CIN-U13100RJ1969SGC001263 No. A.3(2)2/283/19 Dated 16<sup>th</sup> December 2019

All the directors.

Dear Sir/Madam,

Minutes of 4/2019 meeting of the Board of Directors of the Corporation held on 22<sup>nd</sup> November 2019 at 3.15 P.M are sent herewith for your kind perusal and record please.

Thanking you,

Yours faithfully,

(D.K. Sharma) Secretary Mob.9414049421

Encl: As Above.

Copy to: 1. Financial Advisor.

2. DGM(Computer) for hosting the minutes on website.

SECRETARY

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### RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

Minutes of
Venue
Day & Date
Commencement/Completion
time of meeting

: 4/2019 - Board Meeting :Udyog Bhawan, Jaipur :Friday, the 22<sup>nd</sup> November 2019 : 3.15 P.M. / 4.45 P.M.

#### Present:

Shri Kuldeep Ranka Dr. Subodh Agarwal Shri Sanjay Malhotra Shri Ashutosh A.T. Pednekar Shri Muktanand Agrawal Chairman RIICO ACS, Industries Principal Secretary Revenue Managing Director, RIICO Commissioner Industries

Shri D.K. Sharma, Secretary was in attendance. Shri Ashok Pathak, Financial Advisor; Shri Rajendra Kumar Sharma, Advisor (A&M); Shri Pukhraj Sen, Advisor (Infra.), Shri R.K. Limba, GM (Finance), Shri Dinesh Pahadia, AGM (CP/SP), CA Shri Ajay Shah, Shri Sanjay Kumar Pandya and Shri Akshay Shah representatives of M/s. Jain Shah & Company, Statutory Auditors; and Shri Sandeep Jain, Secretarial Auditor 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.

Leave of absence: The Board granted leave of absence to Shri Sudershan Sethi, Shri Niranjan Kumar Arya and Smt. Urmila Rajoria.

Agenda notes were circulated at a period of less than seven days, therefore, the members present in waive the minimum notice period and took up all the items for consideration.

Item 1: To note the minutes of the last meeting of the Board held on 24th July 2019.

The minutes of the meeting of Board held on 24<sup>th</sup> July 2019 were noted.

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### Item 2: Action Taken Report on the decisions of the previous meetings of the Board held on 27<sup>th</sup> June 2019 and 24<sup>th</sup> July 2019.

The Board noted the position brought out in the agenda note and made following observations:

- 1. Policy for allotment of undeveloped land: The Board was of the view that to be competitive in the market, the Corporation should rationalize the cost for development of an industrial area and should not merely be dependent on allotment of government land at 25% of the premium amount. It was also suggested that follow up be done with the respective departments so as to facilitate an early decision in the matter. Till the time a decision is taken in the matter at the level of State Government, the policy for allotment of undeveloped land at 100% premium for the Government land be continued.
- 2. Policy decision for allotment of developed land in lieu of cash compensation Additional options to the khatedars/interested opined that developing a residential zone in an industrial area has its own limitations, therefore, allowing the option for allotment of 25% developed residential land may be revisited. As the matter is under consideration of IDC, this issue be dropped from ATR of the Board.
- 3. Regularization of unauthorized construction in plot no. SP-7 (A) Industrial area Sitapura Jaipur allotted to Essel Vision Production Ltd: To update the ATR on this issue, the Board was informed that the Industries Department, GoR, vide their letter dated 12.9.2019 has already informed the Corporation to take necessary action according to the prevalent rules/regulations. It was accordingly directed by the Board that the issue be got examined in Legal Cell and action be taken at the earliest.
- 4. CDOS to create four posts in the Corporation: Requisite action to be taken by HRD Cell.
- 5. Status note on Non-Performing Assets (NPA) in Realty Sectors: The Board directed that the reasons for high rate of default in payment of term loan sanctioned by the Corporation to the realty sector as well as top 10 defaulters be analyzed to





ascertain whether it was on account of systemic failure, economic, market and regulatory changes, or any individual was responsible for the same etc., and put up the same before the Board.

