

**MINUTES OF THE 2<sup>ND</sup> MEETING OF THE BOARD OF DIRECTORS OF KARNATAKA PUBLIC LANDS CORPORATION LIMITED FOR THE YEAR 2023-2024, HELD AT 10.30 AM ON FRIDAY, 8<sup>TH</sup> SEPTEMBER, 2023 AT ROOM NO: 510, 5<sup>TH</sup> FLOOR, REVENUE DEPARTMENT, M.S. BUILDING, BENGALURU – 560001.**

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**PRESENT:**

- |  |                   |
|--|-------------------|
| 1. Shri. Rajender Kumar Kataria, I A S | Chairman          |
| 2. Shri. P Vasantha Kumar, I A S       | Managing Director |
| 3. Shri. Krishna Bajpai, I A S         | Director          |
| 4. Shri. S B Shettnavar, I A S         | Director          |
| 5. Dr. Shivashankar N, I A S           | Director          |
| 6. Shri. Khan Parvez                   | Director          |

**IN ATTENDANCE:**

- |                                   |                         |
|-----------------------------------|-------------------------|
| 1. Smt. Noor Zahara Khanum, K A S | - General Manager, KPLC |
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**BY INVITATION:**

- |                              |   |
|------------------------------|---|
| 1. Smt. Kalaivani S          | - Company Secretary Consultant            |
| 2. Shri. Bharath Kumar Bohra | - Chartered Accountant & Internal Auditor |

**PROCEEDINGS OF THE MEETING:**

At 10.30 AM, Shri P Vasantha Kumar, I A S, Managing Director extended a hearty welcome to Shri. Rajender Kumar Kataria, I A S, Chairman and to the Directors present in the meeting and also to the Directors present through video conference.

Shri. Rajender Kumar Kataria, I A S, Chairman occupied the Chair and after confirming the presence of requisite quorum, conducted the proceedings of the Meeting. He extended a hearty welcome to all the Directors and invitees present at the Meeting. Chairman overviewed the facility of video-conference in accordance with the provisions of Companies Act, 2013 which was communicated to all the Directors of the Company along with Notice of the Meeting. The Chairman also welcomed the following Directors who participated in the Meeting through video conference.

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|--------------------------------|-----------|
| 1. Shri. Krishna Bajpai, I A S | Director. |
| 2. Shri. S B Shettnavar, I A S | Director. |
| 3. Dr. Shivashankar N, I A S   | Director. |

After taking the attendance of the Directors present through video conference, Chairman explained the procedure for participating in the Meeting along with the procedure to vote in the Meeting and ensured that none other than said participants were attending through video conference mode and that the said participants were visible and audible to all the participants and also others were visible and audible to the participants and further confirmed that they had received the agenda and notes thereon in time.

**ITEM NO. 1:**

**RE-CONSTITUTION OF THE BOARD – APPOINTMENT OF NEW DIRECTORS:**

**i) APPOINTMENT OF SHRI. SHETTENAVAR S B, I A S AS DIRECTOR.**

After discussions, the Board passed the following Resolution:

“RESOLVED THAT the appointment of Shri. Shettenavar S B, I A S as Director of the Company in place of Shri. P Sunil Kumar, I A S be and is hereby noted.

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.”

**ii) APPOINTMENT OF SHRI. MANJUNATH J, I A S AS DIRECTOR.**

After discussions, the Board passed the following Resolution:

“RESOLVED THAT the appointment of Shri. Manjunath J, I A S as Director of the Company in place of Shri. C.N. Shreedhara, I A S be and is hereby noted.

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.”

**iii) APPOINTMENT OF DR. SHIVASHANKAR N, I A S AS DIRECTOR.**

After discussions, the Board passed the following Resolutions:

“RESOLVED THAT the appointment of Dr. Shivashankar N, I A S as Director of the Company in place of Smt. Latha, I A S be and is hereby noted.

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.”

**ITEM NO.2:**

**GRANTING OF LEAVE OF ABSENCE TO DIRECTORS:**

Leave of absence was granted to Dr. G C Prakash, I A S, Shri. J Manjunath, I A S, Shri. Basavarajendra H, I A S, Shri Dayananda K A, I A S and Shri. J E Yatish Chandra, who had expressed their inabilities to attend the Meeting due to preoccupations with Official Work.

