

**Proceedings of the First Meeting of the Board of Directors of Textile Sector Skill Council (TSC)
held on 2nd September 2014 at the Board Room of
Confederation of Indian Textile Industry**

P R E S E N T

Shri Prem Malik, Chairman

Shri Mukund Choudhary, Deputy Chairman, Confederation of Indian Textile Industry	Shri Rakesh Mehra Chairman, The Synthetic & Rayon Textiles Export Promotion Council
Shri S. K. Khandelia, President, Indian Spinners' Association	Shri Atul Bhatnagar, COO, National Skill Development Corporation
Shri Rajiv Mathur, National Skill Development Corporation	Shri G M Mohan Reddy, National Skill Development Corporation

1. Leave of Absence

The Board granted leave of absence to the following members:

- i. Shri M. Senthilkumar, Deputy Chairman, The Southern India Mills' Association
- ii. Shri Chintan Parikh, President, Ahmedabad Textile Mills' Association
- iii. Shri R. L. Nolkha, Chairman, The Rajasthan Textile Mills Association
- iv. Shri Manish Kumar, Representative, The Madhya Pradesh Textile Mills Association

2. APPOINTMENT OF CHAIRMAN

The Board was informed that the Chairman of CITI shall be the Chairman of the Board as per the terms mentioned in the Articles of Association of Textile Sector Skill Council. Accordingly, Shri Prem Malik took charge as Chairman of TSC and conducted the rest of the meeting.

3. QUORUM

The Chairman confirmed the presence of quorum of the meeting and requested the Board to start the proceedings of the meeting.

4. ADOPTION OF CERTIFICATE OF INCORPORATION& LICENSE UNDER SECTION 8(1) OF THE COMPANIES ACT 2013

The Chairman placed before the Board Certificate of Incorporation of the Council dated 22nd August 2014 bearing CIN - U74140DL2014NPL270744and License under section 8 (1) of the Companies Act, 2013 [Pursuant to rule 20 of the Companies (Incorporation) Rules, 2014]- Licence Number: 104317 dated 5th August 2014,issued by the Registrar of the Companies, Delhi and Haryana, New Delhi. The Board noted the same.

5. ADOPTION OF MEMORANDUM AND ARTICLES OF ASSOCIATION

A printed copy of Memorandum and Articles of Association of the Council as registered with the Registrar of Companies was placed before the Board. The Board noted and adopted the same.

6. TO ADOPT COMMON SEAL OF THE COUNCIL

The Chairman placed before the Board the Common Seal of the Council for affixation on the documents of the Council. A seal of the same was affixed on the Memorandum and Articles of Association and the same was approved.

7. DISCLOSURE OF INTEREST U/S 184 OF THE COMPANIES ACT, 2013

The Chairman placed before the Board the disclosure of interest U/s184 received in form MBP-1 and the chairman instructed to record the same.

8. LOGO OF TSC

The Chairman placed before the Board the LOGO of Council and Board approved the same.

9. APPOINTMENT OF FIRST DIRECTORS OF THE COUNCIL

The Chairman placed before the meeting the names of First Directors as stated in clause no.38 of the Articles of Association of the Council. The Board passed the following resolution

“**RESOLVED THAT** the following persons as stated in clause No.38 of the Articles of Association of the Council tabled before the board are hereby appointed as the first Directors of the Council as per the provisions of the its Articles.”

Confederation of Indian Textile Industry

1. Shri PremSardarilal Malik
2. Shri Mukund Choudhary

The Southern India Mills' Association

3. Shri MarappaGounderSenthilKumar

4. **Northern India Textile Mills' Association**
Shri SharadJaipuria
5. **The Millowners' Association, Mumbai**
Shri Rajendra Kumar Dalmia
6. **Ahmedabad Textile Mills' Association**
Shri ChintanNavnitlal Parikh
7. **The Rajasthan Textile Mills Association**
Shri RatanLalNolkha
8. **The Madhya Pradesh Textile Mills Association**
Shri Manish Kumar
9. **Indian Spinners' Association**
Shri Suresh Kumar Khandelia
10. **The Synthetic & Rayon Textiles Export Promotion Council**
Shri Rakesh Mehra

10. ELECTION OF VICE CHAIRMAN

The Board was informed to elect among themselves one Deputy Chairman and one Vice Chairman to hold office until the following Annual General Meeting.

