

MINUTES OF THE SECOND MEETING OF THE BOARD OF DIRECTORS OF IMPACT KERALA LIMITED HELD AT THE CHAMBER OF THE ADDITIONAL CHIEF SECRETARY, LSGD, SECRETARIAT ANNEXE, STATUE, THIRUVANANTHAPURAM AT 4.30 PM ON 7TH AUGUST 2018

Members Present:

1. Sri. T.K Jose IAS, Additional Chief Secretary, LSGD – Chairman
2. Smt. R. Girija IAS, Director of Urban Affairs – Managing Director
3. Sri. N. Padmakumar IAS, Commissioner of Rural Development – Director
4. Dr. R.Ajayakumar Varma, Executive Director, Suchitwa Mission – Director
5. Smt. Preetha B.S. – Joint Secretary, Finance Department - Director

In Attendance:

CS Rajitha R., Company Secretary in Practice

2nd Board Meeting of Impact Kerala Limited commenced at 4.30 PM on 7th August, 2018

1. Welcome to the Chairman and other Directors

Smt. R. Girija IAS, Managing Director welcomed the Chairman and the members to the 1st meeting of the Company for the Financial Year 2017-18. Sri. T.K. Jose IAS, Additional Chief Secretary, LSGD took the chair and after ascertaining that the requisite quorum is present, called the meeting to order and requested all the members to submit Form MBP -I pursuant to Section 184 (1) of the Companies Act, 2013.

2. Leave of absence


Since no Directors had submitted leave of absence Chairman expressed his inability to grant leave to absentees. Thereafter the Chairman invited Smt.R. Girija. IAS, Managing Director of the Company to present the items as embodied in the agenda for the meeting for discussion, consideration and approval.

3. Confirmation of the minutes of the previous meeting.

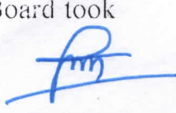
The minutes of the 1st Board Meeting held on 22nd December 2017 was read, verified and was approved by the Chairman as confirmed by the members present.

4. To consider appointment of new Managing Director for the Company.

Government of Kerala had issued a Government Order G.O. (Rt) No. 1795/2018/LSGD dated 02nd July 2018 appointing Smt. R. Girija IAS as the Managing Director of the Company in the place of Smt. Haritha V. Kumar IAS. The order was read and confirmed in the meeting. The Board took


Managing Director

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Chairman

note of the general notice of disclosure received from the new Managing Director, Smt. R. Girija IAS who is participating first time in the Board Meeting of the Company as a Director, pursuant to Section 184 (1) in form MBP- 1 and passed the following resolutions with regard to the appointment.

RESOLUTION NO. 10

- (i) **“RESOLVED THAT** pursuant to the provisions of Section 184 (1) of the Companies (Meetings of Board and its powers) Rules, 2014 the disclosure of interest received from Smt. R.Girija IAS, as placed before the Board, be and is hereby taken on record.”
- (ii) **“RESOLVED THAT** any directors of the Company be and is hereby authorized to sign and file all necessary e-forms in connection with the appointment of Smt. R. Girija IAS as the Managing Director of the Impact Kerala Limited with the Registrar of companies and to all necessary acts in connection therewith.”

5. Reconstitution of the Board

Board of Impact Kerala Limited was reconstituted by the Government Order G.O. (Rt) No. 1908/2018/LSGD dated 11th July 2018 and G.O. (Rt) No. 2155/2018/ LSGD dated 04th August 2018 and accordingly the following changes were made in the Board:

Dr. T. Mithra IAS, formerly Executive Director, Suchitwa Mission was replaced by Dr. R. Ajayakumar Varma, Executive Director, Suchitwa Mission.

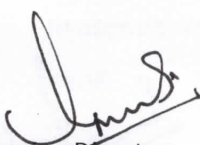
Sri. R. Ramachandran IAS, formerly Commissioner of Rural Development was replaced by Sri. N. Padmakumar IAS, Commissioner of Rural Development.

Smt. B.S. Preetha Joint Secretary, Finance Department is appointed as Director of the Company.

Board took note of the Government Orders reconstituting the Board of the Company.

All Directors of the Company including newly inducted Directors, submitted form MBP 1 pursuant to Section 184 (1) of the Companies Act, 2013 and the board took note of the general notice of disclosure received from the Directors pursuant to Section 184 (1), 189 (2) of the Companies Act, 2013 read with Section 164 (1) of the Companies Act indicating their Directorship, shareholding held in other Companies as on 07th August 2018 in Form MBP 1.

