

Minutes of the 13th meeting of Kandla SEZ Authority held on 26/04/2013 at 12.00 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 R.Kannan, Director, M/s.Vijay Tanks & Vessels
3. Shri R.G Khairkar, FTDO, representing JDGFT
4. Shri A.K. Pathak, DGM, NBCC – invitee

13.1 Confirmation of the minutes of 12th meeting of Kandla SEZ Authority:

Minutes of the 12th meeting of Kandla SEZ Authority held on 04/03/2013 were confirmed.

13.2 Review/action taken report:

Action taken for the points in 12th meeting were noted.

13.3 New proposals:

13.3.1 Widening of road with fixing of paving blocks in road side at KASEZ:

It was noted that point was discussed in the last meeting and NBCC was asked to submit revised estimates. NBCC submitted the revised estimate of an amount of Rs.6,84,20,500/- (Rupees six crores eighty four lakhs twenty thousand five hundred only). DGM, NBCC clarified that the approximate area covered would be around 14 kms (80,000 sq.mtrs.). No concreting would be done. Side carving and provision for plantation between boundary wall and nalla would be done. Chairman stated that since there is no concrete, the paving block would work for water harvesting during rains as the water will go into the earth through the joints of the block.

Chairman stated that the estimate should be vetted through an independent agency. The agency should also carry out inspection at the time of execution of work. DGM, NBCC has agreed for the same. The proposal as approved in-principle subject to the following conditions:-

- (a) The estimates should be vetted through an independent agency regarding the rates quoted are as per DSR.
- (b) Third party inspection should be carried out during execution of work, at various stages before making payment to the contractor.
- (c) After completion of the tendering process, NBCC will submit the details of the same to the Authority for approval, before awarding the contract.

13.3.2 Renewal of lease – applicability of rent at the time of renewal:

It was noted that there were about a dozen units whose lease had expired/going to be expired soon. The units are pressing hard for renewal of the lease. It was also noted

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that currently KASEZ is levying two separate lease rent rates for plots in phase-I and phase-II, as under:-

- a. Phase-II : Rs.158.75 per sq.mtr. per annum on the basis of market price of the land, cost of development, etc.
- b. Phase-I : Rs.20.30 per sq.mtr. per annum.

Sheds are allotted @Rs.1047/- per sq.mtr, which is the prevalent rate.

It was also noted that a proposal has been sent to the Ministry that as an interim measure, the renewal of plots may be taken up at a rate which is not less than 50% of the lease in the new area or five times the existing lease amount, whichever is higher.

Chairman stated that as per the new guidelines, highest prevalent rent is to be charged at the time of renewal. The renewal of lease are of the Phase-I area. Shri Kannan stated that if we go by the renewal of lease at higher rent, there will be an abnormal increase. We cannot keep on hold the renewal of lease. This will unnecessarily delay the realization of new rents from the units whose lease have expired and also, they will operate without a valid lease, which is avoidable. Authority felt that we should go ahead with the renewal of leases as per the suggestion sent to the Ministry, as above, as continuation of lease has to be done for the smooth functioning of the units. Accordingly, it was decided to renew the lease as per the suggestion sent to MoCI. We may inform the units that this is only an interim arrangement pending approval from the Ministry. Units may be asked to give an undertaking that they are liable to pay the difference in lease rent if the amount fixed by the MoCI is on a higher side and if the same is lower side, the difference will be adjusted against their future rentals.

It was also felt that to bring the rent rates at par later on, the annual increase for the units in Phase-I should be little higher than Phase-II so that in a 10 year period, the rates become equal.

13.3.3 Construction of SDF Unit IV and V at KASEZ:

It was noted that none of the units in the existing SDF building has been rented out and accordingly NBCC was asked to change the design considering the shortcomings in the present SDF. DGM, NBCC showed a drawing suggesting some changes. As against the Ground+2, it was suggested to have a Ground+1 building so that a maximum height of 5 mtr. is available as against 3.7 mtr. (G+2). Chairman enquired about any feedback received from the units to whom LoAs were issued. It was informed that no written feedback was received.

It was decided to send a letter to all the units to whom in-principle LoA has been issued seeking their feedback for changed design of proposed SDF Unit IV and V and to submit the revised drawing after incorporating the suggestions.

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13.3.4 Providing and fixing fabricated shed in front of Tea Stalls:

It was noted that there are 17 tea-stalls allotted on leave and licence basis. These tea-stall are of the size of approx. 6/8 ft. and it is too congested to accommodate clients. The proposal is for fixing fabricated shed in front of the tea-stalls at an estimated expenditure of Rs.8,82,201/-. It was pointed out that none of these tea-stall operators are keeping their surrounding clean. Hence the present proposal was rejected .

However, it was suggested that 'Food Courts' should be construct at two or more suitable identified locations with common seating facility and common garbage disposal facility. DGM, NBCC was asked to identify the location where the 'Food Courts' can be constructed. All the tea-stall operators may be asked about their willingness to shift to the 'Food Court'. The willing tea-tall operators may be accommodated there and unwilling tea-stall operators may be evicted. Reputed outside food agencies also may be invited to come in the Zone. Accordingly, space provision should be kept. DGM, NBCC was asked to prepare a design for the same. Rent may also be worked out based on the anticipated expenditure.

13.3.5 Providing and fixing rubber coated paving blocks, both sides of roads in KASEZ Township:

The proposal for providing and fixing rubber coated paving blocks, both sides of roads in KASEZ Township at an estimated expenditure is Rs.1,33,99,070/- was not approved.

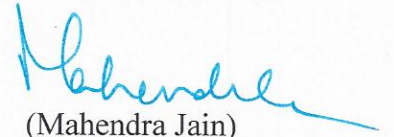
13.4 Balance payment to NBCC:

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

Sl. No.	Name of the work	Estimated Cost (Rs.in lakhs)	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	612.80	200.00
2	Dismantling of reconstruction GHB quarters (sanctioned in 3 rd meeting)	167.88	167.88	9.25	158.63
3	Dismantling and re-construction of CIB sheds (phase-1) out of Authority share of Rs.269.78 lakhs):	1169.78	269.78	269.78	--
4	Dismantling and re-construction of Primary School Building	123.06	123.06	123.06	--

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5	Construction of Over Dimensional Cargo (ODC) gate in New Area	20.00	20.00	20.00	--
6	Providing of 15 Nos. High Masts	111.57	111.57	111.57	--
7	Construction of 2 Nos. SDF (Unit-IV & V) (out of Authority's share of Rs.1500 lakhs)	3099.06	1500.00	150.00	1350.00
8	Furnishing of New Check-post building at KASEZ	35.054	35.054	--	35.054
9	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 Painting of residential quarters, KASEZ Guest House, providing of barricades, etc	116.14	116.14	--	116.14
10	Providing and fixing MS railing from Custom Check Post Building to Main Gate at KASEZ	29.41	29.41	--	29.41
11	Additional fund requirement for improvement of security system	27.70	27.70	--	27.70
12	Supply, installation, testing and commissioning of Gym equipment	15.00	15.00	--	15.00



(Mahendra Jain)
Development Commissioner