The Board after discussion decided that instead of two post of Deputy Chairman and Vice Chairman, there should only be one post of Vice Chairman. The Board accordingly proceeded to elect Vice Chairman for the year for until the following Annual General Meeting.

Shri Rakesh Mehra, Chairman, The Synthetic & Rayon Textiles Export Promotion Council proposed the name of Shri Mukund Choudhary to be elected as Vice Chairman of the Council until the following Annual General Meeting. Shri S. K. Khandelia, President, Indian Spinners' Association seconded the resolution. Since there was no other proposal, the Board unanimously elected Shri Mukund Choudhary as Vice Chairman of the TSC.

11. SITUATION OF REGISTERED OFFICE

The Chairman informed that both CITI and TSC stand for providing services to textile industry. CITI had substantial space at its premises at 6th Floor, NarainManzil, 23, Barakhamba Road, New Delhi- 110001 and agreed to provide on lease 1240 sq. ft of its premises to TSC at prevailing market rate.

The market rates were checked with three property dealers according to whom it is between Rs.120/- and Rs. 150.-per sq. ft. CITI offered the rate of Rs. 120/-per sq. ft. The final decision would have to be taken in the Extra-ordinary General Meeting of CITI. The board agreed to the same.

The Board agreed to have its registered office at 6th Floor, NarainManzil, 23, Barakhamba Road, New Delhi- 110001 and passed the following resolutions:

“RESOLVED THAT the Registered Office of the Textile Sector Skill Council be and is hereby situated at 6th Floor, NarainManzil, 23, Barakhamba Road, New Delhi- 110001.

“RESOLVED FURTHER THAT a name plate or board be affixed at the registered office and that the Council’s name and address of the registered office, CIN, telephone number, fax number, e-mail and website address be used or mentioned in legible character in all business letters, bills and letters papers and in all notices and other official publications etc. pursuant to Section 12 of the Companies Act, 2013.”

12. FINANCIAL YEAR OF THE COUNCIL

The board passed the following resolution in respect of the financial year of the Council:

“RESOLVED THAT the financial year of the Council be the period from the date of incorporation of the Council viz. 22.08.2014 to 31.03.2015 both days inclusive and that the second and subsequent Financial Year of the Council be the period from 1st April to 31st March each year.”

13. APPROVAL OF PRE-INCORPORATION EXPENSES

The Chairman placed before the Board the details of Pre-incorporation expenses amounting to Rs.27,89,780.

Shri G M Mohan Reddy from National SkillDevelopment Corporation pointed out that the expenses projected in the financial submitted to NSDC was Rs. 18.50 lakh. The Board decided that Consultancy charges totalling to Rs.8,48,602 paid to Dr.J.Venkata Raoto assist in skill development project for the period from 15th April 2014to 22nd August 2014 and Rs.4,800 for preparation of occupational standard should not be the part of pre-incorporation expenses and passed the following resolution:

“Resolved that the Pre- incorporation expenses amounting to Rs.19,36,378incurred by the promoters of the Council in connection with incorporation of Textile Sector Skill Council be and is hereby approved.”

14. APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Boarddecided to appoint to Dr.J.Venkata Rao as Chief Executive Officer of the Council and authorised Chairman to decide the terms and conditions of his appointment and should place the same in the next Board meeting for noting and recording.

15. MAINTENANCE OF MINUTES IN LOOSE LEAF

The Board passed the following resolution for maintenance of minutes:

“RESOLVED THAT the minutes of the meeting of the Board of Directors, any committee thereof and members of the Council be maintained in loose leaf binder which will be bound in a book from time to time at reasonable intervals.”

16. FILING OF PAPERS WITH GOVERNMENT AUTHORITIES

The Board passed the following resolution:

“Resolved that Chairman, Vice Chairman and Chief Executive Officer be and are hereby authorised either jointly or severally to sign all the forms and applications to be filed with the ROC or any other authority under Ministry of Corporate Affairs, Income Tax department, Service Tax department, Excise and Custom department or any other department that come under the law.”

