Minutes of 3rd Meeting of Finance (Accounts and Procurement) Division held on 12th June, 2023 at 05:30 pm under the Chairmanship of Shri Shyam Jagannathan (IAS), Development Commissioner, SEEPZ-SEZ.

Members Present:-

- 1. Shri CPS Chauhan, Jt. DC
- 2. Shri Anil Chaudhary, SO
- 3. Shri Haresh Dahilkar, ADC/Estate/Admin/PAO I/c
- 4. Shri Hanish Rathi, ADC (IT/Security)
- 5. Shri Palash Shankar, ADC (Finance)
- 6. Smt. Rekha Nair, Assistant
- 7. Shri G.S. Bhandari, Assistant
- 8. Shri Ashok Kumar Meena, LDC
- 9. Shri Jagdish Prasad Gaur, LDC
- 10. Shri Amit Patra, Executive
- 11. Shri Murari Mishra, Jr. Executive

1. The meeting started with the Minutes of the previous meetings which were held on 18th April, 2023 and 01st May, 2023:-

<u>Discussion</u>:- As per the 1st meeting held on 18.04.2023, Agenda No. 1 to 4, 7, 8 and 10 was taken up together as new presentation was prepared in this regard. In view of Agenda No. 5, 9 and 11 action following action was taken up:-

- 1. CA tender has been floated on GeM on 26.05.2023
- 2. Pay and Account Officer has joined this office on 26.04.2023
- 3. Financial has been placed before the SEZ Authority on 30.05.2023 and the internal audit report is awaited to be submitted.

As per the 2nd meeting held on 01.05.2023, Structure and Functioning of the Finance (Accounts and Procurement) Division vis-à-vis PAO has been drafted and placed as Agenda No. 1 which after approval may be circulated to other Divisions.

2. Requirement of Skilled Manpower Resources:-

Discussion: Two posts of Executives are vacant which are to be filled up through new manpower agency.

<u>Justification:</u> As the Finance Division is in formative stage and there is no official working in the down-line, it is necessary to deploy some official to initiate the works and records thereof and scrutinize proposals effectively.

Qualification:- MBA (Finance)/B.Com with at least having three years of experience in

command on MS Office especially in MS Word, MS Excel and MS Power Point for Presentation.

(Note:- Priority will be given to the candidate with more experience in the aforesaid field in a Government Organization.)

<u>Decision</u>:- The Administration Division has no timeline to onboard new manpower agency. Timeline should be ensured. The requirement of manpower is because the Finance (Accounts and Procurement) Division is not stable.

Discussion: There are two more resources necessitated in respect of Public Procurement Consultant which is to be filled up through advertisement in Newspapers and various Job providing platforms like Linkdin etc.

<u>Justification:</u> Earlier there was a public procurement consultant who left the organization for some reason, therefore, there is a vacancy of Public Procurement Consultant for the purpose of general procurement. Another post of Public Procurement Consultant will be filled up for handling the work related to "Works".

Qualification:- (1) Post Graduate Degree or equivalent in the domain of business management/materials management/ procurement management/supply chain management from a reputed institute. Professional Certification in public procurement from institutions like the World Bank, Administrative Staff College of India, AIMA, etc would be preferred.

(2) A retired Civil Engineer well versed in the public procurement matter along with the deep knowledge of GFR and other guidelines related to it. Should also have working knowledge of MS Word, MS Excel and MS Power Point.

Recruitment Method:- Open recruitment through advertisement in Newspapers and various Job providing platforms like Linkdin etc., wherein

(1) Basic test: Presentation skills, Excel knowledge will be checked.

(2) Interview: an interview may be conducted in the chairmanship of DC/JDC

<u>Decision</u>:- Two consultants are required here for general procurement of goods and other services and one for works and two more consultants are to be deployed by CRISIL for procurement. Thus, let the matter be explored by Shri CPS Chauhan, Jt. DC that what is required to be done in this regard.

On being asked regarding the deployment of public procurement consultant, the CRISIL replied that their team is ready to be deployed.

