

Minutes of the 36th meeting of Kandla SEZ Authority held on 05/12/2018 at 03.00 P.M. at O/o the Development Commissioner, Kandla Special Economic Zone, Gandhidham.

Following were present:-

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| 1. Dr. Amiya Chandra, ITS | - Chairman |
| 2. Shri Satyadeep Mahapatra, IRS, JDC, KASEZ | - Member |
| 3. Shri H.I. Vashi, Director, MESO Pvt. Ltd. | - Member |

Others:

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

36. Confirmation of the minutes of 35th meeting of Kandla SEZ Authority held on 17/07/2018:

Minutes of the 35th meeting of Kandla SEZ Authority held on 17/07/2018 were confirmed.

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

35.2.8 Construction of 2 Nos. warehouse at Plot No.354 to 356 and 364 to 366 (Ph-III) at KASEZ, Gandhidham:

The position as reported that the work order has been issued to NBCC at an estimated expenditure of Rs.15,21,64,638/- (Rupees fifteen crore twenty one lakhs sixty four thousand six hundred thirty eight only) has been noted.

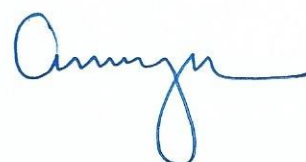
35.2.9 Obtaining exemption under Section 10(46) of the I.T. Act:

The position as reported that exemption Notification under Section 10(46) has been issued by CBDT has been noted. However, it was also noticed that the exemption notification is prospective. It was discussed that in respect of Noida SEZ Authority the exemption notification was issued with retrospective effect and it was decided that we should take up the same with CBDT for issuance of notification for Kandla SEZ Authority with retrospective effect.

36.2 New Proposals:

36.2.1 Construction of Community Hall at KASEZ Township.

The proposal for construction of Community Hall at KASEZ Township at an estimated cost of Rs.2,54,58,927/- has been discussed and the proposal was rejected as being uneconomical as our functions are hardly one or two in a year and the same are held at outside the SEZ by booking hotels and for that no investment is required to be made.



36.2.2 Approval for converting Bituminous Road to RCC pavement Road.

The proposal was for converting the Bituminous Road in front of the SDF Unit-IX into RCC at an estimated cost of R.80,64,24/- and the same can be met from the overall sanctioned amount for the work of construction of SDF Unit-IX. Approximate length of this road is 400 mtrs. and width 7.35 mtrs.

The Authority decided that Sr.Accounts Officer and Secretary may visit the place to see whether the RCC road is necessary there or not and submit their recommendations accordingly.

36.2.3 Request of the Units for surrender of first floor allotted under grouping:

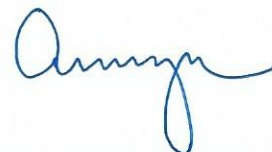
The Authority noted that in SDF Buildings, the Ground Floor and First Floor is allotted under Grouping. This was because if the ground floor is allotted alone, there will be no takers for the first floor. A provision was also made to connect the first floor from the Ground Floor while designing the SDF. The allotments are made through bid system. Accordingly, the units were participated in the bid for their requirement and allotments taken in the SDF under grouping.

Thereafter the Authority gone through request of M/s. Mukesh Marketing Pvt. Ltd. allotted with Ground Floor and First Floor under grouping for surrender of the first floor. The reason was that the first floor is not viable to store the cargo as the import cargo arrives on Pallets and through the use of goods lift they are unable to move and store the cargo from ground floor to first floor and therefore, the first floor is lying idle and unutilized.

The Authority felt that at the time of acquiring space through bid, the unit was well aware that they have to take first floor also and they should have considered the viability at that time itself. It was, therefore, decided not to accept the request of the unit for surrender of 1st floor.

36.2.4 Issue of NOC for mortgaging the superstructure with Financial Institutions by the Units:

The Authority noted that KASEZ Authority was issuing NOC to the Units for mortgaging the superstructure with Financial Institutions for obtaining credit facilities from the Banks. In the 29th meeting of the Kandla SEZ Authority held on 5/9/2017 a decision was taken not to issue any NOC. In the 34th meeting of Kandla SEZ Authority this decision was reviewed on the request of the KASEZ Industries Association and it was decided seek information from SEZs like Noida & SEEPZ whether they are giving any NOC and till such time the status-quo may be maintained. This was again discussed in the 35th meeting held on 17/7/2018 it was decided to issue NOC for mortgaging the superstructure with Financial Institutions and also get the draft NOC vetted by ASG or our legal firm engaged on retainer-ship basis.



