

**RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND  
INVESTMENT CORPORATION LIMITED**

**Minutes of** : 1/2017 - Board Meeting  
**Venue** : Udyog Bhawan, Jaipur.  
**Date** : 30<sup>th</sup> March 2017  
**Commencement/Completion  
time of meeting** : 11.30 A.M. / 1.00 P.M.

**Present :**

Shri Umesh Kumar	Chairman
Shri Alok	Principal Secretary Revenue
Ms. Mugdha Sinha	MD, RIICO
Dr. Tina Kumar	Commissioner (Inv. & NRI)
Shri Anoop Khinchi	MD RFC
Shri Raman Kumar Sharma	Independent Director
Shri Anil Bafna	Independent Director

All the above directors were present throughout the meeting.

Shri D.K. Sharma, Secretary was in attendance. Shri Sanjay Solanki, Financial Advisor/CFO; Shri Gaurav Bajad, Advisor (A&M); Shri Anil Sharma, CGM (BP); Shri Lokesh Vijay, AGM (BP) and; Shri R.K. Limba, AGM (F&A) were also present.

**Quorum:** The Chairman was present. As the quorum was present, the meeting was called to order. Quorum was present throughout the meeting.

**Item 1: To note minutes of the last meeting of the Board held on 21<sup>st</sup> December 2016.**

The minutes of the meeting of Board held on 21<sup>th</sup> December 2016 were noted.

**Item 2: Action Taken Report on the decisions of the previous meeting of the Board held on 21<sup>st</sup> December 2016.**

The Board noted the position brought out in the agenda note. Following observations/directions were made by the Board:

1. **IT Enablement Project:** A brief presentation was made on the progress so far achieved on ERP (Sr.No. 1 to 3). It was directed to

seek feedback from the users so that the system may be improved at the stage of development itself.

2. **Establishment of New Industrial Area through participation of private sector:** The Board noted that under the Rule 11-A (iv-a) of the Rajasthan Land Revenue (Industrial Areas Allotment) Rules, 1959, the sub-lessee of RIICO is allowed to further sub-lease the sub-leased land or part thereof on such terms and conditions as may be mutually agreed between such sub-lessee and subsequent sub-lessee. Hence, further action be taken in the matter.
3. **Issue of JECC** (ref. S.No. 5): As the issue was under discussion, an agenda could not be placed.
4. **Procurement Document for Engaging Consulting Firm**(ref S.No. 7): The Board directed that procurement document be prepared by June 2017.
5. **Issue of New Share Certificates:** Certificates be issued within one month.

**Item 3: To note minutes of the last meeting of the State Level Settlement Committee held on 21<sup>st</sup> December 2016.**

The minutes of the meeting of the State Level Settlement Committee held on 21<sup>st</sup> December 2016 were noted.

**Item 4: To note minutes of the last meeting of the Audit Committee of the Board held on 21<sup>st</sup> December 2016.**

The minutes of the meeting of Audit Committee of the Board held on 21<sup>st</sup> December 2016 were noted.

**Item 5: Appointment of MD of the Corporation.**

In pursuance to provisions of article 94 of the Articles of the Association of the Company and subject to approval of shareholders in General Meeting, the Board accorded approval for the appointment of Ms. Mugdha Sinha (DIN-03527870), as Managing Director on the Board of Directors of the Corporation vice Shri Umesh Kumar, with effect from the date of taking over charge, i.e., 10<sup>th</sup> January, 2017. Shri Umesh Kumar shall, however, continue as Director & Chairman on the Board.

The Board further accorded its ex-post-facto approval for nomination of Ms. Mugdha Sinha, on the Board of the following associate companies/society:

- |   |          |
|---|----------|
| 1. Centre for Development of Stones             | Chairman |
| 2. Rajasthan Electronics & Instruments Ltd.     | Chairman |
| 3. Rajasthan Asset Management Company Pvt. Ltd. | Director |
| 4. Rajasthan Trustee Company Pvt. Ltd.          | Director |

**Item 6: Disclosure of interest by the Directors.**

The Board noted interest disclosure made, pursuant to Section 184(1) of the Companies Act, 2013 read with the relevant rule 9(1), by the following Directors, disclosing their interest in other Companies/ Bodies Corporate /Firms/Societies:

- |                      |  |
|----------------------|--|
| 1 Shri Anoop Khinchi | Notice dated 23 <sup>rd</sup> December 2016. |
| 2. Dr.Tina Kumar     | Notice dated 30 <sup>th</sup> January 2017.  |
| 3. Ms. Mugdha Sinha  | Notice dated 10 <sup>th</sup> February 2017. |

**Item 7: Certificate of Legal Compliance for quarter ended on 31<sup>st</sup> December 2016 .**

The Board took on record the Certificate of Legal Compliance, for quarter ended on 31<sup>st</sup> December 2016.

