

7th Meeting of the SEEPZ Authority to be held on 12th July, 2010.

List of Agenda Items :

1. Budget and work plan of the Authority for the year 2010-11.
2. Creation of posts for Authority.
3. Work projects to be taken up out of Authority funds
 - a. Wellness Centre, creche and wholesale prices shops for employees.
 - b. Renovation of type-C SEEPZ Quarters.
 - c. Development of parking spaces in SEEPZ
 - d. Renovation of SDF-V
 - e. Providing speed breakers in the internal roads within the Zone Complex.
4. Proposal for revision of penalty charges for delay in execution of lease/sub-lease agreement
5. Transfer of Hotel Heavens by Indian Coffee Worker's Co-op. Society Ltd.
6. Re-development plan for SEEPZ SEZ.
7. Refinery for SEEPZ
8. Utilization of Business Facilitation Centre.

For points 6, 7 & 8 – Special invites for SG&JMA, EPCES, SEEMA to be called.

Minutes of the sixth meeting of the SEEPZ Authority held on 5th May, 2010

Present:

- 1. Development Commissioner SEEPZ (SEZ) - Chair Person
- 2. Joint Development Commissioner SEEPZ (SEZ) - Member
- 3. Shri J. K. Singh Jt. DGFT, Mumbai - Member representing Zonal DGFT
- 4. Mr. Amar Kothari Managing Director M/s Intergold India Ltd. - Member
- 5. Shri P.S. Raman Dy. Development Commissioner - Secretary
- 6. Mrs. M.J. Kulkarni ADC - Manager (Estate)

Agenda Item No. 1: Presentation of status of funds with SEEPZ Authority and suggestion on deployment.

The Authority noted that a sum of Rs. 28.74 Crores is available in the Authority Fund, out of which Rs. 18.00 Crores is kept in temporary Fixed deposit and the remaining in the Current Account of the Authority Fund. It was also noted that as provided under Rule 6 of the SEZ Authority Rules, a Chartered Accountant to be engaged for maintenance and audit of Authority's account, for which quotations have been invited from five Chartered Accountant firms who are in the Panel of CAG. It was further noted that receipt and expenditure estimate would be prepared as soon as the Chartered Accountant firm is engaged for maintenance and finalization of accounts of the Authority.

Decision: - The Authority decided that keeping a sum of Rs. 3.00 Crores in the Current Account, the remaining amount may be deposited as fixed deposit so that such deposit can fetch better rate of interest. It was also decided to take further professional advise for proper investment of funds as per Rules & Govt. Norms.

Agenda Item No. 2: Appointment of Chartered Accountant for Accounts and concurrent audit work of SEEPZ Authority.

It was noted that out of five quotations invited from file Chartered Accountants Firms who are on the panel of CAG, only two firms have submitted quotation. It was also noted that the Professional fees quoted by M/s. B.N. Kedia & Co. is the lowest i.e. Rs. 14,400/- per month (Professional fees of Rs. 12000/- per month plus out of pocket expenses not exceeding 20% of Professional fees).

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Decision: - The Authority approved engagement of M/s. B.N. Kedia & Co. as Chartered Accountant for maintenance and audit of the Authority's account.

Agenda Item No.3: Re-development plan for SEEPZ

The Authority noted that additional FSI of 581315 Sq. mts is available to SEEPZ. It also noted that as availability of space in SEEPZ has been less than the demand for space into account the expansion needs of the existing units and the need for providing space for setting up new units, it is necessary to utilize the additional FSI so that additional space be made available. It was further noted that the M.I.D.C. has submitted a proposal for Re-development of SEEPZ envisaging investment of approximately Rs. 1200 Crores spread over a period of 5 years. This proposal envisages full utilization of available FSI, by construction of 8 towers. On construction of a new tower, the existing allottees will be given equivalent built-up space that they presently have and the remaining space will be sold at market rate. The Chairman informed that based on discussion and the presentation by MIDC in respect of their preliminary views of the Zone Administration were conveyed to the CEO, MIDC, SEEPZ, v. SEEPZ, D.O. letter No. SEEPZ SEZ/EMS/Min/09-10 dated 15/04/2010. It was noted in the case of PPP initiative, a mechanism to ensure quality standards of towers in which existing units will be re located and pricing of space in new towers etc. should be there so that exports/Employments in SEEPZ can continue.