The following Resolutions were passed by the Board with regard to the appointment of new Directors and on submission of MBP 1 by all the Directors:


Managing Director

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Chairman

RESOLUTION NO.11

- (i) **"RESOLVED THAT** pursuant to the provisions of Section 184 (1) read with Rule 9, of the Companies (Meetings of Board and its Powers) Rules, 2014 the disclosure of interest received from all the Directors of the Company, as are placed before the Board, be and is hereby approved."
- (ii) **"RESOLVED THAT** any Directors of the Company be and is hereby authorized to sign and file all necessary e-forms in connection with the appointment and cessation of the Directors in the Board of Impact Kerala Limited with the Registrar of Companies and to do all necessary acts in connection therewith."

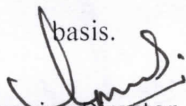

6. Action taken on the decisions of the 7th Board Meeting

The Chief Executive Officer apprised the members of the Board regarding the actions initiated upon the decisions of the first Board Meeting and the members took note of the same. Board revised its former decision on the following items:

Item No. 14 Decision on hiring professionals for the Company

The Managing Director briefed the Board members regarding the selection procedure initiated for candidates on work arrangement as decided in the 1st Board Meeting. Even though a candidate was selected to be appointed as Engineer in the Company, she has failed to join duty. Smt. R.Girija IAS, Managing Director requested the Board members to suggest any other means of staff recruitment if engaging professionals on work arrangement fails to materialise.

Chairman of the Company pointed out that work arrangement is not being entertained in Government Department at present. He opined to create posts in the Organization for short duration say for 3 years. Once the posts are created, appointment through deputation/ contract will be possible and the Company can avail the services of suitably qualified and competent professionals working in the Government sector. He pointed out that engaging such professionals will lessen the possibility of professionals leaving the project half way and on the other hand is a way to enrich the qualified and competent professionals with in Government Service. Board members had a detailed deliberation on the issue and decided to authorize the Managing Director to initiate steps for post creation in the Company for short duration and to initiate steps to engage candidates on contract basis /deputation from the Government Departments. To start with the Board decided to entrust the Managing Director to appoint one Project Manager, one Civil Engineer and One Structural Engineer on contract basis.


 Managing Director
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 Chairman

7. Status of the Project.

The Managing Director, Smt. R. Girija IAS narrated the status of various projects to be undertaken by the Company.

(i) Establishing of modern Abattoirs (Possible funds from KIIFB Rs.100 Crores)

Administrative sanction for this project was accorded on 04th November 2017, vide G.O. (Rt) No. 3564/2017/LSGD. The project was proposed in 14 local bodies of which 6 local bodies have submitted their DPR and 3 DPRs were approved by KIIFB at a total cost of Rs.31.37 Crore.

Chairman stressed the necessity of identifying the required capacity in each local body as a first step in launching this project. After a thorough discussion on the topic board decided to fix the capacity of Abattoirs to 20 animals / hour and to work in multiple shifts to meet peak days requirement and decided to finalize the proposal after discussing the matter with Dr. Mohan, the Consultant. The Board also pointed out certain conditions for establishing Abattoirs.

The Local Body should have sufficient Land for setting up the Project.


- Every district may be ensured coverage except Wayanad and Idukki in the initial phase.
- 15 to 20 Units may be established under the scheme in 2018-19.
- The DPR should be submitted to KIIFB within 3 months.

(ii) Establishing modern Crematoriums (Rs.100 Crore)

The Managing Director informed that Administrative Sanction was accorded for Gas and Electronic Crematoriums vide Government Order No. (Rt) 3711/2017/LSGD dated 18th November 2017 and G.O.(Rt) No.3382/2017/LSGD dated 24th October 2017. Phase I of the proposal had included 13 Projects whereas, Phase II had included 15 Projects.

Chairman stressed on the need to prepare the DPR in advance before approaching KIIFB for financial assistance and directed the Managing Director to identify at least one ULB in each Districts where this facility to be provided in the first phase. Apart from this, the board pointed out certain conditions to be kept in view for selecting the beneficiary local bodies for implementing this project initially.

- Land for constructing crematorium should be hindrance free and should be owned by the Local Body.
- Single crematorium provided to a District should be an ideal project so as to have a demonstration effect.


Managing Director

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Chairman

- Should be able to operate the Crematorium in a secular manner. Caste, religion or any other factors should not make it inaccessible to anyone.
- Should follow all the conditions of Pollution Control Board and Health Department for setting up of Crematorium.
- Should be directed the Local Bodies to submit those projects for which NOC can be obtained from the District Collector based on the report of District Medical Officer (Health) and Pollution Control Board.

