

Minutes of the 12th meeting of Kandla SEZ Authority meeting held on 04/03/2013 at 16.00 hrs. under the Chairmanship of Shri Mahendra Jain, IAS, Chairman, Kandla SEZ Authority

Following were present:-

1. Shri S.N.Patil, JDC, KASEZ
2. Shri Vikas Jhunthra, ED, Missionpharma
3. Shri R.G Khairkar, FTDO, representing JDGFT
4. Shri R.N. Bairwa, Sr. AO – invitee
5. Shri A.K. Pathak, DGM, NBCC – invitee
6. Shri Ajay Kothary, President, KASEZIA – invitee
7. Shri R.G. Chellani, Secretary, KASEZIA - invitee

12.1 Confirmation of the minutes of 11th meeting of Kandla SEZ Authority:

Minutes of the 11th meeting of Kandla SEZ Authority held on 16/08/2012 were confirmed.

12.2 Review/action taken report:

12.2.1 Re-surfacing of road in KASEZ residential area:

- (a) The position that re-surfacing of road the residential area at an estimated expenditure of Rs.67.69 lakhs has been completed. Committee took note of this.
- (b) The position that construction of CC Parking in the new area near ROB, loading yard near Vertex and from fly over to Green Age Solutions in old area has been completed. Committee took note of this. It was also noted that Project completion cost was approx. Rs.500 lakhs, as against the project cost of Rs.825 lakhs..

12.2.2 Providing of High Masts:

DGM, NBCC stated that the work has been completed and all the high masts are working.

12.2.3 Painting of residential quarters, KASEZ Guest House, providing of barricades, etc.:

DGM, NBCC stated that the work has since been completed except providing of barricades to restrict the overloaded vehicles.

12.2.4 Transfer of premises:

The position reported was noted.

12.2.5 Applicability of rent at the time of renewal of lease:

It was intimated that the old area rent (Rs.20.300 is far lesser than the new area (phase-II) (Rs.158.75). Shri Ajay Kothary, President, KASEZ Industries Association said that main land owners in Gandhidham area were Kandla Port Trust and allotted

land at the basic rate of Rs.60 plus above or below per sq.mtr. for 30 years without any escalation and rent is charged upfront for 30 years on freely transferable basis.

KASEZ allots land on 15 years renewable lease basis and there is escalation every three years with early payment of rent.

In the last bid of KPT land the reserve price was Rs.60 and bid accepted was for Rs.103/- (Rs.60+Rs.43) with no escalation, transferable, no transfer fee applicable. Further, market appreciation is in lessees favour. This is freehold land. KPT takes 30 years upfront charge.

Chairman directed to write to the Collector and Registrar office to ascertain circle rates.

Committee noted that the current rent is very high and the renewal of lease should be linked to some reasonable parameters and should not be exorbitant.

It was decided that in KASEZ for available land and building, bidding should be done among the LoA holders/in-principle LOA holders to arrive at a market rent for fresh lease. This will be open to limited bidders having LOA/in-principle LOAs and prospective LOA holders also.

Shri Ajay Kothary stated that he would give a detailed figures based on the KPT rates taking into account the upfront benefit, escalation factor for the reference.

12.3 New proposals:

12.3.1 Outsourcing of personnel for accounting work:

The request of increase of rate as requested by M/s.Mukund & Rohit was not accepted. It was decided that if the agency is willing to continue at the same rate and terms conditions, it should be continued till the time new agency is fixed or fresh action should be taken.

12.3.2 Widening of road with fixing of paving blocks in road sides at KASEZ:

The proposal is for fixing paving blocks in road sides at an estimated cost of Rs.7,49,93,470/-. Chairman clarified that wherever the units provided the paving blocks the same should not be removed. While providing the paving blocks, it may be ensured that the road cutting should be minimum. In case the road cutting cannot be avoided, the units may be asked to restore the same at their own cost or the cost for restoring the same would be recovered from them apart from administrative charges. NBCC was asked to submit revised estimate for clearing the same on file and the work should be taken up in a phased manner in old area. Whatever work has already been executed should be excluded and remaining area should be paved. DGM, NBCC stated that the rates are as per DSR 2012 plus cost index hike as declared by CPWD.

12.3.3 Providing and fixing MS railing from Custom Check Post Building to Main Gate at KASEZ:

The proposal is to provide MS railing from Custom Check Post Building to Main Gate at KASEZ. This is required to regulate the pedestrians and also to control the traffic at check-post. At present lot of auto rickshaws are parked near the check-post for the commuters. If the MS railing is fixed, all the pedestrians coming out from the KASEZ will pass through the MS railing till the KASEZ main gate (Lal Gate) thereby the parking of auto rickshaws near the check-post will be controlled. The Authority approved the proposal for providing and fixing MS railing from Custom Check Post Building to Main Gate at KASEZ at an estimated cost is Rs.29,41,883/-.

