

Minutes of the 26th meeting of Kandla SEZ Authority held on 1st March, 2017 at 1500 hrs. under the Chairmanship of Shri Upendra Vasishth, ndc, IOFC, Chairman, Kandla SEZ Authority

Following were present:-

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| 1. Shri Upendra Vasishth, ndc, IOFS | -Chairman |
| 2. Shri Krishan Kumar, Jt. Development Commissioner, KASEZ | -Member |
| 3. Shri Sudesh Zingde, Director, Missionpharma Logistics | -Member |

Others:-

1. Shri Laxmi Kant Meena, Sr. Accounts Officer, KASEZ
2. Shri Devaraj.C, Secretary, KASEZ Authority
3. Shri Manoj Kumar, Project Manager (Civil), NBCC Ltd.
4. Shri Charan Singh, Security Officer, KASEZ

26.1 Confirmation of the minutes of 25th meeting of Kandla SEZ Authority held on 07.12.2016:

Minutes of 25th meeting of Kandla SEZ Authority held on 07/12/2017 were confirmed.

26.2 Review/action taken report:

23.3.6 Construction of 1 No.SDF (Unit-IX) at KASEZ:

The position reported that work order has been issued to NBCC, progress noted by the Authority.

24.3.7 Appointment of Asstt. Manager (IT) and Asstt. Manager (Estate & Marketing):

The position as reported that the selection procedure is going on was noted by the Authority.

24.3.10 Dismantling and reconstruction of Shed No.63-64, CPWD, Sector-I:

The position as reported that work order has been issued to NBCC has been noted by the Authority.

24.3.12 Construction of Indoor Game facility:

PM, NBCC who was present in the meeting was asked to expedite the detailed estimate and drawing of the indoor game facility.

25.3.5 Review of User Charges:

The Authority ratified the decision to revise the user charges w.e.f. 1/4/2017 instead of 1.1.2017 as requested by the Kandla SEZ Industries Association.

25.3.7 Appointment of Lady Security Guards on contract basis:-

It has been noted that vacancy circular has not yet been issued and the Authority directed to expedite the issue of vacancy circular for Lady Security Guards and also for Gunmen.

25.3.8 Purchase of one more fire water tender and two nos. water bowsers:

During the meeting PM, NBCC submitted their estimate for purchase of Chassis and fabrication work of Water Boswer for Kandla SEZ. The estimated expenditure is Rs.217.67 lakhs. The Authority deliberated on this issue in view of the discussions taken in the 25th meeting of Kandla SEZ Authority held on 7/12/2016 wherein it was felt that purchase of Water Bowser with a boom of 20 mtrs. length



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with a camera fixed at the nozzle and can be operated through a joystick fitted with the water bowser can help the Fire Brigade for effectively dousing the fire, as the boom can be taken upto the centre of fire through the help of the camera and the water loss in such operation will be very less.

The Authority therefore, approved the proposal for purchase of Chassis and fabrication work of Water Boswer for Kandla SEZ at The estimated expenditure is Rs.217.67 lakhs through NBCC.

25.3.10 Minor miscellaneous works in Type-I quarters (Nos.25 to 36), Old Adminsitrativ Building, Custom Check post gate, 5 Nos Food Court, Planation in new Garden etc.:

The position as reported that the work order has been issued to NBCC was noted by the Authority.

26.3 New Proposals:

26.3.1 Allotment/transfer of premises to M/s. Flax Apparels Pvt. Ltd.

The Authority noted that M/s. Flax Apparels Pvt. Ltd. had requested for transfer of Plot No.448, Sector-II along-with infrastructure from M/s. K.P. Woven Pvt. Ltd. M/s. Flax Apparel is allotted with Shed No.308/309 and plot No.407. In a devastating fire, the entire sheds were gutted in fire. To continue their operations they have been provided with temporary allotment. It was noted from their request that that their export for the current financial year upto 17/1/2017 was Rs.38.70 crores. Further, it was also noted that from the copy of Bank advice they have received an export advance of USD 2368289.48. The Unit stated that they are facing infrastructure constraints as the temporary allotted shed is small in size and does not suit their requirement. It was also noted from the letter of M/s. K.P. Woven Pvt. Ltd. that on transfer of their infrastructure to M/s. Flax Apparels Pvt. Ltd. they will quit (exit) from the Zone.

