

MEPZ SPECIAL ECONOMIC ZONE, CHENNAI

MINUTES OF THE 23rd MEETING OF THE MEPZ SEZ AUTHORITY HELD ON 27.05.2020.

The 23rd meeting of the MEPZ SEZ Authority was held on 27.05.2020 at the A.P.J Abdul Kalam Conference Hall of MEPZ SEZ, Chennai. The following Members of the Authority participated in the meeting:

Sl. No	Name and Designation	Position
1	Dr. M.K. Shanmuga Sundaram, I.A.S. Development Commissioner, MEPZ SEZ	Chairperson
2	Shri. D.K. Sekar, I.A. & A.S. Zonal Additional ADGFT, Chennai	Ex-Officio Member
3	Shri. D. Anandan, I.A.S. Joint Development Commissioner, MEPZ SEZ	Ex-Officio Member
4	Shri. R. Chandrasekaran, Managing Director, M/s. Igarasi Motors India Ltd.	Member
5	Shri. Milind Mungikar, Director, M/s. Zen Linen International Pvt. Ltd.	Member

The other Officers who attended the meeting are as follows:

- i. Smt. R. Anitha Nandhini, I.F.S. Deputy Development Commissioner.
- ii. Shri. P. Balasubramanian, Deputy Development Commissioner.
- iii. Shri. V.K. Viswanathan, Assistant Development Commissioner, Estate Management.

At the outset, the Chairman cum Development Commissioner, MEPZ SEZ welcomed the Members of the Authority. Thereafter, the Agenda was taken up as given below:

Agenda Item No. 1: For approval:

1. The members of the Authority were informed of the following actions taken with respect to the decisions taken in the 22nd meeting of the MSEZ Authority held on 18.12.2019.
 - a) In the StartUp Facility 'Agaram' in the SDF-I, Module Nos. A-12 to F-12 (72 seats) and Modules C-8, E-8 & F-8 (24 seats) totaling to 96 seats have been allotted to the Units with effect from 01.03.2020. Further, six 4-Seater

modules and three 8-seater modules have been converted into four 12-seater modules.

- b) Rent has been re-fixed for M/s. Venture Lighting India Private Limited and M/s. Efficient Light Resourcing India Private Limited consequent upon the change in their shareholding pattern.
 - c) Allotment order for the allotment of Executive Canteen has been issued to M/s. Currys 'n' Crunch (P) Ltd.
 - d) Reduction in the rate of lease rent (reduced from 10% to 7% for Non IT/ITES Units) has been informed to the Units. The excess Lease Rent collected, if any, would be adjusted in the Lease Rental Demand for the period 01.04.2020 to 30.06.2020. The Members were also informed that the payment of Lease Rent for the 1st Quarter of 2020-21 (01.04.2020 to 30.06.2020) has been deferred upto 31.07.2020 without interest, as per the instructions of the Department of Commerce, Ministry of Commerce & Industry, Govt. of India.
2. The details of minor civil works approved by the Development Commissioner during the period between the previous meeting and the present meeting were placed before the members for their information.

Agenda Item No:2: For Ratification

2.1. Auction and Allotment of Built up Modules in MEPZ SEZ

The following details of e-auction conducted for the vacant Modules, since the last meeting of the Authority, were placed before the Authority for information and ratification.

Sl. No	Details of the Property	Date of e-auction	Name of the H 1 Bidder	H 1 bid amount in ₹	Remarks
1	Module Nos. 31 & 32 in SDF I building.	27.12.2019	M/s. Iopex Technologies Pvt. Ltd.	6,028	Bid accepted and offer letter sent to H1 bidder.
2	Module Nos. 35 & 36 in SDF I building.	27.12.2019	M/s. Iopex Technologies Pvt. Ltd.	3,578	Bid accepted and offer letter sent to H1 bidder.

3	Module Nos. 43 & 44	27.12.2019	M/s. Econ Systems India Private Ltd.	6,018	Bid accepted and allotted to H bidder.
4	Module No. 58	27.12.2019	M/s. Coda Technology Solutions Pvt. Ltd.	3,158	Bid accepted and allotted to H1 bidder.

