

MINUTES OF THE 24th MEETING OF THE SEEPZ SEZ AUTHORITY HELD ON 16th FEBRUARY, 2015 AT 11.30 AM UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER, SEEPZ SEZ AND CHAIRPERSON, SEEPZ SEZ AUTHORITY.

The following were present:

- 1) Shri P.S. Raman- Member
Joint Development Commissioner
- 2) Shri. Abhay Doshi, (MD)- Member Representating Trade
M/s. Fineline Circuit Ltd.
- 3) Shri. Prem kumar L. Kothari, (CMD)- Member Representating Trade
M/s. Fine Jewellery Manufacturing Ltd.

In Attendance:

- 1) Smt. M.J. Kulkarni
Asth. Development Commissioner

Minutes of the meeting held on 16th February, 2015 were confirmed.

Guidelines for MIDC:

At the outset, the trade members stated that there has been delay in execution of maintenance works. Apart from this, the quality of work also an issue. In-spite of carrying out water proofing, still issue of leakage /seepage during monsoon continues. They felt that works like AMC and maintenance works of routine nature can perhaps be attended to by the Authority in the following manner:-

- (1) A Committee, comprising Officers from the Authority and Deputy Engineer, MIDC, SEEPZ sub division can be constituted to consider and recommend the maintenance works to be undertaken. Wherever services of an Architect or specific consultant is also required, the same can be outsourced at the same rate as MIDC incurs. The specific work to be executed and the drawings can be examined and recommended by the Committee. After approval of the Chairperson or the Authority, as the case may be, the MIDC can be asked to execute the work. This will facilitate the process of finalization of the work required to be done and the related drawings before MIDC is asked to execute the work. This Committee can also monitor the progress of the work.

In order to have effective monitoring of the implementation of the various construction and maintenance work, the Authority directed the following :-

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- 1) Work order should be give to contract after obtaining concern of Estate Manager so that work order is in accordance with requirement of SEEPZ-SEZ Authority.
- 2) Progress of work should be intimated on monthly basis.
- 3) Intimation of completion of project should be send to Estate Manager.
- 4) Payment should be released only on after obtaining Satisfactory Certificate from the Estate Manager.
- 5) It was further advised that the whenever possible, earlier works, M&R work /development work assign to MIDC should be reviewed in accordance with above guidelines
- 6) Payment of earlier/project/work should be release only after ensuring that the work was completed satisfactorily.

Agenda No. 1: Repairing to External, internal walls with painting and other allied works to SDF-VI in SEEPZ - SEZ Premises.

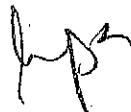
The Committee noted that the proposal is for repairs of external and internal walls with painting and other allied works of SDF - VI. It was also noted that the MIDC has submitted an estimated expenditure of Rs. 63,91,900/- for the same.

Decision: The proposal was approved.

Agenda No. 2: Remolding and refurbishing of Conference Hall at SEEPZ Services Centre Building.

It was noted that the proposal is for remolding and refurbishing of Conference Hall in the SEEPZ Service Centre Building. It was pointed out that the condition of the Conference Hall requires urgent repairs. The Committee noted that the MIDC has submitted an expenditure of Rs. 98,38,600/- for the remolding and refurbishing of Conference Hall.

Decision: After detailed discussion the proposal was approved.



Agenda No. 3: Construction of security cabin and canopy for Gate NO. II at SEEPZ-SEZ

The Committee was informed that the Gate No. II requires widening and reconstruction in order to take care of the movement of the vehicles and for installation of Access Control System. The MIDC was asked to submit detailed estimate for the work. The scope of the work covers providing new gate with entry and exit, providing new security cabin and canopy, electrical and allied works i.e. entire electrical internal and external electrification work, providing 2 baggage scanners, providing flap barriers of 18 numbers, providing 4 numbers of door frame metal detector with access control system etc. The MIDC has estimated an expenditure of Rs. 3,83,88,650/- for the above work.

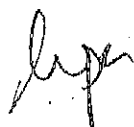
Decision: After detailed discussion the proposal was approved.