Decision: - The Authority welcomed the Re-development Plan & agreed with the same as expressed in the letter of DC dated 15.04.2010. It was also decided that the possibility of obtaining ASIDE fund for construction of a single Tower by MIDC be explored.

Agenda Item No. 4: Proposed refinery projects in SEEPZ – decision on allotment of land.

It was noted that a common refinery facility is required in SEEPZ to take care of disposal of septic tank waste and gutter waste. M/s. Hoover and Strong, U.S.A., have submitted a project proposal for setting up of a refinery in SEEPZ after preliminary discussions with SGJMA and some of the units. They have indicated minimum land requirement of 10 acres.

Decision: - The Authority held that -

- 1. It is necessary to assess whether the technology offered by M/s. Hoover and Strong, U.S.A. is reasonably latest. They may be asked to give a self-assessment, certified by an internationally accepted authority.*
- 2. The level of technology offered by M/s. Hoover and Strong, U.S.A. may be verified from expert agencies like BIS, MMTC, etc.*
- 3. Expertise of the Refinery wing of IJMA may be utilized for this purpose.*
- 4. After the technology issue is settled, the question of allotment of land may be discussed.*

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Agenda Item No. 5: Bio-Methanization plant – approval of agreement by Authority.

The Authority noted that based on the tender notice advertised in news papers, the offer received from M/s. Ashoka Biogas has been recommended to the Ministry of New and Renewable Energy (MNRE), New Delhi, for considering admissible grant to the entrepreneur. The total project cost envisaged is Rs. 80.00 lacs out of which the grant expected is to the extent of 50% of the project cost. The remaining contribution shall be from the promoter. The promoter has stated that requirement of land for the purpose would be 1500 Sq. mts. which should be leased for a 30 years. It was noted that land for locating the Methanization project has been identified near the G & J complex-II. The representative of the MIDC stated that there are no issues with regard to the SPA.

The Authority granted in principle approval proposal for allotment of 1500 Sq. mts. of land to M/s. Ashoka Biogas for a period of 30 years on usual terms and conditions for setting up of Bio-Methanization Plant.

Agenda No. 6: Lift & Ramp For SEEPZ Service Centre Building.

The Authority noted that the proposal is for providing a Ramp & modular Lift in the Service Centre Building. It was noted that the office of Development Commissioner and SEEPZ Authority are located in this building and various important Government delegations, Trade delegations, Trade missions and overseas entrepreneurs visit the office. The building is not friendly for access by the elders & physically challenged, which is a mandatory requirement. The visitors as well as the functionaries of units, particularly senior citizens, require facility of lift in the Service Centre Building.

It was noted that the MIDC has submitted an estimate of Rs. 51.69 lacs (including 12.5% charges) for providing modular Lift for Service Centre Building. A Ramp should be added in the estimate.

The proposal was approved. The expenditure for Ramp & Lift is to be incurred from the Authority Fund.

Agenda No. 7: Repair / Renovation of SDF-V and Waterproofing treatment of terrace of SDF-I Building out of Authority funds.

The Authority noted that urgent waterproofing treatment of terrace of SDF-I and renovation of SDF-V are required. It was further noted that SDF-I building was constructed during 1973-74 and major repairs were carried out 3 years back. 32 units are located in the building carrying out export production activities. The representative of MIDC informed that waterproofing was carried out 3 years back only in part of terrace for want of funds and present proposal is for carrying out Waterproofing work in the remaining area of the

As regards SDF-V, the Authority was informed that the building was constructed during 1988 and no major maintenance has been carried out in the building since then 43 units are located in this building carrying out export production activities.

After inspecting the building premises, the MIDC has submitted estimate of Rs.188.61 lacs in respect of renovation of SDF-V building and Rs.13.71 lacs for carrying Waterproofing treatment of SDF-I.

Decision: - The Authority approved the proposal for carrying out waterproofing work in SDF-I. It was decided that SDF-V Renovation being a major work, exceeding Rs. 50 lakhs and also not a construction of infrastructure, should be posed for M & R funds, as ASIDE funding is not likely to be available.

Agenda No. 8. Setting up of a Wellness Centre, Creche and wholesale price shop for employees, investment in infrastructure and project maintenance.

