

Minutes of the 19th Kandla SEZ Authority meeting held on 09/04/2015 at 1100 hrs. under the Chairmanship of Shri Upendra Vasishth, ndc, IOFS, Chairman, Kandla SEZ Authority.

Following were present:-

Members:

1. Shri Krishan Kumar, Jt. Development Commissioner, KASEZ
2. Shri Pankaj Mittal, Director, MSSSL Global Wiring

Others:

1. Shri Laxmi Kant Meena, Sr. AO (invitee)
2. Shri A.K. Pathak, DGM, NBCC (invitee)
3. Shri Ajay Kothary, President, KASEZ Inds. Association (invitee)
4. Shri Devaraj.C, Secretary

19.1 Confirmation of the minutes of 18th meeting of Kandla SEZ Authority:

Minutes of the 18th meeting of Kandla SEZ Authority held on 21/01/2015 were confirmed.

19.2 Review/action taken report:

15.2.2 Purchase of New Fire Water Tender:

The Authority requested DGM, NBCC to expedite the procedure for purchase of New Fire Water Tender and also to ensure that the New Fire Tender is supplied by 30th September, 2015, which was confirmed by DGM, NBCC.

16.3.9 Plant for Wet waste:

The Authority felt that instead of installation of the plant for wet waste ourselves, we may adopt BOT system. Therefore, it was decided to send a letter to Padamshree Dr. Sharad Kale to seek detailed specification so that we can float a tender for installation of the wet waste plant (bio gas plant) on BOT basis.

18.3.10 Re-surfacing of roads in New Area and Liladhar Passoo to Inox in Old area of KASEZ.

Work order issued. NBCC informed that work has since been completed.

18.3.11 Painting of Admn. Building i.e. boundary wall (outside) old & new central verge, boundary wall from Red gate to RO, MS railing, compound wall from SBI to Township gate, sodium light poles and boundary wall from OHT to SDF Unit-V, new area:

Work order issued. NBCC has stated that the work is in full swing.



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19.3 New proposals:

19.3.1 Grant of sharing permission – request of KASEZ Industries Association.

The Authority after having gone through the agenda and deliberations decided that units falling under SEZ Rule 19(4)(c) shall not be granted sharing permission. However, in exceptional cases, in respect of other units, with reasons to be recorded, sharing permission upto six months may be granted by the Development Commissioner on a case to case basis and beyond six months but upto one year by the Authority.

Further on the issue of granting sharing permission for new units to carry out their approved activities, it was decided that Shri Ajay Kothary, President KASEZ Industries Association and Shri Devaraj. C, Secretary shall examine the issue and make recommendations in this respect. Such recommendation shall be discussed in the next meeting of the Authority.

19.3.2 Approval of estimated budget for the year 2015-16.

The Authority approved the anticipated income and expenditure of the Authority for the year 2015-16. However, Sr. Accounts Officer, KASEZ was directed to send request to DOC for seeking funds under the ASIDE scheme.

19.3.3 Adoption of SAR:

The Authority adopted the Special Audit Report of Kandla SEZ Authority for the year 2013-14 issued by the CAG.

19.3.4 MOC's guideline for allotment of premises:

The Authority noted that MOC vide their letter dated 28/10/2014 has circulated the recommendations of the committee of three DCs for uniform procedures/practices to be followed in all Central Govt. SEZ. Committee comprised of DC, SEEPZ SEZ, Kandla SEZ and Falta SEZ. Recommendations made by the Committee were considered by the Authority and following decisions were taken:

19.3.4.1 Creation of posts in Authority:

Creation of following posts for each of the seven Authority was recommended by the Committee:-

S.No.	Name of the Post	Grade Pay (Rs.)	No.of Posts
1	Secretary	6,600/-	1
2	Law Officer	4,800/-	1
3	Asstt.Manager (Estate & Marketing)	4,800/-	1
4	Asstt. Manager (Admn & Finance)	4,800/-	1
5	Caretaker & Record Keeper	4,200/-	1

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6	Security Officer	4,800/-	1
7	Asstt. Security Officer	4,200/-	2
8	Asstt. Manager (IT)	4,800/-	1
9	Civil Engineer	4,600/-	1

The Authority adopted these posts and decided to make a request to the Ministry to finalize the recruitment rules and service rules for the same.

