

MINUTES OF THE 4TH MEETING FOR THE YEAR 2019-20 OF THE BOARD OF DIRECTORS OF KARNATAKA PUBLIC LANDS CORPORATION LIMITED HELD AT 10.30 AM ON 19TH MARCH, 2020 AT ROOM NO. 510, REVENUE DEPARTMENT, 5TH FLOOR, 3RD BLOCK, M.S.BUILDING, DR. AMBEDKAR VEEDHI, BENGALURU -560001

PRESENT:

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| 1. Shri. N. Manjunath Prasad, IAS | - Chairman |
| 2. Shri. Manoj Jain, IAS | - Managing Director |
| 3. Shri. G N Shivamurthy, I.A.S | - Director |
| 4. Shri. P N Ravindra, I.A.S | -Director |
| 5. Shri. Shri Islahuddin J Gadyal | - Director |

BY INVITATION:

- | | |
|-------------------------|--------------------------------|
| Shri. Vijayakrishna K T | - Company Secretary Consultant |
| Shri Sumanth | - Chartered Accountant |

PROCEEDINGS OF THE MEETING:

At 10.30 AM, Chairman occupied the chair and after ascertaining the presence of requisite quorum, he conducted the proceedings of the Meeting. He extended a hearty welcome to all the Directors and invitee present at the Meeting.

ITEM NO. 1: APPOINTMENT OF NEW DIRECTORS:

The Board noted that the Government of Karnataka exercising their rights under the Articles of Association of the Company had issued the Government Order reconstituting the Board of Directors of the Company with the following details:

As per Government Order No: **RD 29 LGB 2020 (E)**, Dated: **17.03.2020**.

Sl. No.	Erstwhile Director	New Director
01.	Shri Harsha Gupta, IAS, Regional Commissioner, Bangalore Division	Shri V P Ikkeri, IAS, Regional Commissioner, Bangalore Division
02.	Shri Mounish Moudgil, IAS, Commissioner, Survey Settlement & Land Records	Shri K V Thrilok Chandra, IAS, Commissioner, Survey Settlement & Land Records
03.	Smt. C P Shylaja, IAS, Commissioner, Hindu Religious Institutions & Charitable Endowment Department	Smt. Rohini Sindhuri Dasari, IAS Commissioner, Hindu Religious Institutions & Charitable Endowment Department.
04	Smt., Seema Garg, I F S., Chief Executive Officer,	Shri. Mrutyunjaya Swamy C, KES., Chief Executive Officer,

	Lake Development Authority.	Karnataka Tank Conservation and Development Authority.
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After discussions, the Board passed the following resolutions:

“RESOLVED THAT the appointment of Shri. V P Ikkeri, IAS as Director of the Company in place of Shri. Harsha Gupta, IAS, be and is hereby approved.

RESOLVED THAT the appointment of, Shri. K V Thrilok Chandra, IAS as Director of the Company in place of Shri. Mounish Moudgil, IAS, be and is hereby approved.

RESOLVED THAT the appointment of Smt. Rohini Sindhuri Dasari, IAS, as Director of the Company in place of Smt. C P Shylaja, IAS, be and is hereby approved.

RESOLVED THAT the appointment of Shri. Mrutyunjaya Swamy C, KES, as Director of the Company in place of Smt. Seema Garg, I F S, be and is hereby approved.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to file the necessary returns with the Ministry of Corporate Affairs.”

The Board placed on the record its appreciation for the services rendered by the outgoing Directors.

ITEM NO. 2: LEAVE OF ABSENCE:

Leave of absence was granted to Shri. V P Ikkeri, IAS, Shri. K V Thrilok Chandra, IAS, Smt. Rohini Sindhuri Dasari, IAS, Shri. Mrutyunjaya Swamy C, KES., and Shri. Hemanna, who had expressed their inabilities to attend the Meeting.

ITEM NO. 3: NOTING OF THE MINUTES OF THE PREVIOUS BOARD MEETING:

Minutes of the 3rd Meeting for the year 2019-20 of the Board of Directors held on 21st December, 2019 as circulated was noted.