The Authority noted that sheds allotted to M/s.Flax Apparels Pvt. Ltd. were gutted in fire and they have been asked to reconstruct the shed. Although, we had given a temporary allotment, the area is too small for such unit. M/s. K.P. Woven Pvt. Ltd. has decided to quit from the Zone by transferring the lease hold property in the name of M/s.Flax Apparels Pvt. Ltd. where the outgoing unit have created infrastructure.

From the LoA renewal letter, it was seen that the unit shall not be permitted to avail any additional space. Further, in the 5th meeting of Kandla SEZ Authority held on 11/7/2011 it was decided that no more area – either plot or shed should be allotted to the units engaged in the worn clothing sector, henceforth.

The area requested to be transferred from M/s.K.P. Woven Pvt. Ltd. is 10,000.60 sq.mtrs. whereas the area allotted to M/s.Flax Apparels Pvt. Ltd. is only 4430 sq.mtrs. The Authority noted that the as against the area allotted, the area sought for transfer is more than double their allotment. As in their LoA a condition has been put that the unit shall not be permitted to avail any additional space. However, after deliberations and considering the special circumstances created due to fire, the Authority approved their request for transfer of Plot alongwith infrastructure from K.P. Woven Pvt. Ltd. subject to the condition that M/s. Flax Apparels Pvt. Ltd. shall surrender their all existing premises and also pay the Authority the cost of reconstruction of the burnt sheds. PM, NBCC who was present in the meeting was asked to give the cost of reconstruction of burnt sheds and the same may be communicated to M/s. Flax Apparels Pvt. Ltd. Further, the transfer will also attract the usual transfer fee and new rent.



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26.3.2 Approval of estimated budget for the year 2017-18.

The anticipated income and expenditure of the Authority for the year 2017-18 was approved by the Authority (Annexure-1).

26.3.3 Allotment of land to M/s. Reliance Jio Infocomm Ltd.

The Authority noted that M/s. Reliance Jio Infocomm Ltd. have requested for allotment of land for erection of two Ground Based Mast (GBM). For one GBM they require an area of 2x2 mtrs. and for other one they require 5x5 mtrs. They are also required to lay OFC approximately 4 to 5 kms. They have identified two locations – (i) behind the common toilet near the HUL cross roads and (ii) near Rusan Pharma. It was noted that Gandhidham Nagarpalika levy a one time charges for granting such permission. Based on the charges levied by Nagarpalika, for the two GBMs, the one time charge comes to Rs.1,57,326/-. The Authority also decided that if there is any damages caused to roads/pavements while laying the OFC cable, the cost of damages as communicated by NBCC shall be payable by M/s. Reliance Jio Infocomm Ltd. With these conditions, their request was approved.

26.3.4 Improvement in Security Wing as per requirement of Security Officer:

26.3.4(a) Construction of watch tower:

The proposal of Security Officer for construction of 7 Nos. watch towers in old and new area of the Zone was approved in-principle and the PM, NBCC who was present in the meeting was asked to submit per tower estimate. It was also decided that in first instance, three towers will be constructed.

26.3.4(b) Binocular:

On the request of Security Officer for 7 binoculars i.e. one each watch towers, it was decided that this may be purchased through LPC.

26.3.4(c) Public Address Equipment:

On the request of Security Officer purchase of 1 No. Public Addressing Equipment with two microphones for ingate and outgate of the check post, it was decided that this may be purchased through LPC.

26.3.4(d) Vehicles:

The request of the Security Officer for two vehicles for the patrolling the perimeter road was discussed by the Authority. It was noted that there is approximately 80 kms. of internal roads and 35 km of perimeter wall divided into two zones (new and old Zone). Although height of the boundary wall has been increased, this has not stopped intruders and thieves, as reported by Security Officer. Therefore, intensive patrolling is required to be taken. It was noted that existing Gypsy is more than 20 years old and is broken down for last two years and beyond economic repair. It was decided to get it examined by a condemnation authority such as Kandla Port Trust or State Government. However, to meet the immediate requirement, at least one vehicle Bolero or equivalent jeep should be hired for a period of two years with a condition of further extending the period by two years.