- 6. Appointment of Project Management Consultant (PMC) for proving Project Management Unit (PMU) for up-gradation of existing CETP at Bhiwadi and to assist RIICO/GoR in The Board noted the pollution relation compliances: Compliance and advised that a professional agency having good experience in the field be hired for providing requisite consultancy.
- 7. Appointment of Consultant to assist in development of Integrated Industrial Zone (IIZ) in the vicinity of Refinerycum- Petrochemical Complex, Pachpadra, Barmer: informed to the Board that a team of Officers of RIICO has visited various refinery sites and held discussions with concerned stakeholders there. Based on those visits and inputs, the Corporation is working on a plan. In view of the fact that IIZ is a prestigious project for the Corporation, the Board fixed the time line of 31.12.2019 for first draft report on IIZ. The Board further directed that a separate agenda item detailing the status and the progress achieved be placed before the Board in its every meeting, till the development of IIZ.

#### Item3: To note three Resolutions passed by circulation

- Extension of time for holding 50th Annual General Meeting of the Company
- ii) Registration of RIICO under TReDS platform.
- iii) Re-constitution of Audit & CSR Committee.

The Board noted and adopted the following Resolutions which have been passed earlier by circulation:

### RESOLUTION- 1/2019 (passed on 20th September 2019):

Extension of time for holding 50th Annual General Meeting of the Company:

"RESOLVED that approval be and is hereby accorded for seeking extension of time, from the Office of Registrar of Companies, for holding 50th Annual General Meeting of the Company up to 31st



December 2019 and placing the annual accounts for the financial year 2018-19 thereat."

RESOLUTION- 2/2019 (passed on 17<sup>th</sup> October 2019): Registration of the Corporation as a participant with Mynd Solutions Pvt. Ltd. operated Trade Receivable Discounting System (TReDS) Platform.

"RESOLVED THAT pursuant to applicable provisions, if any, of the Companies Act 2013 and other laws read with relevant Articles, if any, of the Articles of Association of the Company, the approval of the Board of Directors of the Company ("Board") be and is hereby accorded to register the Company as participant ("Registration") with Mynd Solutions Private Limited ("M1-Exchange") to carry out the business of e-discounting/ electronic factoring on its electronic platform, Mynd Online National Exchange (hereinafter referred to as "the M1") on such terms and conditions as stated in the draft agreements/registration documents and/or as mutually agreed from time to time.

RESOLVED FURTHER THAT the Managing Director of RIICO be and is herby authorized to approve the draft agreement, application form, terms and conditions, procedural guidelines, privacy policy and other related documents, writings and undertakings as may be required to be executed by the Company in connection with the aforesaid Registration.

**RESOLVED** FURTHER THAT any of the following Director/Authorized Person(s):

- 1. Shri Ashutosh A.T. Pednekar, Managing Director.
- 2 Shri Ashok Pathak, Financial Advisor.
- 3. Shri D.K. Sharma, Secretary.

be and are authorized to approve/revise/evolve/execute on behalf of the Company all such agreements, application forms, procedural guidelines and other related documents as may be required for the aforesaid purposes and to agree and execute any amendments or modifications to any such agreements, deeds, documents, undertakings and execute on behalf of the Company such other deeds and writings as may be required by M1-

Exchange in connection with availing the said services from M1-Exchange.