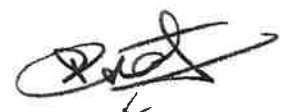
**ITEM NO.3:**

**NOTING OF THE MINUTES OF THE PREVIOUS BOARD MEETING:**

Minutes of the 1<sup>st</sup> Meeting of the Board of Directors of the Company for the Financial Year 2023-24 held on 16.06.2023 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 Board was considered and was taken on record by the Board as follows:

Item No's. of Previous Meeting	Subject	Action Taken
Item No. 6	Review of Business.	Board Noted and approved the same
Item No. 7	Transfer of 967.20 Acres of Unutilized lands of BEML at Robertson Pete, KGF Village to KPLC	Board Noted and approved the same
Item No. 8	Statutory Auditors Appointed by the C&AG for the FY 2022-23.	Board Noted and approved the same
Item No. 9	Investment of Surplus Funds	Board Noted and approved the same

**ITEM NO. 5:**

**APPROVAL OF DRAFT FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023:**

The draft Financial Statements for the year ended 31<sup>st</sup> March, 2023 based on the Standards of Accounting Policies & Principles under the Companies Act, 2013 under Section 133 (Schedule 3) and under the Indian Accounting Standards Rules, 2015 were placed before the Board of Directors for kind consideration and approval

Detailed discussions took place on the draft Financial Statements. The Chairman suggested utilizing the Interest Income to meet the day to day administrative expenses of the Company including payment of salary and allowances of the Regular Officers and also outsource staff instead of approaching the Government for Grants which will help in reducing the income tax liability of the Corporation.

Further, the Managing Director along with the Chairman or one other Director be authorized to sign the Financial Statements on behalf of the Company.

Further, the Board of Directors authorized the Managing Director to forward the Financial Statements to the Statutory Auditors for confirmation and signing and thereafter to the C & AG for their review before placing before the Shareholders of the Company at their 14<sup>th</sup> Annual General Meeting for the year 2022-2023.

After due deliberations, the following Resolution was passed:

"RESOLVED THAT the draft Financial Statements for the year ended 31<sup>st</sup> March, 2023 along with the notes attached thereto, as tabled before the Board be and are hereby approved, subject to such changes as incorporated on receipt of comments from the Statutory Auditors and Comptroller & Auditor General of India (C&AG).



RESOLVED FURTHER THAT the copy of the Financial Statements and the notes attached thereto as approved by the Board, be signed by any two Directors including Managing Director of the Company and be forwarded to the Statutory Auditors of the Company for their report thereon and thereafter to the C & AG for their review and comment.

RESOLVED FURTHER THAT any one Director of the Company be and is hereby authorized to take all necessary actions for giving effect to the above resolution and to sign the requisite forms/ returns to be with the Ministry of Corporate Affairs.”

**ITEM NO. 6:**

**APPROVAL OF DRAFT BOARD’S REPORT OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2023:**

The draft Board’s Report for the year ended 31<sup>st</sup> March, 2023 was placed before the Board for its consideration and approval.

After due discussions, the Board passed the following Resolution:

“RESOLVED THAT the draft Board’s Report for the year ended 31<sup>st</sup> March, 2023 be and is hereby approved.

RESOLVED FURTHER THAT the Chairman or the Managing Director along with another Director of the Company be and are hereby authorized to make any corrections to the Board’s Report on receipt of Report from the C & AG.

RESOLVED FURTHER THAT the Chairman or the Managing Director along with another Director of the Company be and are hereby authorized to sign the Board’s Report for and on behalf of the Board.”

**ITEM NO. 7:**

**CONVENING THE 14<sup>th</sup> ANNUAL GENERAL MEETING (AGM) FOR THE FINANCIAL YEAR 2022-23 AND AUTHORIZATION TO ISSUE NOTICE:**

In order to place the Audited Financial Statements before the Shareholders, the Board proposed to convene the 14<sup>th</sup> Annual General Meeting of the Company on such date and time as decided by the Managing Director in consultation with Chairman as per the requirement of the Companies Act, 2013.

Further, the Board authorized the Managing Director to decide the date and time to convene the Annual General Meeting of the Company in consultation with Chairman and passed the following resolution:

“RESOLVED THAT consent of the Board be and is hereby accorded to convene the 14<sup>th</sup> Annual General Meeting of the Company on such date and time as may be decided by the Managing Director in consultation with Chairman.



RESOLVED FURTHER THAT Managing Director be and is hereby authorized to issue notice convening the 14<sup>th</sup> Annual General Meeting for and on behalf of the Company”.

**ITEM NO. 8:**

**GRANTING AUTHORISATION FOR FILING FORMS WITH THE MINISTRY OF CORPORATE AFFAIRS:**

The Board discussed and granted authorization to any one of the Directors of the Company to sign on behalf of the Company all the forms that were required to be filed with the Ministry of Corporate Affairs from time to time.

The Board noted the same and passed the following resolution:

“RESOLVED THAT any one Director of the Company be and is hereby severally authorized to sign all such forms as may be required to be filed with the Ministry of Corporate Affairs from time to time under the Companies Act, 2013.”

