

MINUTES OF THE 6th KANDLA SEZ AUTHORITY MEETING HELD ON 11/10/2011 AT 15.30 HRS. AT KANDLA SPECIAL ECONOMIC ZONE UNDER THE CHAIRMANSHIP OF SHRI PRAVIR KUMAR, IAS, CHAIRPERSON, KANDLA SEZ AUTHORITY.

Following were present:-

1. ShriUpendraVasishth, JDC, KASEZ
2. ShriH.I. Vashi, ED, MESO Pvt. Ltd.
3. Shri Ajay Kothary, MD, Schmetz (India) Pvt. Ltd.
4. Shri R.N. Bairwa, AO, KASEZ (special invitee)
5. Shri A.K. Pathak, DGM, NBCC (special invitee)

6.1 Confirmation of the minutes of 5th meeting of Kandla SEZ Authority:

Minutes of the 5th Kandla SEZ Authority meeting were confirmed.

6.2 Action taken Report:

6.2.1 Desalination plant/effluent treatment plant

JDC, KASEZ stated that, as decided in the last meeting, JDC, Dahej SEZ forwarded a copy of agreement executed between Centre for Environmental Planning and Technology (CEPT) and Gujarat Industrial Development Corporation (GIDC) for preparation of project report for "Infrastructure Improvement & Investment Strategies for GIDC Estate". Authority directed that a sub-committee consisting of JDC, AO and Shri Ajay Kothary explore the possibility of awarding the contract to CEPT on the pattern of GIDC, in accordance with the Financial Rules in this regard.

6.2.2 Manual on Estate Management:

Shri Ajay Kothary stated that some more improvements were required in the manual and requested that this point may be deferred to give time to all concerned to study it further. Accordingly, the Committee deferred the proposal for discussion in the next Authority meeting.

6.2.3 Balance payment to NBCC:

The Authority noted the progress of various works and utilization of funds by NBCC, as under:



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Sl. No.	Name of the work	Estimated Cost	Funds released (Rs.in lakhs)			Physical Progress	Financial Progress	Remarks
			Authority	ASIDE	Total			
1	Construction of CC Road from – (i) ROB to BW Bharapar side, (ii) along the big size nala from BW old SEZ area to Sea side boundary wall (Narayan Marine Tech) and (iii) from OHT to Everest Kanto, New Area	827.56	200.00	--	200	2%	2%	Contract awarded
2	Construction of 1 No.SDF (on going) (Authority's share Rs.232.23 lakhs)	1393.37	232.23	1161.14	1393.37	85%	75%	Work will be completed by 31/12/2011.
3	Construction of 2 Nos. SDF (new) (out of Authority's share of Rs.812.80 lakhs)	2786.74	112.80	600	712.80	20%	15%	Work will be completed by 31/3/2013
4	ODC Gate	10.00	10.00	-	10.00	100%	100%	Work completed
5	Providing of Dome in new Administrative Bldg.	9.65	9.65	--	9.65	100%	100%	Work completed
6	Re-Surfacing of Roads in Sector-I, IV and balance area of II and III	250.00	250.00	--	250.00	40%	50%	

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	(excluding security road)							
7	CC Road from HUL to Tulip and Otoklin to ODC Gate (out of Rs.682.89 lakhs)	682.89	682.89	--	682.89	95%	95%	
8	Dismantling of reconstruction GHB quarters (sanctioned in 3 rd meeting)	222.73	139.75	--	139.25	--	--	Work has not been started till date, as conveyance deed is awaited.

6.2.4. CC Road in New Area:

Shri A.K. Pathak, DGM, NBCC stated that contract had been awarded and work would be started soon.

6.2.5 Lease rent revision:

The Authority requested the Sub-Committee to expedite the matter and submit its report at the earliest as the rent revision is due w.e.f. 1/1/2012.

6.2.6 Request of M/s. Worlds Window Infrastructure & Logistics Pvt. Ltd. – fixation of lease rent in the FTWZ:

The Authority felt that the rent and service charges calculations provided by the Co-developer appeared to be on a higher side. Therefore, it was decided that the Co-Developer may be asked to make a presentation before the Authority in its next meeting.

6.3 New proposals for approval of the Authority:

6.3.1 Extension of sharing permission – request of M/s. Safari Fine Clothing Pvt. Ltd.

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The Authority noted that they were granted temporary sharing permission in 2007, which was being extended from time to time. The Authority further noted that SEZ Rule 18(4)(c) stated that no proposal shall be considered for reprocessing of garments or used clothing or secondary textile materials and other recyclable textile materials into clipping or rags or industrial wipers or shoddy wool or yarn or blankets or shawls. By permitting more space or long term sharing to these units, the spirit of Rule 18(4)(c) is violated.

Therefore, in partial modification of the decision on sharing of premises, taken in the 5th meeting, the Authority decided as under:-

Units falling under SEZ Rule 18(4)(c) the sharing permission shall not be granted as a matter of routine. However, in exceptional cases with reasons to be recorded, sharing permission upto six months may be granted by the Development Commissioner and beyond six months by the Authority. In all such cases where sharing permissions have been granted to units falling under SEZ Rule 18(4)(c), the permissions shall cease w.e.f. 31/12/2011 and no further extension shall be granted. The concerned Units may be informed accordingly.

6.3.2 M/s. Balark Auto Engineering Co – request for transfer of Shed No.84 AS-I to M/s. International Warehousing and Trading:

The Authority noted that both the units were issued with LOAs for setting up units in KASEZ. Whereas M/s. Balark Auto Engineering Co. now proposed to wind up their project as they could not implement the project. However, they had made some investments in the shed and M/s. International Warehousing & Trading had agreed to compensate them for the same. It was noted that the transfers were permitted on payment of transfer fee to the Authority. Therefore, the Authority approved the proposal, subject to exit of M/s/ Balark Auto Engineering Co. from the SEZ.

6.3.3. Outsourcing of accounting work:

Authority noted that the contract outsourcing of accounting work awarded to M/s. Mukund&Rohit Chartered Accounts will be expiring on 24/10/2011 and they had conveyed their acceptance for renewal of the assignment at the existing terms and conditions. The Authority noted that their quality

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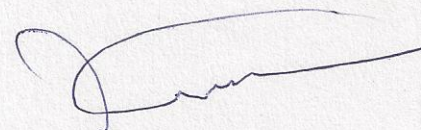
of work was satisfactory and decided to extend the contract for one more year on the same terms and conditions.

6.3.4 Green SEZ and Solar Energy System:

The Authority noted that the Empowered Committee of ASIDE had sanctioned Green SEZ and Solar Energy System for Kandla SEZ at a total cost of Rs.9.9199 crore with ASIDE contribution of Rs.7.00 crore. As per the Administrative Approval, MNRE and Kandla SEZ Authority have to contribute Rs.2.2275 crore and Rs.0.6924 crore respectively. The Authority approved Authority's share of Rs. 0.6924 crore. It was also decided that the payment may be released as per availability of funds and requirement intimated by NBCC.

DGM, NBCC stated that high masts lights are provided at the height of 20/25 mtrs. and from this height the required flux/intensity of light will not be available from LED lights and proposed to erect high masts with standard electric lamps instead of LED. He further stated that LED lamps will be used in the solar powered street lights, which are at lower heights. The Authority agreed to this proposal of DGM, NBCC.

Meeting ended with Vote of Thanks to all concerned.



(Pravir Kumar)
Chairperson