RESOLVED FURTHER THAT pursuant to Registration, the above mentioned Directors/Authorized Person(s) be and are hereby severally authorized/permitted to login to the registered account of the Company with M1 on behalf of the Company and do all such acts, deeds and things incidental and ancillary for availing the Services from M1 Exchange ("Administrator(s)"), including but not limited to create/ nominate/ authorize/appoint one or more employees of the Company ("Authorized User(s)") on M1 and also define them respective roles and responsibilities of Admin, User, Maker, Checker and other role/responsibility w.r.t digitally signing any document on M1 Platform on behalf of the Company, to upload invoices/factoring documents, create factoring unit, transact, accept bid on behalf of the Company, put the bidding window to the bid, give rate at which the bid would be auto accepted, give ceiling of the interest rate, withdraw the instrument from the bidding platform, direct bank account debit mandate for repayment and / or otherwise do all such acts, deeds and do such other things incidental and ancillary for carrying out the business of discounting and re-discounting on behalf of the Company on the M1.

RESOLVED FURTHER THAT the M1-Exchange is hereby entitled to honor and act as per the instructions (oral or written or electronically or through User Login on M1), given by any of the above abovementioned Authorized Person(s)/Administrator(s) Authorized User(s) and all acts and deeds done by the above abovementioned Authorized Person(s)/ Administrator(s) Authorized User(s) shall be deemed to be done by the Company.

Advisor and/or Mr. Suneet Mathur, Chief General Manager, be and are authorized to execute irrevocable debit mandate in favor of "Mynd Solutions Pvt. Ltd." in order to permit the M1-Exchange to act through the NACH mechanism of NPCI to debit the Company's Bank account at the due date of payment of the Factoring Units to the Financier (discounting the Factoring Unit) as well as to debit any other amounts which become due and payable by the Company.

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**RESOLVED FURTHER THAT** the Common Seal of the Company be affixed, wherever necessary, in the presence of the Company Secretary, who shall sign the same in token of his presence.

**RESOLVED FURTHER THAT** the certified true copy of the said Resolutions be provided to the M1-Exchange and/or other authority/authorities duly signed by the Company Secretary of the Company.

#### RESOLUTION- 3/2019 (passed on 19<sup>th</sup> November 2019):

Re-constitution of Audit Committee and CSR Committee of the Board:

"RESOLVED THAT approval be and hereby accorded for reconstitution of the Audit Committee of the Board, with immediate effect, by induction of MD RFC as its member, for the time being. Commissioner Industries will be the Chairman of the Committee. It is also resolved that once the State Governments appoints two Independent Directors on the Board, the Committee shall further stand re-constituted from the date of appointment of the Independent Directors and would consist of Commissioner Industries (Chairman) and both the Independent Directors".

"RESOLVED FURTHER THAT approval be and hereby accorded for re-constitution of the CSR Committee of the Board, with immediate effect, by induction of MD RFC as its member, for the time being. The constitution of the Committee shall now be, MD RIICO; Commissioner Industries and MD RFC. It is also resolved that once the State Governments appoints Independent Directors on the Board, the CSR Committee shall be reconstituted".

#### <u>Item4</u>: <u>Minutes of the meeting of the Infrastructure Development</u> <u>Committee held on 6<sup>th</sup> August 2019.</u>

The minutes of the meeting of Infrastructure Development Committee held on 6<sup>th</sup> August 2019 were noted.







#### Item5: Minutes of the last meeting of the Corporate Social Responsibility Committee (CSR Committee) held on 13th August 2019.

The minutes of the meeting of CSR Committee held on 13th August 2019 were noted.

### Item6: Minutes of the last meeting of the State Level Settlement Committee held on 24th July 2019.

The minutes of the meeting of State Level Settlement Committee held on 24th July 2019 were noted.

#### Item 7:1. Appointment of Shri Ashutosh A.T. Pednekar, as Managing Director of the Company.

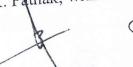
# 2. Appointment/Withdrawal of Directors on the Board of the

The Board noted the position brought out in the agenda note. The Board noted the appointment of Shri Ashutosh A.T. Pednekar as Director and Managing Director of the Company with effect from the date of taking over the charge on 23<sup>rd</sup> September 2019, in place of Shri Gaurav Goyal. Shri Pednekar shall, therefore, be deemed to have been appointed as Director and Managing Director on the Board of the Company with effect from 23<sup>rd</sup> September 2019.