**Item 8: Financial Statement for Nine Months ending on 31<sup>th</sup> December, 2016.**

The Board noted that Audit Committee has reviewed nine months financial statement in its meeting held on 28<sup>th</sup> March 2017. After discussions, the Board took on record un-audited financial statement for the nine months ended on 31<sup>th</sup> December 2016.

**Item 9: Budget Estimates for Financial Year 2017-18 and Revised Estimates for Financial Year 2016-17.**

The Board discussed the agenda and accorded approval to the Revised Budget Estimates for the year 2016-17 and Budget Estimates for the year 2017-18. As regards, installation of LED lights in the industrial areas, the Board suggested that LSG model may also be studied and final call be taken by the Managing Director.

**Item 10: Proposal for payment of Bonus/ex-gratia.**

The Board discussed the agenda and accorded approval for releasing the payment of bonus @ 8.33% amounting to the maximum limit of Rs. 7000/- per annum as per provision of Bonus Act and Ex-gratia/Monetary Incentive of Rs. 1400/- per annum to the employees whose salary is not exceeding of Rs. 21000/- per month and to release maximum of Rs. 8400/- per annum on account of Ex-gratia/Monetary Incentive to those employees who are not covered under the Bonus Act for the financial year 2015-16 and also permission to adjust the amount given as advance against the payment of Bonus/Ex-gratia/Monetary Incentive to the existing employees.

**Item 11: Appointment of Tax Auditors under section 44 AB of the Income Tax Act for Financial Year 2016-17.**

The Board discussed the agenda and accorded approval for:

- i. Appointment of M/s Jain Shah & Company as Tax Auditors for Financial Year 2016-17, at a fee of Rs. 90,000/- plus service tax for tax audit; and
- ii. Payment of fee of Rs.5000/- plus service Tax for every audit report/certificate required to be obtained for Income Tax Exemption under section 80 IA of the Income Tax Act, 1961 in respect of notified industrial areas subject to maximum of statutory audit fee of Rs. 4.50 lac and additional fee of Rs.1,000/- plus service tax per certificate/report for online uploading of Tax Audit Report and 80 IA certificates for the profit making industrial areas.

**Item 12: Approval for providing residential accommodation on hire basis for Managing Director, RIICO.**

The Board discussed the agenda and accorded approval to hire residential accommodation for the Managing Director, with effect from 01.04.2017, and to consider the limit of Rs.35,000/ per month.

**Item 13: Ex-post-facto approval of expenditure incurred on account of foreign visit of delegation led by Hon'ble CM, GoR.**

The Board discussed the agenda and accorded ex-post-facto approval of expenditure amounting to Rs.1,01,58,229/- only, incurred by RIICO, on account of foreign visit of the delegation led by Hon'ble CM.

**Item 14: Approvals for organizing of VASTRA- An International Textile & Apparel Fair 2017 (VASTRA -2017) with FICCI as co-organizer from 21st to 24th September, 2017 at Jaipur, RIICO's contribution towards expenditure on organizing of VASTRA-2017 and other related issue.**

The Board discussed the agenda and accorded approval for the following:

