

**Proceedings of the 10th Meeting of the Board of Directors of Textile Sector Skill Council
(TSC) held on 30th June, 2016 at Hotel ITC Maratha, Andheri (E), Mumbai**

P R E S E N T

Shri Naishadh Parikh, Chairman

Shri J. Thulsidharan,	Shri R.L. Nolkha, RTMA
Shri M. Senthilkumar, SIMA	Shri M. Duraisamy, PDExCIL

By Special Invitation

Shri V.K. Ladia, past Chairman CITI

Dr. K. Selvaraju, SIMA

Shri G. Balasubramanium, SG NITMA

Shri Binoy Job, SG, CITI

Shri Vikas Ladia, Chairman CQA

Dr. J.V. Rao CEO-TSC

Dr. Swapna Mishra-TSC

Mr. Arjun Singh-TSC

1. Leave of Absence

The Board granted leave of absence to the following member:

1. Shri Mukund Chaudhary
2. Shri Ashish Bagrodia
3. Shri Aniruddha Deshmukh
4. Dr. Prakash Vasudevan

2. Confirmation of the Proceedings

The Board confirmed the proceedings of the ninth meeting of the Board of Directors of the TSC held on 23rd march, 2016 at Mumbai.

3. Action taken report of previous board meeting

The Board noted the "Action Taken Report" of previous Board meeting as given below

Sl. No.	Particulars	Action Taken
1	Leave of Absence	Action not required
2	Confirmation of the Proceedings	Action not required
3	Action taken report of previous Board meeting	Action not required
4	Administration a) New Appointments. b) Hiring of new office premises c) Status Report on office renovation work d) Status Report on TSC Service Rules e) Attendance record of TSC Board members	Action not required. Action taken. Details will be placed in the 10 th Board meeting
5	Finance a) Estimated income and expenditure for the period of 2015-16 and budget for the period of 2016-17. b) Audit Report c) Release of Second Installment of Grant by NSDC. d) Related Party Transactions	Action not required Action taken. Followed up vigorously with NSDC. Awaiting release of the grant. Action not required.
6	TSC activities: Setting up of Sector Mentor Council	Action taken.
7	Correspondences with NSDC & other agencies a) Representation of Federation of Industry and Commerce in North Eastern Region(FINER) in SSC GCs b) Preparation of Audio Visual by TSC c) SSC Version 2.0 d) Mail received from DC Handlooms	Action taken.
8	Any other matter with the permission of Chair	Action not required

The Board may kindly note the above.

ITEM NO. 4

Welcoming special invitees to TSC Board

The Board welcomed Chairman CQA-Mr Vikas Ladia, Chairman C3A - Mr. Ashish Bagrodia, Shri R L Nolkha (Chairman RAC and also a Board member) and SG-CITI Mr Binoy Job, to the Board meeting. The Board also welcomed Mr. V.K. Ladia, past Chairman CITI as special invitee for 10th TSC Board meeting.

ITEM NO. 5

Administration & Finance

i. CEOs contract renewal

The Board noted that the contract of Dr. J.V. Rao-CEO TSC is ending on 3rd September, 2016. The Board appreciated the work done by him and approved the extension his contract as CEO for a period of three years starting from 4th September 2016.

ii. Attendance Record of Directors

The Board noted that Shri Arunchandra N. Jariwala, Federation of Indian Art Silk Weaving Industry representative was not able to attend any TSC board meeting in the financial year 2015-16 on health grounds.

Therefore, the Board asked TSC to write to FIASWA to recommend another representative in place of Shri Arunchandra N. Jariwala.

iii. Annual Accounts of TSC for 2015-16

Annual Accounts of TSC along with Draft Report of the Auditors, Draft Report of the Board and Resolutions for adoption by the Board were discussed.

Since NSDC representative Mr. Srihari Balakrishnan was not present in the meeting, the Board suggested that all the above documents may be sent to him for approval.

Further, the above may be taken as approved by the Board subject to the approval of Mr. Srihari Balakrishnan, NSDC representative. However, in case Mr. Srihari Balakrishnan desires, another TSC Board meeting may be called before the 2nd AGM to clear the accounts.

The Board noted that TSC has obtained declaration from Board Members that they are not disqualified to act as a Directors of the Council as at March 31, 2016 pursuant to Section

164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 and disclosure of interest by Board Members pursuant to section 184 (1) and rule 9(1) of the Companies Rules 2014.