The Authority noted that SEEPZ Units employ nearly 85,000 persons and nearly 40% of work force comprises of women employees. The wages of large number of work force averages the minimum wage level prescribed for the industry. At present in SEEPZ SEZ there is no facility available for providing preliminary medical aid, pre-hospitalization medical care in the case of mishap/emergency or health check-up. Therefore, considering the large number of employees in the zone complex, it is necessary to provide a Wellness Centre.

It was also noted the existing Creche facility requires better maintenance. The existing location of the Creche at SDF-III is also not suitable for running Crèche facility. Considering the large women workforce in SEEPZ SEZ complex, it is necessary to have a better Creche facility with proper space and facility so that interested employee can avail of the facility.

Similarly, the facility in the nature of a co-operative consumer shop in the Zone would serve as a welfare measure and would benefit employees, particularly those employees whose wages are relatively averaging at the minimum wage level.

It was noted that the MIDC has furnished an estimate of Rs. 51.96 lacs for construction of a small complex to accommodate (i) Wellness Centre (ii) Creche facility and (iii) Wholesale Price Shop. An independent plot which has temporary construction can be used for this purpose. After detailed discussion the Authority granted in principle approval above proposal.

Decision: - The Authority directed that the proposal may be forwarded to the Ministry for the seeking fund under the ASIDE Scheme. In case the proposal is not approved for funding under the ASIDE Scheme for any reason, then the proposal may be re-submitted for consideration of the Authority.

- 1)
- 2)
- 3)

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Agenda No. 9 : Requirement of Manpower for Fire Station :

It was noted that considering the large number of factories located at SEEPZ SEZ and employment of nearly 85,000 persons by them, the Empowered Committee of Ministry of Commerce & Industry approved setting up of Fire Station in SEEPZ under ASIDE Scheme and sanctioned sanction of Rs. 520/- lacs for the projects. MIDC is constructing the Fire Station which is in progress. As regards Manpower for running the fire station, the Chief Fire Officer, MIDC, vide letter dated 13.04.2010 has stated that the minimum manpower requirement of the Fire Station is as under :-

a) Fire Station Officer	-	01
b) Asstt. Fire Station Officer	-	01
c) Sub Fire Officer	-	01
d) Fire Rescue Leader	-	02
e) Driver Operator	-	04
f) Fireman Rescuer	-	12

The annual cost for running the Fire station is estimated at Rs. 36,96,903/-. The representative of MIDC stated that if SEEPZ Authority want to levy any charges for maintenance of Fire Station, the norms of MIDC for this purpose can be adopted.

Decision: - The Authority approved the above proposal for incurring an estimated expenditure of Rs. 36,96,903/- from the Authority Fund. It was decided that the possibility of recovering the cost from the Units by way of Fire Cess as charged by MIDC from industrial units outside SEEPZ, may be worked out & approved.

Agenda No. 10 : Outsourcing of Executive Assistance for Authority funds.

It was noted that at present 299 operating units employing nearly 85,000 persons with annual aggregate export of Rs. 10,000/- Crores. The Zone is spread over an area of 111 acres consisting of 7 SDF buildings, 3 Gem & Jewellery Complex Building, 3 Multistoried Towers and a number of self built factories. Apart from various Trade delegations and number of overseas client of the units visit SEEPZ. It is therefore necessary to ensure proper maintenance and upkeep of the Zone Complex, for which the existing manpower is inadequate. It is therefore necessary to outsource supporting staff to function as Executive Assistant. It was informed that the requirement of Executive Assistant is as mentioned below :

For attending the work of Estate Section	-	2
For attending the work of caretaker	-	1
For attending the to be work related to public relations	-	1

The Ministry vide communication dated 10.02.2010 conveyed that a qualified Engineer of the rank of AE may be appointed.

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The mode of appointment will be 'deputation' by suitable officials from the State Government / State Government Organizations after creation of the post in the Authority as per the prescribed procedure.

Decision: - The Authority approved the proposal for outsourcing of services for Executive Assistant and taking services of an Assistant Engineer on deputation from the State Government / State Government Organization. The Authority approved the estimated expenditure of Rs. 12.00 lacs per annum for the purpose. As regards the Asst. Engineer, since the communication from the Ministry specifies appointment on cost recovery basis, the cost recovery is to be affected from units accordingly.

