

**Minutes of the 40<sup>th</sup> meeting of Kandla SEZ Authority held on 01/08/2019 at 4.00 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, Development Commissioner, KASEZ | - Chairman |
| 2. Shri Dipak Zala, IRS, DDC, KASEZ                        | - Member   |
| 3. Shri H.I. Vashi, Director, M/s.MESO Pvt. Ltd.           | - Member   |

Others:

1. Shri Devaraj. C, Secretary, KASEZ Authority
2. Shri Umesh Naik, AGM, NBCC
3. Shri Shubham Goel, PE(C), NBCC

**40. Confirmation of the minutes of 39<sup>th</sup> meeting of Kandla SEZ Authority held on 28/05/2019:**

Minutes of the 39<sup>th</sup> meeting of Kandla SEZ Authority held on 28/05/2019 were confirmed.

**40.1 Review/action taken as per decisions of last meeting:**

**39.2.2 Permission to use adjoining waste land for creating and maintaining garden and greenery – request of M/s. Global Warehousing & Trading:**

Authority noted that as per the decision taken, the unit was permitted to develop the garden. The Authority further felt that as this is rainy season; the unit should prioritize the landscaping with proper planning and report it in the next Authority meeting.

**39.2.11 Installation of signboards in the Zone:-**

The Authority noted that installation of signboards in the Zone was discussed in the 39<sup>th</sup> meeting of Kandla SEZ Authority and NBCC was asked to submit their estimate and come up with the plan for approval. Signboards are to be put up both in the processing and the residential areas. NBCC was asked to submit the detailed layout plan within 15 days along with the estimates to be taken up in the next meeting.

**39.2.25 Smart Street lighting arrangement in existing street light poles in Sector-1,2 & 3 industrial area at KASEZ.**

The Authority noted that the proposal for Smart Street lighting arrangement in existing street light poles in Sector-1,2 & 3 industrial area at KASEZ was approved in the last meeting at an estimated cost of Rs.4.99 crores (in the agenda the amount was inadvertently shown as Rs.4.00 lakhs) and thereafter, NBCC (I) Ltd. had been asked not to proceed with the work till further instructions. NBCC was asked to put up a factual report on their estimate as to how many new poles will be there, how many existing light poles are not working/not



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available, and other costs included in the estimate, etc. There needs to be a detailed report on the theft of the lights/poles and the new poles/lights that is proposed to be installed in the proposed estimate.

**40.2 New Proposals:**

**40.2.1 Deployment of Mounted Police Personnel for patrolling within the Kandla SEZ.**

The Authority noted that in view of the increased incidents of theft in KASEZ, wherein, the miscreants are using Swords and other dangerous weapons, a proposal was sent to the State Government, Department of Home to post Mounted Police Personnel for patrolling within KASEZ. Chairman informed that this was further discussed with the State Government at the level of Chief Secretary. It was observed that provision of horse mounted personnel was both very expensive and time consuming, apart from making provision for the stay of horse & police personnel's in the Zone. Thus it was agreed to provide the required motorcycle mounted Police Personnel to the Zone and a letter was sent to the IG of Police, Bhuj for deployment of 4 Mounted Police Personnel. He was also requested for the cost for the same, as it was pointed out by Secretary, Home, Govt. of Gujarat that the cost of the deployment needs to be borne by the Zone. The State Government has agreed to provide 4 motorcycle with 2 police personnel each on one motor cycle, subject to the condition that KASEZ should bear the cost of such deployment.

The Authority has taken on record the letters issued to the State Government on the subject and approved the proposal to bear the expenditure for such an arrangement as and when the cost proposal is received and services are put in place.

**40.2.2 Opening of the New Check Post North Gate & construction of cycle stand.**

The Authority noted that the construction of new Check post North Gate for movement of pedestrians, small vehicles, etc. has been completed. However, entry point of the North Gate is to be made about 60 mtr. far from the Lal Gate on the boundary wall of Kidana bypass road by dismantling the wall and fixing of gate, as per NBCC (I) Ltd.'s letter No.NBCC/KASEZ/AGM/2019-20/145 dated 27/7/2019.