19.3.4.2 Funds for incurring of Capital Expenditure by the Authority:

The Authority noted the recommendation of the Committee for continued support to SEZ Authorities through ASIDE fund for creation of new infrastructure and up-gradation of existing infrastructure.

19.3.4.3 Levy of lease rent:

The Authority felt that phasing out of difference in lease rent in short run is not practical at KASEZ and decided to continue with the policy being followed for revision of rent.

19.3.4.4 Penal interest:

- (i) The Authority decided not to charge one year rent as non-refundable, as presently available properties are being allotted on bid basis where one time lump-sum amount is quoted as bid by the bidders and that amount is non-refundable.
- (ii) It was noted that quarterly compound interest at 3% is already being charged for late payment.
- (iii) It was noted that the practice of taking action under Public Premises (Eviction of Unauthorized Occupants) Act is already being taken up.

19.3.4.5 Allotment of space to Units and allotment period:

The Authority noted that we have the bidding system in place and the one time bid amount is non-refundable. Further, as this system is very transparent, it was decided to continue with the existing practice for allotment of premises through bid.

(1) Allotment period:

It was decided that as recommended by the Committee we may allot the built up space on 15 years lease and the plots on 30 years lease period.

(2) Allotment charges:

The Authority decided to continue with the existing practice of a non-refundable bid value.



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(3) Transfer of allotted space to another entity:

The Authority noted that in KASEZ we have been allowing transfer of plots and Government sheds as these sheds are built with permissible off-sets and the units can make further investments on this to suit their needs. Therefore, it was decided to continue the practice of transfer of plots and sheds. However, it was decided that transfer may not be permitted in respect of "SDF Units" as suggested by the Committee.

(4) User charges to be levied by the Authority:

The Authority decided to continue with the present practice of charging user charges. However, it was decided to make periodic review of charges.

19.3.4.6 Grant of NOC for mortgage:

The Authority went through the model NOC suggested by the Committee and decided to adopt it. However, it was also decided that if there is any specific requirement by the Bank, the same may be examined and accepted if it is not contradicting draft NOC. The Authority further noted that the condition No.6 i.e. "You shall furnish draft Mortgage deed/loan agreement to be executed between you and financial institution for scrutiny and approval of the Authority" is not required as the Bank will be sanctioning the loan based on the conditions of the NOC issued by the Authority only.

19.3.4.7 SARFAESI Act:

The Authority noted the recommendation and accepted it.

19.3.4.8 Lease agreement:

The Authority requested the JDC to examine the same on file for adoption as per our requirement.

19.3.4.9 Best practices:

The Authority noted the best practices and also decided as under:

- (1) DGM, NBCC was asked to give a proposal for 600 KWP solar power and 500 standalone solar street lights for seeking fund under ASIDE Scheme.
- (2) DGM, NBCC was also asked to come up with a proposal for integrated water and waste management system and STP. Thereafter, a proposal may be sent to DOC for seeking fund under ASIDE scheme.
- (3) DGM, NBCC was also asked to keep in mind the Green Building Norms for all new constructions.
- (4) Secretary was asked to get information about rain water harvesting from GPCB experts.



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19.3.5 Re-surfacing of roads in New Area and Liladhar Passoo to Inox in Old area of KASEZ.

The Authority ratified the decision taken for carrying out resurfacing of additional area of 20126 sq.mtrs. in the KASEZ residential colony within the same sanctioned work with quantity variation.

19.3.6 Raising the height of Security Boundary wall (old area, Phase-I) from 2.40 mtrs. to 4.00 mtrs, at KASEZ.

The Authority ratified the decision taken for an additional area of 1100 mtrs. from ODC gate (M/s.Tekwud) towards the bulk supply water sump area within the same sanctioned work with quantity variation.

