

Minutes of the 14th meeting of Kandla SEZ Authority held on 03/09/2013 at 15.00 hrs. under the chairmanship of Shri Mahendra Jain, IAS, Chairman, Kandla SEZ Authority.

Following were present:-

1. Shri Kabiraj Sabar, Under Secretary, MOCI, New Delhi
2. Shri R.G Khairkar, FTDO, representing JDGFT
3. Shri L.K. Meena, Accounts Officer, KASEZ- invitee
4. Shri A.K. Pathak, DGM, NBCC – invitee

14.1 Confirmation of the minutes of 13th meeting of Kandla SEZ Authority:

Minutes of the 13th meeting of Kandla SEZ Authority held on 26/04/2013 were confirmed.

14.2 Review/action taken report:

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

Committee noted that the proposal was approved in-principle, at an estimated expenditure of Rs.6,84,20,500/-, subject to the following conditions:-

- (a) The estimates should be got 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.
- (c) After completion of the tendering process, NBCC will submit the details of the same to the Authority for approval, before awarding the contract

Agency has agreed for third party inspection and also submitted the estimates vetted through an independent agency, Sardar Vallabhbhai National Institute of Technology, Surat. Agency also carried out E-tender and as per the lowest tender, the estimate is for Rs.4,83,68,487/-, as against the earlier estimate of Rs.6,84,20,500/-. Accordingly, sanction was given to NBCC for the work on file.

Authority approved the action taken for giving sanction to NBCC for the above work at the revised estimate of Rs.4,83,68,487/-.

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

The position reported was noted.

14.2.3 Construction of SDF Unit IV and V at KASEZ:

Chairman informed that there are no takers for the already constructed SDF. These are constructed from ASIDE fund and partly from Authority funds. Therefore, feedback from proposed entrepreneurs was obtained. Also the matter was discussed with the existing units. Major problem is that of inadequate height, absence of ramp for loading/unloading, absence of individual water tanks, etc. Further, the rent is very

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high. Considering this, NBCC has made following changes in the drawing and requested for approval of the drawing:-

- (a) Building will be ground plus one;
- (b) Height from floor ceiling top will be 5.00 mtrs.;
- (c) Separate underground tank to each block.

NBCC's proposed changes were discussed. It was felt that the work will be undertaken in a phased manner i.e. we should, at the first instance, only construct ground floor, keeping provision for the first floor for construction in the second phase, as per demand. With regard to availability of area, DGM NBCC stated that out of the area surrendered by M/s.Euro India Cylinder, an area has been ear-marked for the SDF Unit IV & V. Further, M/s.Everest Kanto Cylinders have recently surrendered some excess land, the said area may also be ear-marked for the SDF Unit IV & V. It was accordingly decided and approved to construct the SDF Unit IV & V in a phased manner i.e. at the first phase, only construct Ground Floor, keeping provision for First Floor in the second phase. NBCC was asked to submit the design for ground floor, incorporating higher ceiling and water tank, loading facility, etc.

14.3 New proposals:

14.3.1 Purchase of a New Fire Water Tender:

Committee noted that the present Fire Water Tender is more than 10 years old and now requires frequent repairs. In the last two fire incidents, our fire water tender was not functioning and had to be sent for repairs.

Committee felt that there are several units in the recycling sector for clothes and plastics, which are fire hazardous and therefore, it is essential to have the Fire Brigade equipped with the Fire Water Tenders. Therefore, the Authority approved the proposal for purchase of a new fire water tender for our Fire Brigade so that if one vehicle is out of order, the other vehicle will be available for firefighting operations, at an approximate expenditure of Rs.70 lakhs. It was also decided to constitute a Committee, as under, for calling of tenders and opening, to finalize specifications for the fire water tender, prepare the tender documents, etc:-

- (a) JDC (when posted)
- (b) Dy. Commissioner (Cus)
- (c) Accounts Officer
- (d) Security Officer

14.3.2 Sharing of premises:

Chairman briefly explained the subject. The existing units, which are having some excess area due to slow down in business, etc. come up with request for subletting the excess area to other units. In the 7th meeting of Kandla SEZ Authority meeting held on 26/12/2011, a decision was taken not to grant sharing permissions in respect of the units falling under Rule 18(4)(c). Further, sharing of other units are granted on payment of sharing charges i.e 100% of the rent is taken extra as sharing charges for

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the duration of the sharing period. It was decided that we should discourage the sharing. However, in essential cases, sharing may be permitted on payment of rate prevalent in Phase-II i.e. the highest lease rent for the duration of the sharing period. The restriction imposed for the units falling under Rule 18(4)(c) shall continue. Further, they should clearly demarcate the area of sharing, with separate entry/exit.

14.3.3 Increase of lease rent in Phaswe-I and Phase-II:

Committee noted that as an interim measure, the renewal of plots was done 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, and increase of rent annually to bring the rent rates at par. It was informed that the rent is revised every three years by 25% in phase-I & II. Therefore, to bring the rent of Phase-I at par with that of Phase-II, it was decided that rent will be increased by 12% annually in the renewal cases, till such time as the rent comes at par with the current phase-II rates. All the units whose leases are going to expire in the next one year period may be issued with a notice accordingly.

14.3.4 Rent for dismantled and reconstructed CIB (special Type) Sheds:-

Dismantling and reconstruction of CIB (special type) shed are taken up in a phased manner. In the 1st phase, 12 sheds are under construction in the manner of Ground plus one. NBCC handed over 1st block of sheds (Shed Nos.215-216 and 225-226). As against 12 sheds, 24 sheds are going to be constructed i.e. Ground plus one. These sheds were damaged in the earthquake. These sheds are to be allotted to the units who were occupying the same sheds. Present rent of these shed is in the range of between Rs.1,29,113/- and Rs.1,37,863/-. New allotment rate is Rs.1047/- per sq.mtr. per built-up area. Units argue that this is a reconstruction caused by natural calamity and the same units are to be allotted the space, therefore, levy of higher rent is not justifiable, which is almost three times higher. Further, the rent of the first floor should also be reduced, as it is not of much use to them.

After detailed deliberations, it was decided to charge rent for dismantled and reconstructed CIB (Special Type) sheds at double the existing rate of rent, which the unit is presently paying for the ground floor. For the First Floor, the rent will be charged only at the rate of 50% of the existing rent, presently charged from the unit. It was also decided that the units may be offered the same extent of area, which they are currently occupying. However, it should be made clear to the unit that they should take the first floor also compulsorily. If any units require first floor only, then existing rent should be charged for the first floor and not at 50%.

14.3.5 Construction of Food Courts (discussed as supplementary agenda):

Chairman informed that there are about 17 tea-stall operators in the Zone. They were allotted with small cabins at different locations. These tea-stall operators are not keeping a healthy surrounding. In the last meeting of Kandla SEZ Authority, it was suggested that "Food Courts" should be constructed at two or more suitable identified location with common seating facility and common garbage disposal facility.

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After deliberations, Committee approved the proposal for construction of 4 Nos. "Food Courts", having four shops each in each location at an estimate of Rs.86.75 lakhs. NBCC was asked to complete the construction of Food Courts within six months' time. All the tea-stall operators be shifted to this area by vacating the tea-stalls. Action will be taken to cancel the allotment and evict the tea-stall operators, who are not willing to shift to the "Food Courts".



(Mahendra Jain)
Chairman
Kandla SEZ Authority