

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

MINUTES OF : **Board meeting**
VENUE : **Udyog Bhawan, Jaipur**
DATE & TIME : **28th December 2012 at 12.15 P.M.**

PRESENT :

Shri Sunil Arora	Chairman
Dr. Govind Sharma	Principal Secretary Finance
Shri Yaduvendra Mathur	CMD RFC
Shri Rajeshwar Singh	Secretary Small Ind. and Khadi Gramoudyog
Shri Sudhansh Pant	Secretary Mines & Petroleum Deptt.
Shri Kuldeep Ranka	Commissioner JDA
Shri Rajesh Yadav	Commissioner Industries
Shri Siddharth Mahajan	Commissioner (Inv. & NRI)
Shri Naveen Mahajan	Managing Director

Shri D.K. Sharma, Secretary was in attendance. Mrs. Aparna Sahay, Financial Advisor, Mrs. Urmila Rajoria, Advisor (A&M), Shri Alok Kumar, CGM (BP) and Shri Suneet Mathur, GM(Infra./Fin.) were also present.

LEAVE OF ABSENCE

The Board granted leave of absence to Shri Naresh Pal Gangwar, Secretary Energy.

Item 1: Confirmation of minutes of the meeting of the Board held on 24th August 2012.

The minutes of the meeting of the Board held on 24th August 2012 were confirmed and signed by the Chairman.

Item 2: Action Taken Report on the decisions of the previous meeting of the Board held on 24th August 2012.

The Board noted the position. The Board directed that endorsement of the office orders may also be made to the concerned members of the Board wherever the Board approves the proposal based on the recommendation of the Sub-group of the Directors formed by the Board/Committees.

Item 3: Minutes of the meeting of the Industrial Committee of the Board held on 17th October 2012.

The Board noted the position.

Item 4: Minutes of the meeting of the Infrastructure Development Committee of the Board held on 17th October 2012.

The Board noted the position.

Item 5: Minutes of the meeting of the Audit Committee of the Board held on 24th August 2012.

The Board noted the position.

Item 6: Appointment of Shri Naveen Mahajan as Managing Director of the Corporation and nomination on the Board of assisted companies.

The Board noted appointment of Shri Naveen Mahajan as Director and Managing Director of the Corporation on the Board of Directors of the Corporation w.e.f. the afternoon of 30th September, 2012.

The following Resolution was adopted:-

RESOLUTION:

“**RESOLVED** that the appointment of Shri Naveen Mahajan as Director & Managing Director of the Corporation on the Board of Directors of the Corporation vice Shri Rajendra Bhanawat, with effect from the afternoon of 30th September 2012, be and is hereby noted.”

The Board further accorded ex-post-facto approval for the appointment of Shri Naveen Mahajan, Managing Director, as Corporation's nominee, on the Boards of following joint/assisted companies, with effect from 8th October 2012, vice Shri Rajendra Bhanawat:

1. Rajasthan Electronics & Instruments Ltd. - Chairman & Director
2. Rajasthan Asset Management Company Pvt. Ltd. - Director
3. Rajasthan Trustee Company Pvt. Ltd. - Director

The Board also accorded ex-post-facto approval to the appointment of Shri Rajendra Bhanawat, Ex-Managing Director of the Corporation on the Board of REIL, vice Shri M.M. Bharadwaj, w.e.f. 30th August 2012.

Item 7: Appointment of Directors.

The Board noted the appointment of Shri Rajesh Yadav, Commissioner Industries, Government of Rajasthan, Jaipur and Shri Siddharth Mahajan, Commissioner (Inv. & NRI), Jaipur in place of Shri Rajahans Upadhyay and Dr. Purushottam Agarwal respectively, as directors on the Board of Directors of this Corporation, w.e.f. 5th October 2012, and expressed hope that the Board will be benefitted with their association.

Item 8: Disclosure of interest by the directors.

The Board noted the disclosure of interest made by the Directors and adopted the following Resolution:

“**RESOLVED** that interest disclosed by the following directors in their general notice pursuant to Sections 299(3)/305 of the Companies Act, 1956, which was read over in the meeting, be and is hereby noted:

1. Shri Rajesh Yadav. Notices dated 11th October 2012.
2. Shri Siddharth Mahajan Notice dated 9th October 2012.
3. Shri Naveen Mahajan Notice dated 26th October 2012.”

Item 9: Recommendations of the Sub Group constituted by the Board of Directors regarding proposal for Investment in Renewable Energy Project for tax saving measures.

The Board perused the recommendations of the Sub-group and decided to drop the proposal for investment in renewable energy sector.

Item 10: Ex-post-facto approval for purchase of Star Split Air Conditioners 2.0 Ton.

In pursuance to Circular No.P9(1)F-1(I)I.E/2010 dated 30.06.2010, the Board accorded ex-post-facto approval for purchase of 3 nos. of Split Air Conditioners of 2.0 ton each.

Item 11: Ex-post-facto approval for the release of Rs.5.00 crore towards contribution for construction of ‘Rajasthan Bhawan’ at Vashi, Navi Mumbai.