(iii) Establishment of Modern Markets (Rs.100 Cr)

Managing Director informed that 8 local bodies have expressed their willingness to take up the project and DPR is submitted by Punalur Municipality, but Administrative Sanction is yet to be accorded.

Board members suggested Director to take care of the following points while taking up this project:

- Market modernization should focus more to create International quality fish markets in ULBs.
- Rejuvenation of existing market places having enough land area may be considered initially.
- Adequate provision for onsite treatment of solid and liquid waste should be provided.

(iv) Building for new Municipalities (Rs.100 Cr)

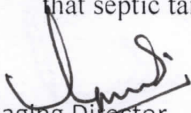
Managing Director informed the meeting that Administrative Sanction for the project is yet to be issued. Proposals with estimates for the same is received from 6 local bodies and Kannur Corporation submitted a proposal to the tune of Rs.55.89 Crores.

Board members advised the Managing Director to constitute a Technical Committee for taking final decision on the matter and directed to include consultants having knowledge in Prefab Building Technology also for the preparation of DPR. The Board entrusted the Managing Director to prepare a sample design for the Municipal Building by considering their staff position and other basic facilities by entrusting the responsibility to appropriate Engineers in the LSGD Engineering wing.


(v) Establishing Septage Units in selected ULBs covering at least one in each District (Rs.150 Crores)

Managing Director informed that spots are being identified for implementing the project and that Administrative Sanction is yet to be accorded. Board gave the following directions for taking up the project:

- Should try to establish modern Septage Treatment plants in ULBs where there is no networked sewerage systems existing. Also ULBs where high water table/water logging so that septic tanks are to be evacuated frequently.


Managing Director

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- Only to take up projects in areas where minimum 25 cents of land is available at the disposal of the LSGI; preference will be given to projects with 50 cents of land

8. Formation of Technical Committee

The Managing Director placed before the meeting the agenda for reconstituting the Technical Committee as suggested in the first board meeting by including an Engineer from LSGD instead of the Company's Engineer since nobody is engaged in that capacity. Board after having due deliberations on the topic give suggestions to form Technical Committee with the following members:

❖ Technical Committee for Slaughter House

- Managing Director, Impact Kerala Limited (Chairman)
- An appropriate faculty member in Meat Technology from Veterinary College
- A Civil Engineer from LSGD Engineering Wing
- Sri. Sreekumar, City Mission Management Unit, AMRUT, Kozhikkode (Convenor)

❖ Technical Committee for Fish Market

- Managing Director, Impact Kerala Limited (Chairman)
- A Civil Engineer from LSGD Engineering Wing
- An expert in fisheries from Kerala University of Fisheries and Ocean studies.
- Sri. Sreekumar, City Mission Management Unit, AMRUT, Kozhikkode (Convenor)

❖ Technical Committee for Modern Crematorium

- Managing Director, Impact Kerala Limited (Chairman)
- A subject expert from Mechanical Engineering Department, CET/ Barton Hill Engineering
- A Civil Engineer from LSGD Engineering Wing
- Sri. Sreekumar, City Mission Management Unit, AMRUT, Kozhikkode (Convenor)

9. Opening Bank Accounts for the Company

Managing Director placed before the meeting the agenda for opening bank accounts for the Company. Even though, the first board meeting of the Company held on 22nd December 2017 had authorized opening of Bank Accounts, this has not materialized. Subsequently the signatories for operating the bank accounts as decided in the first board meeting had changed. In the light of the changed circumstances as narrated by the Managing Director, the board decided to open two bank accounts for the Company as follows:


Managing Director

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Chairman

- (i) A Current Account with the Canara Bank
- (ii) A Special TSB Account with Sub Treasury, Vellayambalam

Board decided to authorize Smt. R. Girija IAS, Managing Director to operate these bank accounts singly for amounts up to Rs.5,00,000/- (Rupees Five Lakhs only) and decided to authorize Sri.N.Padmakumar IAS, Commissioner of Rural Development along with the Managing Director to act as joint signatories for higher amounts and the following resolution was passed in token thereof:

RESOLUTION NO.12

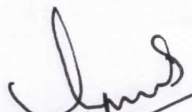
“RESOLVED THAT a Current Account for the Company may be opened with any branch of Canara Bank and a Plan Special TSB account may be opened with Sub Treasury, Vellayambalam.”

“RESOLVED FURTHER THAT Smt. R. Girija IAS, Managing Director of the Company is hereby authorized to operate the said accounts singly for amounts up to Rs.5,00,000/- (Rupees Five Lakhs only) and to operate the accounts jointly with Sri. N. Padmakumar IAS, Commissioner of Rural Development and Director of the Company for the amounts beyond the limit and the said bankers be and are hereby authorized to honour all cheques drawn or given on behalf of the Company at any time by the aforesaid persons and further the said bankers be and are hereby authorized to act on any instruction from Smt. R. Girija IAS relating to the affairs or transactions of this Company.”