Agenda No. 4: M&R to SEEPZ.... Repairs to SDF-I building in SEEPZ-SEZ premises

The Committee was informed that the SDF - I is the oldest building in SEEPZ SEZ and the condition of the building is not good. Many of the units have been complaining about the leakages, falling of the ceiling and internal plaster etc. The MIDC was asked to inspect the building and submit an estimate for repairs. The MIDC has submitted an estimated expenditure of Rs.1,40,36,100/- for repair of the building. The scope of the work covers the following:-

1. Strengthening of external and internal walls at cracked portion by using polymer mortar treatment.
2. Strengthening of structural members by using micro polymer concrete by applying rust resisting chemicals to reinforcements.
3. Providing luster painting to internal common portion and external Acrylic painting to external side of SDF-I building.
4. Provision of concrete work for drainage gutters and plinth protection, tilling work and drainage pipe work as per requirement.

The trade members pointed out that for such major works, defect liability period of longer duration is given by major contractors and MIDC should be asked to explore this possibility without any additional cost.



Decision: After detailed discussion the Authority approved the proposal.
The MIDC shall endeavor to have long defect liability period.

Agenda No. 5 : Annual Maintenance Contract for operation Maintenance and allied services for STP in SEEPZ-SEZ

The Authority was informed that the MIDC has submitted the Annual Maintenance Contract for operation , maintenance and allied services of Sewerage Treatment Plant in SEEPZ SEZ for the period from 3-3-2015 to 2-3-2016 for a sum of Rs. 54,79,120/-. It was noted that the AMC arrangement for the STP is essential.

Decision: The proposal was approved.

Agenda No. 6: Construction of 1st and 2nd floor of Crèche, Wellness, Clinic and Wholesale Price Shop near SDF-II Building in SEEPZ-SEZ premises.

The Committee noted that the proposal is for construction of 1st and 2nd floor of the building under construction for Creche, Wellness Clinic and Wholesale Price Shop near SDF - II Building. The MIDC has submitted an estimate of Rs. 3,84,60,500.00 for the proposed construction. The scope of the work is as follows:-

Sr. No.	Particulars	Estimated Cost Rs.
1.	Civil works	99,87,935.00
2.	Finishing works	7,90,478.00
3.	Doors	4,69,625.00
4.	Glazing works	51,94,745.00
5.	False Ceiling works	5,50,440.00
6.	Carpentry and misc. works	7,08,438.75
7.	lift works	29,38,800.00
8.	Electricity works	30,93,362.00
9.	Landscaping	644860.00
10.	Modular kitchen works	40,00,000.00
11.	Fire works	14,79,030.00

Total Estimated Cost Rs.	2,98,57,713.00
ADD 5.00% Contingencies on Estimated Cost Rs.	14,92,886.00
ADD 5.00% Escalation Estimated Cost Rs.	14,92,886.00
Architectural Consultancy @ 4.50%	13,43,598.00
Total Rs.	3,41,87,083.75
SAY Rs.	3,41,87,100.00 (N)
ADD 12.5% ETP Charges	42,73,387.50
Total Rs.	3,84,60,487.50
Say Rs.	3,84,60,500.00 (G)

Decision: After detailed discussion the proposal was approved.

Agenda No. 7: Extension of it is contract of BVG for further period of one year w.e.f. 04.02.2015

The proposal was extension of M/s. BVG's contract period for a further period of one year.

Decision: The Authority observed that the proposal may be deferred for consideration after receipt of feedback from the Caretaker regarding satisfactory services in respect of the Service Provider and also to bring in line with Swachh Bharat Abhiyan. The Authority approved the continuation of the existing arrangement upto 30-04-2015.

Agenda No. 8: Extension for renew of the MOU till further orders.

It was noted that the proposal is for renewal of the MOU between M/s. Vasundhara through M/s. Stree Mukti Sanghatan and SEEPZ-SEZ Authority for a further period of two years w.e.f. 06.01.2015 for collection of dry/wet waste from various SDFs. The M/S. Vasundhara will collect dry and wet waste from the units. Vasundhara will send the dry and wet waste to Biogas plant for generation of Biogas and dispose the dry and wet waste collected in the Kachara Kundi. It was also noted that M/s. Vasundera Ghankachra Vyavasthapan Sahakari Sanstha has given a total estimated cost of Rs. 4,02,600/- per month including 10% Administrative charges for the above

work. It was also noted that the Vasundhara has charges on manpower and Vehicle on Actual basis and charging 10% as a Administrative Cost.

Decision: The Authority approved the continuation of MOU till further orders. The Authority also approved the arrangement of charging manpower and Vehicle on Actual basis and charging 10% as a Administrative Cost.