Board adopted the annual accounts of Textile Sector Skill Council and passed the following resolutions:

- (1) RESOLVED THAT the report of the Board to the members of the Council shall include the Statement, indicating therein-
 - a) In the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
 - b) The Board members have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Council as at March 31, 2016, the Income and Expenditure and of the cash flow statement of the Council for the year ended on that date;
 - c) The Board members have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Council and for preventing and detecting fraud and other irregularities;
 - d) The Board members have prepared the annual accounts on a 'going concern' basis;
 - e) The Board members have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
- (2) RESOLVED THAT in the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
- (3) As per Income tax act 1961, 85% of the income of the year of Charitable Company/ Trust / Institution Should be incurred in the same year. As maximum accumulation permitted is 15% of the total income for claiming income tax exemption under section 11 of the income tax act. Trust has not incurred 85% of its income during the financial year 2015-16. In such case income may be set apart for the specific purpose.

RESOLVED THAT Rs. 2,21,16,071 May be accumulated for the purchase of fixed assets and object of the charitable company/trust/institution out of income financial year 2015-16, which will be used in next 5 years.

- (4) RESOLVED THAT the report of the Board on the Balance-sheet and Income and Expenditure account for the year ended 31st March, 2016 presented at the meeting be and is hereby approved and adopted and that the Chairman be and is hereby authorized to sign the report on behalf of the Board.

iv. Advertisement in CITI magazine

The Board noted that TSC has agreed to place advertisement in CITI's monthly magazine "Textile Times" for twelve consecutive months in Cover Gate Fold position during the financial year 2016-17 for Rs.3,40,000/-.

v. Related Party transactions

The Board noted that TSC had entered into related parties transactions covered u/s 188 of the Companies Act during the FY 2015-16 as per the details given below:

S No	Name of Party	Nature of Transaction	For the Year Ended 31.03.2016
1	Confederation of Indian Textile Industry	Lease Rent	21,52,719
		Secretarial Services	4,00,750
		Reimbursement of Expenses	8,39,903
		Advertisement Expenses	68,000
		CITI Contribution (Corpus Fund)	20,00,000
		Closing balance Amount Payable (Liability)	3,73,444

The Board passed the following resolution for the related party transactions mentioned above with or without modification(s), as ORDINARY RESOLUTIONS:

"Resolved that the transactions entered with Confederation of Indian Textile Industry on account of Lease rent (Rs. 21,52,719 including service tax), Secretarial Services (Rs. 4,00,750 including service tax), Advertisement (Rs. 68,000), reimbursement of expenses (Rs.8,39,903) and contribution received from Confederation of Indian Textile Industry council (Rs.20,00,000) are in order."

vi. Fixing the Date, Venue and Time for the 2nd Annual General Meeting of TSC

The Board authorised the Chairman to fix the date, time and venue in Delhi for 2nd Annual General Meeting of TSC.

vii. **Re-appointment of directors retiring by rotation**

The Board approved re-appointment of the following for another year.

S.No.	Name
1	Shri Anil Rajvanshi
2	Shri J. Thulsidharan
3	Dr. Prakash Vasudeven
4	Shri S L Pokharna
5	Shri M. Duraisamy
6	Shri Aniruddha Deshmukh

The Board recommended the following resolutions to be passed in the AGM for each of the directors mentioned above to be retired by rotation with or without modification(s), as ORDINARY RESOLUTIONS:

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Shri Anil Rajvanshi, retired by rotation, be and is hereby re-appointed as a director of the Council.”

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Shri J. Thulsidharan, retired by rotation, be and is hereby re-appointed as a director of the Council.”

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Dr. Prakash Vasudeven, retired by rotation, be and is hereby re-appointed as a director of the Council.”

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Shri S L Pokharna, retired by rotation, be and is hereby re-appointed as a director of the Council.”

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Shri M. Duraisamy, retired by rotation, be and is hereby re-appointed as a director of the Council.”

“Resolved that pursuant to the provisions of Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Shri Aniruddha Deshmukh retired by rotation, be and is hereby re-appointed as a director of the Council.”

viii. **Appointment of Auditors for F.Y. 2016-17**

The Board recommended the name of M/s S.S. Kothari Mehta & Co, Chartered Accountants as auditors for the F.Y. 2016-17 on a remuneration of Rs.80, 000/- as was their fee for F.Y. 2015-16.

ITEM NO. 6

A) SSC version 2.0 and Annual Business Plan submitted to NSDC

The Board noted the details of the document SSC version 2.0.

B) Annual Business Plan submitted to NSDC

The Board noted the Annual Business Plan (ABP) submitted by TSC to NSDC.

ITEM NO. 7

Establishing Regional Offices of TSC

The Board noted that as per SSC Version 2.0, TSC is mandated to have regional/state/cluster wise offices across the country. Mr. V.K. Ladia was of the opinion that Rajasthan and Surat have huge potential for growth in the Textile Sector and hence suggested establishment of TSC regional centers at these locations. Further, he has informed that he will establish contacts with South Gujarat Chamber of Commerce and explore the possibility of establishing TSC's regional centre in their premises at minimal cost. The Board decided to work out the plan for establishing TSC regional offices and ensure TSC's penetration in all Textile and Handloom Clusters across the country.