Agenda No. 11: Engagement of Hindi Consultant for Authority.

It was decided to get the issue examined in file.

Agenda No. 12: Commissioning of an Audio Visual for SEEPZ SEZ/ New SEZs for marketing.

The Authority noted that the proposal is to get a 2 Part audio visual of Broadcast quality made on SEEPZ-SEZ and the new SEZs of DC's jurisdiction (5+5 minutes) from a profession agency. This is required for familiarizing people with concept of SEZ and also marketing of new SEZs.

Decision: - The Authority held the view that estimate may be obtained from reputed agencies and the work may be awarded on the basis of Limited Tender Procedures.

Agenda No. 13: Transfer /Re-assignment of Hotel Heavens.

The Authority noted that M/s. Indian Coffee Worker Co-op. Society Ltd. who have been running common canteen facilities in SEEPZ for the Industrial workers since 1978, have sought permission for transfer of their Hotel Premises on Plot No. A-1 in the SEEPZ ++, constructed by them in the Plot allotted by the MIDC in 2003. The Authority was informed that the existing guide-lines for transfer of premises in SEZ covers only premises of units. The present request pertains to Hotel premises which is in the nature of a utility. It was noted that as utility is not covered in the existing transfer guide-lines, the matter has been brought for the consideration of the Authority.

It was further noted that the above mentioned plot was allotted to M/s. ICH by the MIDC based on tender notice published in newspapers. M/s. ICH have stated that they have huge liabilities by way arrears of wages, bonus and statutory payments in respect of employees, bank loan availed for construction of the premises etc. The proposal of M/s. ICH is to pay up the existing liabilities from the proceeds of transfer of the Hotel Premises and to utilize the balance funds for strengthening their existing common canteen facilities in SEEPZ SEZ. It was noted that considering the co-operative institution status of M/s. ICH, they have been charged only

ment of Re.1 by the Ministry of Commerce and Industry. The Authority was informed that the M/s. ICH employ nearly 450 persons and have been running common canteen facilities for the units in the zone. They also provide use of their premises free of charge for taking breakfast/lunch/dinner by employees of units who brings their tiffins/lunch/dinner. They also allow use of water free of cost for cleaning their tiffin box. The matter was discussed in detail. Present transfer policy applies to units & not to utilities. However, it was discussed that the co-operative organization should not collapse on account of their liabilities. The question whether the ICH can select one particular agency for a transfer was also discussed. It was felt that to ascertain the best price, bidding could be one option. MOC & I's views that Zone Administration should not get into the process of bidding was pointed out by the Chair person.

Decision: - After detailed discussion on the subject, it was decided that:

1. Valuation of the Hotel premises may be got done from a Government approved Valuer.
2. The real position of liabilities duly certified may be ascertained.

Agenda No. 14: Revised Tender for Business Facilitation Centre.

It was noted that no response was received to the Tender notice published in the newspapers inviting tenders on the basis of proposal of leasing of premises in the BFC building to a single professional hospitality agency, probably for the reason that the rent of Rs. 58/- per sq. ft. per month worked out as per MIDC norm was on the higher side and also since the clientele is restricted to within the Zone which also restricts the return on investment. The Authority was informed that the rent for Govt. buildings viz. SDFs are calculated on the basis of FR45B provision in terms of which the lease rent is likely to be lower as compared to lease rent calculated as per MIDC norms. Therefore, since the BFC building is constructed out of Govt. of India funds, the possible option seems to be to calculate the lease rent on the basis of FR45B and re- advertise the tender with the revised lease rent inviting tenders from interested reputed hospitality agencies. In case no response is received even with reference to the revised tender, the facilities may be given out for running on modular basis.

Decision: - The Authority approved the proposal.

Agenda No. 15: Health check-up for employees of units.

The Authority noted that the proposal is to provide a health check up camp for employees of Units. It was also noted that 3000 persons are expected to be checked during the camp period for which estimated expenditure is approximately Rs. 20.00 lacs. The Authority held the view that as per the objectives prescribed for use of Authority funds, contribution from the Authority towards the expenditure for the health camp may not be permissible.