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The Authority decided to go ahead with the work so that the gate can be inaugurated as early as possible. Chairman informed that instructions has been given to DC(Cus) and Security Officer for issuing necessary circular(s) for making the gate operational.

The Authority also approved the proposal for construction of a small cycle stand to accommodate around 50 cycles at the entrance point. However, it must not affect the traffic. NBCC was asked to submit the estimate for the same. The cycles in these stands may be kept and used by the Units.

The Authority also discussed the requirement of security guards to man the gate as stated by the Security Officer during the meeting. According to him about 45 persons in addition to the existing strength are required to man the gate in three shifts, which include six lady security guards. It was felt that in view of the movement of traffic of pedestrians, two/three/four wheelers, etc. to the new gate, few Security Guards at the present gate can be shifted to the new check post. DDC was asked to review the requirement.

It was noted that Tender for engagement of security service providing agency has been pending for long time and additional requirement of manpower has been requisitioned by Security Officer in view of the proposed new gate. Thus, we need to consider re-tendering, by including the additional requirement of security personnel, once a review is undertaken by DDC for the actual requirement. However, tender process needs to be finalized within 45 days from the date of issue of tender. We need to invite reputed firms to participate in the tender, as there have been only two participants currently who have qualified the technical bid. The Authority expressed its dismay over delay in finalizing the tender and asked to proceed with finalization of security tender in a time bound manner. The Authority also agreed to include both the members of the industry in the Authority to be part of the tender finalization committee.

**40.2.3 Request of M/s.Dyna Glycols Pvt. Ltd. for adjacent space-building of 65,000 sq.ft along-with plot area of 16560 sq.mtrs.**

M/s.Dyna Glycols Pvt.Ltd's request for contiguous space having factory building of 65,000 sq.ft. alongwith plot area of 16560 sq.mtrs. Plot No.271, Sector-IV, KASEZ as per their letter dated 5/7/2019, was discussed by the Authority. The Authority noted that in the 38<sup>th</sup> meeting of Kandla SEZ Authority held on 25/03/2019, their request for allotment of adjacent



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space-building of 70,000 sq.ft. alongwith plot area of 11232 sq.mtrs. (of Plot No.270 which has an area of 19872 sq.mtrs.) was already approved on current lease terms and a transfer fee by getting this area surrendered by M/s. Strands Textile Mills Pvt. Ltd. out of their total allotted area.

In order to meet future export orders as well as to implement the future business plan, they made a further requisition of ready built space with surrounding open area that is contiguous to present allotted area. They have stated that the contiguous factory building has structure that is most appropriate for the present product manufacturing line and it will pave the way for better planning and execution of future strategy to increase export orders. M/s. Strands Textile Mills Pvt. Ltd. had an allotted area of 36,432 sq.mtrs. of total area, out of which an area of 11232 sq.mtrs. was already transferred to M/s.Dyna Glycols Pvt. Ltd. Now the request was for an additional transfer of an area of 16560 sq.mtrs. to undertake manufacturing activity by M/s.Dyna Glycols Pvt. Ltd. The Committee noted that the earlier transfer was effected by taking the consent of the firm, M/s.Strands Textile Mills Pvt. Ltd. This will also be subject to the consent by M/s.Strands Textile Mills Pvt. Ltd.

Shri Rajeev Kumar Singh, Authorized Signatory of the unit appeared before the Authority. During the discussions he stated that their export for the last three years is always on the higher side. Their exports for the year 2017-18 was Rs.6000.24 lakhs and for the year 2018-19 it was Rs.11572.77 lakhs. Their representative handed over a letter dated 1/8/2019 showing the correct figure. He also stated that they intend to enhance their production capacity from 1200 MT per month to 3000 MT per month and the same has been approved by the State Level Environment Impact Assessment Authority, Gujarat. The authorized representative stated that at present due to paucity of space, they had to peg their production capacity to only 1000 MT/per month (even though they had initially an approval for production of 1200 MT/month). Now, with the approval of production capacity of 3000 MT/month, they urgently need additional space to expand their capacity utilization. They enclosed the copy of the approval, vide their letter dated 1/8/2019 and the same was taken on record by the Authority. He also stated that during the first quarter of current financial year, they have exported to the tune of Rs.29 crores. It was stated by their representative that with the allotment of additional adjacent space and with the increased production capacity, their export turnover will be as under for the next three years:-





