

Cochin Special Economic Zone Authority (CSEZA)
Department of Commerce
Ministry of Commerce & Industry,
Government of India
Administrative Building
Kakkanad, Cochin-682 037

Minutes of the 30th meeting of CSEZ Authority held on 26.02.2019.

The 30th Meeting of the Cochin Special Economic Zone Authority (CSEZA), Kakkanad, Cochin, was held on 26th February, 2019 at 12.30 p.m. in the Chamber of the Development Commissioner. The meeting was chaired by Dr. Shanmuga Sundaram, Development Commissioner, CSEZ & Chairman, CSEZA. The list of members present is Annexed (Annexure-1).

Agenda Item No. A-i : Confirmation of the minutes of 29th meeting of the CSEZ Authority held on 31st August, 2018.

The minutes of the 29th meeting, circulated among the members in advance, was confirmed.

Agenda item No. B-i: Action taken on decisions of the previous meeting.

Action taken on the decisions/approvals of 29th meeting as reported was noted by the Authority.

C: AGENDA ITEMS

(i) Complaint regarding exorbitant lease rent at CSEZ.

The complaint received from CEPZ Industries Association against revision of lease rent every year was discussed in the meeting. The Authority after due deliberation decided to continue with the existing lease rent rate of ₹2916/- for built up space and ₹389/- for plots for the financial 2019-20.

(ii) Lease rate to be charged after completion of the lease period.

The Authority after due deliberation in detail decided that at the time of renewal of lease agreement, the lease rate shall be enhanced by 15% over and above the lease rate paid by the unit at the time of expiry of lease deed. The above decision is applicable w.e.f. 01.04.2017.

(iii) **Onetime non-refundable deposit for allotment of plot/built-up Area.**

The Authority after due deliberation decided that the Development Fund charged by the Authority shall be made refundable subject to the following conditions:

- There shall be a lock-in period of 3 years for such fund.
- The maximum amount towards Development Fund shall be ₹ 20 lakh
- The refund will be made only at the time of final exit
- Dues if any shall be adjusted and only the balance amount will be refunded.
- There shall be no interest given on the Development Fund.

The revised procedure shall be applicable w.e.f. 01-03-2019.

(iv) **Format of Lease Agreement.**

The Authority after due deliberation approved the modification proposal of the lease deed.

Sl No	Description	Standard Lease Deed	Modified Lease Deed
1.	Tenure	5 years (Clause 11)	15 years (Clause 1)
2.	Payment of Rent	Lease to be paid on quarterly basis by Bank draft, RTGS, ECS or through any other banking instrument. (Clause 12,13) Lessee shall pay in advance lease rent for the first quarter (Clause 15)	First Year rent to be paid in advance during the time of allotment. From 2 nd year onwards payment to be made in advance on quarterly basis (Clause 4)
3.	Liability for non-payment of rent	12% p.a. from 1 st day of 2 nd month of the quarter for every day of the delay (Clause 30)	12% p.a. for every day of delay (Clause 4, 11)
4.	Termination of Lease Deed	Mentions only about eviction under the provisions of the PP Act (Clause 51)	Reasons to be provided within 7 days of show cause (Clause 7)
5.	Re-allotment	Not Mentioned	Right to allot the demised premises to new units (Clause 12)
6.	Rent after execution of new Lease Deed	The quarterly lease rent shall be revised at the rate of 10% p.a. over the existing rental every year (Clause 27)	As decided by the lessor (Clause 14)
8.	Full utilization of land	Within a period of one year from the date of commencement of the lease (Clause 25)	Not Mentioned
9.	Amendment to agreement	Clause 54	Not Mentioned

(v) Engagement of Consultants - Renewal.

The Authority considered and approved the extension of services of the following Consultants engaged for specific works of CSEZA on contract basis. The renewals are for a further period of one year from the date of expiry of contract agreement of the respective consultants.

a	Legal Consultants	Adv. Rajesh and Adv. Arathi
b	Electrical Consultant	Shri Krishna Varma, Sr Engineer (Rtd)
c	Land Acquisition matters	Shri A Abdul Najeeb, Dy. Collector (Rtd)
d	GST/Tax consultant	V. A. Joseph George IRS (Rtd.)
e	CA Firm	M/s G. Natesan & Company

(vi) Revised Estimate for the year 2018-19 of CSEZ Authority.

The Authority considered and approved the Revised Estimate for the year 2018-19.

(vii) Schedule of vacant space in the Zone.

The Authority noted the vacancy status of SDF space/land available in CSEZ. The Authority directed to advertise/auction the availability of vacant SDF space/land through MSTC.

D: Other items - Table Agenda - Report of the Flood Assessment Committee


The Authority discussed in detail the report of the Committee headed by Shri Anish Muralidharan, DCC. It was noted that one unit has claimed compensation for the products supplied to the relief camps. The Authority noted that the said claim cannot be compensated as it is an activity undertaken for helping the people affected during the flood and it is a social responsibility for all citizens during the time of crisis.

The Authority noted that the claims under the heads 'Salary paid to employee on leave', 'Damage of materials', 'Repair of infrastructure', 'Loss incurred by the employee', 'Profit on production loss' and 'Affected shipments' can be compensated as a gesture of CSEZ Authority's commitment towards helping units at time of distress. Accordingly, the following amount shall be paid to the units as per the details given below:-

Name of the Unit	Amount due for compensation (₹)
M/s. Nikasu Frozen Foods International	₹77500
M/s. Classic Home Furnishing Pvt. Ltd.	0
M/s. Amazing Rubber Products Pvt. Ltd.	₹16160
M/s. Safecare Rubber Products Pvt. Ltd.	₹28181
M/s. Safeshield India Rubber Products Pvt. Ltd.	₹30013
M/s. CII Guardian International Limited	₹188250
M/s. AB Mauri India (P) Ltd	0
Total	₹3,40,104/-

The Committee also recommended compensation for employees of the Office of the Development Commissioner, who were affected during the Kerala floods in 2018. The Authority approved the recommendation of the Committee and decided to compensate the employees as per the details given below:-

Sl. No.	Name(Mr/Ms)	Amount (₹)
1	Ginimol V M	13000
2	Minimol P S	8000
3	Divyamol K M	5500
4	Surya P S	16500
5	Devi Dhaneesh	6000
6	Lisa Antony	11000
7	Preena R	11500
8	Antony P V	14500
9	Balasubramanian G	22500
10	Shanavas T P	24000
11	Binoy K C	22000
12	K C Paul	15500
13	Balasubramanian K K	17000
	Total	₹1,87,000/-


(Dr. M.K. Shanmuga Sundaram)
Development Commissioner & Chairman

LIST OF PARTICIPANTS

1. Dr. M.K. Shanmuga Sundaram, IAS : Chairman (ex-officio)
Development Commissioner,
Cochin Special Economic Zone
2. Shri Saju K. Surendran : Member (ex-officio)
Deputy Development Commissioner
Cochin Special Economic Zone
3. Smt. Suchitra Menon, : Member
Director and CEO,
M/s WFB Baird & Company (India) Pvt. Ltd.,
CSEZ.
4. Shri N Jahangir, : Member
Managing Director,
M/s SFO Technologies Pvt. Ltd.
CSEZ.