Decision: - The Authority welcomed the idea of the camp & held the view that space may be provided without any charge considering that the health camp is intended to benefit a large

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number of employees of units, particularly those who receive wages averaging the minimum wages level. The camp could be sponsored by respective units & the Association.

Agenda No. 16: Preservation of Old Church Building.

The Authority was informed that the Christian community offers prayers at the Church located within the Zone complex every year in the 2nd week of May. This Church is stated to be of 16th Century A.D. As directed by the Ministry of Commerce, the Zone Administration has provided a separate gate which provides access to the Church from outside.

The Church site was inspected by the Archaeological Survey of India and vide their letter dated 20.04.2010 it has been stated that to avoid any untoward incident, proper conservation work needs to be done at this monument. It is essential to strengthen the whole structure stepwise, including clearance of vegetation, debris, stitching of cracks, repairing of walls, edging and plastering etc.

The ASI have stated that this monument can be taken up for conservation work under the financial assistance scheme or civil deposit work if the controlling department of the monument (SEEPZ) deposit substantial funds for the proper conservation of this monument to the Director General of ASI. Preservation of this ancient church is required for the posterity.

Decision: - The Authority held the view that it may be taken up with the ASI as to whether they can consider the Church as a monument of heritage preservation, in which case deposit of substantial fund may not be necessary. If this does not materialize, funds could be arranged on request by the Church Community.

The meeting ended with vote of thanks to the Chair.

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Present status of Action taken in respect of decision taken in the 6th Meeting of SEEPZ-SEZ Authority held on 5.5.2010.

Agenda item	Action taken
Item No.1: Presentation of status of funds with SEEPZ Authority and suggestion on deployment.	A total sum of Rs. 31.10 ^{crores} lacs has been invested as fixed deposit.
Item No.2: Appointment of Chartered Accountant for accounts and concurrent audit work of SEEPZ Authority.	Work Order has been issued to M/s. B.N. Kedia & Company. Mr. Kedia has also been briefed of the items of work to be attended. "Tally" Software is required for commencing their work. We are in the process of procuring the same.
Item No.3: Re-development plan for SEEPZ	Decision of the Authority has been communicated to MIDC vide letter dated 24.05.10.
Item No.4: Proposed fishery projects in SEEPZ - Decision on allotment of a plot of land.	IJJMA have given their comments in respect of the proposal of M/s, Hoover & Strong. This issue is to be discussed in the next meeting.
Item No.5: Bio-Methanization plant - Approval of agreement by Authority.	M/s. Asoka Bio-Green have submitted their proposal to the MNRE seeking grant of subsidy. They have envisaged 50% of the project cost to be met from the subsidy and the remaining 50% out of their own funds. MNRE has agreed for 50% funds provided they supply purified gas.
Item No.6: Lift & Ramp for SEEPZ Service Centre Building.	Decision of the Authority has been communicated to MIDC vide letter dated 31.05.10.
Item No.7: Repair/renovation of SDF-V and Waterproofing treatment of facade of SDF-I Building our Authority funds.	Decision of the Authority in respect of SDF-I has been communicated to MIDC vide our letter dated 31.05.10. As regards SDF-V renovation, enhanced allocation under M&R will be sought in the current year's R.E. while sending proposal to the Ministry in October, 2010.
Item No.8: Setting up of a Wellness Centre, Crèche and Wholesale price shop for employees, investment in Infrastructure and project maintenance.	The Proposal has been submitted to Ministry seeking allocation of fund from ASIDE Scheme. However, the Ministry advised that the proposal may be considered for funding from the Authority Fund. The proposal has been included in the present meeting.
Item No.9: Requirement of power for Fire Station	Decision of the Authority has been communicated to MIDC vide letter dated 01.06.10.