**ITEM NO.9:**

**INVESTMENT OF SURPLUS FUNDS:**

The Board noted the below:

The Govt. of Karnataka vide Circular No: FD 91 TAR 2022 Bengaluru dated: 02-07-2022 issued guidelines for investment of Surplus Funds by Boards, Corporations, Local Bodies, Authorities and Autonomous Bodies etc., for efficient and scientific management of Surplus Funds and also preventing the unutilized funds from lying idle for generating the returns out of own funds to improve the profitability of the Company.

As per the FD instructions Tenders were floated in the e-procurement portal inviting competitive quotations through e-auctions for investment of Surplus Funds as and when the Fixed Deposits were matured strictly adhering to the guidelines / instructions. Accordingly, e-auction tender has been floated through e-procurement portal for investment of Rs.19.50 in Fixed Deposits.

Chairman sought the information on the grants received till date and details of the fixed deposits and the same were furnished. Further, he also sought information on unutilized grants lying with the Commissioners and the details were furnished by respective Commissioners. It was further noted that the grants lying with the Commissioners will be utilized in near future.

After discussions, the Board approved the same.

**ITEM NO.10:**

**CONVERSION OF KARNATAKA PUBLIC LANDS CORPORATION LIMITED INTO “NOT FOR PROFIT – UNDER SECTION 8 OF THE COMPANIES ACT:**

The Board was briefed as follows:

As per the decision taken at the meeting of the Board of Directors of Company held on 16-06-2023, opinion from Messrs ISHWAR & GOPAL, Chartered Accountants was obtained on



registration of KPLC under Section 8 of the Companies Act, 2013 and conversion as "Non-Profit" Company and the same was placed at the Meeting.

As a follow up action, vide this office letter dated: 18-07-2023, Shri. K. T. Vijayakrishna, Company Secretary, has been requested to initiate actions as required under the Companies Act and also to initiate immediate action to draft Memorandum of Association and Articles of Association of the Company keeping in view the basic objectives as required under the Section 8 (1) (a) Companies Act, 2013 i.e., 1. Commerce, 2. Art, 3. Science, 4. Sports, 5. Education, 6. Research, 7. Social Welfare, 8. Religion, 9. Charity, 10. Protection of Environment and 11. Or any such objectives. Further, under Rule 20 of Section 8 of the Companies Act, 2013, "Certified copies of the resolutions passed at the Board Meeting / General Meeting approving registration of KPLC under section 8 of the Companies Act" needs to be filed with the Registrar of Companies.

As per the decision taken at the meeting on 17-07-2023, held under the Chairmanship of the Chairman KPLC & Principal Secretary Revenue Department work order has been issued to Shri. K. T. Vijayakrishna, Company Secretary to take all necessary actions as required under the Companies Act including drafting of Memorandum of Association and Articles of Association for conversion of KPLC into Sec 8 Company and also to complete the formalities as early as possible.

Further, the Board of Directors also approved the proposal for payment of Rs.75,000/- as Professional Fee, Miscellaneous Expenses including name clearance ROC FEE at actuals, and Newspaper Advertisement Charges at actuals to the Company Secretary.

The Chairman sought clarifications on the following before proceeding with conversion into Section 8 Company:

1. Whether the income received by transfer of land as per the direction of the Government of Karnataka will be deemed as Revenue from operations for the Corporation and will there be any tax liability towards the same?
2. Will there be any possibility of payment of dividends to the Government of Karnataka in future, if needed?
3. The main object of the Corporation is custodian of the land belonging to the Government of Karnataka and the said land is being utilized or transferred as per the directions of the Government of Karnataka. Whether the said object can be classified under 'any such other object' of the objects allowed for Section 8 Company?

The Managing Director informed the Chairman that M/s. Ishwar & Gopal, Chartered Accountants and Tax Consultants have opined that "special provisions for computation of full value of consideration specified in Section 43 CA (1) or section 5 C (i) of the Income Tax Act, 1961 is not applicable to the Company at the time of handing over the land back to GOK without any consideration provided the transfer takes place without payment of stamp duty / assessment of value for payment of stamp duty on such transfer. Hence, the Company is not liable to pay Income Tax on such transfer based on the notional guidance value of the land returned back to the GOK.

After due discussions, the Board passed the below resolution:



RESOLVED THAT the Managing Director of the company in consultation with the Company Secretary and Chartered Accountant shall propose the necessary changes that can be made in Aims and Objectives of the company so that the tax liability of company is reduced as the company is purely involved in the protection of Government Lands.

