means the general body of all the members of the Society.
 - h. **“Governing Body”** means the Executive Committee.
 - i. **“Managing Director”** means the Chief Executive of the Society appointed in terms of these Rules and Regulations.
 - j. **“Member-Secretary”** means the Managing Director of the Karnataka State Bio-fuel Development Board.
 - k. **“Member-Convener”** of the Executive Committee means the Managing Director of the Karnataka State Bio-fuel Development Board.
 - l. **“Society”** means the Karnataka State Bio-fuel Development Board registered under the Karnataka Societies Registration Act, 1960.
 - m. **“State Government”** means the Government of Karnataka
6. **Words:**
 - a. Words imparting singular number also includes plural number and vice-versa
 - b. Words imparting masculine gender also include feminine gender.
7. **Membership:** The Society shall have a General Body consisting of the following members nominated by the Competent Authority in case of non-officials and in ex-officio capacity by virtue of holding an office of appointment:-

Composition of KSBDB:

Sl. No	Designation	Position
1.	Chief Minister	Chairman
2.	Deputy Chairman, State Planning Board	Vice-Chairman
3.	Minister for Rural Development & Panchayat Raj	Member
4.	Minister for Agriculture	Member
5.	Minister for Horticulture	Member
6.	Minister for Industries	Member
7.	Minister for Forest	Member
8.	Minister for Revenue	Member
9.	Minister for Environment	Member
10.	Minister for Energy	Member
11.	Minister for Transport	Member
12.	Chairman, Bio-fuel Task Force	Member
Official Members		
1.	Chief Secretary to Government	Member
2.	Additional Chief Secretary to Government & Development Commissioner	Member
3.	Principal Secretary to Government, Revenue Department	Member
4.	Principal Secretary to Government, Forest, Ecology & Environment Department	Member
5.	Principal Secretary to Government, Finance Department	Member
6.	Principal Secretary to Government, Energy Department	Member
7.	Principal Secretary to Government Planning Department	Member
8.	Principal Secretary to Government Commerce and Industries Department	Member
9.	Principal Secretary / Secretary to Government, Rural Development and Panchayat Raj Department	Member
10.	Principal Secretary / Secretary to Government (Transport), Home and Transport Department	Member
11.	Principal Secretary / Secretary to Government (Agriculture), Agriculture & Horticulture Department	Member
12.	Principal Secretary / Secretary to Government (Horticulture), Agriculture & Horticulture Department	Member
13.	Principal Secretary / Secretary to Government, Cooperation Department	Member
14.	Commissioner, Watershed Development Department, Bengaluru	Member
15.	Commissioner for Excise, Bengaluru	Member
16.	Commissioner for Cane Department and Director of Sugar, Bengaluru	Member
17.	Managing Director, Karnataka State Beverages Corporation Limited, Bengaluru	Member
18.	Vice-Chancellor, University of Agricultural Sciences,	Member

	Bengaluru	
19.	Vice-Chancellor, University of Agricultural Sciences, Dharwad	Member
20.	Vice-Chancellor, University of Agricultural Sciences, Raichur	Member
21.	Vice-Chancellor, University of Agricultural Sciences, Bagalkot	Member
Nominated Members		
1.	Nominees of Automobile Manufacturing Companies	Member
2.	Non-edible Oil seeds Growers-3 nominees	Member
3.	Bio-fuel Manufacturers-2 nominees	Member
4.	Nominees of Petroleum – Companies	Member
5.	Convener , State Level Bankers Committee	Member
6.	Managing Director, KSBDB, Bengaluru	Member-Secretary

8. Cessation of Membership: Membership of a member of the general Body or Executive Committee, as the case may be, in ex-officio capacity by virtue of holding an office of appointment, shall cease when he ceases to hold such office of appointment.