The Board was informed that the Dy. Secretary, Finance (Exp-2) Department, GoR has advised the Corporation to make contribution of Rs.5.00 crore towards construction of ‘Rajasthan Bhawan’ at Vashi, Navi Mumbai and accordingly Rs.5.00 crore has been released. In view of above, the Board accorded ex-post-facto approval for release of Rs.5.00 crore towards construction of ‘Rajasthan Bhawan’.

Item 12: Proposal for sanction of term loan of Rs.47.95 crores to Badve Engineering Ltd. at Plot No. SPL-06, Industrial Area Tapukara, Bhiwadi, Alwar, Rajasthan.

The Committee discussed the proposal and accorded approval for the sanction of term loan of Rs.47.95 crore to Badve Engineering Ltd. The Committee adopted the following Resolution:

RESOLUTION:

“**RESOLVED** that approval be and is hereby accorded to grant term loan of Rs.47.95 crore (Rupees forty seven crore ninety five lac) only to Badve

Engineering Ltd., for manufacturing of Front Frame, Rear Frame, and related components for Motorcycle, Scooters and 3 wheelers at Plot No. SPL-06, Industrial Area Tapukara, Bhiwadi, Alwar, Rajasthan, on the usual terms and conditions of term lending of the Corporation alongwith 12 special terms and conditions as given in Appendix 'A' to the agenda note.”

Item 13: Extension of Assignment of Media and Communication Consultants, IANS India Private Limited.

The Board discussed the agenda and accorded approval for granting extension for a period of 12 months from 10th October 2012 on the existing terms and conditions to IANS India Private Limited, the Media and Communication Consultants.

Item 14: Process for removal of encroachments on RIICO's land at various industrial areas: In context of an observation taken by the Public Accounts Committee – 113th report for the financial year 2005-06.

The Board discussed the proposal and formed a Sub-group of CMD RFC, Commissioner JDA, Commissioner Industries and MD to formulate realistic guidelines, evolve suitable mechanism for effective monitoring and speedy removal of encroachments over RIICO's land.

Item 15: Engaging Consultants/Services of Retired Employees of RIICO.

The Board discussed the agenda and accorded approval for hiring of Consultancy Services from the Retired Employees of the Corporation, on the guidelines enumerated in Rule 38(A) of GF&AR and also in accordance with the following:

1. A Committee consisting of Financial Advisor, D.S. (Ind.) Gr.-I, Advisor (A&M) and concerned Controlling Officer (not below the rank of General Manager) will examine the suitability, requirement and observe the procedure to consider the proposals related to hiring of Consultancy Services.
2. The approval for hiring the Consultancy Services may be accorded by the Chairman in case of RIICO employees getting retired from the post of General Manager and above and by the Managing Director for the retired employees/officers below this cadre.
3. Services entailing maximum expenditure of Rs.5.00 lac per annum may be sanctioned by the Managing Director, whereas, for services beyond this expenditure approval of Chairman will be required.
4. There shall be no upper age limit for hiring Consultancy Services from the retired employees of the Corporation.

Item 16: Agenda for the approval for creation of funds for:

- (a) **Rs.1.00 crore for the institution of Ceramic Research & Development (R&D) Chair.**
- (b) **Rs.10.00 crore for the Skill Development in the Ceramic & Glass Sector.**

The Board discussed the agenda and accorded approval for creation of the following funds:

- i) Rs.1.00 crore fund to create the Research Chair for Ceramic & Glass Sector.
- ii) Rs.10.00 crore fund for the Skill Development in the Ceramic & Glass Sector in Rajasthan, with initial budget provision of Rs.1.00 crore for the financial year 2013-14.

The Board also formed the following Committee under the Chairmanship of Secretary Mines & Petroleum to decide the broad details, guidelines & modalities regarding Ceramic Research Chair and Skill Development Fund:

- a) Commissioner (Inv. & NRI)
- b) MD RIICO
- c) President, Indian Ceramic Society (ICS)
- d) One Eminent Industrialist from Ceramic Sector in Rajasthan
- e) One Eminent Industrialist from Ceramic Sector at All India level
- f) One Scientist from Central Glass & Ceramic Research Institute (CGCRI), Kolkata or CGCRI-Khurja Centre.

With the permission of Chair, following agenda item was taken up for consideration:

Item 17: “In Principle” consideration for loaning assistance of Rs.2.00 crore to Rajasthan Small Industries Corporation Limited.

The Board was informed about the state of affairs of Rajasthan Small Industries Corporation Limited (RAJSICO), a State Government Undertaking and the requirement of funds to tide over the financial crisis.

The Board after detailed discussions accorded “in principle” approval to sanction financial assistance of upto Rs.5.00 crore (upto Rs 2.00 crore as loan assistance and upto Rs.3.00 crore as contribution to the corpus/any other suitable means). The Board formed a Sub-group of Secretary Small Industries & Khadi Gramoudyog, MD RIICO and FA to negotiate final terms and conditions for the assistance.

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