The Board accorded ex-post-facto approval for the appointment of Shri Pednekar on the Boards of the below named companies, in place of Shri Gaurav Goyal:

- 1. Rajasthan Electronics & Instruments Ltd. Chairman & Director
- 2. Mahindra World City (Jaipur) Ltd.
- 3. Rajasthan Asset Management Co. Pvt. Ltd. Director
- Director 4. Rajasthan Trustee Company Pvt. Ltd.

The Board further noted withdrawal of Shri Alok, Ex-Principal Secretary MSME, GoR, as director from the Board of the Company and appointment of Shri Muktanand Agrawal, Commissioner Industries, as director on the Board of the Company, in place of Shri K.K. Pathak, with effect from 25th October 2019.





The Board placed on record its appreciation for the valuable advice and guidance provided by the outgoing directors and hope that induction of new directors on the Board of the company will enrich it further.

#### Item 8: Disclosure of interest by the Directors.

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

- 1. Shri Ashutosh A.T. Pednekar Notice dated 14th October 2019.
- 2. Shri Muktanand Agrawal Notice dated 11<sup>th</sup> November 2019.

## Item9: Certificate of Legal Compliance for quarter ended on 30<sup>th</sup> June and 30<sup>th</sup> September 2019.

The Board took on record the Certificate of Legal Compliance, for the quarters ended on 30<sup>th</sup> June 2019 and 30<sup>th</sup> September 2019.

# Item10: To note the appointment of Statutory Auditors of the Company for financial year 2019-20.

The Board noted the appointment of M/s. Jain Shah & Company, Chartered Accountants, Jaipur, as Statutory Auditors of the Company for auditing the accounts for financial year 2019-20. The Board also noted that the Statutory Auditors shall also be the auditors for auditing Consolidated Financial Statements prepared u/s 139 read with section 129(4) of the Companies Act, 2013.

#### Item 11: Transfer of Shares of the Corporation.

The Board discussed the agenda and accorded approval for the transfer of following equity shares of Rs.10/- each of the Company, in the names of the transferees mentioned in Col. 3, with effect from the date of Government order, i.e. 28<sup>th</sup> August 2019:

Name of Transferee	No. of	Distinc-
3	Share	tive No.
Shri Kuldeep Ranka, Chairman RIICO	1	240001
	3	Shri Kuldeep Ranka.





	ACS, Industries		
	Shri Sanjay Malhotra,	1	40001
	Sh. Alok,	. 1	120001
	Shri K.K. Pathak,	1	160001
nce	Shri Gaurav Goyal,	1	200001
		Shri Sanjay Malhotra, Prin. Secretary Revenue Sh. Alok, Prin. Secretary MSME Shri K.K. Pathak, Commissioner Industries	Shri Sanjay Malhotra, Prin. Secretary Revenue Sh. Alok, Prin. Secretary MSME Shri K.K. Pathak, Commissioner Industries Shri Gauray Goyal,

The Board also accorded approval for the transfer of following equity shares of Rs. 10/- each of this Company, mentioned in Col. 3, with effect from the date of government order, i.e. 7<sup>th</sup> November 2019, as per the details given hereunder:

S.No.	Name of	Name of Transferee	No. of Share	Distinc- tive Nos.
5.140.	Transferor	3	4	5
1	Z.	Shri Dinesh Kumar,	1	120001
1.	Shri Alok, Ex-Prin. Secretary MSME	Secretary Mines & Petroleum	1	160001
2.	Shri K.K. Pathak, Ex-Commissioner	Agrawal, Commissioner Industries	S	20000
3.	Industries Shri Gaurav Goyal, Ex-MD RIICO	Shri Ashutosh A.T. Pednekar, MD RIICO	1	20000

The Board further authorized Secretary of the Corporation to endorse the share certificates in the name of above transferees.