Methodology of Hiring Manpower:-

1. During discussions, it has emerged that certain inputs have been shared as to how can one directly contract resources for the SEEPZ, SEZ authority unless the resources are routed through a third party / agency and in this regards the attachment entitled Delhi DEO letter for the audit observation raised by the PAO on the fact of engaging outsourced staff at the Ministry of Commerce and Industry, Government of India directly and the release of their wages from the SEZ authority fund from SEEPZ, SEZ had been mentioned and the communication takes reference to GFR 178 to GFR 185. The matter needs to be deliberated upon and recorded for due process of engagement of individual contractual resources and the justification thereof and any specific aspects as inputs need to be taken up in the deliberations of the tender evaluation committee and eventually thereof in the SEZ authority. The core essence of the audit observation is that no payment as wages is to be made directly to outsourced staff without a third party.

- 2. GFR 178 to GFR 185 and government policies have been referred to. Herein the following aspects are delineated that Rule 178 to Rule 185 relate to engagement/procurement of consulting services and specifically
- Rule 180 related to identification of service required to be performed by consultants
- Rule 181 Preparation of scope of required consultant
- Rule 182 Estimating reasonable expenditure
- Rule 183 Identification of likely sources
- Rule 184 Shortlisting of consultants
- Rule 185- Preparation of Terms of Reference (ToR)
- Rule 186- Preparation and Issue of Request of Proposal

These are generic references and there is no specific insistence on a third party or firm for a consulting service. In fact the outsourced staff is presently engaged through G A Digital, a firm not onboarded on GeM and yet on extension with approval of authority and in violation of the norms of onboarding a service provider on GeM as mandatory. This aspect and the transition needs to be deliberated as once you terminate G A Digital after onboarding a new vendor, it would be rather infructuous to let go of the present contractual resources under G A Digital after decision to retain the resources who have adequate experience in SEEPZ, SEZ and will be an asset. This change over to a new agency and retention of old resources needs to be finalized along side the engagement of a human resource advisory agency which is to be contracted and thereafter the concerned assessment to be undertaken on the performance and the requirement of outsourced staff to be retained once G A Digital is terminated. In case only new staff is taken, the seed time to become familiar with processes in SEEPZ, SEZ administration will reflect adversely on the process turn around times and reduce efficiency in the office, however to continue with outsourced staff who are more a liability than an asset also needs to be ensured.

- 3. As on date there are no recruitment rules for the SEZ authority and the only restriction on Human resource is the amount in terms of percentage of the earnings of the SEZ authority which till date have never been breached. Effectively as has been indicated we have been spending only close to 2% of the revenue earnings, however, we need to do a detailed cost analysis as this percentage needs to be interpreted correctly, and should to my comprehension not only include the wage component of the outsourced staff but also the cost towards the multiple consulting assignments that have been contracted thereby ensuring financial discipline and balance between efficacy and austerity.
- 4. Para 2.1.3 attached herewith speaks about the engagement of individual consultants that can be contracted directly and the matter is essentially in compliance to the GFR and herein outsourced staff and wage will not compare to the direct contractual engagement of a single contractual resource with SEZ authority without a third party intermediary that shall only raise costs thereof. Previous precedence in this is the recruitment of Shri Rutwik Pathak, Public Procurement Consultant on contract and Shri Kashif Iqbal Ahmed, originally as operations manager for event management for the Golden Jubilee Year and later as Additional Estate Manager with consent of the SEZ authority. The similar methodology in compliance with GFR is necessitated based on the requirement of resources in SEEPZ. SEZ.