Item No.10: Outsourcing of Executive Assistants for Authority funds.	Action is on hand for sending the requirement to reputed placement agency.
Item No.11: Engagement of Hindi Consultant for Authority.	This is being examined in file.
Item No.12: Commissioning of an Audio Visual for SEEPZ-SEZ / New SEZs for marketing.	Estimates have been called for from reputed agency for the work on the basis of limited Tender procedure.
Item No.13: Transfer / re-assignment of Hotel Heavens.	The total actual liabilities of M/s. ICH has been certified as Rs. Rs.6,29,93,958/-. A special AGM was called on 4.7.2010 under the supervision of representative of Zone Administration, in which 156 Members present at the meeting. Unanimously supported the proposal.
Item No.14: Revised Tender for Business Facilitation Centre	SEEPZ being located in the MIDC area. The MIDC has assessed market value for the land, which was taken into consideration while arriving at the lease rent of Rs.56/- per sq.ft. per month suggested by them. As no response was received to our Tender Notice published in Newspaper as directed by the authority. We examined fixation of rent. On the lines of rent fixed for SDF premises. In terms of Ministry's communication dated 11.09.2001, which works out to Rs. 39/- per sq. ft. per month. The proposal is included in the agenda for this meeting as to alternative for space utilization in BFC can be considered.
Item No.15: Health check-up for employees of units.	Health check up were carried out about 1800 employees underwent check up.
Item No.16: Preservation of Old Church Building.	We have written letter dated 31.05.10 to INTACH requesting them to nominate a person in the Committee.

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Agenda for the 7th Meeting of the SEEPZ Authority scheduled to be held on 20.07.2010 at 4.00 p.m.

1. Budget and work plan of the Authority for the year 2010-11.

As approved by the Authority, Work Order has been issued to M/s. B.N. Kedia & Company, Chartered Accountant assigning the work of maintenance and audit of the Authority Accounts. The Budget proposal of the Authority for the current year 2010-11 will be submitted for approval of the Authority.

2. Creation of post for Authority

The Ministry has vide letter dated 18.6.2010 (copy attached as Annexure-A) conveyed the following:-

Those items of work in the Development Commissioner's office which have been transferred to the Authority may be handled by existing employees of the Zone by transferring them on deputation to the Authority. Expenditure on account of Pay & Accounts of such employees should be booked in the Accounts of the Authority.

In case of non-availability of qualified Engineer to look after Estate function, other options may be explored. However, uniform arrangements in this regard need to be made in all the 7 Authorities with the approval of Ministry. It has been stated in the Ministry's said communication that for creation of posts in the Authority should be submitted to Ministry to facilitate deputation of existing employees to the Authority.

In this regard, the existing arrangement for attending to the work of the Authority is as follows:-

Work of	Looked after by
Secretary	Shri P.S. Raman, DDC
Manager (Estate)	Smt. M.J. Kulkarni, ADC
Supporting staff	Smt. Rekha S. Nair, UDC

In addition to the above, the Ministry has vide letter dated 10.2.2010 (copy attached as Annexure - B) conveyed that a qualified Engineer of the rank of Assistant Engineer may be appointed on cost recovery basis to look after the Estate function. The mode of appointment will be on deputation by suitable officials from the State Government/State

Organizations. In its last meeting held on 5.5.2010, the Authority approved the above proposal. Action is on hand for inviting applications from State Government / State Government Organizations for filling up the post on deputation basis.

In the last meeting, the Authority approved outsourcing of the following supporting staff to function as Executive Assistant:-

1. For attending the work of Estate Section : 2
2. For attending the work of caretaker : 1
3. For attending to the work of Public Relations : 1

It would also be necessary to engage services of a well-experienced Personal Secretary for the Chairperson.

3. Work projects to be taken up out of Authority funds -

a. Wellness Centre, crèche and wholesale price shops for employees.

Presently there are 293 units operating in SEEPZ employing nearly 85,000 persons. Almost 40% of the workforce comprises female employees. At present, there is no Dispensary facility available in the Zone for health care. As regards the existing crèche facility, the same is located near the Canteen and in terms of location as well as present maintenance, the crèche facility requires improvement. Considering the fact that a large number of workers in the units are receiving wages on an average, only at the level of minimum wages prescribed by the Government, providing the facility of a wholesale price shop in the Zone would greatly help them and would be a measure towards their welfare.

The Zone Administration has therefore, proposed construction of a small block to house Wellness Centre, Crèche and wholesale price shop for employees. The estimated expenditure works out to Rs.48.15 Lakhs. Proposal was submitted to Ministry seeking fund for construction of the block from the ASIDE Scheme. The Ministry vide letter dt. 25.06.10 advised that the proposal may be considered for funding from the Authority.

Approval of the Authority is sought for incurring an expenditure of Rs. 48.15 Lacs for construction of a Block with a built-up area of 255 Sq.mtrs. for housing the Wellness Centre, Crèche and wholesale price shop for employees.