# Item12: Equity Participation in a new Company being incorporated under Section 8, proposed by Department of Information Technology & Communication (DoIT&C), GoR.

The Board discussed the agenda and accorded approval to make equity participation of Rs. 2.00 lac in the proposed new company being incorporated under Section 8, by Department of Information Technology & Communication (DoIT&C), GoR.

### Item13: Approval of Board's Report and fixation of the date for the Annual General Meeting (AGM).

The Board discussed the agenda and approved the Board's Report for the Financial Year 2018-19. The Board adopted the following Resolution:

#### **RESOLUTION:**

"RESOLVED that approval be and is hereby accorded to approve Board's Report for the Financial Year 2018-19 and to authorize the Chairman of the Company to make changes in the report, if any, before submission of the same to the shareholders. The Chairman was also authorized to sign the Board's Report on behalf of the Board."

The Board also accorded approval to:

- 1) call the 50<sup>th</sup> AGM at a shorter notice with the consent of the shareholders;
- 2) authorized the Chairman to fix the date and time for holding the 50<sup>th</sup> AGM;
- 3) authorized the MD to approve the draft notice of AGM;
- 4) authorized the MD to approve the managements' replies on behalf of the Board, in case of a qualified report of CAG, and
- 5) authorized the Secretary to issue notice of AGM under his signature; and to circulate the report of CAG to the shareholders.

### Item 14: Ratification of empanelment of Internal Auditors for the Financial Year 2019-20.

The Board discussed the agenda and in pursuance to section 179 of the Act read with Rule 8 of the Companies (Meeting of Board & its Powers) Rules 2014, accorded approval for ratification of empanelment of Internal Auditors for the Financial Year 2019-20, as follows.

Sr. No.	Name of the CA firm	Places of Audit
1.	KSPJ & Co.	Bhiwadi-I, Bhiwadi-II
2.	ABH & CO.	Neemrana; Ghiloth
3.	J.N. Gupta & CO.	Alwar; Bharatpur
4.	Jethani & Associates	Kota; Jhalawar





5. Sanjay B M Agrawal & Co. 6. Mukesh Sushil & Co. 7. Jain V & CO. 8. R.B. Jain & Associates 9. Laxmi Tripti & Associates 10. R. Seth & Associates 11. Arvind Rattan & Co. 12. J. Singh & Associates 13. A O Mittal & Associates 14. Somani Sodhani & Co. 15. Raj K Bansal & CO. 16. N Singhal & Co.	Ajmer; Bhilwara Abu Road;Pali Boranada; Balotra Nagaur; Jodhpur Udaipur; Banswara Sikar; Jhunjhunu Bikaner; Sri Ganganagar EPIP- Sitapura; Sawai Madopur Jaipur (North); HRD Cell (HO) Jaipur (Rural); Bills Section Jaipur (South); GAD & Lib. (HO) Investment Cell; HO
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## Item 15: Approval for revision in Audit fee of Statutory Auditors.

The Board discussed the agenda and, looking to increase in volume and scope of work of the Statutory Auditors due to implementation of new Ind.AS-17 & 115, approved and recommended to the shareholders for revision in Audit Fee of Statutory Auditors of the company, from Rs. 6,00,000 to 7,00,000 plus GST, for the financial year 2018-19 and onwards.

### Item 16: Approval of Cost Audit Report.

The Board discussed the agenda and, in pursuance to Rule 6 of the Companies (Cost Records and Audit) Rules 2014, accorded approval to the Cost Audit Report for financial year 2018-19 along with the annexure, submitted by M/s. A. Goyal & Company, Cost Auditor and authorized the Managing Director and Company Secretary to sign and file the Cost Audit Report on behalf of the company.