Agenda No. 9: Revised license fees rate for allotment of residential Qtrs. to outsource of staff and Service Provider.

It was noted that the proposal is for revising the lease rent as was charged prior to downward revision in 26th November, 2014 is as follows:-

Sr. No.	Type of Qtrs	License fees	Total Amount
1	A	Rs. 245/- (15 times of license fees)	Rs. 3675 + Water Charges+ Electricity Charges
2	B	Rs. 310/- (25 times of license fees)	Rs. 7750 + Water Charges+ Electricity Charges

The revised calculation as follows:-

Sr. No.	Type of Qtrs	License fees	Total Amount (PM)
1	A	Rs. 245/- (16 times of license fees)	Rent Rs.4,000/- + Water Charge + Electricity Charges Total =Rs 4,000/- PM
2	B	Rs. 310/- (32 times of license fees)	Rent Rs. 10,000/- + Water Charges+ Electricity Charges Total = Rs. 10,000/- PM

Decision: The Authority approved the proposal with a direction to charge water charges and electricity charges as per actual use in addition to the lease rent mentioned above.

Agenda No. 10: Promotional Activity at SEEPZ cafeteria area i.e. ICH Canteen.

The Authority was informed that the various Service Providers approached the Authority for permitting promotional campaign inside the Zone for few days. The Authority has been permitting such requests if the activity has relevance for the workers/employees of the Zone units and allowing a canopy to be installed near the ICH/Kaydees for a limited number of days ensuring that there is no disturbance or inconvenience to the units,

movement of vehicles or persons. The proposal is to charge a sum of Rs. 2,000/- per day for such permissions. The trade members suggested that the charges may be fixed minimum at Rs. 4,000/- per day for such activity and upto Rs. 10,000/- per day depending on the nature of the activity proposed.

Decision: The Authority decided that such requests may be permitted and a minimum of Rs. 4,000/- per day may be charged for the same. However, appropriate charges may be levied for such commercial activities upto Rs. 10000/-.

Agenda No. 11: Repairs to SDF-III building

It was noted that the proposal is to carry out strengthening of walls, chajjas, columns and beam and painting to all over external wall portion and internal common passages portion of SDF - III building. The MIDC was asked to inspect and submit detailed estimate for the work. The MIDC has submitted an estimate for Rs. 2,05,10,665/- for the above work. The scope of work covers the following:-

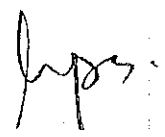
1. Strengthening of external and internal walls at cracked portion by using polymer mortar treatment.
2. Strengthening of structural members by using micro polymer concrete by applying rust resisting chemicals to reinforcements.
3. Proving luster painting to internal common portion and external Acrylic painting to external side of SDF-III building.
4. Provision of concrete work for drainage gutters and plinth protection, tilling work and drainage pipe work as per requirement.

Decision: The proposal was approved.

Agenda No. 12: Resurfacing of existing asphalt road in SEEPZ-SEZ premises.

It was noted that the proposal is for resurfacing of the existing asphalt road, the total length of road in SEEPZ premises is 7.182 KM. It is observed that, 2.495 KM internal asphalt road surface and potholes are formed, also the side shoulders of some road need strengthening i.e. from Gate No. II to the Authority was informed that the condition of the said portion of the internal road is very bad and the same requires resurfacing at the earliest. MIDC has submitted estimate of Rs. 2,03,14,000/- for "M&R to Resurfacing of existing asphalt road in SEEPZ-SEZ premises.

Decision: The Authority approved the proposal.



Agenda Item No.13: Modified Exit Policy

The Authority noted that the existing Policy Guidelines in respect of premises in SDF VII, Tower I & II, Multi-storied building and Self-built factories on plots was approved by the Authority in its meeting held on **03.06.2013**. Based on the difficulties expressed by the Association /units, the draft of the modified Guideline was hosted on the website on 6-2-2014, inviting comments of the units. However, no comments were received.

Decision: The Authority approved the following modified exit guidelines for SDF VII, Tower I & II, Multi-storied building and Self-built factories on plots.