26.3.4(e) Small Check post:

As requested by the Security Officer it was decided to construct a small check-post with barrier on the flyover for checking purpose.



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26.3.4(f) Laying of paving blocks along the perimeter road:-

SO's suggestion is for laying of paving blocks along the perimeter road was discussed. It was noted that a huge area is covered along the perimeter road. Therefore, Security Officer was asked to survey and point out specific area of the perimeter road where pavement is required necessarily.

26.3.5 Re-surfacing of security (perimeter) road:-

The Authority noted that the perimeter roads in the Zone is in a bad condition. Normally, the re-surfacing of roads is undertaken every three years. The re-surfacing of security road was not undertaken for the past more than three years. NBCC (India) Ltd. vide their letter No.PM(C)/NBCC/KASSEZ/2017/448 dated 15/2/2017 submitted their estimate for an amount of Rs.2,14,50,813/- (Rupees two crores fourteen lakhs fifty thousand eight hundred and thirteen only) for re-surfacing the road covering an area of approximately 4.60 kms having a width of 7 mtrs. in the Old Zone. This will cover the security road from backside of M/s.JCK Coating to M/s. Otoklin end, from Gokul & Transworld corner to Gokul backside and from Rusan backside to ROB. The proposal was approved.

However, Security Officer who was present in the meeting informed that perimeter road in the new area is also in bad condition requiring re-surfacing. It was informed that raising the height of boundary wall is in progress in the new zone, and if we undertake re-surfacing of the road, it can get damaged due to construction of raising the height of boundary wall. Security Officer informed that raising the height of boundary wall from the corner of Ohmpro Electromechanic unit to the M/s. Narayan Marinetech has been completed and remainings has been removed and this road can be taken up for re-surfacing. PM, NBCC has informed that they are working out for the balance area. The Authority asked PM, NBCC to go for the additional area in the new Zone and include this area also in the tendering and inform the Authority for ratification in the next Authority meeting.

26.3.6 Fire Audit:

The Authority noted that in the recent past, there has been fire incidents especially in the plastic recycling units and used clothing units. State Administration has also viewed the frequent fire incidents in the Zone seriously. Therefore, it was decided to have a Fire & Safety Audit of the units in the Zone. Accordingly, tender was issued for undertaking the Fire & Safety Audit clearly giving the scope of work, etc. Sr. Accounts Officer who was present in the meeting informed that the tenders were opened on 28/2/2017 by the Secretary, Kandla SEZ Authority and Sr. Accounts Officer. Only two tenders were received. The lowest tender was for Rs.24,92,400/- and the file is being submitted. JDC informed that the tender was uploaded in our website only. Therefore, the participation was limited and we could not get a competitive offer. Shri Zingde also opined that tender amount appears to be on a higher side.

The Authority deliberated on this issue and decided to call for fresh tenders by giving wide publicity in the newspapers also so that we can get a better offer. The present tender received may be scrapped and be re-tendered.

26.3.7 Allotment of adjacent area:

The Authority noted that in the 23rd meeting of the Authority held on 7/6/2016 the decision taken on file for allotment of adjacent area were approved on meeting the following conditions:-

- (i) If an existing unit whose request for allotment of additional space has been already approved, its requirement for adjacent area can be considered by the Committee for the purpose, if notice inviting bid for such area/space has not been issued.

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- (ii) if approved by the Committee such unit shall pay the highest one time bid amount received for plot/SDF/Sheds in the respective area i.e. Phase-I & II, during past one year.
- (iii) One year current/prevaling rent as transfer fee shall be paid besides the above two criteria.
- (iv) If no precedent/past case is available for past one year, one time lump-sum payment equal to two years rent (prevailing/current) will be charged".

had
The Committee observed that this was being done in view of the hardship faced by few units on experimental basis and may be reviewed after one year. In the 24th meeting held on 6/10/2016 the Authority defined the adjacent area as "adjacent space" as the "space on either side, back or just across the road". Only 3 units have been allotted with premises based on this decision and not much request is coming up. It was informed by Secretary that this practice is not prevalent in other Govt. SEZs also. It was noted that now MSTC has been entrusted with work of advertising & selecting bidder for properties in the Zone, it would be appropriate to have this route only. Therefore, it was decided to not to continue with the said decision and all allotments (except transfer of assets) to be done through open bidding.