ITEM NO. 4: ACTION TAKEN ON THE DECISIONS OF THE PREVIOUS BOARD MEETING:

Detailed Action Taken Report on the Minutes of the previous Board Meeting as placed before the Directors as under was studied and was taken on record by the Board:

Item No. of Previous Meeting	Subject	Action Taken
ITEM NO: 4(1)	Removal of Encroachment	Board noted the same.
ITEM NO:4 (2)	Public Complaints regarding encroachment on Govt. lands.	Board noted the same.
ITEM NO:4 (3)	Protection of recovered lands	Board noted the same.
ITEM NO: 4(4)	Utilization of funds for protection of Govt. lands.	Board noted the same.
ITEM NO: 5	Appointment of Statutory Auditors by C & AG for the auditing of Final Accounts for the Financial Year 2019-20:	Board noted & approved the same.

ITEM NO. 5: APPOINTMENT OF INTERNAL AUDITOR FOR THE AUDITING OF FINAL ACCOUNTS FOR THE FINANCIAL YEAR 2019-20:

The Board noted following:

For Finalization of Accounts of the Company for the FY 2019-20 i.e., setting right of accounts in 'TALLY' package software and Preparation and compilation of Financial Statements of Accounts comprising of Day & Cash Book, General Ledger Accounts, BRS, Trail Balance, Profit & Loss Account, Balance Sheet with Notes & Schedules III as per the New Standards of Accounting under the Indian Companies Act, 2013 for the year ending 31st March 2020 with all relevant Tax calculations with up to date returns. (As per the Indian Companies Act, 2013 Schedule III), Quotations were called from the professional Chartered Accountants to conduct the said Final Accounts for the FY 2019-20. Based upon the lowest quotations received, Shri. Bharath Bohra & Co., Chartered Accountants were chosen as Internal Auditor of the Company for a consolidated Professional fee of Rs. Rs.65,000/- (Excluding statutory taxes, GST etc., if applicable).

The Board approved the proposal.

ITEM NO. 6: PAYMENT OF INCOME TAX FOR THE AY 2013-14, 2014-15 & 2015-16 WITH INTEREST AND REVISION OF FINANCIAL STATEMENTS BEFORE NCLT FOR THE FY 2016-17, 2017- 18 AND 2018-19: (Annexure II)

Following details were placed before the Board:

As per the IT Act 44 AB, the IT audit was conducted by M/s., Suresh & Co., Chartered Accountants, Bengaluru. The Statutory Auditors has observed the

issue of non –payment of Income Tax by the Company for the FY 2012-13 onwards, the Self Assessment IT was paid as per the Calculations made by the Tax Auditors. The IT was paid with delayed period interest as detailed below:

Assessment Years	Income Tax Paid	Date
2013-14	9,46,850.00	27.01.2020
2014-15	24,55,820.00	27.01.2020
2015-16	45,92,230.00	27.01.2020
TOTAL	79,94,900.00	

Further, as per the advise and calculations of Income Tax by the Tax Auditors for the FY 2016-17, 2017-18 & 2018-19, the Audited Financial Statements needs to be revised u/s 131 of the Indian Companies Act, 2013 on the basis (by reference) of the judgment by Hon'ble High Court of Karnataka in the case of Karnataka Urban Infrastructure and Development Corporation Ltd., (KUIFDC) where in while computing the total income of the assessee for any previous year the interest accrued on the Fixed Deposits cannot be treated as an income of the assessee as the interest is earned out of the money given by the Government for to meet the objectives and purposes of the Company and not the case of revenue that the assessee is carrying on any business or commercial activities of its own while implementing the purposes and objectives as per Memorandum.

The Section 131 of the Companies Act, 2013 reads as follows:

“The Financial Statement of a Company shall be revised if it appears that the financial statement or the report of the Board do not comply with the provisions for any of the three preceding financial years on obtaining approval from the Tribunal.”

Hence, under the above section, the Company may approach the National Company Law Tribunal for revision of Financial Statements for preceding 3 years to disclose the interest on fixed deposit under Liabilities. This is important in terms of presentation of financial statements to achieve the object of true and fair view and reducing the tax outflows. The Statement of income tax calculations for the Financial Years 2016-17, 2017-18 and 2018-19 is annexed herewith as II. If the Company able to get the Tribunal Orders in favor, consequently to re-instatement the Company may get the income tax relief of Rs. 1,55,73,034/- from payment.