Year	Export turnover (INR in lakhs)
Year-1	23145.55
Year-2	28,931.93
Year-3	34,718.32

The Authority after deliberations felt that as the additional allotment will further increase their exports & employment, it approved their request for allotment of the adjacent area of having factory building of 65,000 sq.ft. alongwith plot area of 16560 sq.mtrs. Plot No.271, Sector-IV, KASEZ as per current lease terms and transfer fee as per standard operating procedure both in terms of allotment & levying of charges. M/s. Strands Textile Mills Pvt.Ltd. will surrender this area along-with infrastructure to the KASEZ Authority and thereafter the same shall be allotted to M/s.Dyna Glycols Pvt. Ltd.

#### **40.2.4 Providing a shade within the examination area of used clothing:**

The Authority noted that the DTA examination of the used clothes are undertaken at a separate area and that there is no shelter provided to the labour force working in that area. Therefore, the proposal for construction of a shade/multiple shades in that area for the labour force working was proposed to be undertaken by NBCC. It may include, provision for drinking water, lunch facility, etc. NBCC was asked to submit their estimate for the same. Chairman asked DDC to ensure that the leftover worn and used clothing at the examination area are removed by the used clothing units on turn-by-turn, as approved earlier.

#### **40.2.5 Estimate for the Day to Day Annual Maintenance work with Manpower and material including Housekeeping, Horticulture, Electrical, Plumbing, Carpentry, Civil Works, Security, Dish Antenna, ACs, Mosquito Management, CCTV Camera and Networking system, Hygiene Solution, Lift, DG Set, Solar System, etc. at KASEZ, Gandhidham.**

The Authority noted that the day-to-day annual maintenance work is done by M/s. NBCC (India) Ltd. The maintenance of the Zone is a continuous process and is essential to be carried out. AGM, M/s. NBCC (India) Ltd., informed that last year their maintenance estimate was for Rs.7.03 crores.

As the maintenance of the Zone is continuous process and is essential to be carried out on a day-to-day basis, the Authority approved the estimate submitted by NBCC vide their letter



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No.NBCC/KAEZ/AGM/2019-20/153 dated 29/07/2019 for undertaking the maintenance work of the Zone for the period 01/10/2019 to 30/09/2020, as under:-

Sr.No.	Name of Works	Estimate Ampunt (Rs.)
1	Day to Day annual maintenance work with Manpower and Material including Housekeeping, Horticulture, electrical, plumbing, carpentry, civil works, security, dish antenna, ACs, Mosquito Management, CCTV Camera and Networking system, Hygiene Solution, Lift, DG Sets, Solar system etc. at KASEZ Gandhidham,	Rs.7,22,58,961/-

**40.2.6 Payment of outstanding lease rent and user charges in respect of M/s.Kandla Free Trade Warehousing Pvt. Ltd. – Co-Developer of FTWZ in KASEZ:**

The Authority noted that a decision was taken in the 39<sup>th</sup> meeting of Kandla SEZ Authority held on 28/05/2019 to grant them time upto 31/8/2019 to make the payment of outstanding dues to the Authority. The Authority also noted the following points as mentioned in the Agenda note as informed by the Co-Developer:-

- (a) M/s.Sequel Logistics allotted in the FTWZ with an area of 2322 sq.mtrs. is operational.
- (b) Following units have already been approved:

Sr.No.	Name of the Unit	Area in sq.ms.
1	R Supply Chain Management	6132
2	Kanishka Overseas	1020
3	Seashore Logistcs	1020

- (c) NoC provided to the following applicants for setting up of warehouses:

Sr.No.	Name of the applicant	Area in sq.ms.
1	Salasar Impex Ltd.	4620
2	Flamingo Logistics	5160
3	Venith International Energy Solutions P Ltd.	8094

The Authority further noted that the application for setting up of units in the FTWZ has been received from M/s.Flamingo Logistics and M/s,Venith International Energy Solutions. However, grant of approval for setting up of these units, alongwith any other proposal, is within the jurisdiction of Unit Approval Committee and all these proposals need to be submitted to UAC directly.