Following points has been discussed as table agenda:-

26.3.8 Contract appointment of Driver-cum-Firemen:

Kandla SEZ Authority provides services of Fire Brigade to the units set up in the Zone in case of any eventualities. The present strength of the fire brigade is seven – 1 Fire Superintendent, 3 Fire Jamadars and 3 Drivers. Fire Superintendent and one driver are going to retire in the month of May, 2017, which will further reduce the strength in Fire Brigade.

At present we have two fire water tenders. Purchase of a bowser is in process through NBCC. Security Officer had reported that for the smooth functioning of the Fire Brigade minimum 10 more personnel are required.

This issue was deliberated and it was reported by Security Officer that ex-servicemen are trained for fire fighting in the armed forces and also in other forces. Therefore, it was decided to appoint 10 Driver-cum-Firemen from Ex-Servicemen. They should have heavy motor driving licence and also certificate issued by their office regarding successful completion of fire safety training. It was decided that they may be given a consolidated monthly payment of Rs.16,000/-.

26.3.9 Draft books of account for the year 2015-16:

Draft books of accounts for the year 2015-16 was placed before the Authority. It was reported that a copy of the same has been provided to the Authority's accounting firm M/s. Mukund & Rohit, Chartered Accountants for final verification of balances and updates, if any. The Chairman handed over a copy of the same to Mr. Sudesh Zingde for his comments. It was decided to call a meeting on 21st March, 2017 for discussing the books of accounts for the year 2015-16. The Chairman informed that the accounts for this year considerably delayed as the same is to be submitted for CAG's audit by August every year. It was, therefore, directed that for the year 2016-17, the accounts may be finalized by the Accounting firm and be



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forwarded to the Chartered Accountant for the auditing purpose for early audit so that the accounts can be submitted to CAG in time.

26.3.10 Request of M/s. Devi for setting up of a weigh bridge in the Zone:

The Chairman informed that their request was discussed in the Approval Committee meeting and decided to consider the proposal in the Authority meeting also. The Chairman also informed that in the earlier meeting of the Authority it was decided to ear-mark a plot for weigh bridge in the old Zone and also a decision taken not to issue any more space/LoA for Weigh Bridge in the old Zone. The Chairman directed that the identified space may be cleaned and sent to MSTC for e-auction mentioning that this plot is ear-marked for setting up of weigh bridge and only those firms which are approved for weigh bridge can quote for this plot.

The meeting ended with vote of thanks to all present.



(Upendra Vasishth)
Chairman,
Kandla SEZ Authority.

KANDLA SEZ AUTHORITY		
ESTIMATED BUDGET FOR THE YEAR 2017-18		
Sr.No.	Particulars	Rs.in lakhs
A	Estimated funds available with the Authority	
1	Fixed Deposit with Central Bank/PNB	1300.00
2	Approximate amount available in Bank other than FD	3200.00
B	Estimated income for 2017-18	
1	Lease Rentals/user charges	3700.00
2	Water supply bills	150.00
3	Security passes	30.00
	Total (A+B)	8380.00
	Estimated expenditure to be incurred during 2017-18	
1	Towards water supply bills	150.00
2	Towards electricity bills	65.00
3	Agency charges to NBCC for water supply/distribution	15.00
4	Advertisement & Publicity	4.00
5	Legal Fees	3.00
6	Hiring of Vehicles	23.00
7	Providing Security service (hiring of security)	48.00
8	Maintenance of Dedicated pipeline	8.00
9	Salary & Wages	12.00
10	Office Expenditures	10.00
11	CA & Accounting Work	15.00
12	Sharing AMC with KPT for trunk line	10.00
13	Annual Maintenance works	380.00
14	Amount to be paid to NBCC for various works	4000.00
	Total Anticipated Expenditure (2017-18)	4743.00