19.3.7 Widening of road with paving blocks inside the processing area in Sector-I, II, III & IV, KASEZ.

The Authority ratified the decision taken for an additional area of 16800 mtrs. in the balance area of Sector-IV between Tulip and Praj Industries, in New Area in front of SDF IV&V and balance area along M/s. Associate High Pressure and Rama Cylinders, etc. within the same sanctioned work with quantity variation.

19.3.8 Review of on-going works:

Following position was noted by the Authority.

Sl. No.	Name of the work	Estimated Cost (Rs.in lakhs)	Funds released by Authority (Rs.in lakhs)		
			Authority Share	Released till date	Balance to be paid
1	Dismantling of reconstruction 12 Nos.GHB quarters (sanctioned in 3 rd meeting)	192.00	192.00	170.00	--
2	Construction of SDF Unit-VI	1198.00	1198.00**		1198.00
3	Construction of SDF Unit-VII	1449.54	1449.54**	450	999.54
4	Widening of road with paving blocks inside processing area in Sector-I, II, III & IV	675.00	675.00	400.00	275.00
5	P/F of Gate, etc. at Custom check-post	65.00	65.00	65.00	--
6	Misc. maintenance work in KASEZ colony	90.18	90.18	90.00	--
7	Construction of 8 Nos.Type-III quarters (G+1)	147.26	147.26	50.00	97.26
8	Raising the height of security boundary wall	394.76	394.76	200.00	194.76

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9	Construction of 7 Nos. Sauchalayas	94.22	94.22	94.00	
10	Construction of CC Road between the boundary of the new area and the old area (upto Rusan)	324.05	324.05	200.00	124.05
11	Painting work of Admn. bldg. etc	5.73	5.73	5.73	--
12	Resurfacing of roads in new area and Liladhar Passoo to Inox in old area	162.93	162.93	162.93	--
13	Supply, installation, testing, commissioning of Gym articles at Health Centre	24.70	24.70	24.70	--
14	Construction of 8 Nos. CIB sheds(ph.II)	961.11	311.11	300.00	11.11
15	Construction of 8 Nos. CIB sheds(ph.III)	961.11	311.11	75.00	236.11
	Total				3135.83

***A proposal has been sent to DoC for ASIDE funds. If the ASIDE grant is received, the expenditure from Authority will be reduced to that extent.*

Note: Approximate amount of Rs.2508.00 lakhs shall be required to be paid during 2015-16 for the above works.

19.3.9 Appointment of a Law Officer on contract basis:

The Authority noted that there are lot of court cases which need constant attention. Therefore, service of a Law Officer is very much required. The services of the Law Officer can be utilized by the DCs office for handling court cases on file as well as for interacting/liaisoning with Govt. Advocates/Official Liquidators, etc. It was, therefore, decided to appoint a Law Officer on contract basis initially for a period of one year, extendable by another one year on a consolidated monthly remuneration of Rs.40,000/-. The incumbent may be be paid TA/DA at par with a Class-I officer with Grade Pay of Rs.6,600/- for official duty travel. The incumbent appointed shall be a Law Graduate with good command over English, Hindi and Gujarati languages. The appointment may be undertaken through calling nomination by placing the advertisement in KASEZ website and in newspapers (atleast one each in English, Hindi & Gujarati) and selection be made through interview. The candidate should preferably be a member of the Gandhidham Bar Council.

Following points was discussed with the permission of the Chairman:

19.3.10 Centralized Food Courts:

JDC informed that 5 Centralized Food Courts were constructed, each having 4 units, with a view to allot the same to the existing 17 tea-stall operators; remaining three units were decided to be auctioned among the reputed Food Chains. A tender was floated for the same.



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However, not even a single tender was received. Now we may have to revise the criteria for tender. The Authority decided to retender with the revised criteria in which anybody can submit his/her tender including the existing tea-stall operators.