9. General Body:

- a. Constitution:** The Board will be headed by the Chief Minister as Chairman and the Deputy Chairman of the State Planning Board as its Vice-Chairman. The General Body of the Society shall consist of all the members of the Society. An IAS/AIS officer of Senior Scale/Supertimes Scale appointed by the Government as managing Director of the KSBDB will be the Chief Executive of the Society and shall be the Member-Secretary of the General Body.
- b. Annual General Meeting:** The Society shall hold every year meeting of all its members called Annual General Meeting (AGM) as per Sections 11(1) and 11(2) of the Act.
- c. Special General Meeting:** In addition to the Annual General meeting a Special General Meeting may convened at any time on the request of the Chairman of the General Body or request of the not less than 1/3 of the members of the General Body as per Section 11(3) of the Act.
- d. Notice of Meeting:** For every meeting of the General Body, a notice of not less than ten clear days specifying the place, date, time and agenda for the meeting shall be sent to all the members. An adjourned meeting can be called on a date and time fixed by the by the Chairman.
- e. Quorum of the Meeting:** The quorum at all General Body meetings shall be one third of the total strength of the members for the proceedings to be validly conducted. In case the quorum is not met, an adjourning meeting is to be called on a date and time fixed by the Chairman. There shall be no quorum for an adjourned meeting of the General Body. The members present at such adjourned meeting may transact the business for which the meeting was called.

- f. Nomination for the Meeting:** If a person, who is a member of the General Body by virtue of the office held by him, is unable to attend a meeting of the General Body, he may nominate a subordinate officer in writing as substitute to take his place at the meeting. Such a substitute will be entitled to take part in the proceedings of that meeting for which he has been nominated and will also have the right to vote.
- g. Business:** Every meeting of the General Body shall be presided over by the Chairman or in his absence, by the Vice-Chairman or in his absence by one of the other members, elected by the members present from among themselves. Each member including the member presiding at the meeting of the General Body shall have one vote but the presiding member shall also have a casting vote in addition to his vote as member in case of equality of votes. All the members shall be decided by consensus or a majority of votes.
- h. Reports:** The following reports pertaining to the previous financial year shall be placed before the General Body in every Annual General Meeting:-
1. Report of the Executive Committee in the affairs of the Society including the progress made in its programmes in furtherance of its aims and objectives
 2. Audited copy of the assets and liabilities statement.
 3. Report of the Auditor of the Society.
- i. Minutes of the Meeting:** A copy of the Minutes of the each meeting shall be furnished to the member of the General Body, as soon as possible, after the completion of the meeting. The Chairman shall approve the minutes of the meeting. Minutes of every meeting shall be kept by the Member-Secretary and shall be read out at its next meeting and confirmed either with or without amendments, as the case may be.
- j. Resolution:** Every resolution of the General Body shall be passed by consensus or by a majority of members present and voting, for the resolution to be valid. In case of expediency, the member-Secretary of the Society may circulate a resolution for approval and such resolution shall be deemed to have been passed if majority of the members approve it.
- Provided that such resolution shall be valid if and only if the Chairman is also one among the members approving the resolution. The resolution so passed by circulation shall be recorded in the proceedings of the next meeting of the General Body
- k.** Chairman of the General Body may nominate such eminent persons in the field of activities related to the objectives of the Society, as members of the General Body.
- l.** The General Body shall provide overall policy guidance and support to the programmes of the Society.

10. Executive Committee:

- a. **Governing Body:** The Executive Committee shall be the governing body, to which by these Rules and Regulations of the Society, the management of its affairs in entrusted.
- b. **Composition:** The Revised Executive Committee shall consist of the following members:-

Sl.No.	Designation	Position
1	Sri. Y.B. Ramakrishna, Hon'ble Chairman, Bio-fuel Task Force	Member
2	Additional Chief Secretary to Government and Development Commissioner	Member
3	Principal Secretary / Secretary to Government, Rural Development and Panchayat Raj Department	Member
4	Secretary to Government (Panchayat Raj), Rural Development and Panchayat Raj Department	Member
5	Principal Secretary / Secretary to Government, Commerce & Industries Department	Member
6	Principal Secretary / Secretary to Government, revenue Department	Member
7	Principal Secretary / Secretary to Government, Forest, Ecology and Environment Department	Member
8	Principal Secretary / Secretary to Government (Agriculture), Agriculture and Horticulture Department	Member
9	Principal Secretary / Secretary to Government (Horticulture), Agriculture and Horticulture Department	Member
10	Principal Secretary / Secretary to Government (Transport), Home and transport Department	Member
11	Principal Secretary / Secretary to Government, Co-operation Department.	Member
Non-official Members		
1	Prof. Balakrishne Gowda, Agriculture University, Bengaluru	Member
2	Sri. Udupi Sreenivasa, Indian Institute of Science, Bengaluru	Member
3	Sri. Rajashekar J.T.	Member
4	Dr. G.N.S. Reddy, BIAF, Tiptur	Member
5	Prof. S.J. Patil, Agriculture University, Bengaluru	Member
6	Sri. Attihalli Devaraj, Agriculture University, Bengaluru	Member
7	Sri. Kishan, (Malavalli Power)	Member
8	Managing Director, Karnataka State Bio-fuel Development Board, bengaluru	Member

