

Minutes of the 35th meeting of Kandla SEZ Authority held on 17th July, 2018 at 11.00 A.M. at O/o the Development Commissioner, Kandla Special Economic Zone, Gandhidham.

Following were present:-

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| 1. Shri Upendra Vasishth, ndc, IOFS | - Chairman |
| 2. Shri Satyadeep Mahapatra, IRS | - Member |
| 3. Shri H.I. Vashi, Director, MESO Pvt. Ltd. | - Member |
| 4. Shri Kamal Sarda, Director&CEO, IFGL Refractories Ltd. | - Member |

Others:

1. Shri Laxmi Kant Meena, Sr.AO KASEZ
2. Shri Devaraj. C, Secretary, KASEZ Authority
3. Shri Umesh Naik, AGM, NBCC
4. Shri Shubham Goel, NBCC

35. Confirmation of the minutes of 34th meeting of Kandla SEZ Authority held on 14/06/2018:

Minutes of the 34th meeting of Kandla SEZ Authority held on 14/06/2018 were confirmed.

35.1 Review/action taken as per decisions of last meeting:

34.2.2 Construction of road and junction in RCC pavement, taking out an relaying of existing CC interlocking paver blocks at Sector-1, 2, 3 4 and New Zone at KASEZ Gandhidham:

The position as reported that the work order has been issued to NBCC at an estimated expenditure of Rs.12,13,94,331/- (Rupees twelve crore thirteen lakhs ninety four thousand three hundred and thirty one only) has been noted.

34.2.3 Construction of 4 Nos. Type-III Quarters at KASEZ Township, KASEZ:

The position as reported that work order has been issued to NBCC at an estimated cost of Rs.1,16,54,299/- (Rupees one crore sixteen lakhs fifty four thousand two hundred ninety nine only) has been noted. AGM, NBCC informed that the work has been awarded at a cost of about Rs.76.00 lakhs and the demolition work has since been started.

34.2.6 Engagement of Gunmen, Security Guard and Firemen:

The position as reported was noted. The members asked about the contract period and it was informed that in the draft tender document the period contract is mentioned as "initially for a period of two years with a provision for extending it for two more years at the discretion of the Chairman, Kandla SEZ Authority". The members agreed to this condition. Chairman directed to issue the tender at the earliest.

34.2.7 Issue of NOC for mortgaging the leasehold rights with Financial Institutions:

The position as reported that letters has been sent to SEEPZ SEZ and NOIDA SEZ seeking practice followed in their Zone has been noted.

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However, the request of Kandla SEZ Industries Association vide their letter dated 9/7/2018 requesting to re-consider the issue was discussed. After deliberations it was decided that we may continue the practice of issue NOC for mortgaging the superstructure with the Financial Institutions. However, the draft NOC should be got vetted by ASG or our legal firm engaged on retainer-ship basis.

35.2 New Proposals:

35.2.1 Engagement of Legal Firm/Advocate on retainer-ship basis:

The Authority noted that as decided in the earlier meetings of the Authority, to fasten our legal cases in Hon'ble Courts this office issued advertisement calling expression of interest from Advocates/legal firms to be engaged by the Authority on contract on retainer-ship basis. Based on the advertisement issued calling Expression of Interest from Legal Firm/Advocates, seven applications were received from the interested Advocates/firms of advocates as under:-

Mr.T.N.Thakwani, Advocate
Mr. Rameshchandra P. Chawda, Advocate
M/s. Tandon & Associates , legal firm
Ms. Mamta Ahuja, Advocate
Mr. Govind P.Danicha, Advocate
Mr. Babulal N.Maheshwari, Advocate
Mr. Chetan D.Kariya, Advocate

It was further noted that DC, KASEZ has constituted a Committee comprising of JDC and DC(Cus) for recommendation for selection of Legal firm/Advocate on retainer-ship basis and all the above advocates/firm were requested through e-mail to come for personal talk & presentation on 20/6/2018 before the Committee. Except Mr. Rameshchandra P. Chawda, all the above Advocates/firm came for interaction on 20/6/2018. Personal interactions held between 1100 hrs.and 1200 hrs. From the personal interactions, experience, qualification, expertise according to their CV's and approach & personality during personal appearance, following names were recommended by the Committee in the order of eligibility on merit:-

1. M/s.Tandon & Associates
2. Mr. Chetan D. Kariya

It was also noted that the Development Commissioner & Chairman, Kandla SEZ Authority also called both the above recommended parties and accordingly accepted the name of M/s.Tandon & Associates to be appointed on contract on retainer-ship basis. Accordingly, letter has been issued to M/s.Tandon & Associates appointing them on retainer-ship basis w.e.f. 12/07/2018.