- a) Organizing of the fair VASTRA- An International Textile & Apparel Fair 2017 (VASTRA-2017) by RIICO with FICCI as co-organizer from 21<sup>st</sup> to 24<sup>th</sup> September, 2017 at Jaipur, with combination of first three days exclusively for B2B and the last day for B2C where retail sales will also be allowed.
- b) For RIICO's contribution towards expenditure on organizing of VASTRA-2017 a sum of maximum Rs. 248.00 lakhs, however, subject to the extent of shortfall in the total revenue of VASTRA-2017 over the total expenditure of VASTRA-2017, with further condition that in case MAI grant is sanctioned for VASTRA-2017 by the Ministry of Commerce & Industry, Govt. of India, RIICO's above maximum contribution will get reduced to the extent of MAI grant sanctioned to VASTRA-2017.
- c) Out of RIICO's above contribution of maximum Rs. 248.00 Lakhs towards expenditure on organizing of VASTRA-2017:
  - i. Rs. 228.00 Lakhs will be RIICO's maximum firm contribution towards expenditure on organizing of VASTRA-2017 and this amount will be accordingly mentioned in the Memorandum of Understanding (MoU) to be executed between RIICO & FICCI for organizing VASTRA-2017, and
  - ii. Rs.20.00 lakhs will be RIICO's additional maximum contribution towards expenditure on organizing of VASTRA-2017 as a contingency provision, and that the Managing Director of the Corporation will decide all matters & issues in respect of providing RIICO's above additional contribution towards expenditure on organizing of VASTRA-2017.

- d) For sharing surplus in VASTRA-2017, if any, between RIICO & FICCI in the ratio of 2 :1.
- e) Authorizing Managing Director of the Corporation to:–
- i. Finalize all the terms and conditions of the MoU to be executed between RIICO and FICCI for organizing VASTRA – 2017 keeping in view both the non financial as well as financial nature (e.g. relating to interest free advance which would be required to be extended to FICCI for meeting expenses, etc.), which are required to be incorporated in the MoU.
  - ii. Execute the above MoU between RIICO and FICCI for organizing VASTRA-2017 on behalf of RIICO.
  - iii. Change / modify format of VASTRA-2017 of first three days B2B and last one day B2C if necessity so felt in future, and decide all incidental as well as all other matters / issues of any nature in relation to organising VASTRA-2017, the contribution of RIICO towards expenditure on organising of VASTRA-2017 to the maximum extent of Rs. 248.00 Lakhs as above, the MoU to be executed between RIICO & FICCI for VASTRA – 2017, etc.

The Board noted that vastra has established as a major event. It advised that the event needs to be improved further to the objective of making it India's premium event.

**The Board noted that following agenda item was circulated at a notice period of less than seven days, therefore, the Directors present in the meeting unanimously agreed to waive the minimum notice period, take up this item for consideration and approved unanimously:**

**Item 15: Authorisation for migration under Goods and Service Tax (GST).**

The Board discussed the agenda and accorded approval to appoint Financial Advisor of the Corporation as authorized signatory for enrolment of the Company on GST portal, to make application, communication, representation, modification etc., on behalf of the Company before Central GST and/or the State GST authorities as and when required and to take all required action in connection thereto.

The Board adopted the following Resolutions:

**RESOLUTIONS:**

"RESOLVED that Board do hereby appoint Financial Advisor of the Company as Authorised Signatory for enrolment of the Company on the

Goods and Service Tax (GST) System Portal and to sign and submit various document electronically and/or physically and to make applications, communications, representations, modifications or alterations on behalf of the Company before the Central GST and/or the concerned State GST authorizes as and when required.

FURTHER RESOLVED that Financial Advisor of the Company be and is hereby authorized to represent the Company and to take necessary actions on all goods and service tax related issues including but not limited to presenting documents/records etc., on behalf of the Company liaising/representing for registration of the Company and also to make any alterations, additions, corrections, to the documents, papers, forms, etc. filed with service tax authorities as and when required.

FURTHER RESOLVED that Financial Advisor of the Company be and is hereby authorized on behalf of the company to sign the returns, documents, letters, correspondences etc. and to represent on behalf of the company, for assessments, appeals or otherwise before the goods and service tax authorities as and when required."

### **GENERAL OBSERVATION**

1. While reviewing the financial statement, the Board directed that the relevant rules regarding sale of land, collection of cost of land, installment facility, saturation level etc. may be reviewed to accelerate sale. The policies adopted by other SIDCs may also be referred to.
2. Policy for allotment of undeveloped land be put up before the Board for consideration.
3. A paper be placed before the Board on future of financing activity of the Corporation.

The meeting concluded with a vote of thanks to the Chair.

**CHAIRMAN**