- c. **Meetings:** The Executive Committee will meet once a month in the early days and later on, at least once in two months.
- d. **Notice of Meeting:** For every meeting of the Executive Committee, a notice of not less than five clear days specifying the place, date, time and agenda for the meeting shall be given to all members. An adjourned meeting can be called on a date and time fixed by the Chairperson of the Executive Committee. But, in case of emergency, the Chairperson may reduce the above period of notice to such number of days as he deems fit.
- e. **Quorum of the Meetings:** The Quorum at all meetings of the Executive Committee shall be not less than one third of the total strength of the members of the Executive Committee for the proceedings to be validly conducted. In case the Quorum is not met, the member-Convener must convene an adjourned meeting. The quorum for an adjourned meeting of the Executive Committee shall be there. The members present at such adjourned meeting may transact the business for which meeting was called.
- f. **Nomination for the Meeting:** If a person, who is a member of the Executive Committee by virtue of the office held by him, is unable to attend a meeting of the Executive Committee, he may nominate in writing a subordinate officer as substitute to take his place at the meeting. Such a substitute will be entitled to take part in the proceedings of that meeting for which he has been nominated and will also have the right to vote.
- g. **Business:** Every meeting of the Executive Committee shall be chaired by its Chairperson or in his absence, by one of the other members, elected by members present from among themselves. Each member, including, the member presiding at the meeting of the Executive Committee shall have one vote. But, the presiding member shall also have a casting vote in addition to his vote as a member, in case of equality of votes. All matters shall be decided by consensus or a majority votes.
- h. **Minutes of the Meeting:** A copy of the Minutes of the each meeting shall be furnished to the member of the Executive Committee, as soon as possible, after the completion of the meeting. The Chairperson or the Member of the Executive Committee who chairs the meeting, as the case may be, shall approve the minutes of the meeting. Minutes of every meeting shall be properly kept by the Member-Convener and shall be read out at its next meeting and confirmed either with or without amendments, as the case may be.
- i. **Resolution:** Every resolution of the Executive Committee shall be passed by consensus or a majority of members present and voting, for the resolution to be valid. In case of expediency, the Member-Convener of the Executive Committee may circulate a resolution for approval and such resolution shall be deemed to have been passed if majority of the members of the Executive Committee approve it.

Provided that such resolution shall be valid if and only if the Chairperson of the Executive Committee is also one among the members approving the resolution. The

resolution so passed by circulation shall be recorded in the proceedings of the next meeting of the Executive Committee with permission of the Chairperson.

- j. **Co-opted Members:** The Executive Committee shall have right to co-opt as members, eminent persons in the field of activities related to the objectives of the Society. The Executive Committee may co-opt a maximum of five members. The co-opted members shall have a right to participate in the meetings of the Executive Committee, but shall not have voting rights and they shall not constitute the quorum.

11. Functions and Powers of the Executive Committee: Subject to provision of the Memorandum of Association and the Rules and Management of the business and affairs of the Society and shall have all advisory, executive and financial powers to conduct the affairs of the society through its Member Secretary. All the duties, powers, functions and rights whatsoever, consequential and incidental to the carrying of the objectives of the Society, shall only be exercised or performed by the Executive committee. In particular and without prejudice to the generality of the foregoing provisions, the Executive Committee may;