The Authority ratified the action taken to engage M/s.Tandon & Associates on contract on retainer-ship basis by the Kandla SEZ Authority, as per the terms and conditions of the Expression of Interest.



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35.2.2 Completion report of KASEZ Authority works at KASEZ, Gandhidham – details of work-wise expenditure incurred to KASEZ works in the year 2017-18:

M/s. NBCC (I) Ltd. vide its letter No.NBCC/KASEZ/AGM/2018-19/107 dated 24/06/2018 completion report of various works of Kandla SEZ Authority showing physical as well as financial terms of work completed/works in progress. Out of 12 works shown in the statement, following works has been completed and handed over to the authority on the dates mentioned against each. Savings amount/amount to be paid to NBCC is also mentioned against each as under:-

Sr.No.	Name of Work	Date of Handing over	Savings	Amount required
1	Dismantling & reconstruction of 8 Nos.Type-II Quarters (No.9 to 16) and 1 No. High Mast	07/09/2017	1,53,082.00	
2	Raising of height of security boundary wall phase-III	16/09/2017	20,532.00	
3	Dismantling and re-construction of custom godown (G+2), Shed No.113, Sector-1 and providing and fixing of MS barricading for regulating traffic from custom gate to HUL circle	28/09/2017		10,52,622.00
4	Minor miscellaneous works in Type-I quarters (no.25 to 36), Old Admn.bldg, custom check post Gate, 5 Nos.Food Court, plantation in new garden, supply and placing furniture in Admn. Bldg and dismantling and reconstruction of Shed No.63&64 CPWD.	30/01/2018		32,54,899.00
5	Re-surfacing of security road from JCK coating to Otoklin backside end, from Gokul & Transworld Corner to Gokul backside, from Rusan backside to ROB & from Kidana Corner to Narayan Marinetech	05/09/2017		67,20,994.00
			1,73,614.00	1,10,28,515.00

Other 7 works are under progress. NBCC in their letter requested that an amount of Rs.1,08,54,901/- (Rupees one crore eight lakhs fifty four thousand nine hundred and one only) may be paid to them or added to for the ongoing work. AGM, NBCC stated that these works were completed during the financial year 2017-18; however, they could not demand the payment. This amount is arrived after adjusting the saving of Rs.1,73,614/-.



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After deliberations The Authority approved utilization of saving of Rs.1,73,614/- (Rupees one lakh seventy three thousand six hundred fourteen only) in the above works where the fund is required and also approved payment of balance amount of Rs. Rs.1,08,54,901/- (Rupees one crore eight lakhs fifty four thousand nine hundred and one only) to clear the accounts work-wise.

35.2.3 Charges for Fire Fighting Services:

It was noted that the Zone Administration so far providing services of the Fire Water Tender outside the SEZs for dousing fire as per requisition received and for such service no charges are fixed and a lump-sum charge is collected. Now, KASEZ is having two vehicles – one Fire Water Tender and one Fire Bowser and the proposal is to fix charges for fire fighting outside the Zone. Mr. Kamal Sarda asked about the frequency of sending the Fire water tender outside the Zone for any exigencies. It was informed that the frequency is very less.

The Authority after deliberations arrived at a conclusion that as the vehicle is going outside only once in a while and as a good gesture and on social responsibility we should not take any charge for fire fighting work outside the zone.

35.2.4 Request of PGVCL to make payment of old arrears and allotment of alternate space:

The Authority noted that Superintending Engineer, PGVCL along with their other officers met the DC&Chairman, Kandla SEZ Authority on 9/7/2018 and handed over a list of consumers in the Zone showing the notices issued to litigation cases and non-litigation cases under amnesty scheme. PGVCL's request is to help them in getting the arrears paid by the consumers or if possible by the Authority.

From the list it was observed that many premises have been re-allotted to other units. Some of the CPWD sheds were demolished and allotted as plots to LOA holders assigning new numbers. Two consumer numbers shown in the list belongs to the Admn.office and for these an amount of Rs.1240/- is required to be paid by the office.

After deliberations it was decided that any payment which are to be made by the Authority, the same may be paid to PGVCL. Further, in respect of the properties which are in Authority's possession, such payment may also be paid to PGVCL. When such properties are auctioned by the Authority for allotment, this amount may be included in the Reserve Price for such property and the amount so arrived may be adjusted towards this payment.