#### Item17: Amendments in the Scheme for Financing of Industrial Land in RIICO Industrial Areas.

The Board discussed the agenda and, in order to make the scheme more attractive for the industrial land buyers of the Corporation besides increasing volume of allotment of land, accorded approval for the following amendments in the scheme:

tor the	e lollowing and	Amended Provisions
~ .	Existing Provisions	
No	Minimum amount of term loan of	Minimum amount of term loan
1.	Rs. 200.00 lacs subject to	of Rs. 100.00 lacs subject to
	KS. 200.0 Mass	11

maximum of 60% of bare cost of maximum of 75% of bare cost land is admissible as loan. of land is admissible as loan. 2. Processing Fee, Service Charges Processing Fee, Service charges levied as per the policy. be levied @ 0.25% of loan Presently 0.5% of loan amount amount subject to maximum of (processing charges @.0.1% on Rs.4.00 lacs. In case of Good loan applied and service charges borrower, processing charges @0.40% subject to maximum of @.0.1% and service charges @ Rs.4.00 lacs on loan sanctioned). 0.15% subject to maximum of In case of Good borrower, Rs.4.00 lacs. processing charges @.0.1% and service charges @ 0.15% subject to maximum of Rs.4.00 lacs 3 Legal Documentation: Legal documentation be Legal documents are more or less simplified by the following same as applicable for project initiatives: loan. i Only KYC of guarantors will be taken as per prevailing practice. ii The insistence to submit the copies of title deed immovable properties guarantors be done away, at this stage of lending, under this scheme as it being an irritant for the new borrower(s). iii At the time of issuance of LOI the concerned Unit Head be advised to execute lease deed in Form - 'D', and send the same directly to HO along with details outstanding dues, if any, so that loan documentation can be done on a single day. Credit note will be issued by after documentation. Expenses, if any, required to incurred by Corporation for keeping the lease deed in force shall be recoverable from the

borrower, applicant condition to this effect be mentioned in LOI. The Board authorized the MD to approve the modalities in this regard besides all the incidental matters to make the scheme practically operational the for attractive and prospective Borrowers.

#### Item18: Settlement of dues of Central excise under scheme Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 to increase salability of taken over assets by the Corporation.

The Board discussed the agenda and accorded approval for availing the admissible benefits/waiver of the Central Excise dues under the captioned scheme in respect to the units of which the Corporation has taken over the assets to realize its outstanding term loan dues. The Board accordingly approved payment of Central Excise Dues of Rs. 162.22 lac or as may be finalized by the CBIT&C/CGST Department on the application to be filed by the Corporation, for and on behalf of the companies/borrowers of which fixed assets have been taken over by the Corporation, so as to get better sale realization to recover Corporation's outstanding term loan dues, and also to set off the same from the sale consideration of the taken over fixed assets of the respective companies. A public notice be issued in the newspaper for the information of the defaulter borrower units/companies and its directors/guarantors, in this regard.

The Board also authorized Managing Director to settle the dues, under the referred amnesty scheme, in any other similar case and to approve all incidental matters that may arise in future while seeking approval/ waiver of duties from the CBIT&C/CGST Department.

#### Item19: For apprising the actions taken by RHCO in compliance of the directions received from the State Government in the matter of Arafat Petro Chemicals Pvt. Ltd., Kota.

The Board noted the following actions taken by the Management in the matter of Arafat Petro Chemicals Pvt. Ltd., Kota in pursuance to the directives dated 10.10.2019 from the State Government issued under Article 138 of the Articles of Association of the Company:



- (i) Decision taken by the Management i.e. issuance of Order No. IPI/P5/197/2018/1199 on 11.10.2019 vide which approval/permission of sub-division of decisions of 830044.87 sqm (205.10 acre) industrial land and also subsequent change of land use of part land from Industrial to other uses and approval of lay out plan of sub divided land given by the Land Plan Committee of RIICO in its meeting held on 03.10.2018 and further endorsed by the IDC in its meeting held on 08.10.2018 have been cancelled and withdrawn.
- (ii) Actions taken by the Unit Office, Kota subsequent to order dated 11.10.2019 issued by MD, RIICO in compliance of directions of the State Government.