- a. Make, amend or repeal any bye-laws relating to administration and management of the affairs of the society and lay down Business Rules and Service Rules to regulate the transaction of business and working conditions of employees of the Society;
- b. Consider and approve the Annual Budget and the Annual Action Plan placed before it by the Managing Director from time to time and pass it with such modifications as the Executive Committee may deem fit:-
- c. Accept grants, donations and endowment or give grants, upon such terms and conditions as it may think fit, subject to the overall control of the State Government;
- d. Delegate its powers, other than those of making by-laws to the Managing Director, KSBDB;
- e. Appoint committees, sub-committees, Expert panels, Task Force, Working or Study Groups etc., for such purpose and on such terms as it may deem fit;
- f. Create posts of various cadres required for the running of the society and also for the implementation of various projects by the Society with prior approval of the State Government. It shall have powers to make appointments to the posts so created;
- g. It may have full powers to procure services of Consulting Agencies, Advisors and individual Consultants required for the implementation of various projects;
- h. Appoint all categories of staff required for the society and to fix their remuneration and to define their duties and responsibilities;
- i. Formulate draft policy consistent with the principles and objectives enunciated in the Memorandum of Association of the Society for the consideration of General Body;
- j. Prepare perspective and District Level Action Plan in consonance with the objectives of the Societies;
- k. Organize conduct of the society base-line studies in different parts (Districts, Sub-Districts or a group of Districts) to determine the status of bio-fuel production, propagation, management, processing and marketing of bio-fuel.
- l. Organize conduct of studies to support supervision, monitoring and evaluation of the programmes;

- m. To provide co-ordination among different agencies concerned with different aspects of bio-fuel development, namely production, propagation, creation of essential infrastructure;
- n. Encourage participation of private entrepreneurs to set up processing centers in the state and to facilitate contract farming among interested farmers to enable the industry to function.
- o. Take up enumeration/listing of waste land under Forest Department/Revenue Department; publish it at District /Taluk /Hobli levels, to access the extent of land available for biofuel plant growth.
- p. Monitor the physical progress of the programmes undertaken;
- q. Monitor the financial position of the Society in order to ensure smooth income flow and to review the Annual Audited Accounts;
- r. Authorize acquisitions by gift, purchase, lease or otherwise, any property, movable or immovable and to construct, alter and maintain any building or buildings for purposes of the society as deemed appropriate by it;
- s. Authorize investment of funds of the society in such securities and/or to sell or transfer such investments in such manner as the Executive Committee may consider necessary for the safety and benefit of the Society and to convert or change such investments, as required by the Executive Committee subject to the laws applicable;
- t. Do generally such acts and things as may be necessary or incidental to carry out the objectives of the Society or any of them. Provided that concurrence of the State Government shall be obtained for any action under clause 10(q) and 10(r) if the transaction involves any asset, acquisition, investment etc., primarily derived from Government of Karnataka's funds.

12. STRATEGY FOR IMPLEMENTATION:

- a. The nodal department shall be the Rural Development and Panchayat Raj Department, as it deals with the renewable energy.
- b. The State Task Force on Bio-fuel, established on 12.09.2008 will remain as an independent body and continue to advise the Government and the Karnataka State Bio-fuel Development Board on policy and programmes related to bio-fuels, from time to time.
- c. Revenue & Forest Departments to identify and declare the uncultivable waste land in the State both government lands and private lands. This list is to be prepared grama panchayat-wise, taluk-wise and district-wise, vetted by the Agriculture Department.
- d. Entrepreneurs to be invited to the State through media, who would like to set up industrial units in the State for processing and manufacturing bio-fuel within the State. Sufficient incentives will be given to these entrepreneurs, in addition to the concessions already available in the industrial policy of the State.
- e. Based on the land availability and the industrial location, contract farming to be encouraged and facilitated tying up with industry and the farmers or with the Government department (if it is government land), which are being used to cultivate non-edible oil seed plants.
- f. Growers will be organized on contract farming basis, as in the case of wine production, Gherkins etc., Community mobilization, trading and capacity building activities will be undertaken simultaneously.
- g. Raising of nursery and seedling of the seed bearing plants will be taken up by Agriculture and Forest Departments or private Entrepreneur as the case may be.
- h. Collection and processing points will be set up at Hobli level in the concerned areas for collection of the seeds, quality check, dissemination of technical know-how and payment to the farmers.