“RESOLVED FURTHER THAT the above resolutions shall be communicated to the said bankers and shall remain in force until notice in writing, cancelling or modifying the same is given to the said bankers by the Directors of the Company duly authorized by the Board.”

10. Fixing of fees for the Statutory Auditors for the Financial Year 2017-18

The Managing Director placed before the meeting the agenda for fixing the fees of the Statutory Auditors for the Financial Year 2017-18. According to Section 139 (5) of the Companies Act, 2013 the Statutory Auditors for a Government Company is to be appointed by the Comptroller and Auditor General of India. Managing Director informed the board members that it is mandatory as per the application format as provided by the C & AG for the appointment of Statutory Auditor to provide Board Resolution regarding fees fixation of the Auditor. Board had a brief deliberation on the issue and arrived at a decision to sanction a remuneration of Rs.25,000/- + GST (Rupees Twenty Five Thousand only plus GST) to the Statutory Auditors for the Financial Year 2017-18. Board passed the following resolution for


Managing Director

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Chairman

giving effect to the decision and directed the Managing Director to place application for Auditor appointment with the C & AG.

RESOLUTION NO.13

“RESOLVED TO offer a remuneration of Rs.25,000/- + GST (Rupees Twenty Five Thousand only plus GST) to the Statutory Auditors of the Company for the Financial Year 2017-18.”

11. Taking over Assets and Liabilities of the Partner Kerala Mission.

1st Board Meeting of the Company had decided to take over the assets and liabilities of Partner Kerala Mission by the Company. The decision was upheld in the Government Order No. 1620/2018/LSGD dated 14th June 2018. Prior to the Government Order, the then Managing Director Smt. Haritha V. Kumar IAS had initiated steps for taking over the assets and liabilities of the Mission. Smt. R. Girija IAS expressed her concern over this take over since the Balance Sheet of the Mission had shown a deficit of Rs.6.90 Crores which is to be received from the Government. Further, a liability of Rs.6.90 Crores is due from the Mission to M/s KITCO towards consultancy charges.

Sri.T.K.Jose IAS, Additional Chief Secretary, LSGD and Chairman of the Company suggested the Managing Director to incorporate the assets and liabilities as depicted in the Balance Sheet of the Mission to the Company's accounts. He further explained that the dues payable to the tune of Rs.6.90 Crores to KITCO is actually incurred for the preparation of DPR for various ULBs and as such is due from the concerned ULBs. If necessary, orders can be issued to ULBs to pay consultancy charges from their own funds.

MATTERS TAKEN UP WITH THE PERMISSION OF THE CHAIRMAN AND THE BOARD MEMBERS

1. Appointment of Company Secretary on retainer basis.

The Managing Director placed before the meeting the proposal received from the Practising Company Secretary CS Rajitha R., to assist the Managing Director and board members in complying with the Statutory Provisions pertaining to the Company Law on a monthly retainer fee of Rs.20,000/- (Rupees Twenty Thousand only). Board deliberated on the issue and decided to appoint CS Rajitha R. on retainer basis for taking care of the various provisions


Managing Director

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of Companies Act and related laws till a full time Company Secretary is engaged and the following resolution was passed unanimously in this regard.

RESOLUTION No.14


“RESOLVED TO appoint CS Rajitha R., Company Secretary in Practice as Consultant for assisting the Board of the Company in complying with the provisions of Companies Act on a monthly retainer fees of Rs.20,000/- (Rupees Twenty Thousand only) till a full time Company Secretary is engaged.”

2. Appointing Accounts Professional for the Company

The Managing Director placed before the meeting the necessity for appointing any professionals for taking care of book keeping and accounts of the Company. Board deliberated on the issue and authorized the Managing Director to engage any suitable Firm / Qualified Professional / Retired hands with experience in accounts and finance for meeting the requirement.

3. Hiring Space for shifting Registered Office of the Company Impact Kerala Limited

The Managing Director explained the necessity for hiring a suitable space for the shifting of Registered Office of the Company. The Company since incorporation is working in the Office of the Director of Urban Affairs where adequate space is not available. Board deliberated on the issue and authorized the Managing Director to locate any building suitable for shifting the Registered Office of the Company. There being no other business left to be transacted, the meeting concluded at 5.30 PM with a vote of thanks to the Chair.


MANAGING DIRECTOR


CHAIRMAN