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b. Renovation of Type-C SEEPZ Quarters.

There are six C-Type quarters in the SEEPZ Staff Quarters Complex. Out of these, 2 quarters have been allotted to CGHS where the Dispensary is located. These quarters were repaired during 1999-2000 and at present require urgent repairs. The MIDC has submitted an estimate of Rs. 25.00 lakhs approx. for repair of the four C-Type staff quarters. Estimate in respect of the two quarters occupied by the CGHS dispensary has already been approved recently and MIDC is in the process of inviting Tenders for the work.

c. Development of parking spaces in SEEPZ

There are 293 units operating in SEEPZ and nearly 5000 Cars and 5000 Two-Wheelers, and 300 Contract buses enter the Zone every day. The existing parking facility is around the buildings which is inadequate. It is necessary to create additional parking space. The MIDC has submitted an estimate amounting to Rs. 40 lakhs approx for construction of parking space which will have parking facility for 3000 Two-wheeler vehicles.

d. Renovation of SDF-V.

The SDF-V premises require urgent renovation of the following:-

- 1> Repairs and restoration of damaged columns/chajjas/external wall plaster/internal plaster.
- 2> Water proofing treatment to terrace slab
- 3> Replacement of drainage pipes/rain water down take pipes
- 4> Repairs / replacement of drainage pipe line of the bldg. with drainage chambers.

Considering the fact that MIDC Tender procedures take time, the MIDC has been asked to initiate the Tender Procedures in view of the urgency in the matter.

Approval of the Authority is sought for incurring an expenditure of Rs. 50,02,000/- from the Authority fund for carrying out the above mentioned repair work.

e. Providing speed breakers in the internal roads within the Zone Complex.

As large number of employees working in the Zone are moving along the internal roads of the Zone Complex, it is necessary to provide speed breakers to regulate the speed of the vehicles.

In this regard, a survey was conducted by the MIDC officials along with the Security Officer and 34 locations have been identified for providing speed breakers. MIDC have submitted the estimate for the same amounting to Rs. 1,03,39,000/-.

The Approval of the Authority is sought for incurring an expenditure of Rs. 1,03,39,000/- from the Authority fund for carrying out the above mentioned work.

4. Proposal for revision of penalty charges for delay in execution of Lease/Sub-Lease Agreement.

The existing penalty imposed on unit for delay in execution of Lease Agreement is @ Re.1/- per sq.mtr. per year. This is grossly inadequate to act as a penalty for non-execution of Lease Agreement as the payment involved is negligible. It is proposed that the penalty may be revised to Rs.100/- per sq. mtr. per year.

5. Transfer of Hotel Heavens by Indian Coffee Workers' Co-operative Society Ltd.

M/s. Indian Coffee Workers' Co-operative Society Ltd. have been running a common canteen facility for the workers of SEEPZ Units in the Zone since 1978. Considering the Co-operative status, the built-up space for the canteen have been provided to them at a token rent of Re.1/- p.m. with the approval of the Ministry. The price of food items provided by them are comparatively lower than the rates charges by private Restaurants. They require approval of the Zone Administration for increasing rates of items of common nature. M/s. ICH provide space in the canteen for taking lunch to employers those bringing their own lunch without any charge.

M/s. ICH with the permission of SEEPZ Administration constructed Hotel Heavens during 2006 on plot A-1 in the SEEPZ++ allotted by the MIDC against open tender published in Newspapers. As the Hotel facility has been incurring loss, M/s. ICH have sought approval for transfer of premises of the Hotel to M/s. Sun City who have been running hospitality services outside

the Zone. The proposal of M/s. ICH is to pay their existing liabilities out of the proceeds that they would get from the transfer of Hotel Heavens and to utilize the remaining amount for improving facilities in their existing common canteen.

As on 31.3.2010, as per the CA certified documents submitted by M/s. ICH they have a liability amounting to Rs.6.30 Crores which includes wage arrears, bonus arrears, retirement benefit dues of employees, pending bills of vendors and amount payable to the Bank for discharging the loan availed for construction of the existing Hotel building. The proposal for transfer of hotel premises has been unanimously passed in the AGM of M/s. ICH held on 24.01.2010. In order to ascertain whether the proposal has majority support, a Special AGM was also held under the supervision of SEEPZ Administration on 04.07.2010 in which out of 194 members of the Society, 156 were present. The proposal was supported unanimously by all the 156 members in the meeting.