- i. Convergence of various segments at local, national, international collaboration and harnessing its potential will be explored and convergence of the various State and Central Governments schemes like NREGA, Watershed Development Department, National Afforestation Programme etc., would be synergized into the programme.
- j. In case it is found necessary, amendment of land Revenue Act would be taken up as has been done in the State of Rajasthan (namely, allotment of waste land for bio-fuel based industry and processing unit). Land can be allotted to the industry on lease basis. The allotment of Government land on lease will be processed by inviting tenders from entrepreneurs.
- k. The Bio- fuel park set up in Hassan will be strengthened and if found necessary more such parks, one per Division, will be established, where the agriculture/Horticulture Universities would be involved in maintaining different plant species and various models of transesterification/ processing units. These units could be utilized for a fee by the small and marginal/ small scale industries in case they set up such processing units at the taluk level
- l. Agricultural Insurance Company will be advised to extend suitable insurance coverage for non-edible oil seeds plantation.
- m. The State Budget under Rural Development and Panchayat Raj shall have a separate allocation for KSBDB programme encompassing all activities of the Board viz, administration, management and maintenance, incentives, research and development programmes, quality control programmes etc.
- n. Incentives and tax concessions for feed stock, machinery, products, raw materials etc., would be proposed separately by the State Government, also to be in tune with the central Government policy. To ensure remunerative prices to the farmer for the seeds and as incentives to the industry for setting up of processing units, incentives in the price of the oil also would be considered. To promote use by the transport companies, adequate incentives will be provided.

13. Member Secretary:

The Managing Director of KSBDB shall be an officer in the senior Scale/Supertimes Scale of IAS or any other All India Services He shall be the Member-Secretary of the General Body of the Society and its Chief Executive. He shall also be the Member-convener of the Karnataka State Bio-fuel Development Board.

14. Power and Functions of the Managing Director, KSBDB: The Managing Director Shall:

- a. Take appropriate action as may be necessary for execution of the policies laid down by the General Body and the Executive Committee and to implement the decisions thereon.
- b. Be responsible for management and control of day-to-day affairs and administration of the Society as the controlling authority of all employees of the Society;
- c. Sign all documents and proceedings requiring authentication by the Society;
- d. Represent the Society in business and legal transactions;
- e. Receive on behalf of the Society and disburse funds of the Society and sign all necessary documents including bank cheques and other negotiable instruments on behalf of the society, as authorized by the Executive Committee and be responsible for the management and control of finances and accounts of the Society;
- f. Convene, in consultation with the respective Chairpersons, meetings of the General Body and the executive committee at stipulated intervals or otherwise, prepare minutes of the meetings and issue them after approval by the Chairpersons or the Members who preside over the meetings;

- g. Exercise administrative and financial powers as are vested with the Head of Department of the State Government, as per orders bye-laws regarding financial and administrative powers of the Managing Director and other officers are framed and/or adopted by the Executive Committee in consultation with the State Government.
- h. Maintain records of membership, properties and assets as well as accounts of income and expenditure and submit prescribed returns to the Registrar within the time limits stipulated under the Act and Rules made there under;
- i. Perform such functions and exercise such powers of the executive committee as may be delegated to him by it;
- j. Perform any of the functions of the Executive Committee during the interval between its meetings where it is expedient to do so and place a report in respect thereof, before the Executive Committee for its consideration/ ratification.
- k. The Managing Director may engage experts in fields of planning, production, business and accounting in the field of bio-fuel. There will be two or three such experts who are technically competent and provide necessary advise to the Managing Director for efficient functioning. They will be on consolidated remuneration who can be changed from time to time depending upon the needs.

15. Service Rules of Employees of the Society:

- a. The Society may frame and adopt rules regarding service matters of its employees, with the approval of the Executive Committee and concurrence of the State Government.
- b. Scale of pay in respect of the posts to be created by the Executive Committee shall correspond to the scales of pay of the employees of the State Government.
- c. Wherever the Society has not framed and adopted rules regarding service matters of its employees the society shall follow the civil Service Rules of the State Government.
- d. Terms and conditions of appointments of the consultants and other functionaries, who are not regular employees of the society, shall be as mutually agreed to.
- e. Mode of Recruitment in respect of the posts to be created for the Board shall be on deputation or on short-term contract or through outsourcing. For work related specific assignments, persons would be deployed on fixed remuneration with provisions for revision, if considered necessary.

16. Fund: The Society shall maintain a Fund called “KSBDB Fund” to which it shall credit all sums of money that may be provided by the State as well as Central Governments and Financial assistance from any other source. All sums of money credited to the KSBDB Fund shall subject to the byelaws made in this behalf, be deposited with any nationalized bank as approved by the Executive Committee.