12.3.4 Misc. work for covering the existing open storm water drain with RCC slab, Temporary room in loading yard, boundary wall, replacement of old pumps, pipelines, main LT panel in fire station at KASEZ:

The proposal was for providing

- (i) covered RCC storm water drains, certain areas which are left behind at the time of providing the covered storm water drain, as under:-
 - (a) Sai Tea stall to Plast-O-Fine
 - (b) Syndicate Printers to Praj
 - (c) Both side of Vijay Tanks and Vessels
 - (d) Raghwani to Raghwani
 - (e) Otoklin to Otoklin
 - (f) Otoklin back to TransworldFurtichem
 - (g) Transworld to Transorld
 - (h) Gimpex to Milaks
 - (i) Front of Inox

Once the covered storm water drain is completed, the area will be neat and clean.

- (ii) There was also a demand from the DC(Customs) to provide temporary rooms in the loading yard for the Apprisers and POs who are posted there for 100% examination.
- (iii) Providing boundary in Fire Station and also replacement of old pumps, water line and main LT. panel of fire pump house. It is also proposed to do ceiling plaster of under ground water tank in township and also to put pre-cast manhole covers.

Authority approved the above proposal at an estimated expenditure of Rs.1,16,13,870/-.

12.3.5 Furnishing of New Check-post building at KASEZ:

The new check-post building is at the various stages of completion. Therefore, the furnishing of the building is also required to be done together. Following work is proposed at the new check-post building at an estimated cost of Rs.53,17,815/-.

Sr.No.	Name of Work	Estimated amount (Rs.)
(a)	Providing and fixing of false ceiling and partitioning at check-post building	18,12,390.00
(b)	Supply, installation, testing and commissioning of air conditionedrs (LG Make)	9,87,375.00
(c)	Supply of furnitures (durian make) at chek-post	25,18,050.00

Chairman stated that there was no need for providing and fixing false ceiling at the check-post building. Chairman enquired whether the false ceiling is necessary at check-post and it was decided to submit the proposal on file after examining the issue of false ceiling. However, the proposals at Sr.No. (b) and (c) above was approved.

12.3.6 Request for revision of Tariff – M/s.Worlids Window Infrastructure and Logistics Pvt. Ltd.

It was noted that in the 8th Authority meeting their tariff for allotment of space in the FTWZ was discussed and finalized. Now the Co-Developer vide their letter dated 14/09/2012 requested to revise the tariff as under, as the result of increase of lese rent by the Kandla SEZ Authority. The rate already and the rate now proposed by the Co-Developer is as under:-

Sr.No.	Type of land/facility	Earlier approved tariff (Rs.persq.mtr.) plus applicable taxes	Revised Tariff (Rs.persq.mtr) for which approval sought
1	Clean demarcated land, without leveling/WBM, only with boundary wall in the main outskirts and rest all other facilities to be on client account.	Rs.132/- per sq.mtr. per annum	Rs. 152/- per sq.mtr. per annum
2	Clean demarcated land with internal roads, drainage and leveled hard grounds and facilities like closed boundary wall with lighting arrangement with roads, use of common small office (in case of any other facility is required than it shall be on client account)	Rs.336/- per sq.mtr. per annum	Rs. 386/- per sq.mtr. per annum

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It was noted that there is an increase of 15% from the earlier approved tariff. Authority, therefore, approved the proposed rates of the Co-Developer.

12.4 Balance payment to NBCC:

Position regarding payment made and balance payments to be made to NBCC by the Kandla SEZ Authority for various ongoing works given below, was noted by the Authority:-

Sl. No.	Name of the work	Estimated Cost	Funds released by Authority (Rs.in lakhs)		
			Authority Share	Released till date	Balance to be paid
1	Construction of 2 Nos. SDF (new) (out of Authority's share of Rs.812.80 lakhs)	2786.74	812.80	112.80	700.00
2	Dismantling of reconstruction GHB quarters (sanctioned in 3 rd meeting)	167.88	167.88	9.25	158.63
3	Construction of CC Parking in the new area near ROB, loading yard near Vertex and from fly over to Green Age Solutions in old area	825.40	825.40	500.00	No fund required work completed
4	Dismantling and re-construction of CIB sheds (phase-1) out of Authority share of Rs.269.78 lakhs):	1169.78	269.78	269.78	--
5	Dismantling and re-construction of Primary School Building	123.06	123.06	105.00	18.06
6	Construction of Over Dimensional Cargo (ODC) gate in New Area	20.00	20.00	20.00	00.00
7	Providing of 15 Nos. High Masts	111.57	111.57	81.57	30.00

