

MEPZ SPECIAL ECONOMIC ZONE, CHENNAI
MINUTES OF THE 27TH MEETING OF THE MSEZ AUTHORITY HELD ON
15.12.2022

The 27th meeting of the MSEZ Authority was held on 15.12.2022 through Hybrid mode. The following Members of the Authority have participated in the meeting:

Sl. No.	Name and Designation	Position
1.	Dr. M.K. Shanmuga Sundaram IAS, Development Commissioner, MEPZ SEZ	Chairperson
2	Shri. Alex Paul Menon IAS, Joint Development Commissioner	Ex Officio Member
3	Shri. Vishwas B.N., ITS, Joint Director General of Foreign Trade	Ex Officio Member
3.	Shri. R. Chandrasekaran, Managing Director, M/s. Igarashi Motors India Limited, MEPZ SEZ	Trade Member
4.	Shri. Shyam Sundar Todi, Director, M/s. PMI Engineering Export Private Limited.	Trade Member

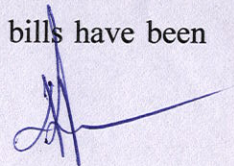
Shri K. Prabu Kumar, Deputy Development Commissioner and Shri M. Venkatraman, Assistant Development Commissioner/Estate Manager, MEPZ SEZ also have attended the meeting. At the outset, the Chairman & Development Commissioner, MEPZ SEZ welcomed the Members of the Authority. Thereafter, the Agenda items were discussed as mentioned below:

Agenda Item No. 1

1. For Information

The Members of the Authority were informed of the action taken with respect to the decisions made in the 26th Meeting of the MSEZ Authority held on 12.07.2022.

- 1.1 Upon discussing about private security charges, the members of the committee have deferred the decision to the next Authority Meeting. The rates and modality will be finalised positively in the next meeting.
- 1.2 The current work progress towards the construction of Pedestrian Walkway at one side of the Road from Alleri Lake to M/s. Inga Pharmaceuticals and from M/s. A.R Exports to M/s. Italy Beauty Nippers Pvt. Ltd., was apprised to the Authority Members. The Phase-II work has been completed and necessary bills have been



submitted. The Pedestrian Walkway for 2.7 km was completed till date under Phase-I & II connecting Main Entrance, Main Roads and Kadaperi Gate. Third Phase (Final) will be taken up to cover all the left out stretches till the Rear Gate and other areas inside the zone. The feasible places to provide Pedestrian Walkway will be identified and included in this final phase.

1.3 Authority Members are apprised of to the current work progress of the construction of Trade Facilitation Centre.

Agenda Item No.2

For Approval:

Agenda Item No. 2.1: Revised estimate approval for TFC project.

The Earlier proposal for the Trade Facilitation Centre with Ground floor and First floor structure with the built-up area of 50,590 sq.ft. has included two Conference Rooms with a total of 390 persons Seating capacity, Product Exhibition Centre, Multipurpose Hall, Gallery Spaces, Business Training Centre, Board Room, Business Incubation Office Spaces, Accommodation Facilities and Lounge. Keeping the requirement as specified, the design has been developed.

The super built-up area, incorporating all these facilities has been increased to **1,16,677 sq.ft.** and with the increased area, there has been an escalation in the cost of the project to approximately **₹55 Crore** against 34.47 Crore as per DSR 2021 of CPWD. The final tender rates could be 10% to 20% more than the estimated value.

Sl. No.	Project Contribution Source	Appraised Contribution	Revised Contribution
1	TIES	1708.84	1708.84
2	Implementing Agency (MSEZA)	2117.55	3791.16
Total (in Lakh)		3826.39	5500.00

The design has been developed to accommodate more people; hence, the super built-up area has been increased from 50,590 sq.ft. to 1,16,677 sq.ft. After deliberations, the Members of the Authority have accepted the revised super built-up area, revised TFC estimation and MSEZA revised contribution as mentioned above. Further, the Chairperson MSEZA had informed to convene a meeting with the Architect and all the stakeholders for explaining the importance of the Project, its salient features and utility value.

Agenda Item No.2.2: Revision of TFC project completion date

As per DPR, the Project is required to be completed by September 2022 and the revised date of completion from the approval of TIES Project is June 2023. Given the delay in the process, it is required to be extended till March 2024. Considering the developments, the proposal was placed before the Authority to revise the TFC project completion date till March 2024.

Upon scrutinising the proposal, the Members of the Authority have accepted the revised completion date. The Chairperson further added that an approval has to be obtained from the Ministry of Commerce for extension of project completion date.

Agenda Item No 2.3: Re-Appraisal of Consultancy Charges for M/s. WAPCOS Limited

The Ex Officio Member had briefly explained about the various works carried out by WAPCOS Ltd., in MEPZ and the consultancy charges being paid. The Members of Authority perused the proposal considering the following factors:

- A. Remaining Tender period of M/s. WAPCOS Ltd., is one year and if PMC team withdraw the existing contract now due to financial viability, the existing projects may suffer in terms of continuity and handholding. No amount of punitive measures shall help in sustaining the resources.
- B. To sustain the quality human resources for PMC works, it is important to pay suitable remuneration which can be pegged at the quoted rate of 2.41%. As it is a percentage on proposed project's cost, the resources for O&M can be separate and paid on actuals.