35.2.5 Rooftop Solar Project:

The Authority noted that in connection with setting up of 1 MW Rooftop Solar Power Project, we had taken power connection on the vacant SDF units and also on the rooftop of the vacant CIB Sheds. As these premises are to be allotted to the approval holders power connection taken in the name of the Authority is required to be transferred in the name of allottee units for carrying out their activities. While issuing tender for allotment of space, it was mentioned that Kandla SEZ Authority is setting up Rooftop Solar Power in the Spl (CIB) type sheds and also in the SDF complexes and the units are required to execute an agreement

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with the Kandla SEZ Authority for pay back to the Kandla SEZ Authority for the solar electricity consumed by the units.

For taking power connection on these vacant premises, the Authority has deposited amount with the PGVCL, a decision was taken to levy the amount paid the Authority for getting the power connection to the respective building/sheds from the allottee units and also request PGVCL for transfer of the power connection. Such units will also be asked to execute an agreement for pay back to the Kandla SEZ Authority for the solar electricity consumed by the units.

The Authority ratified the decision taken. AGM, NBCC was also asked to ensure that proper billing is to be done to the units for the solar power consumed by the unit as per the agreement executed between KASEZ Authority and the units, as the capital investment is made by the Authority. AGM, NBCC was also asked to devise a proper mechanism for raising bills to the unit.

35.2.6 Renewal of lease of the properties allotted to BSNL in KASEZ:

The Authority noted that following premises are allotted to BSNL from time to time:

- (a) Plot admeasuring an area of 50 sq.mtrs. backside T.S. No.22 in Sector-IV as allotted on 7/1/2010 for a period of 5 years w.e.f. 1/1/2010 and as such the allotment period is over by 31/12/2015.
- (b) Plot No.469, Sector-IV, admeasuring 50 sq.mtrs. was allotted on 30/9/2010 for a period of 5 years and the period of allotment is over by 29/9/2015.
- (c) Shed No.165, Sector-I was allotted to BSNL in the year 1983 for a period of 10 years and the same was further extended by 15 years. As such the lease completed in 2008.

This office had written to BSNL about expiry of lease deed and non-execution of lease deed. It was informed to BSNL that if they desire to continue the lease period further, the same can be considered upon request. BSNL accordingly came with a request for renewal of the lease.

After deliberations, it was decided that the lease may be renewed at the present practice followed for renewal of lease and for a uniformity, in all the above three case, the lease may be renewed w.e.f. 1/7/2018 for a further period of 15 years.

35.2.8 Re-appointment of Asstt.Managers (IT) and Estate & Marketing:

The Authority noted about appointment of two incumbent on contract basis for a period of one year as Asstt. Manager (IT) and Asstt. Manager (Estate & Marketing) at a consolidated monthly payment of Rs.45,000/- each. It was also noted that the Authority in its 33rd meeting taken a decision to appoint both Asstt. Managers for 11 months period again after a break of 7 days from the last day of their present contract.



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The Authority further noted that the proposal before the Authority is for increase in their consolidated monthly salary upon re-appointment. It was informed that for the Doctor and Nurse of KASEZ Dispensary, their payment was increased. After deliberations, the Authority decided to increase consolidated monthly payment to both Asstt. Manager (IT) and Asstt. Manager (Estate & Marketing) by 5% from date of re-appointment.

35.2.7 Review of on-going works:

Following position as reported was noted by the Authority with regard to works awarded to NBCC and the amount released so far against each item:-

(Rs.in lakhs)				
Sr. No.	Name of the work	Estimated Cost	Released till date	Balance to be paid
1	Setting up of 1 MW Rooftop Solar Power Project	887.76	600.00	287.76
2	Construction and implementation of Solid Waste Management System	520.80	200.00	320.80
3	Construction of SDF Unit-IX	2787.33	1100.00	1687.33
4	Purchase of Chassis and fabrication work of Water Bowser	217.67	200.00	17.67
5	Development of Plot No.354 to 356 and 364 to 366 & setting up of 150 KLD Sewage Treatment Plant in Colony	1214.39	500.00	714.39
6	Construction of 2 Nos. Warehouse at Plot No.354 to 356 and 364 to 366	1521.64	350.00	1171.64
7	Re-surfacing of internal roads in Sector-I	952.04	850.00	102.04
8	Dismantling and reconstruction of Shed No.63-64 CPWD and Minor and misc. work in Type-I Quarters	228.83	150.00	78.83
9	Raising the Height of Security Boundary Wall for KASEZ Township at KASEZ	180.77	--	180.77
10	Dismantling and Reconstruction of 4 Nos. Type-III Quarters (Quarters Number 1 to 4) at KASEZ Township	122.63	--	122.63
11	Construction of road and junction in RCC pavement, taking out and relaying of existing CC interlocking paver blocks at Sector-1, 2, 3 4 and New Zone at KASEZ Gandhidham	1213.94	-	1213.94
12	Construction of 4 Nos. Type-III Quarters at KASEZ Township	116.54	-	116.54
13	Minor miscellaneous works in Type-I, II, III, old & New Administrative Building, repair work of Type-II quarter Nos.18 to 24, painting work of Administrative Buildings, Custom Check Post Gates, SDF-1, 2 & 3 and KASEZ Township, Development and plantation in new	927.78	100.00	827.78