The revised guidelines are as under:

- Any units in above mentioned premises may apply for exit along with the required documents.
- Waitlisted of applicants will be offered premises as per modified criteria. Names suggested by existing units will be considered if there is no applicant on the waitlisted.
- The Authority will regularly call application to maintain wait list. However, the waitlist will expire after 90 days. Again, Authority will call the fresh list of desirous units.
- The unitholder must have a valid LOA and valid Sub-Lease Agreement.
- The unitholder should have no pending litigation with the SEEPZ Authority or Office of the Development Commissioner, SEEPZ SEZ.
- The unit intending to assign sub-lease for the remaining period, will make an application to the SEEPZ SEZ Authority and shall submit document indicating the price at the time of allotment.
- In case any unit requires only part of existing space for its approved activity, in such cases, exit can be made in respect of the remaining part of the area subject to feasibility.
- On scrutiny of application, Authority may give "in principle" approval for exit. However, if charges are created by other agencies/authorities, "in principle" approval shall be given after consulting such agencies/authorities and ascertaining total liability of the applicant.
- On receipt of "In-principle approval" from the Development Commissioner, the applicant shall proceed to obtain no dues certificate from the Customs and thereafter apply for de-bonding.

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- In case de-bonding is not possible because of the pending liability of the Authority or Development Commissioner Office or creation of charge by any other agencies, in such case, the liability of the applicant shall be ascertained. And 'in principle' shall be given in consultation with the other agencies/authorities approval.

I. Procedure for arriving at compensation

- Compensation shall be paid directly by the incoming entrepreneur to the applicant subject to discharge of the dues as envisaged above.
- 10% of differential amount, i.e. price offered by the incoming Entrepreneur less the originally allotted price, shall also be paid to The Authority as administrative charges by incoming entrepreneur apart from other dues mentioned above.

II. Procedure for allotment

- The public shall be asked to submit application on the following criteria:-

- Export projection
- Investment envisaged
- Employment envisaged
- Premium offered over and above the reserve price
- Priority sector
- Any other criteria declared by the Authority at that point of time.

The new entrepreneur would be selected on criteria mentioned above.

However, preference shall be given to criteria which meet objective of SEZ Act & Rules. The entrepreneur so selected shall submit an application to the UAC for issue of LOA. On issuance of LOA, he will make payment to the outgoing unit and the SEEPZ Authority

The Authority also approved additional Guidelines for allotment of Government Building Space/SDF on five year lease.

- The existing units who are possession of more than 35,000 sq. ft. Space in Government SDF's can be encouraged to opt of long term lease premises and preference shall be given to applicants who have possession of less than 35,000 sq. ft. of space in Government SDF's.
- Past credential of the unit giving projection should be checked before accepting the projection.

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Agenda-14: Extension of G4S Security Contract for further period of one year w.e.f. 12.01.2015.

It was noted that the proposal is for continuation of the existing contract of G4S for a further period of one year w.e.f. 12th January, 2015.

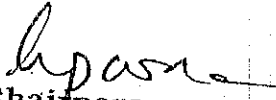
Decision: The Authority directed that the performance of G4S may be assessed and the matter may be submitted for consideration in the next meeting. The Authority approved the continuation of the existing arrangement upto 31-3-2015.

Other issues:

Both the Trade Members said that the issue of lease rent being charged by SEEPZ Authority as well as by the MIDC in respect of MIDC constructed buildings, viz. SDF VII, Tower I & II and Multi-storied Building, has been pending for long time. Similarly, in the case of transfer of premises, the SEEPZ Authority as well as MIDC charge the Administrative Charges/Transfer Charges where as only the SEEPZ Authority should charge the same. They observed that this issue needs to be addressed on priority by the Authority as this is affecting all the allottees in the MIDC Constructed buildings in SEEPZ. The Chairperson observed that this issue has already been taken up with the MIDC. There were few meetings between the Legal Advisors of MIDC and SEEPZ Authority. Thereafter, there was a meeting between DC, SEEPZ and the CEO, MIDC on . The concerns expressed by the Trade Members have already been taken up with the MIDC and their response in the matter is still awaited.

Decision: After detailed deliberations, the Authority resolved that since the properties in the SEEPZ SEZ are belonging to the Authority and the role of MIDC has been only that of a Construction Agency, there is no legal requirement for payment of lease rent or transfer charges to the MIDC by the units. Accordingly, the unit shall be required henceforth to pay lease rent and/or transfer charges to SEEPZ Authority only.

The Meeting ended with vote of Thanks to the Chair.


Chairperson
SEEPZ SEZ Authority