**ITEM NO.11:**

**Name**

**APPOINTMENT OF OUTSOURCE STAFF TO THE OFFICE OF THE HON'BLE REVENUE MINISTER, GOVT OF KARNATAKA:**

The Personal Secretary to the Hon'ble Revenue Minister, Govt of Karnataka vide Notes issued on 01-06-2023, 14-06-2023 & 06-07-2023 had informed that for smooth administration of the office of the Hon'ble Revenue Minister, engaged the following persons on outsource basis and requested the Company to arrange payment of their salaries:

Sl. No	Post	No of the post
1	Data Entry Operator	02
2	Driver	01
3	Assistant	01

Approval of the Board of Directors was sought for appointments of the above staff on outsource basis through KEONICS to the Office of the Hon'ble Revenue Minister till the term of the Hon'ble Revenue Minister or until further orders whichever is earlier and also to pay their salary out of interest income since budget grants has not been provided for payment of their salary.

The Board of Directors approved the same and authorized the Managing Director, KPLC to take further necessary action in this regard.

**ITEM NO.12:**

**SEEKING EXTENSION OF TIME TO HOLD THE 14<sup>TH</sup> ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2022-23:**

The Board noted that the process of finalization of accounts including adoption of Financial Statements in the Annual General Meeting is required to be completed by 30.09.2023, as per the Companies Act, 2013. This process of finalization of accounts is getting delayed due to the following reasons:



Internal Auditors of the Company have already completed Audit of Accounts for the FY 2022-23 and the draft un-audited Accounts were placed before the Board of Directors at Item No. 5. The approved Financial Statements shall have to be audited by the Statutory Auditors appointed by the C & A G.

The Statutory Auditors have opined that they would be able to complete the audit work only by the end of September 2023 and after C & A G review, the Accounts needs to be placed in the Annual General Meeting. Considering the volume of transactions involved and the efforts needed in finalizing the Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023, Statutory Audit Completion and review by C&AG may be delayed.

Considering this situation, the Company may not be able to convene the Annual General Meeting on or before 30.09.2023. Hence, it was requested to make an application to the Registrar of Companies, Ministry of Corporate Affairs, Government of India, seeking extension of time to hold the Annual General Meeting beyond 30th September 2023.

After due discussions, the Board passed the below resolution:

“RESOLVED THAT pursuant to the provisions of sub section (1) of Section 96 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) approval of the Board be and is hereby accorded for making an application to the Registrar of Companies, Ministry of Corporate Affairs, Government of India, seeking extension of time to hold the Annual General Meeting beyond 30<sup>th</sup> September 2023 for adoption of Financial Statements for the year 2022-23 due to extraordinary and unforeseen circumstances which have emerged.

RESOLVED FURTHER THAT the Managing Director or any other Director be and hereby authorized to make an application on behalf of the Board, to the Registrar of Companies, Ministry of Corporate Affairs, Government of India, seeking extension of time to hold the Annual General Meeting for the year 2022-23 beyond 30<sup>th</sup> September, 2023 and further authorized to appoint any Power of Attorney to represent the Company before the Ministry.”

**ITEM NO.13:**

**ANY OTHER BUSINESS RELATED TO THE BOARD WITH THE PERMISSION OF THE CHAIRMAN.**

**The BOARD noted the below:**

**Utilization of Interest Income to meet the day to day Administrative Expenses of the Company including payment of salary and other allowances of the Regular Officers and also Contract/outsourced staff.**

The Chairman, while reviewing the Financial Statements of the Company for the FY 2022-2023, observed that the Company has paid Income Tax on the Interest earned on investment of funds in banks. The Govt of Karnataka is providing Budget Grants to the Company to remove encroachment of Govt Lands by the Deputy Commissioners and the unutilized funds is being invested by the Company in Fixed Deposits and liable to pay Income Tax on the interest earned thereon.





Further, the Chairman also discussed with the Directors about the need to reduce the income tax liability of the Company by arranging payment of day to day administrative expenses of the Company including arranging payment of salary and other allowances of the Regular Officers and also Contract/Outsource staff from and out of the Interest Income instead of approaching the Government for Grants.

The Chairman also assured to provide necessary budgetary support to protect the Govt. Lands from encroachment, day to day administrative expenses of the Company and also towards Salary and Allowances of Regular Officers and Contract/Outsource Staff whenever required / after complete exhaust of the Interest income & Fixed Deposit at Banks.

After due deliberations, the following Resolutions was passed,

RESOLVED THAT the consent of the Board of Directors be and is hereby accorded for Utilization of accumulated Interest Income to meet the day to day administrative expenses of the Company including payment of salary and other allowances of the Regular Officers and also Contract/Outsource staff with immediate effect.

Chairman confirmed that the quorum was present throughout the Meeting. There being no other business to transact, the Meeting concluded at 11:30 AM with vote of thanks to the Chair.

Place: Bengaluru  
Date: 11/9/23



(Rajender Kumar Kataria, I A S)  
Chairman