### Item20: Quarterly performance review of the activities of the Corporation (II Quarter ended 30<sup>th</sup> September 2019).

The Board noted the quarterly performance review of the activities of the Corporation and observed that the achievements till September 2019 are very poor vis-a-vis the annual targets. The Board advised the Managing Director to review the status and make all out efforts to achieve the same.

### Item21: Ex-post-Facto approval for purchase of Two Air Conditioners at RIICO Guest House at Malviya Nagar, Jaipur.

The Board accorded ex-post-facto approval for purchase of Two Air Conditioners (Two ton each) at cost of Rs. 1,75,000/- for RIICO Guest House at Malviya Nagar, Jaipur.

The Board also took note of the present facilities available in this Guest House and directed that the Guest House needs to be refurbished and renovated. The Board fully authorized the Managing Director to approve all the incidental and financial matters in this regard.

### Item 22: Ex-post-Facto approval of proposal for Payment of Bonus/Exgratia.

The Board accorded ex-post-facto approval for payment of Bonus/Ex-gratia for the financial year 2018-19, as under:

i. All the employees of the Corporation who are drawing salary upto Rs.21,000/- per month, the maximum amount of Bonus and Ex-gratia will be paid @ Rs. 7,000/- and Rs. 1400/- per annum respectively.

ii. All the employees of the Corporation, who are drawing salary more than Rs. 21,000/- per month the amount of Ex-gratia

will be paid @ Rs. 8,400/- per annum.

# Item 23: Approval of financial statements for financial year ended on 31st March 2019.

The Board was informed that Audit Committee in its meeting held on 20<sup>th</sup> November 2019 has reviewed the Annual Accounts for the FY 2018-19 and recommended the same for consideration by the Board. The Chairman of the Audit Committee briefed the Board about the main observations of the Committee on the accounts. It was informed that expenditure on development and maintenance of industrial areas be enhanced; land acquisition be expedited and more emphasis be placed on land, recovery of term loan dues from non-performing assets be given more emphasis, whereas strengthening the manpower and IT Enablement of the Corporation be expedited.

A power point presentation was made by the Financial Advisor/CFO highlighting the salient points of the financial results, achievements made in the field of financial assistance, infrastructure activity during the financial year 2018-19.

The Board after discussions accorded approval to the standalone and consolidated Ind-AS financial statements of the company for the financial year ended on 31<sup>st</sup> March 2019, along with notes on accounts and other information annexed thereto, proposals for making transfer of profit to retained earnings, necessary reserves, provisions, gain in valuation of investments/re-wording/re-drafting/re-structuring/ modification/changes in the Accounting Policies, wherever required.

The Board adopted the following Resolutions:

#### **RESOLUTIONS**:

"RESOLVED that approval be and is hereby accorded for the following:

#### A. Transfer of Profit of earlier years to Retained Earnings (net of tax) due to change in Accounting Policy-

Consequent upon withdrawal of the guidance Note on accounting for Real Estate Transaction which was being applied for revenue recognition from infrastructure activities and applicability of new Ind AS 115-" Revenue from Contracts with Customers" effective April 1, 2018, the Corporation has applied the principles and provisions of Ind AS 17 'Lease' in respect of land component of allotment value and the provisions of Ind AS 115 in respect of development activities, using the modified retrospective method as mentioned in Accounting Policies. The cumulative impact of transactions to Ind AS 17 & 115 has been increase in profit by Rs. 177.31 cr. for past years. After giving tax effect, net profit amounting to Rs. 115.35 cr. (Rs. 177.31 cr. minus Rs. 61.96 cr.) has been added to the Retained Earnings as at April 1,2018.

#### B. Provisions:

- 1) To make provision of Rs 48.34 cr. towards Income-tax based on current year's income and Rs. 61.96 cr. on past year's profit arising due to applicability of new accounting standards.
- 2) To make a provision of Rs. 27.50 cr. on account of credit impaired term loan as per Ind AS 109.