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Jt. Development Commissioner, KASEZ who is a member of the Committee constituted for "Uniformity in administrative/financial decision making process in DCs/SEZ Authorities" informed that he has discussed this issue with the MEPZ SEZ Authority. MEPZ while issue of NOC put a condition that if the Unit become NPA, the Bank should permit MEPZ to auction the super-structure. This condition is because the building is constructed on the leased premises, which is Govt. property. Once the unit become NPA, the Bank take symbolic possession of the property and in which case the Zone will not be in a position to allot the plot as the building is on the leased property. In MEPZ, the above condition of allowing MEPZ to auction the property and distribute the proceeds arrived on the sale of the goods among the creditors is working well.

It was decided to await the decision of DOC on the recommendation of the Committee.

36.2.5 Permission to Deploy Cell on wheels at Kandla SEZ:

The Authority noted that M/s.Tower Vision vide their e-mail dated 11/9/2018 requested permission for deployment of Cell on Wheels (CoW) for improving mobile connectivity and upgrading the area around our office with the very latest 4G technology for all leading mobile operators. The proposed mobile tower will be a temporary structure on wheels and will amplify and upgrade signals for all mobile operators like BSNL, Airtel, Idea-Vodafone, RJIO.

Chairman felt that such service providers may be called for a meeting for a suitable solution.

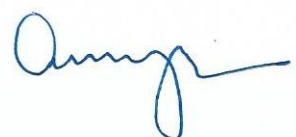
36.2.6 Engagement of Qualified Nurse in KASEZ Dispensary:

It was noted that the Authority has been maintaining a Dispensary in KASEZ Residential area to attend to the basic urgent medical need of KASEZ Employees as well as the industrial workers in the Zone, where services of a Qualified Doctor is available two times daily in the morning and in the afternoon. However, there is no qualified Nurse available in this Dispensary. The KASEZ Inds. Association also demanded for a qualified Nurse in the Dispensary, because for any urgent basic medical assistance they have to rush to Gandhidham which is 4 km away from KASEZ.

JDC stated that Nurse can be appointed under the maintenance contract with NBCC. Accordingly, it was decided engage a qualified Nurse through NBCC.

36.2.7 Audited Accounts of KASEZ Authority for the year 2017-18.

The Authority noted that the audited accounts of KASEZ Authority for the year 2017-18 received from M/s. Satish Khushalani & Co., and the same was also



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forwarded to the office of the Principal Director of Audit (Central) for their audit. The Authority approved the accounts and ratified the action taken.

36.2.8 Ratification of the approval granted to NBCC for utilization of savings in the ongoing works:

The Authority noted that vide letter No.PM/NBCC/KASEZ/ENGG/2017-18 dated 12/6/2017 NBCC submitted completion report with reference to SEZ ASIDE works for the year ending 31/3/2017. As per this letter, there is a saving amount of Rs.3,19,88,680/- (Rupees three crores nineteen lakhs eighty eight thousand six hundred eighty only). In their letter they have stated that the savings will be adjusted against the ongoing works.

Further, vide letter No.PM/NBCC/KASEZ/ENGG/2017-18 dated 12/6/2017 NBCC submitted completion report with reference to SEZ Authority works for the year ending 31/3/2017. As per this letter, there is a saving amount of Rs.3,75,02,673/- (Rupees three crores seventy five lakhs two thousand six hundred and seventy three only) and NBCC requested this office to transfer this saving for the ongoing works. The total savings is Rs.6,94,91,353/-.

It was further noted that a decision has taken on file to issue approval to NBCC for utilization of the above savings of Rs.6,94,91,353/- (Rupees six lakhs crores ninety four lakhs ninety one thousand three hundred fifty three only) in the ongoing works.

The Authority ratified the action taken to divert the savings in the ongoing works.

36.2.9 Permission to install Ground Based Telecom Mast (2 Nos) and to lay Optical Fibre at the premises of Kandla SEZ - Request of M/s.Reliance Jio Infocomm Ltd.

It was decided to call the services providers for a meeting with the Chairman.

36.2.10 Undertaking some maintenance work and providing of articles to the Primary School at KASEZ, Gandhidham:

The request of the Primary School KASEZ to undertake some work and also provide some articles/study materials for the school to improve the skills of the students, as under, was discussed by the Authority:-

1. Painting
2. Uniform for the students
3. Creation of library with books, table, cup-board, newspaper reading desk
4. Providing of RCC above roof of the school - stage programme hall.
5. Replacement of door of girls toilet
6. RO plant
7. Steel cupboards - 4 Nos.
8. Table - 5 Nos.