17. Property and Assets: All the income, earnings, moveable, and immovable properties of the Society shall be solely utilized and applied towards the promotion to its aims and objectives only, as set forth in the Memorandum of Association, and no profit thereof shall be paid or transferred directly or indirectly by way of dividends, bonus, profits or in any manner whatsoever, to present or past members of the Society. Also, no member of the Society shall have any personal claim on any moveable or immovable properties of the Society or make any profit whatsoever, by virtue of the membership.

Provided that nothing herein contained shall prevent the payment, in good faith, of remuneration to any member thereof or other persons, in return for any services rendered to the Society or for travelling allowances, daily allowance or similar charges.

18. Funds of the Society: - The funds of the Society shall consist of the following;

- a. Grants-in-aid from Central government and State Government in furtherance of the objectives of the Society.
- b. Contributions from other sources.
- c. Income from assets of Society.
- d. Receipts of the Society from other sources.
- e. Grants, donations or assistance of any kind from national and international funding agencies, individuals, associations, corporate bodies and others, with prior approval of State Government.
- f. Other sources mentioned in objectives and functions of the society.

20. Accounts and Audit: The financial year of the Society shall begin on the first day of April and end on thirty first day of March next year.

- a. The Society shall maintain proper accounts and other relevant records as well as documents and prepare annual accounts comprising the receipt and payment accounts, statements of assets and liabilities and the balance sheet.
- b. The accounts of the Society shall be audited by a Chartered Accountant to be appointed by the Executive Committee. The nature of audit to be applied and arrangement to be made in regard to the form of accounts and their maintenance and the presentation of the accounts for audit shall be prescribed by the bye-laws to be framed by the Executive Committee. The auditor shall also submit a report showing the exact state of financial affairs of the Society. The copies of the balance sheet and the auditor's report shall be certified by the auditor.

21. Annual Reports: An Annual report of the affairs of the Society and all work under taken during the year shall be prepared by the Managing Director. This report and duly audited assets and liability statement, income and expenditure account and auditor's report shall be placed for approval before the Executive Committee. These as approved by the Executive Committee, shall be placed before the Annual General Meeting of the General Body before 30th September of every year. These, as approved by the general Body, shall be forwarded to the Government and shall be filed with the Registrar, within the time limit certified in Section 13 of the Act, along with a list of names, addresses and occupations of the Members of the Executive Committee certified by the Managing Director.

22. Amendment: As and when there is any change in nomenclature of Ministries, Departments or Institution(s) and Designation(s) mentioned in these Rules and Regulations, such changes shall automatically stand incorporated in these Rules and Regulations.

23. Suits and Proceedings:

- a. The Society may sue or be sued in the name of the Society through its Managing Director
- b. Any person including a member of the Society who damages, injures or destroys any property of the Society or otherwise acts in a manner resulting in pecuniary loss to the Society, can be sued by the Society. The fact that such person may be a member of the Society shall not, in any manner, prevent the Society from proceeding against him in a court of law.

24. Indemnity: The members of the General Body, the Executive Committee, The Managing Director, Auditors, officers of the Society and any holding trustee for the time being acting in relation to any of the affairs of the Society and their heirs, executors, and administrators respectively, shall be indemnified out of the assets of the Society from or against any suits, proceedings, costs, charges, losses, damages and expense which they or any of them incur or sustain by reason of any act done or omitted to be done in or about the execution of their duty in their respective offices or trusts except such, if any, as they shall incur or sustain by or through their own willful neglect or default respectively.

25. Validation of Acts: No action taken by the Society shall be rendered invalid or void only due to the reasons that:

- a. There existed one or more vacancies in the General Body or the Executive Committee on the day on which the resolution was passed; or
- b. There was a defect in the appointment of any of its members; or
- c. The resolution in pursuance of which the said act was done has subsequently been modified or revoked.

26. Common Seal: The Society shall have a common seal and logo of such make and design as the Executive Committee may approve.

27. Powers of the State Government: The State Government may issue directions to the Society on any matter that it deems fit and as may be necessary. Any such direction from the State Government shall be binding on the Society.

(G.S. NARAYANASWAMY)

Secretary to Government,
Rural Development & Panchayat Raj Department