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- 5. There is a serious irregularity and shortcoming in the e- procurement cell under the IT & E-Governance Division and this needs rectification but it is evidence that the outsourced staff can be difficult at times despite a third party engagement as proved in the report attached herewith. There is a clear and demonstrated need for a E -Procurement Manager who can ensure that the procedures are complied with. SEEPZ, SEZ has already had the unfortunate experience with the inputs of the labour consultant engaged through third party for the security tender matter wherein at the end the official / consultant after having submitted specific aspects on the E- office file later stated that the inputs are purely advisory and upto competent authority to accept or reject, thereby undermining the very essence of having a specialized resource for specific inputs in decision making.
- 6. Presently for the outsourced officials there is no training and skill upgradation and hence a majority have poor capacity and skills. Further only now the inception of a human resource advisory is being done to alleviate the issue, but the issue as highlighted in para 5 above remains. Separately, even for the permanent assistants stationed in SEEPZ, SEZ too there are areas where specific strengthening of their skill sets, training and capacity upgradation is necessitated and this needs to be done with effective training need analysis and a proper training plan. However, as on date SEEPZ, SEZ needs specialized resources and the evidence of the successful model thereof is in the progress of the mega- Projects like Mega-CFC and NEST-01 and NEST-02 wherein specialized resource allows for compliance to rules and quicker turn around time unlike the long drawn and delayed exercise with the existing work force in SEEPZ, SEZ to undertaken procurement activities and other administrative steps thereof.
- 7. As indicated, we have already on- boarded an ERP service provider, the Strategic Advisory Consultancy and these are yet to take off, however, there will be apart from these resources the requirement of two public procurement domain experts/ experienced consultants - each to be contracted individually in addition to the procurement advisory services of teh Strategic Advisory Consultancy as the Finance (Accounts and Public Procurement) Division has to ensure that GFR compliance is paramount. Secondly, in the IT & E- Governance Division there is requirement of an E-Procurement Manager / Senior IT manager/ Senior IT resources for all applications being rolled out like PRAVESH etc/ Website &Social media and DTP and documentation unit with AV integration and support for IT connections like NOC and internet services and Online conferencing platforms. These shall be cost effective not in terms of engagement through a third party as we have onboarded specific resources thereof, however individual contracts shall be cost effective and delivery oriented.
- 8. Lastly, compliance to the GFR shall be ensured for individual consultants too, and the process should be fair, transparent and effective to ensure good response and an unbiased selection and contracting methodology. Without specialized and effective resource SEEPZ, SEZ cannot translate the vision 2.0 with the present team needed serious supplementation.

Pending Procurement (Administration Division):-

Human Resources Advisory Consultancy:-3.1

- Performance guarantee has not been received till date. (i)
- Draft contract document has been received which is under scrutiny in (ii) the Legal Division.

Secondary Custodian:- Shri Vikram Satre Supervisory Custodian:- Shri Jagdish Gaur Supra Supervisory Custodian:- Smt. Bridget Joe]

3.2 Appointment of agency for recruitment of the outsourced staff in replacement of M/s GA Digital:- This has already been discussed earlier that no manpower will be hired from this agency as the same is blacklisted on GeM.

[Roles & Responsibility
Primary Custodian:- Ms Pooja Patel
Secondary Custodian:- Shri Raman Ghosh
Supervisory Custodian:- Shri Jagdish Gaur
Supra Supervisory Custodian:- Smt. Bridget Joe]

3.3 Establishment of the Record Room in the Bank Basement Building:
Cleaning of the record room is going on and painting of the racks are yet to
be done. A daily report in this connection has to be submitted and a Sub
Committee was formed wherein Smt. Rekha Nair, Shri G. S. Bhandari and
Shri Ravindra Kumar was the members. Old records are required to be
scrutinized and disposed off accordingly or if it is to be kept, then in what
manner it is required to be kept. All this to be done in a time bound
manner.

[Responsibility Shri Vallabh Kushte]

3.4 Interiors of the Service Centre Building:- This work is only possible after completion of agenda 4.3 above. The mezzanine floor is required to be vacated to have mini conference hall, training hall and inputs can be taken if at all the strategic advisory consultancy gives some input after they have reviewed. We cannot go ahead directly.

[Responsibility Shri Vallabh Kushte]

3.5 Installation of Learning Management System: Initiate the system of procurement on GeM after discussion with Shri Hanish Rathi, ADC and Shri Raman Ghosh, IT Executive.