Supplementary Agenda:

1. NBCC's completion report with respect to SEZ Authority Works (2010-11 & 2011-12 sanction) completed/work in progress during the year 2011-12 9AS ON 31/3/2012):

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The position, as stated by NBCC as under, was noted:

(Rs.in lakhs)				
Sr. No.	Name of Work	Sanctioned cost (lakhs)	Total cost 31/12/12 (Authority share)lakh	Remarks, if any
1	Construction of SDF (Ganga Complex) (Authority Share Rs.232.23 Lakh)	1393.37	23223000	Work completed and handed over.
2	Construction of 2 Nos.SDF (Unit II & III) (Authority share Rs.812.80 lakhs)	2786.74		Work in progress. Rs.23646469/- spent under ASIDE)
	Authority Work 2010-11			
3	Dismantling 12 Nos. quarters and reconstruction of 18 Nos. quarters	222.73	556984	GDA approval awaited
4	Construction of CC Parking inside the check post both in and out gate at KASEZ	230.29	23028408	Work completed and handed over.
5	Construction of CC Road from NH to 300 acres gate and improvement of gate and central verge	352.55	35255138	Work completed and handed over
6	Painting of boundary wall in industrial area of KASEZ	27.57	2675306	Work completed and handed over
7	Miscellaneous maintenance work in quarters at KASEZ	30.07	2847692	Work completed and handed over
8	Resurfacing of roads in Sector-I, IV and balance area of Sector-II (excluding security road)	250.00	24138096	Work completed and handed over
9	Construction of CC Road from HUL to Tulip and Otoklin to ODC gate	682.89	67231360	Work completed and handed over
10	Providing Dome in New Administrative Block	9.65	904942	Work completed and handed over
11	Construction of ODC gate	10.00	998690	Work completed and handed over
	Authority work 2011-12			
12	Construction of CC Road from – (i) ROB to BW Bharapar side, (ii) along the bi size nala from BW old SEZ area to Sea side boundary wall (Narayan Marine tech)	827.56	82699538	Work completed and handed over

2. NBCC's request for additional fund for improvement of security system (ii) Network and security solutions:

Authority noted that the work of improvement of security system at KASEZ was awarded in three components under ASIDE (i) Check post with New in and out gate, fire station near check post (Rs.152.70 lakhs), (ii) Net work and security solutions (Rs.121.00 lakhs), and (iii)

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Watch towers High Mast (Rs.108.46 lakhs) vide sanction letter dated 23/2/2011 for a total amount of Rs.386.66 lakhs.

DGM, NBCC stated that the work of installation of 15 Nos. High Mast has been completed at a cost of Rs.111.69 lakhs, with a cost variation due to the quantity variation of cables. Further, the Check post will be completed at the anticipated cost of Rs.165.00 lakhs. NBCC stated that the cost variation is mainly due to in aluminum paneling with glazing work to improve the architectural view and CC flooring work around the new fire station building.

With regard to Net Work and security solution NBCC in their letter dated 26/2/2013 intimated that the work of security solution is a specialized job and as per discussions with KASEZ Admn. they have added one additional item of materials/baggage X-ray scanners for an amount of Rs.18.36 lakhs and tried for two times through e-tenders to complete the work within sanctioned amount i.e. Rs.121.00 lakhs. But, the latest quoted amount for this work was Rs.116.26 lakhs and the anticipated completion cost will be around Rs.137.70 lakhs. Thus the total anticipated completion cost for these three components of Improvement of Security System will be Rs.414.39 lakhs as against the sanction amount under ASIDE Rs.386.66 lakhs. NBCC vide their letter dated 26/2/2013 requested to pay an amount of Rs.27.70 lakhs as Authority's share for the work of improvement of security system for completion of the work as per planning and schedule.

Committee approved the proposal of payment of an amount of Rs.27.70 lakhs from the Authority. It should be ensured that all the boundaries are covered by closed circuit camera. One monitor should be provided at DC's chamber by reducing one from the checkpoint. The camera footings of in and out gate can also be accessed in the chamber of DC, JDC, DC(Cus) and Secretary. It should be also ensure that all movement of men and vehicles should be covered by closed circuit camera.