17. OPENING OF BANK ACCOUNT

Chairman informed the Board that there was a branch of ING Vysya Bank functioning from the same building where the new office of TSC was situated and it would be advisable to operate the account of TSC from ING Vysya Bank. Chairman informed that ING Vysya Bank had agreed to operate the main bank account of TSC as a Savings Bank Account. The Board decided to open a Savings Bank Accounts with ING Vysya Bank and passed the following resolution:

- 1 Resolution to open Savings Bank Account titled “TEXTILE SECTOR SKILL COUNCIL(TSC)” with ING Vysya Bank Limited, Connaught Place Branch, New Delhi- 110001 to be used to carry out day-to-day business operations:

“RESOLVED that a savings bank account titled “TEXTILE SECTOR SKILL COUNCIL (TSC)”, 6th Floor, NarainManzil, 23, Barakhamba Road, New Delhi -110 001 will be opened with ING Vysya Bank Limited, Connaught Place Branch, New Delhi.”

- 2 Resolution for operation of bank account titled “TEXTILE SECTOR SKILL COUNCIL(TSC)”

“Resolved that the following Directors/ officers are authorized to sign all cheques, bill of exchange, promissory notes, letter of credit and payment to the order for payment, drawn and accepted or signed on behalf of TEXTILE SECTOR SKILL COUNCIL (TSC) A/c for operating the bank Account with ING Vysya Bank Limited, Connaught Place Branch, New Delhi- 110001.

(a) To be operated by Chief Executive Officer, TSC, with a limit of Rs.20,000 (Rupees Twenty Thousand only) in case of cash withdrawal and Rs.50,000 (Rupees Fifty Thousand only) in any other case, in each transaction

(b) either by any one of the Chairman and Vice Chairman without any limit

“Resolved Further that any one of the Chairman, Vice Chairman and Chief Executive Officer be and are hereby authorized to furnish a copy of the aforesaid resolutions to Bank in which TSC has its bank account and to do all such acts, deeds and things as may be necessary to give effect to these resolutions,”

18. GRANT BY NATIONAL SKILL DEVELOPMENT COUNCIL (NSDC)

The Board passed the following resolution:

“**RESOLVED THAT** the application/proposal submitted to National Skill Development Corporation for setting up TEXTILE SECTOR SKILL COUNCIL and for financial assistance of Rs 5,00,00,000/- (Rupees Five crores) as grant is hereby approved.

“**RESOLVED FURTHER THAT** Dr.J.Venkata Rao, Chief Executive Officer be and is hereby authorized on behalf of the Council to sign/execute agreements, deeds, undertakings, declarations or any other document in relation with the Assistance that is proposed to be availed from National Skill Development Corporation and to complete any other formalities as may be required from time to time.”

19. APPOINTMENT OF AUDITORS

The Board decided to appoint a reputed firm as auditors of the Council and asked to invite the quotation from two or three firms. The Board decided to appoint the auditors in its second meeting.

20 APPOINTMENT OF REMAINING MEMBERS OF THE BOARD AS PER THE PROPOSAL SUBMITTED TO NSDC

The Board decided to request the remaining nominee of the member associations to send their consent as per Companies Act 2013 so that it could be placed in the second meeting of the Board for approval and intimation to the office of Registrar of Companies.

21. BUDGET FOR CAPITAL AND RECURRING EXPENSES

The members in principle approved Rs 22.73 lakhs for capex and asked to submit its details in the next meeting. NSDC representatives informed that projected recurring expenses to prepare QPs, NOS, LIMS and Protocols may not be sufficient. Therefore members asked to revise the budget for recurring expenses and place it in the next meeting giving complete details for each item.

22. CONSTITUTION OF 3 TECHNICAL COMMITTEES

The members approved constitution of three technical committees and asked to submit in the next meeting detailed proposals suggesting names of chairpersons and members for each committee

23. APPROVALS OF PROTOCOLS FOR ACCREDITATION OF ASSESSMENT AGENCIES AND ASSESSMENT FRAME WORK AND PROTOCOLS FOR AFFILIATING TRAINING PROVIDERS

The matter will be taken up in the next meeting

24. WORK DONE TILL AUGUST 2014

The members noted the work done and asked CITI and TSC to jointly write a letter to MoT informing the impact of ISDS on availability of skilled workers for Spinning, Weaving, Knitting and Processing.

26. INAGURAL FUNCTION OF TSC

The members decided to officially launch TSC on 22nd September 2014 during 8th Asian Textile Conference.

The meeting ended with a Vote of Thanks to the Chair.