[Responsibility

Shri Hanish Rathi, ADC and Shri Raman Ghosh, IT Executive]

4. Pending Procurement (Estate Division):-

4.1 Re-tender for the advertising in the outdoor:- This tender has been published and timeline is required to be furnished.

[Roles & Responsibility
Primary Custodian:- Shri Vikram Satre
Secondary Custodian:- Shri Raman Ghosh
Supervisory Custodian:- Smt. Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.2 Engagement of Architect consultancy to finalize and submit revised Development Control Regulations for SEEPZ, SEZ:- This is pending for

27/06/13

more than a year. If strategic advisory is coming, please discuss with them else process by yourselves.

[Roles & Responsibility
Primary Custodian:- Shri Mayur Ghadge
Secondary Custodian:- Shri Vallabh Kushte
Supervisory Custodian:- Smt. Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.3 Tree Cutting and Horticulture Tender:- Time already spill over.

[Roles & Responsibility
Primary Custodian:- Shri Dev Ramkul
Secondary Custodian:- Shri Raman Ghosh
Supervisory Custodian:- Smt Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.4 Drain Cleaning Tender:- Under process.

[Roles & Responsibility
Primary Custodian:- Shri Pranav Kumar
Secondary Custodian:- Shri Mayur Gadage
Supervisory Custodian:- Smt Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.5 Installation of new flower pots:- Under process.

[Roles & Responsibility
Primary Custodian:- Shri Dev Ramkul
Secondary Custodian:- Shri Sumit Patra
Supervisory Custodian:- Smt. Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.6 All tenders for the Technical Cell to be listed out Sector specific for Phase-I/Phase-III & Phase-IV for the rejuvenation of SEEPZ SEZ:- Work in Phase-I to be listed out.

[Roles & Responsibility Supervisory Custodian:- Smt. Rekha Nair Supra Supervisory Custodian:- Shri Haresh Dahilkar]

4.7 Pest Management Services:- 3 reiterations will be done.

[Roles & Responsibility
Primary Custodian:- Shri Nimish Koli
Secondary Custodian:- Shri Amit Patra
Supervisory Custodian:- Smt. Rekha Nair
Supra Supervisory Custodian:- Shri Haresh Dahilkar]

Mobility solution for Technical Cell/Utility cell for SEEPZ, SEZ (Estate 4.8 Division):- What is the requirement for mobility of utility cell whether two wheelers are to be hired through GeM or golf car is required or electric driven vehicles is needed has to be decided.

> [Roles & Responsibility Primary Custodian: Shri Raman Ghosh Supervisory Custodian: - Smt. Rekha Nair Supra Supervisory Custodian: - Shri Palash Shankar]

Consultancy for the integrated waste management in SEEPZ, SEZ:- EoI 4.9 has been published.

> [Roles & Responsibility Primary Custodian: - Shri Raman Ghosh Secondary Custodian: Shri Vikram Satre and Shri Sumit Patra Supervisory Custodian: - Smt. Rekha Nair Supra Supervisory Custodian: Shri Haresh Dahilkar]

Consultancy for signages in SEEPZ, SEZ:- Pending for more than 1 year 4.10 and already running with the shortage of time because in September at the time of inauguration of Mega CFC those signages have to come up.

> [Roles & Responsibility Primary Custodian: Shri V. Laxmanan Secondary Custodian: - Shri Sumit Patra Supervisory Custodian: - Smt. Rekha Nair Supra Supervisory Custodian: Shri Haresh Dahilkar]

5. Pending Procurement (IT Division):-

Additional IT Resources:- Please discussion Shri Hanish Rathi, ADC how is he bringing the additional IT resources.

> [Responsibility Shri Hanish Rathi, ADC]

PMU for SPMS in consultation with Estate Division: What is the strategy 5.2 for SEEPZ PMU.

> [Responsibility Shri Hanish Rathi & Shri Raman Ghosh]

Conference Room - Digi class and conferencing system:-It was informed 5.3 that the whole system will be installed till 20th, June. Now the item has been procured through GeM. Please discuss regarding integration of the same.