The Members perused the details and ratified the same.

2.2. Renewal of Fixed Deposits

The details of Fixed Deposits renewed with the Banks, since the last meeting of the Authority, were placed before the Authority for information and ratification. The Members examined the details and ratified the same.

Shri. Milind Mungikar, Member, suggested that the Authority may explore the possibility of investing the Authority funds in Bonds issued by M/s. Tamil Nadu Power Corporation Ltd or M/s. Tamil Nadu Transport Corporation Ltd where the interest rate is higher than that offered by the Nationalised/Private Banks. The suggestion was welcomed by other participants too. Accordingly, it was decided that a portion of around 5% of total investments can be made in these Bonds to balance the risk and return. The Chairman instructed that in future while calling for quotes from the Nationalised/Private Banks for renewal of Fixed Deposits, quotes from the above mentioned Corporations of State Government of Tamil Nadu may also be called for.

Agenda Item No: 3: For approval

3.1. Construction of Trade Facilitation Centre at MEPZ

The Chairman stated that the MEPZ has got fully saturated and further scope of expansion within the Zone is limited and that the Units inside the Zone are not in a position to expand their operating area to provide for common facility infrastructure. Trade Facilitation Centre is a long pending demand of the Units inside the Zone.

He further explained about the salient features and components which will form part of the Trade Facilitation Centre and clarified that the proposed TFC is not a mere convention centre and that this would be an exclusive trade promotion facility with

mini conference halls, skill development hub, incubation centre, etc. for the Units in MEPZ. The total area to be constructed will be about 42,400 sq.ft. and the total cost of the project is estimated at ₹ 26.10 crore.

The Members were also informed that ITCOT Consultancy and Services Ltd. is a deemed Central Government Company (Central Public Sector Enterprise). The organisation has a team of competent professionals from various disciplines with experience in a wide range of functional areas and industries. ITCOT is an approved consultancy agency for the provision of various consultancy services such as preparation of Project Report, Project Appraisals, Project Management Consultancy etc. for Government Departments, Financial Institutions, Banks etc. ITCOT has prepared Detailed Project Reports for establishing Trade Facilitation Centres under TIES at SIPCOT IT Park in Siruseri, SIPCOT IT Park in Cuddalore, SIDCO Industrial Area in Krishnagiri District and an expansion project for Chennai Trade Centre. A power point presentation was made to the Members by the representative of ITCOT about the projects being undertaken by them.

The Authority after deliberations decided to engage ITCOT for preparing Detailed Project Report (DPR) for the TFC project for MEPZ.

3.2. Construction of New Customs Office Building near the Main Gate of MEPZ SEZ

The Members of the Authority were informed that the present building which houses the Customs office at the MEPZ Main gate is in a dilapidated condition and the Customs Officers should be given an appropriate office space with adequate infrastructure for their smooth functioning.

M/s. KITCO Ltd., the maintenance agency for MEPZ, has submitted an estimate and drawings for the Construction of new Customs Office building. The estimated cost is ₹1,51,91,478/- The proposal for construction of a new Customs office was placed before the Authority for approval. After examination of the proposal the Members agreed that Customs being a crucial part of the Zone activities, provision of suitable infrastructure for the Customs Office is essential both for the Customs Officers as well as the Unit Representatives who visit the Customs Office for official works. Therefore, the Members approved the proposal.

3.3. Providing Pedestrian Walkway at one side of the Road from Alleri Lake to M/s. Inga Pharmaceuticals Ltd., and from A.R. Exports to M/s. Ital Beauty Nippers Pvt. Ltd.

The Members were informed that a Pedestrian WalkWay at one side of the road from the MEPZ Main gate to Alleri Lake at a cost of ₹87.44 lakh has been completed and was inaugurated by the Additional Secretary, Department of Commerce on 29.01.2020. The WalkWay is being used by the employees and well appreciated by the Units, employees especially labourers who walk to work and Associations like MEPZMA and EPCES. Based on the resounding feedback received on the use of the WalkWay, it was proposed to extend the WalkWay from Alleri Lake to Inga Pharmaceuticals Ltd. (Phase II) and from A.R. Exports to Ital Beauty Nippers Pvt. Ltd. (Phase III).