#### C. Gain in Valuation of Investments:

To book loss of Rs 1.48 cr. in valuation of non-current Investment and gain of Rs. 2.01 cr. in Units of current investments as per Ind AS 109 leading to net gain of Rs. 0.53 cr., on account of fair valuation of investments.





#### D. Reserves:

To create a reserve of Rs. 5.00 cr. as Special Reserve under section 36 (1)(viii) of Income Tax Act, 1961 in respect of Term Loan Revenue.

#### E. Proposed Dividend

Payment of dividend @ 20% of profit after tax amounting to Rs. 14.10 cr. inclusive of dividend distribution tax.

FURTHER RESOLVED that approval be and is hereby accorded to approve Standalone Ind-AS and Consolidated Ind-AS financial statements of the company for the financial year ended on 31st March 2019, comprising of Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, together with changes in Accounting Policies and notes thereon. Shri Kuldeep Ranka, Chairman; Shri Ashutosh A.T. Pednekar, Managing Director; Shri Ashok Pathak, Chief Financial Officer and Shri D.K. Sharma, Secretary were authorized to authenticate the aforesaid annual accounts & documents and to hand-over the same to Statutory Auditors for their report thereon."

### Item 24: Amendments in the CSR Policy of the Corporation.

The Board discussed the agenda and, in order to provide flexibility as regards to selecting a government agency as an implementing agency and provisions regarding unspent/unutilized allocations, accorded approval for the amendments in the CSR Policies as follows:

tollows:		Amended Provisions
Clause	Present Provision	"As project or program or
1.1.2 (vi)	No provision	activity through a Government entity, decided by the CSR Committee".
2.2.1	CSR allocation of a particular year will be carried forward to the foilowing year, i.e. the CSR budget will be not lapsable in nature.	Companies Act 2013 and
1		

After completing the above agenda items, the Board took a brief break and re-assembled to consider and approve the following agenda items, which were taken up with the permission of the Chair, and the unanimous consent of directors present in the meeting, and approved the same unanimously:

### Item25: Proposal for rationalization of allotment rate of Industrial Land.

The consideration of the agenda item was deferred with the directions to the Committee to revisit its recommendations.

# Item26: Adoption of Independent Auditors' Report on Financial Statements for the year ended on 31<sup>st</sup> March 2019 and approval of replies of Management thereon.

The Board was informed that Audit Committee in its meeting held on 20<sup>th</sup> November 2019 has detailed discussions on the Financial Statements for the year ended on 31<sup>st</sup> March 2019 and the draft Independent Auditors' Report thereon with Shri Arun Jain, Shri Ajay Shah and Shri Akshay Shah of M/s. Jain Shah & Company, Chartered Accountants, Statutory Auditors.

After detailed discussions, the Board adopted Independent Auditors' Report on the Standalone and Consolidated Ind-AS financial statements of the company for the year ended on 31<sup>st</sup> March 2019 and authorized the Managing Director to approve and sign the management replies on the comments of the Independent Auditors' Report dated 22<sup>nd</sup> November 2019 and the Annexure thereto, on behalf of the Board. The replies may be circulated to the shareholders along with the report of the Statutory Auditors.

#### General Observations:

- 1. A separate agenda item detailing the status and the progress achieved in developing Integrated Industrial Zone (IIZ) in the vicinity of Refinery-cum-Petrochemical Complex at Pachpadra, Barmer be placed before the Board in its every meeting, till the development of IIZ.
- 2. While discussing the amendments in the Scheme for Financing of Industrial Land, the Board observed that the investment activity of the



Corporation is presently at the lowest level. In order to give a fillip to the activity, diagnose the problems and to suggest improvements, the Board also formed a Committee of the MD RIICO, Commissioner Industries and Financial Advisor RIICO.

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

CHAIRMAN

Date of Signature: |3. |2.20 |9

Date of Entry: 11.12.2019

Place: Jaipur.

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Secretary

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