The existing Guidelines for transfer of premises in SEEPZ covers only premises of units. Since the hotel facilities of M/s. ICH are in the nature of utility, the same is not covered by the said Guidelines. The lease agreement condition for the facility as approved by MIDC is on similar line with the unit lease agreement.

The above proposal is submitted for consideration of the Authority.

6. Re-development plan for SEEPZ-SEZ - Identification of SDFs/G&J Buildings for re-allocation.

The existing space in SEEPZ has been fully utilized and no space is available for catering to the needs expansion of existing units or new Units. The Zone Administration has requested the Government of Maharashtra for allotment of 22 acres of additional land for expansion of SEEPZ from the adjoining Aarey Milk Colony area. However, this issue has been under correspondence with the State Government for quite sometime. SEEPZ has present unutilized FSI of 5,81,315 Sq. Mtrs. and the possible option for creation of additional space to go in for re-development. The MIDC has examined this issue and has submitted a proposal for construction of 8 towers demolishing the existing structures. This proposal envisages an investment of approximately Rs.1200 Crores over a period of 8 years during which the re-development work is expected to be completed. The

development envisages creation of additional space of 5,81,315 lakhs sq. mtrs. and also related infrastructure, such as additional parking place, etc. The SDF-I & II buildings and G&J-I are very old and in a bad shape and it is desirable to take up these two buildings for re-development in the initial stage. It is, therefore, proposed that the MIDC may be asked to prepare estimate for construction of two Towers in place of the SDF-I & II.

During the recent visit of the Hon'ble Minister for Industries, Government of Maharashtra to SEEPZ and also during the meeting taken by the Hon'ble Minister that it was suggested that since allotment of additional land is fraught with many difficulties, it would be better for SEEPZ to opt for re-development as additional FSI of 55 lakhs sq.mtrs. is available to be utilized. MIDC will implement the project in PPP mode as huge investment will be involved. The Authority may discuss (i) relocation priorities (ii) Land availability for construction of relocation - (3) Possibilities of availability aside/any other Govt. funding for construction of two initial relocation towers for SDF-I, II, G& J -I which are in bad shape..

7. Refinery for SEEPZ

At present, most of the Zone units have their own refining facility. Considering the large number of Gem & Jewellery units located in SEEPZ, it is necessary to have a common refinery in the Zone with modern technology so that there is no need for individual Refinery by the units. This arrangement would result in improving the recovery of precious metal content from the slurry/dust as compared to the existing level of recovery and would also be an added infrastructure for the Zone. Need for a common refinery has been appreciated by the Jewellery units. However, it is to be decided as to whether the Jewellery Industries' Association or any major unit can create such a common facility or whether we need to invite Tender for creating this facility as a common infrastructure out of Government funding.

8. Utilization of Business Facilitation Centre

The BFC building comprises of food courts, Seminar Hall, Guest House, Gymnasium, etc. The lease rent for the premises in the building was fixed by the MIDC @ Rs.56/- sq.ft. p.m. taking into account the market value of the plot. The Zone Administration invited Tenders by publishing Tender Notice in the Newspapers for leasing the various facilities in the building to a reputed hospitality services agency. However, no response was received to

the Tender Notice published on 19.02.10. The possible reason for this could be that the cliental could be limited to the employees in SEEPZ. Further, the lessee is required to spend considerable amount in doing up the internal works in the premises as only open hall is provided.

This matter was considered in the last meeting of Authority held on 5.5.2010 and it was directed that the rent may be fixed in terms of FR. 45 so that the lease rent burden becomes less and this may encourage response to the Tender Notice.

Considering that no response was received for the Tender Notice published for leasing the various facilities in the BFC to a reputed hospitality services agency, and taking into account demand for space of manufacturing units, it is necessary to review as to whether the premises in the BFC can be allotted to units/utilities as is done in the case of Standard Design Factory Buildings.

Further M/s. Kaydee Caterers who are primarily running a canteen facility in SEEPZ since 1981 has also requested for allotment of Food Court facility in the BFC. The detailed note of the same is annexed at 'C'.