JDC also informed that in the first lot, we have allotted units in the Food Courts to 14 tea-stall operators asking them to surrender the existing tea-stall and shift to the new one. At their request, the period was extended from time to time. The monthly rent fixed for the new units in the Food Court was reduced from Rs.5000/- p.m. to Rs.4,000/- p.m. They were given time upto 31/10/2014 to occupy the units in the Food Court. However, only 3 persons had occupied the units. Therefore, action was initiated to cancel the allotment of units in new food court and forfeiting of the rent paid for the same. Further, eviction orders were issued for vacating the existing tea-stalls. During the PH, the tea stall operators stated that they have shifted to the Units in the Food Court and the existing tea-stall is vacant. They were asked to surrender it physically to the Caretaker.

The Authority felt that the main purpose of construction of the Food Court was to allot it to the existing tea-stall operators, as the existing tea-stall were not giving decent look and were creating garbage around them. It was decided that quasi-judicial Authority may consider allowing them to continue and the letter of cancellation may be treated as withdrawn and the rent may be adjusted in their rentals considering their poor status in the Society. It was also decided not to charge rent for the existing tea-stalls for their overstay. The intention was to charge rent for one stall only.

19.3.11 Hiring of private security:

The Chairman expressed need for hiring of private security to guard the Zone. At present the Zone is having only about 39 security personnel comprising of Head Jamadar, Jamadar and Security Guards. Somewhere in 2010, Zone Administration had hired the private security – 22 Security Guards and 10 Gunmen, as against the sanction of 43 Nos received from DoC. The services of private security was withdrawn w.e.f. 31/8/2012.

After deliberations, it was decided to engage private security guards – 22 Security Guards and 10 Gunmen, through tender procedure.

19.3.12 CC Parking in front of SDF Unit IV & V:

During the site visit by DC & Chairman KASEZA, JDC and DGM, NBCC it was felt that for control of vehicular movement at the SDF complex, where 24 units are there, creation of parking space is needed. During the discussions, DGM, NBCC informed the Authority that the work of creation of additional concrete parking can be taken up as quantity deviation, within the sanctioned estimated cost for this project, as per deviation statement.

The Authority accordingly approved the proposal to create more parking space at the SDF Unit IV & V as quantity deviation within the sanctioned estimated cost for this project.

19.3.13 Construction of 12 Nos. GHB Quarters:

DGM, NBCC informed that at the time of estimate for construction of 12 Nos. GHB quarters the ratio of concrete in beam and slab was considered as 1:2:4. Considering the seismic Zone, during construction the ratio of concrete was taken as 1:1½:3 as an extra item, which is within the sanctioned amount for this project. Further, it was also informed that concrete road

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and concrete parking also created at the GHB quarters complex. DGM, NBCC requested the Authority to take note of it.

After detailed deliberations, the Authority took note of the above and approved the same as no additional fund is to be released to NBCC for the said work.



(Upendra Vasishth)
Chairman,
Kandla SEZ Authority.

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KANDLA SEZ AUTHORITY		
ESTIMATED BUDGET FOR THE YEAR 2015-16		
Sr.No.	Particulars	Rs.in lakhs
A	Estimated funds available with the Authority	
1	Fixed Deposit with PNB & with Central Bank	1000.00
2	Approximate amount available in Bank other than FD	400.00
B	Estimated income for 2015-16	
1	Lease Rentals/user charges	2500.00
2	Water supply bills	110.00
3	Security passes	20.00
	Total (A+B)	4030.00
	Estimated expenditure to be incurred during 2015-16	
1	Towards water supply bills	100.00
2	Towards electricity bills	50.00
3	Agency charges to NBCC for water supply/distribution	10.00
4	Advertisement & Publicity	4.00
5	Legal Fees	2.00
6	Hiring of Vehicles	17.00
7	Providing Security service (hiring of security)	40.00
8	Maintenance of Dedicated pipeline	8.00
9	Salary & Wages	12.00
10	Office Expenditures	6.00
11	CA & Accounting Work	12.00
12	Sharing AMC with KPT for trunk line	10.00
13	Annual Maintenance works	311.54
14	Fund ear-marked for NBCC for payment against approved works	2508.67
15	New Works proposed:	
(a)	Bio Gas Plant	45.00
	Total Anticipated Expenditure (2015-2016)	3136.21

