

MINUTES OF THE 7th MEETING OF KANDLA SEZ AUTHORITY MEETING HELD ON 26/12/2011 AT 10.00 HRS. AT KANDLA SPECIAL ECONOMIC ZONE UNDER THE CHAIRMANSHIP OF SHRI PRAVIR KUMAR, IAS, CHAIRPERSON, KANDLA SEZ AUTHORITY.

Following were present:-

1. Shri Pravir Kumar, DC, KASEZ
2. Shri B. Pattanaik, JDC, KASEZ
3. Shri Ajay Kothary, MD, Schmetz (India) Pvt. Ltd.
4. Shri R. Kannan, Director, Vijay Tanks & Vessels
5. Shri Vikas Jhunthra, Director, Missionpharma Logistics
6. Shri R.N. Bairwa, AO, KASEZ (special invitee)

7.1 Introduction of New Members:-

Chairman introduced new members S/Shri R. Kannan, Director, M/s.Vijay Tanks & Vessels Ltd. and Vikas Jhunthra, Director, M/s. Missionpharma Logistics (India) Pvt. Ltd. and extended a warm welcome to them. Thereafter, he briefly explained the functions of the Authority.

7.2 Confirmation of the minutes of 6th meeting of Kandla SEZ Authority:

Minutes of the 6th Kandla SEZ Authority meeting held on 11/10/2011 were confirmed.

7.3 Rent Revision:

It was informed that a sub-committee had been constituted for study and giving recommendation for revision of rent w.e.f. 1/1/2012. However, the Committee could not meet and the report and recommendations are still awaited. After deliberations, it was decided that since the rent revision was due from 01/01/2012, a provisional increase of 20% on both the lease rent and also on the user charges would be effective w.e.f. 01/01/2012. It was also decided that the sub-committee would submit their report on the rent revision by 15th February, 2012. The exact quantum of increase will be finalized based on the recommendation of the sub-committee on rent revision.

7.4 Disparity in rent:-

It was decided that the above sub-committee will look into this issue also and give its report/recommendation by 15th February, 2012. The matter would be taken up on receipt of the report of the sub-committee.



7.5 Reconsideration on ban on sharing permission:

The Committee considered the representation of the Kandla SEZ Industries Association for reconsideration of the decision on cessation of sharing permission to the units falling under Rule 18(4)(c). The industry representatives also requested for extension of time limit so that the affected units could make alternative arrangements. Accordingly, after deliberations it was decided to extend the sharing permission, which was otherwise to cease w.e.f. 31/12/2011, to 31/3/2012. It was further decided that no further extension shall be granted beyond this period.

7.6 Request of M/s. Worlds Window Infrastructure & Logistics Pvt. Ltd. – fixation of lease rent in FTWZ:

After discussion, proposal was deferred. Their co-developer was asked to re-work their calculation and send their final figures to the members of the Authority for their consideration.

7.7 Audited balance of the Authority for the year 2009-10:

The Audited balance sheet of the Authority for the year 2009-10 was approved and the Secretary was authorized to send the same to the Ministry. It was further directed to finalize the accounts for the year 2010-11 at the earliest.

7.8 Reduction of area in respect of M/s. Integrated Warehousing Kandla Product Development Pvt. Ltd. (IEKPDPL) and M/s. Worlds Windows Infrastructure and Logistics Pvt. Ltd.

M/s. Integrated Warehousing Kandla Project Development Pvt. Ltd. (IWKPDPL) and M/s. Worlds Windows Infrastructure and Logistics Pvt. Ltd were issued with Letter of Approval (LoA) by Ministry of Commerce as Co-Developer of KASEZ for development of Free Trade Warehousing Zones (FTWZs). They were allotted with 75 acres and 25 acres of land, respectively, in the New Area, for development of FTWZs. However, it has been pointed out that the land allotted to them was inclusive of peripheral security road, which was part of the common infrastructure of the Zone and was not meant for their exclusive use.

Both the co-developers have represented that when they were not allowed exclusive use of the security road, lease rent for this area may not be charged from them and the rent should be charged only for the actual area allotted to them for commercial use. After deliberations, it was decided that



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since the security road is part of the common infrastructure of the Zone and has to be kept vacant without any encumbrances, the road area may be excluded from their allotment and lease rent should be charged only for the area actually available to them for commercial use. Accordingly, it was decided to re-measure the plot to arrive at the actual area of both the co-developers, by excluding the area of security road, in consultation with co-developers and NBCC. Further, it was decided that the excess rent charged from these c--developers should be adjusted against the rent payable by them in future.

Meeting ended with Vote of Thanks to all concerned.



(Pravir Kumar)
Chairperson