The committee comprising of the Chairpersons of three technical committees, CEO-TSC and Chairman TSC would work out the locations and plan for establishing regional offices of TSC across the country.

ITEM NO. 8

Establishing SSC-Skill Academies of Excellence

The Board noted point regarding establishment of SSC-Skill Academies of Excellence.

Recommendations of Technical Committees

The following decisions were taken by the Board on recommendations of the technical committees

a. Development of QP-NOS

- i. The Board approved development of the QP on "Handloom Entrepreneur" by Progigence at the rate of Rs. 50,000/- inclusive of all applicable taxes.
- ii. The Board approved to engage Progigence to prepare QPs for Silk and Ginning and Dr. S. K. Choudhuri to prepare QPs for Woolen industry at the rate of Rs 50,000/- per QP inclusive of all applicable taxes.

b. Development of Training Packages for mill sector

The Board constituted a committee comprising of the Chairpersons of three technical committees, Dr. Selvaraju of SIMA, SG-CITI, CEO-TSC and Chairman TSC to discuss and finalize the modalities to develop the Training packages, print and publish them at the earliest so that the mills will be able to participate in PMKVY 2.

c. Development of Training Packages for Handloom sector

The Board authorized the CEO in consultation with the TSC Chairman to decide the agency and the rate to undertake content development, publishing and distribution of training packages for handloom Sector.

d. New TOT guidelines from NSDC

The Board noted various points raised by NSDC regarding conducting of ToT programs and also the recommendations of C3A regarding the same. The Board further approved the following

S. No.	NSDC Guideline	Current Practice	Proposed action
1	All master trainers to conduct Training of Trainer for each SSC must have undergone training for master trainers approved by SSC. The trainers also must have gone assessments for lead trainer and scored at least 90% or above in domain QPs, post which they should be certified by the SSC as Master Trainers.	The ToT programs are conducted by only SIMA, BTRA, SITRA and NITRA. All these institutes are conducting training programs for the last 4 decades or so and are well recognized by the industry.	TSC may get a declaration from the mill TPs that the master trainers are qualified and have more than five years' experience as trainer in the training department of a textile mill. They may be asked to submit CVs of all master trainers to TSC for records. TSC may continue to follow the current practice of engaging the Master trainers. However, TSC may adopt the revised

			guide lines in case Master Trainers are from institutions other than SIMA and TRAs.
2	To be eligible to participate in PMKVY 2.0, each TP must have Trainer(s) who have undergone Training of Trainer (ToT) through SSC approved agency and have certification for the same.	The guidelines are being followed.	No change required.
3	The cost of ToT is Rs. 6000/- per QP which included domain QP and Platform QP (QP for trainer developed by NSDC).	The ToT programs are conducted for the complete set of QPs of a given sub sector (e.g: spinning); the cost is decided by the organizations conducting the program. As all these organizations are industry associations, they are prepared to conduct the programs at a much lesser cost than what has been proposed by NSDC	The committee may approve the current rates to conduct ToT programs for both organized and unorganized sectors
4	The duration of training must be ten days with one day each for assessment of domain and platform QPs.	ToT programs are of three days duration and qualification & experience of trainer have not been fixed. Existing trainers of each factory undergo ToT.	The committee may decide on the educational qualification and experience of the trainers for mill sector. The duration of ToT to existing three days may be approved for all sectors.

e. **HR Demand Forecast for Textile and Handloom Sectors**

The Board noted that NSDC is conducting Environmental Scan and Demand & Supply gap of skilled personnel for all Sectors and hence there is no need for Skill Gap study by TSC/CITI as directed by MSDE.

The Board decided that the budget (Rs. Fifty lacs) allocated for the above in the current Financial Year may be used to develop content for "Training Package" consisting of Curriculum, Trainee's Handbooks, Trainer's Handbooks, Assessment guide and ppt. Accordingly the Board asked TSC to replace "Report on Skill Gap" with "Development of Training Package" in the budget for current financial year.

ITEM NO. 9

Update on TSC activities

The Board noted the update on TSC activities.

ITEM NO.10

Any other item with permission of Chair

The Board asked TSC to write to all member associations of TSC to recommend alternate members who may attend the TSC Board meetings in case the first representative is not able to attend. These members will be counted as alternate members and not additional members.

Mr V.K. Ladia suggested that TSC's SB account with Kotak Mahindra may be converted into flexi account for better interest rates. TSC was asked to find out from Kotak Mahindra Bank and take necessary action in consultation with the Chairman.

Mr. Vikas Ladia suggested formation of an expert committee of TSC to discuss the issues on PMKVY 2 with NSDC/MSDE. The Chairman asked Mr. Ladia to send a note to TSC on issues with PMKVY 2 so that the same may be discussed with NSDC/MSDE.

The meeting ended with a vote of thanks.