**40.2.7 Revision of lease rent w.e.f. 1/1/2019**

The Authority noted that in the 39<sup>th</sup> meeting Kandla SEZ Authority held on 28/5/2019, a decision was taken to defer the earlier decision of revision of rent. Further, as per earlier decision of the Authority taken in its 38<sup>th</sup> meeting held on 25/03/2019 to revise the rent w.e.f. 1/1/2019, a circular was issued to all the units and based on this circular many units have started payment of rent at revised rates w.e.f. 1/1/2019.

The Authority after deliberations decided to go ahead with the revision of rent as per the decision taken in 38<sup>th</sup> meeting held on 25/03/2019. However, for revision of rent next year, decision will be taken based on the circumstance prevalent at that time. The Authority also suggested that there is a need to frame early bird discount policy (The units who pay rent earlier may be given some rebate on the total rent).

It was decided to look into it.

**Following points were taken up as table agenda:**

**40.2.8 Requirement of additional CCTV Camera:**

The Security Officer during the meeting requested for additional CCTV cameras. He also brought to the notice of the Authority non-functioning of some cameras. NBCC officials present in the meeting informed that they have not received any complaint about non-functioning of the cameras. If any cameras are found not working, action will be taken by them to get it functional immediately. The Authority directed the Security Officer that if any cameras are found not working, he needs to immediately inform NBCC. It is the responsibility of the Security Officer to inform NBCC and get it repaired.

The Authority agreed in-principle for additional cameras on security point of view. However, DDC was asked to conduct an audit of the existing cameras and the proposed locations where the new cameras are required and accordingly NBCC may be asked to submit estimate in the next Authority meeting.

**40.2.9 Payment of 'way leave charges for laying 300 mm dia GI Water pipe through in 600 mm dia MS Casing pipe under the Railway track at km 6/1-2 between Gandhidham-Adipur.**



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It was informed to the Authority that KASEZ is a bulk consumer of Gujarat Water Supply and Sewerage Board and a dedicated line is laid from their Rambaug Head Works to Kandla SEZ. This line is laid under the railway track and that we have to pay “way leave charges” to Western Railway. NBCC vide their letter No.NBCC/KASEZ/AGM/2019-20/154 dated 01/08/2019 forwarded the bill of Western Railway for Rs.4,34,565/- for the period 1/4/2018 to 31/3/2028 (for 10 years in advance) towards the way leave charges. The amount is to be deposited in favour of Sr. Divisional Finance Manager, Western Railway, Ahmedabad.

The Authority after deliberations felt that this is a statutory payment to be paid to Western Railway as the KASEZ’s dedicated pipeline is laid under the Railway track and approved to make payment of Rs.4,34,565/- (Rupees four lakhs thirty four thousand five hundred sixty five only) to the Western Railway towards the way leave charges as is being in the past.

**302.10 Operation and Maintenance of Solid Waste Management Plant at KASEZ, Gandhidam.**

KASEZ has set up a Solid Waste Management System having 3.5 T per day capacity and composting plant through NBCC (I) Ltd. This plant is being operated and maintained by M/s.D.K. Patel through NBCC for a period of one year as per the agreement with NBCC and Contractor. NBCC vide their letter No.NBCC/KASEZ/AGM/2019-20/155 dated 01/08/2019 submitted their proposal for undertaking operation and maintenance of the SWM Plant for one year period at an estimated cost of Rs.1,03,22,784/- (Rupees one crore three lakhs twenty two thousand seven hundred eighty four only).

The Authority deliberated on the issue. It was of the opinion that the entire proposal needs to be looked into, because of the proposed maintenance cost of Rs.1.00 crore appears to be on higher side, whether it will be paid by Authority or by the Units. In addition, NBCC stated that the incineration plant is not capable of consuming entire Municipal Solid Waste generated in the Zone. It was, therefore, felt that re-assessment to be done where we can find –

- (a) What is the most effective way to deal with entire Municipal Solid Waste generated in the Zone.
- (b) What is the most effective way of running the existing incineration plant with minimum cost.






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- (c) Is there any alternative mechanism to deal with MSW, preferably on PPP basis, which can deal with entire MSW disposal without incurring any expenditure by the Zone.

With the above, the proposal was deferred by the Authority.

The meeting ended with thanks to all present.



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