9. Lady sweeper for cleaning the school – 2 Nos.
10. Newspaper – Kutchmitra, Gujarat Samachar, Sandesh, Divyabhasker, Aajkal.
11. Providing dish antenna connection to the school for education purpose
12. Computer – 5 Nos.
13. Computer for English subject – 2 Nos.

The Authority approved the request of the Primary School, except for dish antenna facility. It was decided that instead of dish antenna facility, a telephone with broadband connection may be provided to the school and the newspapers may be limited to two and Principal may be asked to specify the newspapers for providing the same.

36.2.11 Providing and fixing of benches near the new Gardens in KASEZ Colony:

KASEZ Authority has created gardens/green spaces in KASEZ Residential colony. The proposal was to provide/fix some benches, approximately 5 to 10 benches, outside the gardens so that the residents in KASEZ Township can utilize these benches to rest during walking, etc.

The Authority discussed this issue and approved the proposal. AGM, NBCC was asked to provide the benches i.e. of street furniture material.

36.2.12 Allotment of land after demolition of the damaged sheds – Request of M/s.Regent Ropes, KASEZ.

Request of M/s. Regent Ropes as contained in their letter dated 19/9/2018 regarding surrender of Shed Nos.97 to 100 and 103-104 CPWD sheds to Authority for demolition and allotment of plot area of these sheds after demolition of these sheds was discussed.

It was informed to the Authority that these sheds are constructed by Government and allotted to the unit and we are charging rent as applicable to shed. Plot rent is much lower than the shed rent.

After detailed deliberations it was decided by the Authority that allotment of plot area after demolition of shed cannot be acceded to. On surrender of the sheds, the Authority can construct the sheds and the same can be allotted to the unit.

36.2.13 Revision of rent w.e.f.1/1/2019:

The proposal was for revision of rent w.e.f. 1/1/2019. JDC informed that a Committee has been constituted by the Department of Commerce for “Uniformity in administrative/financial decision making process in DCs/SEZ Authorities” for uniformity in administrative/financial decision making by SEZ Authorities of which JDC, KAEZ is one of the members, and this is also one of the point in their consideration. The



recommendation of the Committee will be forwarded to DoC in due course and the DoC will be issuing the guidelines based on the recommendations by January, 2019. Therefore, the Authority decided to wait for the guidelines from the DoC.

36.2.14 Request of M/s. Dyna Glycols Pvt. Ltd. for transfer of plot with infrastructure from M/s. Strands Textile Mills Pvt. Ltd. (Unit-II), KASEZ.

The request of M/Dyna Glycols Pvt. Ltd. for transfer of plot with infrastructure from M/s. Strands Textile Mills Pvt. Ltd. (Unit-II). JDC informed that a Committee has been constituted by the Department of Commerce for "Uniformity in administrative/financial decision making process in DCs/SEZ Authorities" for uniformity in administrative/financial decision making by SEZ Authorities of which JDC, KAEZ is one of the members, and this is also one of the point in their consideration. The recommendation of the Committee is will be forwarded to DoC in due course and the DoC will be issuing the guidelines based on the recommendations by January, 2019. Therefore, the Authority decided to wait for the guidelines from the DoC.

36.2.15 Discontinuation of the contract appointment of Ms.Winny Chand as Law Officer – ratification:

The Authority ratified the action taken to discontinue the contract appointment of Ms. Winny Chand appointed as Law Officer.

36.2.16 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	1650.00	1137.33
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	900.00	314.39
6	Construction of 2 Nos. Warehouse at Plot No.354 to 356 and 364 to 366	1521.64	800.00	721.64
7	Re-surfacing of internal roads in Sector-I	952.04	850.00	102.04

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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	90.00	90.77
10	Dismantling and Reconstruction of 4 Nos. Type-III Quarters (Quarters Number 1 to 4) at KASEZ Township	122.63	50.00	72.63
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 (FF)	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 Garden at Township, interior work of custom building for Authority office, construction of new check post and Watch Towers, at KASEZ, Gandhidham	927.78	400.00	527.78
14	construction of Badminton Court in KASEZ Township at KASEZ, Gandhidham	242.84	-	242.84
15	Construction of 2 Nos. Warehouse at Plot No.354 to 356 and 364 to 366 (Phase-III)	1521.64		1521.64