In line with the above, the proposal submitted by WAPCOS Ltd. and the proposal modified by MSEZA for re-appraisal of Consultancy Charges were placed before the authority. The O&M expenses shall be on **manpower basis at actuals** and **PMC for developmental works shall be 2.41% (quoted tender rate)**. The abstract and breakup of manpower for O&M shall be as follows:

Sl. No.	Details of Expenses	Amount (in INR)
1	Remuneration	55,90,000
2	Travel Expenses	1,00,000
3	Project Office Expense	60,000
4	Vehicle Expense	6,00,000
5	Misc. Expense including computer, printer	1,00,000

	etc.,	
	Grand Total per Year	64,50,000
	Grand Total per Month	5,37,500

Upon scrutinising the proposal with a detailed discussion, the Members of the Authority have decided to increase the consultancy charges as mentioned above. It is approved till the current tender period i.e., up to 30.09.2023.

Agenda Item No 2.4: Design, Development, Implementation, Operation & Maintenance of Smart Access Control, Surveillance, Smart Parking & Enforcement System in MEPZ

The Ex Officio Member had informed about the current mode of operation and collection of Toll Gate inside MEPZ. Further, he added that the Rear Gate and Kadaperi Gate are yet to have Access Control facilities, CCTV Surveillance, etc.

The proposal was as a holistic approach for accounting the Entry/Exit and increasing the security measures inside MEPZ. The main objective of the proposal is to provide **Unhindered Movement of People and Material 24X7 inside MEPZ**. The proposal was formulated to implement and integrate the following:

- A. Smart Access Control
- B. Smart Surveillance with Integrated Control and Command Centre (ICCC) and
- C. Parking management for the entire MEPZ Special Economic Zone.

The proposal with the details of CAPEX, OPEX and projected revenues were submitted before the Authority. The Trade Members of the Authority have appreciated the proposal and stated that it is one of the most important projects at this juncture and the same shall be implemented at the earliest.

After deliberations, the Authority approved the proposal. The Authority also noted that the amount shall cover CAPEX for the 1st year and OPEX for 5 Years which includes a Comprehensive AMC (with DLP) and cost of manpower after Go-Live (i.e., 2nd Year to 6th Year).

Agenda Item No 2.5: Preparation of Comprehensive Master Plan for MEPZ Special Economic Zone (MEPZ SEZ) considering the future developments of the Zone in the Next 30 Years for MSEZ SEZ

The Ex Officio Member had conveyed that the objectives of 'Preparation of Comprehensive Master Plan for MEPZ SEZ with 30 years forecasting of Development' is to

achieve the holistic approach for sustainable development with eco-friendly and export friendly facilities without affecting the role of export promotion.

The Master Plan will be based on:

- Baseline data collection and mapping;
- Current usage of existing resources;
- Existing Services and infrastructure;
- Future forecasts for demand, use and growth

The present FSI for Chennai is 1.5 against which only 0.75 FSI has been consumed inside MEPZ. To unlock the potential of the land available inside MEPZ and to create more common facilities for the Units, it is important to revisit the existing site plan and infrastructure.

Presently, Tenders were invited for 'Preparation of Comprehensive Master Plan for MEPZ Special Economic Zone (MEPZ SEZ) considering the future developments of the Zone in the Next 30 Years for MSEZ Authority'. The Estimated Project Cost of the tender is ₹1.75 Cr. The evaluation of tender is in progress.

After understanding the need of the project, the Members of the Authority have accepted the proposal. The Chairperson had informed to convene a meeting with all the stakeholders for explaining the significance of the Project, its salient features and its futuristic outlook.

Agenda Item No 2.6: The Formation of Special Committee method for payment of Development Charges.

The Members of the Authority deferred the proposal in the last Authority meeting. The proposal for reduction of development charges shall be decided after forming a Special Committee. The Special Committee shall propose onetime payment or staggered payment with interest provided as option to the Units and said interest rate.

During the discussion, it has been decided that the Special Committee shall comprise of the following members:

1. Shri Prabu Kumar K, Deputy Development Commissioner, MEPZ SEZ;
2. Smt. Jayashree Satish, Pay and Accounts Officer, MEPZ SEZ.
3. Shri Chandrasekaran, Member, MSEZA & MD, M/s. Igarishis Motors

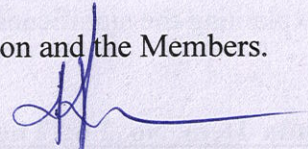
The Members of the Authority have agreed to the constitution of the Special Committee with the above members.

Other discussion Points:

Apart from the above agenda, the following points were also discussed during the Authority Meeting;

- ❖ The Members of the Authority requested to provide frequent Patrolling of Security Officers in Jeep Track Road surrounding MEPZ.
- ❖ Lighting facilities along the Jeep Track Road was also requested by the Members of the Authority.
- ❖ MEPZ Day has been planned to celebrate on 01.01.2023; the Chairperson has invited suggestions and ideas for celebrating MEPZ Day every year on 1st January.
- ❖ The Chairperson has informed that MEPZ Newsletter is planned to be published initially on quarterly basis. The articles, credible performance or any other details of SEZ Units and EOUs shall be included in the said Newsletter.

The meeting concluded with a vote of thanks to the Chairperson and the Members.



(K. Prabu Kumar)
Deputy Development Commissioner
MEPZ SEZ