The Board considered the proposal; Partner of Messrs., Suresh & Co., Chartered Accountants, Bangalore, who had undertaken the study this proposal, who was present, briefed the Board on the process. The Board deliberated at length on the subject.

After discussions, the Board passed the following resolutions:

“RESOLVED THAT pursuant to the provisions of Section 131 of the Companies Act, 2013 read with the National Company Law Tribunal Rules, 2016 (including any statutory modification, amendment or re-enactment thereof for the time being in force), subject to the approval of the Shareholders and the confirmation of the Hon’ble National Company Law Tribunal, Bengaluru Bench, the consent of the Board be and is hereby accorded for Revision of Financial Statements for preceding three Financial years. i.e 2016-2017, 2017-2018 and 2018-2019.

RESOLVED FURTHER THAT any Director of the Company, be and is hereby authorized severally/jointly to do all such acts, matters, deeds and things as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the proposed revision of Financial Statements as placed before the Board or to any modification thereof, in particular:

- a) file application with the Hon’ble National Company Law Tribunal, Bengaluru Bench for directions and confirmation of the proposed revision of Financial Statements for preceding three Financial years, signing, affirming and verifying affidavit, applications, petitions, vakalatnama etc. in the Hon’ble National Company Law Tribunal, Bengaluru, Bench;
- b) make representation on their own or through Professionals before Hon’ble National Company Law Tribunal, Bengaluru Bench or other authorities for confirmation of the proposed revision of Financial Statements for preceding three Financial years; and
- c) do all such acts and things necessary and convenient in relation thereto and to give effect to this Resolution as the Board of Directors in its absolute discretion consider necessary, expedient and proper.

RESOLVED FURTHER THAT in addition to the Director authorized above, Mr. Vijayakrishna K T and/or Mr. Parameshwar G Bhat, Practising Company Secretaries, Bengaluru be and are hereby authorized severally to file application with the Hon’ble National Company Law Tribunal, Bengaluru Bench for directions and confirmation of the proposed revision of Financial Statements for preceding three Financial years, signing, affirming and verifying affidavit, applications, petitions, vakalatnama etc, in the Hon’ble National Company Law Tribunal, Bengaluru Bench.

FURTHER RESOLVED THAT Managing Director be and is hereby empowered to take all actions including the engagement and finalization of the terms of the aforesaid Professionals.

The Board further decided to convene an Extraordinary General Meeting to seek the approval of Shareholders for the above task.

After due deliberations, the Board pass the following Resolution:

“RESOLVED THAT the 1st Extra-Ordinary General Meeting of the Company be and is hereby convened at the Registered Office of the Company at Shorter

Notice on such date and time as may be decided by Managing Director in consultation with Chairman.

RESOLVED FURTHER THAT the draft Notice along with the Agenda of the Extra-Ordinary General Meeting as placed before the Board be and is hereby approved and any Director of the Company be and is hereby jointly and severally authorized to send Notice of the Extra-Ordinary General Meeting to all the Members and Directors of the Company as required under the Act.”

ITEM NO. 7: RATIFICATION OF EXPENSES INCURRED TO CHAIRMAN VEHICLE KA 02 MJ 8375 – INNOVA:

The Board noted following:

The Company has paid Rs. 1,40,995/- to M/s., Motor World Pvt., Ltd., Bengaluru for the repairs and service of Innova vehicle No. KA 02 MJ 8375. As the vehicle was covered more than 1.54 lakhs kilometers the said repairs, service and change of spare parts, etc., was done.

After due deliberations, the Board ratified the payment of Rs. 1,40,995/-.

ITEM NO. 8: APPOINTMENT OF NEW MAN POWER SUPPLY AGENCY THOURH e-TENDER:

Following details were placed before the Board:

The Company has published the E-tender notification on 18.12.2019 in Vijaya Karnataka Kannada news paper for the supply of required man power to the Corporation on outsource basis. 3 interested tenderers were applied through E-tendering process. As per Tender documentation, verification of all the relevant papers and documents was done in the Technical bid. And in the Commercial Bid the lowest quoted service charges who have quoted 0.01% was considered by the Tender Committee as L1 and selected M/s., Aishwarya Facility Services, Bengaluru for the supply of man power on outsource basis.