Following points were taken up as table agenda:-

36.2.17 Extension of contract of Ex-Servicemen appointed as Security Guards on contract basis:

The Authority was informed that the initial contract appointment of two years of the following security guards appointed on contract basis will be completing on the dates mentioned against each:-

Shri Vadher Ajitsinh Kanabhai	09/01/2019
Shri Jadeja Narendra Sinhji Himatsinh	10/01/2019
Shri Khandeka Dayaram Rajashi	12/01/2019
Shri Daslaniya Jagdishkumar Fuljibhai	10/01/2019
Shri Niwas Ram Swaroop	15/02/2019
Shri Dilawar Singh Parmar	14/02/2019
Shri Jethwa Ajitsinh Jawansinh	15/06/2019
Shri Akhileshwar Rai Prasad	20/06/2019

As per the vacancy circular the contract appointment is for a period of 2 years and may be further extended for another period of two years subject to age limit of 55 years. The consolidated monthly remuneration was fixed as Rs.15,000/- which will be increased by Rs.1000/- every year from the date of joining. After completion of one year period, the remuneration will become Rs.16,000/- per month.

DDC informed that the performance of the Security Guards needs to be reviewed annually and recommendations from Security Officer and JDC are required for extension. As our security strength is very less, the Authority decided to extend the contract appointment for further two years period as per the terms and conditions of the vacancy circular, subject to recommendation from Security Officer and Jt. Development Commissioner.

36.2.18 Request of M/s. Exim Warehousing for transfer of First Floor of Shed no. 400 (CIB Special Type), Sector-II, KASEZ in favour of M/s. SRB Foods India.

The request of M/s. Exim Warehousing made vide their letter dated 25.10.2018 transfer of First Floor of Shed No. 400 (CIB Special Type), Sector-II, KASEZ in favour of M/s. SRB Foods India. JDC informed that a Committee has been constituted by the Department of Commerce for "Uniformity in administrative/financial decision making process in DCs/SEZ Authorities" for uniformity in administrative/financial decision making by SEZ Authorities of which JDC, KAEZ is one of the members, and this is also one of the point in their consideration. The recommendation of the Committee is will be forwarded to DoC in due course and the DoC will be issuing the guidelines based on the recommendations by January, 2019. Therefore, the Authority decided to wait for the guidelines from the DoC.

36.2.19 Allotment of plot after demolition of the damaged sheds – Request of M/s. Pet Plastics, KASEZ.

The request of M/s. Pet Plastics made vide their letter dated 15.10.2018 for demolition of their damaged sheds no. 30 & 53, Sector – I, KASEZ as these being 30 years old and have been affected due to demolition of adjoining sheds and allotment of plot has not been accepted. Authority felt that we should construct shed by demolishing the damaged sheds and re-allot to the unit as shed only.

36.2.20 Construction of badminton Court from single to double:

In the 33rd meeting of KASEZ Authority, it was decided to construct a badminton Court at an estimated cost of Rs. 2,42,84,572/- and work order has been issued to NBCC. The proposal is to construct the badminton court from single to double. AGM, NBCC informed that the construction of badminton court from single to double can be carried out within the overall sanction given for the project.

The Authority accordingly approved the proposal for construction of Badminton Court from single to double within the overall sanction given for the project.



36.2.21 Providing of movable net for present badminton ground:

At present the Badminton is organized within the Dispensary ground. The proposal for providing/procuring two movable nets to the present badminton court is approved by the Authority.

General:

(a) Purchase of an LCD Projector with Sound System:

In view of lack of amenities/entertainment for the residents in the KASEZ, it was decided to purchase a projector with Sound System.


(b) Security Audit:

Chairman informed that security audit needs to be undertaken in protecting the assets, etc. of an organization. Without a proper arrangement of physical security audit and assessment, it is exceptionally difficult to oversee an organization's security without exposing it to a very high risk. Therefore, it was felt that we may conduct a security audit of the Zone. We should find out the agencies undertaking the security audit.

(c) Engagement of Consultant for increase of export:

Mr. H.I. Vashi stated that the Authority is undertaking infrastructure development work of the Zone. Whereas increase of export needs attention and for which the Authority has to undertake some study, etc. Chairman felt that for the purpose we may engage a Consultant and the approximate expenditure for this be limited to Rs.8.00 lakhs. Mr. H.I. Vashi informed that he will find out names of few consultants for the purpose who can then be engaged following GFR 2017.

The meeting ended with thanks to all present.


(Dr.Amiya Chandra)
Chairman,
Kandla SEZ Authority.