

**MINUTES OF THE 1ST MEETING OF CRANE OWNERS
HELD ON 09.02.2011 AT 6.30 PM
AT
KOBELCO YARD (BAUMA CONEXPO SHOW),
BANDRA-KURLA COMPLEX, MUMBAI**

09.02.2011 was a Historic Day for **Crane Owners of India** when large number of members (details in Annexure) contributed their most valuable time to discuss various issues on All India perspective.

Members Present: See Annexure "A"

Mr. Chandrakant Sanghvi, CMD, M/s. Sanghvi Movers Ltd took the Chair. He briefed the gathering on following important issues:

1. It has become necessary to form "All India Crane Owners Association" to take up the problems relating to crane owners on state level and national level.
2. The "All India Crane Owners Association" needs to be registered in Mumbai immediately. COA, Mumbai Office premises can be used on long term basis and add one or two full time persons to be employed.
3. It was important for all the crane owners to work together and take up various issues at appropriate levels (with State Governments and Central Government) to ameliorate the difficulties experienced by the crane owners as well as users of cranes in India at various project sites.
4. Mr. Sanghvi suggested that unlike Transport Association/Federation, all crane owners should be ready to stop work at project sites, if our demands are not fulfilled by respective Governments and all should support if such an attempt is made.
5. Two separate Associations, one for crawler cranes and other for mobile cranes, were suggested, but later on it has been decided to have only one Association for handling all types of cranes.

Present issues facing the crane owners can be summarized below:

- (1) Rationalization in taxes being levied from crane owners in each state, like
 - a. Rate of RTO tax / Life time tax / tax on value of crane
 - b. Defferential RTO tax structure (private ownership / company ownership / imported & domestic, etc.)
 - c. Entry tax in various states & harassment / hold-up at check posts
- (2) RTO tax needs to be levied in every state based on weight and not on value of crane as done by some states.
- (3) VAT/Sales tax demanded at borders in various states during transportation of cranes -- even if cranes are given on hire basis to projects/clients, right of use remains with the crane owner and therefore applicability of VAT/Sales tax does not arise.
- (4) Hiring of cranes is in the ambit of service tax and therefore VAT/Sales tax should not attract renting activities.

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- (5) List of defaulters/companies to be circulated to all crane owners for information. If a member addresses a letter in brief to the Association regarding default in payment of hire charges for the crane utilized by any company, such information should be passed on to other crane owners so that when defaulter/company approach other crane owners, they should first consider to assist the affected crane owner in recovery/settlement of dues before providing crane services to such defaulters.
- (6) List of errant employees (like managers, supervisors, operators, helpers, etc.) to be circulated to all crane owners (in case of misconduct & misappropriation of funds during the period of employment).
- (7) **Mr. Sanghvi announced his decision to generously contribute a sum of Rs.10.00 lakhs towards the Corpus Fund of the proposed All India Crane Owners Association to facilitate opening & operating of a bank account.**
- (8) Mr. Sanghvi advised all the members present to contribute according to their capacity so that minimum corpus fund of Rs.1.00 crore to be made available with the proposed Association by those who are present on the day. All members agreed to contribute sufficient amounts in 15 days, after the bank account is made operational.
- (9) Mr. Ashwin Gandhi, Mr. Navin Dhodia and all present in the meeting appreciated the kind gesture and the guidance given by Mr. Sanghvi. In addition to the corpus fund, Mr. Dhodia informed the members that initially a fixed amount from each member is to be collected as Entrance Fee. It was unanimously decided in the meeting that an amount @Rs.25,000/- per member should be contributed to the proposed Association. He also requested the members present to persuade other crane owners on all India basis to become members of the proposed Association and make the payment of the Entrance Fee @Rs.25,000/- per member to start with.
- (10) Each member present was requested to convey other crane owners about the formation of the proposed All India Crane Owners Association and the membership forms should be got filled up from each and every crane owner and forwarded to the offices of the Association at Mumbai or Vadodara. Logo and letterheads of the Association to be designed and prepared in two months from a professional.
- (11) Each new member may be advised to give their views, suggestions & difficulties experienced at various checkpoints in India (like demand of union charges, RTO, Police, VAT, documents, etc.) during transportation of crawler cranes and mobile cranes from one project to another. This will enable the Association to prepare case studies in respect of each issue at state / national level.
- (12) It was informed by Mr. Sanghvi, Mr. Dhodia and others present at the meeting that Mr. Ashwin Gandhi be given the responsibility of finding a Company Secretary, who can get the name of the All India Crane Owners Association registered and drafting the Memorandum & Articles of Association / Bye-laws of the proposed All India Crane Owners Association. Mr. Gandhi suggested to assign the work to Mr. S.M. Korde, Company Secretary, who was earlier briefed for such formation, who shall process it as soon as possible at a cost of Rs.25,000/- plus other out of pocket expenses and fees payable to the Registrar of Companies / Authorities.

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- (13) It was unanimously decided that the Bank Account of the proposed Association should be opened with the ICICI Bank immediately. Any two Committee members are authorized to sign jointly all the documents required to open the bank account with ICICI Bank and further operate the said bank account on behalf of the members of the All India Crane Owners Association.
- (14) Mr. Sanghvi suggested to form a National Level Organizing / Executive Committee consisting of at least 5 – 10 members to work closely for the successful formation of the Association and to effectively monitor the same till a formal Committee as per bye-laws is taken over in due course.
- (15) Following names were proposed / seconded and accepted unanimously by the members present in the meeting to be the National Level Organizing / Executive Committee members for the years 2011 – 2013:

1	Mr. R.S. Desai, Executive Director OR Mr. Raju Ozarkar, Vice President	M/s. Sanghvi Movers Ltd.
2	Mr. Mitesh L. Shethia, Managing Director	M/s. Shethia Erectors & Material Handlers Ltd
3	Mr. Sunil Makad, CEO	M/s. Steel Carriers
4	Mr. Ashwin Gandhi, Director	M/s. Express Equipment Rental & Logistics Pvt Ltd
5	Mr. Navin Dedhia	M/s. Navin Heavy Lifters

- (16) It was also proposed by Mr. Mitesh Shethia and Mr. Sunil Makad that a meeting of the Executive / Organizing Committee of the Association should be convened every 3 months (venue can be Mumbai, Pune or Vadodara).
- (17) In addition to the above members, it has also been decided to nominate the following two members to the Organizing Committee:
- Mr. Amar Bedi, Partner, M/s. Barkat Hiring Co.
 - Mr. Pinakin Thakar, Director, M/s. Oasis Infrastructure Pvt Ltd
- (18) The National Level Organizing / Executive Committee will decide (after 3 months or so) about enhancement of contributions to build the corpus fund and to work out annual fee to be charged from the members. Crane owners shall be categorized as under with a view to fix the annual fee, depending on the basis of number of cranes owned:

Category "A"	:	75 cranes & above
Category "B"	:	40 – 74 cranes
Category "C"	:	20 – 39 cranes
Category "D"	:	Less than 20 cranes

Lot of deliberations took place as to how to charge annual fee from members — on tonnage or turnover or number of cranes owned basis, but the above formula found acceptable to all the members present.

The meeting ended with a Vote of Thanks to the Chair.

Attachments:

- Application form for membership (to be filled and returned to the office with payment towards Entrance Fee/Contribution for Corpus Fund)
- List of members (crane owners) who attended the meeting on 09.02.2011 (Annexure "A")