Secondary Custodian:- Shri Amit Shirvalkar Supervisory Custodian:- Shri G S Bhandari Supra Supervisory Custodian:- Shri Hanish Rathi]

5.4 Hardware: What is the status of procurement as SEZ Authority has already approved the proposal in earlier meetings amounting to approx. 40 to 45 lacs for the same.

[Roles & Responsibility
Primary Custodian:- Shri Amit shirvalkar
Secondary Custodian:- Shri Mayur Gadage
Supervisory Custodian:- Shri G S Bhandari
Supra Supervisory Custodian:- Shri Hanish Rathi]

5.5 NOC for **SEEPZ:-** EoI or the RfP itself had to be accommodated with the entire technical specification.

[Roles & Responsibility
Primary Custodian:- Shri Amit Shirvalkar
Secondary Custodian:- Shri Mayur Gadage/ Shri Raman Ghosh
Supervisory Custodian:- Shri G S Bhandari
Supra Supervisory Custodian:- Shri Hanish Rathi]

5.6 Software requirements:- Details of the procurement of software which we are using and it should be licensed and there should not be pirated or duplicate software.

[Roles & Responsibility
Primary Custodian:- Shri Mayur Gadage
Secondary Custodian:- Shri Vikram Satre/ Shri Kalpesh Wagh
Supervisory Custodian:- Shri G S Bhandari
Supra Supervisory Custodian:- Shri Hanish Rathi]

5.7 ERP time lines and contract management methodology: Notify the time lime and methodology of ERP.

[Roles & Responsibility
Primary Custodian:- Shri Raman Ghosh
Secondary Custodian:Supervisory Custodian:- Shri G S Bhandari
Supra Supervisory Custodian:- Shri Hanish Rathi]

- 6. Pending Procurement (Security Division):-
 - **6.1** Security Manpower Tender:- Financial will be opened on 16.06.2023.

[Roles & Responsibility
Primary Custodian:- Shri Mayur Gadage
Secondary Custodian:- Shri Imran Shaikh
Supervisory Custodian:- Smt Rekha Nair

6.2 Mobility Solution for Security Division-Dynamic Patrolling-In consultation and combination with Estate Division together: Ask for status.

[Responsibility Shri Hanish Rathi, ADC]

6.3 CCTV upgradation and establishment of Command and Control Centre:

Ask for status.

[Roles & Responsibility
Primary Custodian:- Shri Raman Ghosh
Secondary Custodian:- Shri Suresh Sharma
Supervisory Custodian:- Shri Janesh Tripathi
Supra Supervisory Custodian:- Shri Hanish Rathi]

6.4 Incident Response Vehicle for Security Division: Ask for status.

[Responsibility Shri Hanish Rathi, ADC]

6.5 Additional Security Supervisory resources – direct contractual recruitment – Security Officer – Contractual:- This can be done only after completion of the below point i.e. 6.6.

[Responsibility Shri Hanish Rathi, ADC]

6.6 Consultancy for the Security consultant:- Firstly, the Security consultant come, take the details and give suggestions accordingly wherein manpower should be addressed separately, physical barricades for security, electronic surveillance security. Sandad. Texaling probable and bairing and then the same

is specific indical. [Roles & Responsibility

Primary Custodian:- Shri Amit Patra/ Shri Imran Shaikh Secondary Custodian:- Shri Raman Ghosh Supervisory Custodian:- Shri Janesh Tripathi Supra Supervisory Custodian:- Shri Hanish Rathi]

6.7 Consultancy for the Fire and Life Consultancy:- It is mandatory to be done.

[Roles & Responsibility
Primary Custodian:- Shri Amit Patra/ Shri Imran Shaikh
Secondary Custodian:- Shri Raman Ghosh
Supervisory Custodian:- Shri Janesh Tripathi

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7. Pending Procurement (Disaster Management Cell in Estate Division):-

There is a meeting on 16th June, 2023 where V. Supanekar Sir will be attending and we will take this matter forward.

[Responsibility

Shri Manish Kumar, ADC & Shri Amit Patra

8. Procurement of Works - Standard Operating Procedure

Separate presentation is required to be done. The mail is awaited from the Technical Cell.

