

MINUTES OF THE 16th MEPZ SEZ AUTHORITY MEETING HELD ON 5.10.2016.

A special meeting of the MEPZ SEZ Authority was held on 5th October 2016 in the Conference Hall of Administrative Office Building, MEPZ SEZ, Tambaram. DC, MEPZ SEZ chaired the meeting. The details of the other members who participated in the meeting is enclosed herewith.

2. The Chairman welcomed the Members of the meeting and explained them the reasons for calling this meeting. He said that the meeting has been called to approve and ratify the actions taken by this office for auction and allotment of vacant plots in MEPZ SEZ. He asked the JDC to explain the actions taken so far and the action to be taken further.

3. The JDC explained the members of the meeting about all the actions the office has taken so far in the process of auction and allotment of the vacant plots in MEPZ-SEZ. JDC informed the gathering about the splitting of plots of D-6/II of M/s. Pearl Global Limited into 3 portions, retaining of Plot D-6/IIA and the building thereon for the purpose of Guest House, Notices issued so far, Addendum to the notice issued and other details. After detailed discussions on the action taken so far, the Authority approved and ratified the following actions:-

- 1) Splitting of Plot D-6/II belonging to M/s. Pearl Global Limited into 3 portions for wider participation.
- 2) Retaining the Guest House of M/s. Pearl Global Limited (D-6/IIA) to convert it into residential quarters for the officials of MEPZ SEZ.
- 3) Issue of notice inviting expression of interest and application for In-Principle approval, published on 3rd September 2016.
- 4) Agreement signed with M/s. MSTC Limited (a Govt. of India Undertaking) for conducting e-auction as per the instructions received from Ministry of Commerce.
- 5) Addendum issued on 1st October 2016 to allow LOA holders of other SEZs and non-LOA holders also to participate in the bidding as per the directions received from the Ministry vide their letter dt.6.4.2016.

4. Thereafter, actions to be taken further were discussed. Some of the members of the Authority suggested that the Plots could be restricted for allotment only to manufacturing sector. However, the DC made it clear that though such a decision was taken initially, later it was withdrawn due to the possibility of non-manufacturing sector challenging the decision to restrict allotment to the manufacturing sector. JDC informed the Members that a meeting was held with the officials of MSTC Limited to discuss about the process involved in the e-auction. He also informed that the pre-bid meeting has been proposed to be held on 17.10.2016 by MSTC Limited to explain the potential bidders about the procedures of e-auction through MSTC portal.

5. It was decided to hold the auction on 3rd & 4th November 2016 and to inform MSTC accordingly. The terms and conditions of the auction were discussed in detail and finalised by the Authority. A copy of the terms and conditions finalised by the Authority is enclosed herewith for reference. It was also decided to send a copy to M/s. MSTC Limited to enable them prepare the auction catalogue.

6. The Members of the Authority decided that a minimum increase to the bid amount shall be Rs.10/-. In the event of H-1 backing out from the Offer or failure to make the necessary payments in time or failure to obtain the LOA in time, H-2 would be given the offer at the rate quoted by H-1. If H-2 is not willing to accept the offer at the H-1 rate, re-auction would be conducted for such Plots.

7. The Members also discussed about the possibility of the exited units having got some liability to the statutory authorities like Municipality, Electricity Board, etc.,. Therefore, it was decided that the H-1 shall pay 90% of the cost of building as per the Government valuation to the Exited Unit. Balance 10% shall be paid to MEPZ Authority. After the Exited Unit submits No Due Certificate from Statutory Authorities like Municipality, Electricity Board, etc., the 10% retained by the MEPZ Authority would be released to the Exited Unit. The Members also decided that an Earnest Money Deposit @ 10% on the annual plot rent at the base rate (rounded off to nearest Rs.1,000/-) be fixed for the plots and EMD @ 2% of their valuation be fixed for the buildings. The Members from the industry side suggested that in case the plots are allotted to IT Sector, such allotment should be accompanied by clear conditions to ensure that the Units do not disturb the other existing units.

8. The meeting ended with a vote of thanks.