3. Approval of estimated budget of the Authority for the year 2013-2014:

Estimated budget of the Kandla SEZ Authority for the year 2013-14 placed Appendix-1 was approved by the Authority.

4. Installation of Gym Equipments at KASEZ Health Centre:

Authority noted that in the 8th meeting of Kandla SEZ Authority, the proposal for purchase of following equipment to develop the Health Centre as "Health & Fitness Centre" was approved:-

a. Motorized Treadmill	2 Nos.
b. Foot/Leg Massager	1 No.
c. Commercial Upright Bike	1 No.
d. Magnetic Vibrant Belt	1 No.
e. Commercial Four Station Gym	1 No.
f. Twister	1 No.

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However, tenders were invited, but it was not finalized, as the model/brand were not mentioned. The present proposal is to purchase the above items and other health and fitness equipment through NBCC at an estimated cost of Rs.15.00 lakhs was approved by the Authority.

5. Jungle Cutting – request of GWSSB:

Authority noted that Gujarat Water Supply and Sewerage Board is insisting KASEZ to take over the maintenance of the dedicated water supply line till they appoint the maintenance agency. They have also requested KASEZ to arrange for the jungle cutting, as there is lot of wild growth. The proposal for jungle cutting through NBCC at an estimated expenditure of Rs.4.00 lakhs was approved by the Authority. However, it was directed that the maintenance of the pipeline has to be undertaken by GWSSB.

6. Audited balance sheet for the year 2011-12:

Audited balance sheet for the year 2011-12, placed before the Authority was approved and directed to send to the Ministry.

7. Reduction in the Rental rates of SDF buildings:

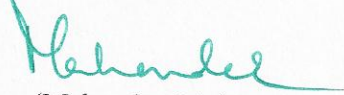
Authority noted that not even a single unit in SDF has been so far rented out and the entire building is lying idle. The units are requesting to consider reducing the lease rent of the SDF (Ganga Complex). The rent was fixed at Rs.1538/- per sq.mtr. It was informed to the Authority that in Phase-II the highest rent for other shed is Rs.1047/- per sq.mtr. This rent is made applicable to all new allotments including transfer. This rent is now more than one year old. Authority felt that this rent should be made applicable to SDF also so that the SDF can be rented out. Accordingly, it was decided as under:-

Floor	New Rent	Remarks
Ground	Rs.1256.00 per sq.mtr./pa	(1047+20%)
First	Rs.1152.00 per sq.mtr./pa	(1047+10%)
Second	Rs.1047.00 per sq.mtr./pa	(1047)

General:

Cleanliness of the Zone was discussed and it was decided that any proposal for renewal, broad banding or any certification from DC office should be strictly scrutinized for neatness and cleanliness. Even if any unit is not maintaining cleanliness, unit should be intimated and should not be put before the UAC. These should be a standard operational procedure. Notices should be given to such units along-with photographs for recovery of penal amount.

The meeting ended with a vote of thanks to the members present.


(Mahendra Jain)
Chairman,
Kandla SEZ Authority

APPENDIX-1		
KANDLA SEZ AUTHORITY		
ESTIMATED BUDGET FOR THE YEAR 2013-2014		
Sr.No.	Particulars	Rs.in lakhs
A	Estimated funds available with the Authority	
1	Fixed Deposit with PNB	500.00
2	Approximate amount available in Bank other than FD	500.00
B	Estimated income for 2013-2014	
1	Lease Rentals/user charges	1950.00
2	Water supply bills	110.00
3	Security passes	20.00
	Total (A+B)	3080.00
	Estimated expenditure to be incurred during 2013-2014	
1	Towards water supply bills	100.00
2	Towards electricity bills	50.00
3	Agency charges to NBCC for water supply/distribution	10.00
4	Advertisement & Publicity	4.00
5	Legal Fees	2.00
6	Hiring of Vehicles	12.00
7	Providing Security service (hiring of security)	40.00
8	Maintenance of Dedicated pipeline	8.00
9	Salary & Wages	12.00
10	Office Expenditures	6.00
11	CA & Accounting Work	12.00
12	Sharing AMC with KPT for trunk line	16.00
13	Maintenance and Minor works	200.00
14	Fund ear-marked for NBCC for payment against approved works	1027.00
15	New Works proposed:	
(a)	Widening of road with fixing of paving blocks in road sides	750.00
(b)	Providing and fixing of MS railing from checkpost building to main gate	30.00
(c)	Misc.work covering the existing open storm water drain, etc.	117.00
(d)	Furnishing of New check post building	54.00
(e)	Gym Equipments & Jungle cutting	19.00
	Total Anticipated Expenditure (2013-2014)	2469.00