The New Agency will supply the required man power on outsource basis from February 2020 to January 2021.

The Board approved and noted the same.

ITEM NO. 9: FORMATION OF “GOVERNMENT LANDS PROTECTION COMMITTEE” FOR THE PROTECTION OF GOVERNMENT ENCROACHED LANDS:

Following details were placed before the Board:

The Government has constituted a Committee for the protection of Government encroached lands in the State under the Chairmanship of Shri K G Bopaiah,

Former Speaker and Member of Legislative Assembly with other 5 MLAs as Members of the Committee. The Managing Director of KPLC has been appointed as Member Secretary to the said Committee vide G O No. RD 15 LGP 2020, Dated 29.01.2020. The Committee has been designated and empowered to work under Karnataka Land Revenue Act, 1964, Section 195 by G O No. RD 15 LGP 2020, Dated: 12.02.2020.

The Committee has already conducted 2 Meetings on 27.02.2020 and on 13.03.2020 by inviting Officers from various Departments/Authorities. The Corporation is incurring the Meeting Expenses. No specific Grants have been released in this regard.

The Board noted and ratified the expenditure incurred.

ITEM NO. 10: PAYMENT OF ELECTRICITY BILLS OF KPLC FOR THE PERIOD FROM 01.12.2019 TO 01.01.2020: (Pro-Rata basis)

The Board noted following:

The Office of the Deputy Commissioner, Bengaluru Urban District has issued the Demand Notice to KPLC to pay the Electricity Charges of Rs. 2,42,551/- (including Taxes) out of total bill of Rs. 26,68,144/- for the usage of Electricity in the 2nd Floor on pro-rata charges of the entire Building on Floor basis for the period from 01.12..2019 to 01.01.2020 for the RR No. 0717777156 (W5HT14).

The Company has paid Rs. 2,42,551/- in favor of Deputy Commissioner, Bengaluru Urban District towards payment of Electricity Charges.

The Board approved and ratified the expenditure incurred.

ADDITIONAL BUSINESS TRANSACTED WITH THE PERMISSION OF THE CHAIR AND WITH THE CONSENT OF MAJORITY OF THE DIRECTORS PRESENT:

ITEM NO. 11: REVISION OF SITTING FEE OF RS. 2,000/- FOR OFFICIAL NOMINEE DIRECTORS APPOINTED BY THE GOVERNMENT:

The Board noted that presently sitting fee of Rs.1,000/- is being paid to all the Directors of all Public Sector Undertaking Companies which come under the Department of Public Enterprises (DPE) . The DPE vide its order No. DPE: 09: ARU: 2019 dated 30.01.2019 has revised the sitting fee to Rs. 2,000/- (Rupees two thousand only) for the Government Official Nominee Directors who were appointed by the Government in Public Sector Undertaking companies which come under the DPE and insists to bear the expenditures which may be incurred on attending the Meetings from own source of the concerned Public Sector Undertaking Companies.

The Government of Karnataka has nominated Official as Nominee Directors on the Board of the Company. The sitting fee may be revised to such Directors to Rs. 2,000/- (Rupees two thousand only) with effect from next Meeting.

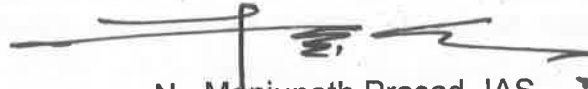
The Board approved the revision in the sitting fees as per the circular.

Chairman confirmed that requisite quorum was present throughout the Meeting.

There being no other business to transact, Meeting concluded with a vote of thanks to the chair at 11.30 AM.

Date on which draft Minutes forwarded to the Directors for their comments.	02.05.2020
Last date for receiving comments from the Directors	08.05.2020
Date of recording of the Final Minutes in Minutes Book	

Date: 08.05.2020
Place: Bangalore


N. Manjunath Prasad, IAS
Chairman