9. Procurement of Consulting Services - Standard Operating Procedure

10. Procurement of Non-Consulting Services - Standard Operating Procedure

A reference has been received from the Ministry regarding consultancy service where they have provided a Model Bidding Document and that can be adopted for both consultancy and non consultancy services.

11. Training for Officials on Public Procurement for all Divisions

- i. Indian Contracts Act, 1872;
- ii. Sale of Goods Act, 1930;
- iii. Arbitration and Conciliation Act, 1996 read with the Arbitration and Conciliation (Amendment) Act, 2015 and 2021;
- iv. Competition Act, 2002 as amended with Competition (Amendment) Act, 2007;
- v. Micro, Small and Medium Enterprises Development (MSME Development) Act, 2006;
- vi. Information Technology Act, 2000 (IT Act, regarding e-procurement and e-auction, popularly called the Cyber Law);
- vii. Right to Information (RTI) Act 2005;
- viii. Central Vigilance Commission Act, 2003;
- ix. Delhi Special Police Establishment Act, 1946 (basis of the Central Bureau of Investigation);
- x. Prevention of Corruption Act, 1988;
- xi. The Foreign Trade (Development and Regulation) Act, 1992 and the Foreign Trade Policy (EXIM Policy), 2015; Foreign Exchange Management Act (FEMA), 1999 and FEMA (Current Account Transactions) Rules, 2000.
- xii. GFR, 2017
- xiii. CVC Guidelines [https://www.cvc.gov.in/?q=guidelines/tender-guidelines]
- xiv. Manual of procurement of works
- xv. Manual of procurement of goods

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xvii. Superintendence of GeM/CPPP & e-Procurement process

xviii. Review and Screening of all procurement documents prior to bid stage for compliance to GFR & rule framework.

xix. Training & capacity building

xx. All circulars & notifications related to public procurement in SEEPZ SEZ Act

<u>Decision</u>:- Prepare a annual training calendar wherein training can be provided in any institution or in SEEPZ itself. Plan of action is to be prepared for each Division.

12. Training on Annual Financial Statement and the Budget Manual

<u>Discussion</u>:- The basic question is that who all are familiar with the accounts and the budget manual of SEEPZ, SEZ and the steps being taken in the ERP and the other aspect relating to revision of classification of accounts in Budget manual (Chapter 5) and what is intended to be done, Finance (Accounts and Public Procurement) Division has to clarify the way ahead and with specific time lines.

A bid has been floated to hire new CA Agency for the purpose of accounting in SEEPZ SEZ Authority wherein it has been asked that SEEPZ, SEZ administration is presently in the process of updating and correction of the Budget Manual and the standards of accounting to be adhered to from Financial Year 2024-25 onwards. The Chartered Accountant/ firm shall render necessary support in this activity that shall be undertaken separately by SEEPZ, SEZ through a public finance domain specialist and the Chartered Accountant shall advise on the standards proposed to be adopted in terms of feasibility in terms of conformity to the General Accounting and Audit Principles.

<u>Decision</u>:- First of all the Budget Manual is required to be revised, thereafter a proper training on this will be provided. This agenda is to be clubbed with the previous agenda.

13. Concurrent Audit and related aspects for Financial closure for Mega-CFC Project/NEST-01 and NEST-02 Project.

<u>Discussion</u>:- Meeting in this connection has already been done on 23.05.2023. Proposal was placed before the SEZ Authority Meeting held on 30.05.2023 and the Work order has been signed on 12.06.2023

<u>Decision</u>:- Work order for concurrent audit has been given. A DO to C&AG is to be sent for compliance audit.

(Shyam Jagannathan IAS)
Chairperson
SEEPZ-SEZ Authority,

Mumbai

Copy to:

- 1. All Officers, SEEPZ-SEZ.
- 2. Estate Finance Staff, SEEPZ-SEZ.
- 3. CA staff SEEPZ-SEZ.
- 4. Accounts Section, SEEPZ-SEZ
- 5. IT Procurement Cell, SEEPZ-SEZ