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	Garden at Township, interior work of custom building for Authority office, construction of new check post and Watch Towers, at KASEZ, Gandhidham			
14	construction of Badminton Court in KASEZ Township at KASEZ, Gandhidham	242.84	-	242.84

Following points were taken up as table agenda with the permission of Chairman:-

35.2.8 Construction of two No. warehouse at Plot No.354 to 356 and 364 to 366 (ph-III) at KASEZ, Gandhidham.

NBCC (India) Ltd. vide their letter No.NBCC/KASEZ/AGM/2018-19/132 dated 13th July, 2018 submitted their estimate for construction of 2 Nos. Warehouse at Plot No.354 to 356 and 364 to 366 in Sector-IV (Phase-III), as per the discussions.

It was informed that in the first phase, we had given the work of internal development on these plots and the work is in the final stage. Further as phase-II, we had sanctioned construction of two Nos. warehouse on these plots at an estimated cost of Rs.15,21,64,636/- and about 65% of the work has been completed. AGM, NBCC stated that the tender was awarded 32.58% below the sanctioned cost.

The Authority noted that the present estimate is for undertaking construction of 2 Nos. more warehouse on the remaining area of these plots at an estimated cost of Rs.15,21,64,638/- (Rupees fifteen crores twenty one lakhs sixty four thousand six hundred thirty eight only). Apart from the civil work, the estimate include internal electrical installations, silent DG set, fire fighting work, highmast, horticulture, etc. Each warehouse will have a built up area of 2400 sq.mtrs. Further, the earlier tender was awarded 32.58% below the sanctioned cost. After deliberations, the Authority approved construction of 2 Nos. more warehouse on the remaining area of these plots at an estimated cost of Rs.15,21,64,638/- (Rupees fifteen crores twenty one lakhs sixty four thousand six hundred thirty eight only).

35.2.9 Obtaining exemption under Section 10(46) of the I.T. Act.

The Authority noted appointment of Mr C.J. Maniar, Addl. CIT (Retd) as Consultant @ Rs.25000/- per month for obtaining exemption under Section 10(46) of the I.T. Act and also submission of application to the CBDT vide our letter dated 19/8/2017 for granting exemption to Kandla SEZ Authority. As directed by the Chairman, Kandla SEZ Authority, status of our application with the CBDT was obtained from Mr. C.J. Maniar, Consultant. In his letter, Mr. C.J. Maniar stated that the matter has attained finality and formality of issuing notification is pending. However, the post of the concerned CBDT Member is lying vacant and the officer charge who is given additional charge only attending to urgent matters. Mr. C.J. Maniar stated that once the regular incumbent is appointed, he will meet him for immediate issue of the notification and also filing of pending IT returns of the Authority.

Since the matter is pending due to the vacancy in the Member's post in CBDT it was felt that it would not be proper to keep the Consultant continuously engaged since he cannot do much to expedite the case in the present circumstances.

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Therefore, it was decided to discontinue the services of Shri C.J. Maniar for the present. Also, it was decided that he would be re-hired for a maximum further period of 3 months once the concerned Member's post in CBDT is filled up and Mr. Maniar is able to expedite the matter.

25.2.10 General:

Mr. Kamal Sarda requested to explore the possibility of having an Ambulance for the use of units in the Zone. It was felt that we may check up with the local NGOs like Lions Club, Rotary Club etc. who are having Ambulance whether they can keep the Ambulance at the Zone with driver and one attendant during night hours preferably from 7.00 p.m. to 7.00 a.m. or call for Expression of Interest by giving advertisement in the local newspaper for the purpose. Sr.AO suggested that we may take up with the State Govt. to consider posting a Doctor and a Nurse on full time basis in our Dispensary on the role of State Govt. and we may provide accommodation to them.

Chairman directed to explore the possibility on the above issues.

The meeting ended with thanks to all present.



(Upendra Vasishth)
Chairman,
Kandla SEZ Authority.