M/s. KITCO Ltd. has submitted the estimates as follows:

Sl. No	Description	Amount (₹)
1	Alleri Lake to Inga Pharmaceuticals (800m)	1,24,95,897
2	A.R. Exports to Ital Beauty Nippers (600m)	94,96,702
	Total	2,19,92,599

The Authority after deliberations approved the proposal of construction of Pedestrian WalkWay in Phase II and Phase III areas.

3.4. Further extension of contract entered with M/s. KITCO Ltd. for maintenance of MEPZ SEZ

The Members were informed that in the 22nd meeting held on 18.12.2019, the Authority ratified the proposal for extension of contract of M/s. KITCO Ltd. upto 31.12.2019 and also approved the proposal for further extension of the Contract for a period of 3 months up to 31.03.2020.

The Members were also informed that due to the outbreak of coronavirus there was complete lockdown from 24.03.2020 to 14.04.2020, which was extended till 03.05.2020 partially which was further extended till 17.05.2020 and now extended upto 31.05.2020. During the lockdown period inviting Tenders for the appointment

of Project Management Consultants by the Authority could not be carried out. The Members were informed that a further extension of the contract with KITCO upto 30.09.2020 is necessary to enable the MEPZ SEZ Authority to complete the tender process. The Authority approved the proposal of extension of contact with KITCO up to 30.09.2020.

3.5. Further extension of contract with M/s. CMS through M/s. KITCO Ltd.

The Members were informed that in the 22nd meeting held on 18.12.2019, the Authority ratified the proposal for extension of contract of M/s. CMS Ltd. through M/s. KITCO Ltd. for the RFID based Access Control System upto 31.12.2019 and also approved the proposal for further extension of the Contract for a period of 3 months up to 31.03.2020 for uninterrupted maintenance of the facility.

The Members were also informed that due to the outbreak of coronavirus there was complete lockdown from 24.03.2020 to 14.04.2020, which was extended till 03.05.2020 partially which was further extended till 17.05.2020 and now extended upto 31.05.2020. During the lockdown period inviting Tenders for the appointment of Project Management Consultants by the Authority could not be carried out. Hence, the Members were informed that a further extension of the contract with M/s. CMS Ltd through KITCO upto 30.09.2020 is necessary to enable the MEPZ SEZ Authority to complete the tender process.

Since the functioning of the Units in the Zone came to a halt due to the lockdown, the Toll gate and Pedestrian Access Control were also closed. It has been decided to resume the RFID Toll gate and Pedestrian Access Control Operations with effect from 01.06.2020. It has also been decided that no payment towards Operation and Maintenance of the Access Control and Security Systems will be paid to M/s. CMS Ltd. for April and May 2020 since there was no operation for two months.

The Authority approved the proposal of extension of contract with M/s. CMS Ltd. through M/s. KITCO Ltd. up to 30.09.2020.

3.6. Rent waiver for the Units in Agaram StartUp facility in MEPZ SEZ

The Members were informed that in pursuance of the Policy of Government of India to encourage StartUps, MEPZ SEZ Authority had converted Modules 27 & 28 in

SDF I building handed over by M/s. DXC Technology India Pvt. Ltd. into a StartUp facility consisting of 144 seats. Out of the 144 seats, 96 seats (three 8-seaters and six 12-seaters)) were allotted with effect from 01.03.2020 to eight StartUp Units based on e-auction.

Before the Units could actually start their operations, the lockdown due to the outbreak of novel coronavirus was announced. The Units, therefore, could not use the facility and instead, were forced to work from Home. The StartUp Units have now requested for waiver of lease rental for the modules allotted to them for the period from 1st March 2020 to 31st July 2020. The Authority was further informed that the Central Government has announced a rent waiver of 4 months from 1st March 2020 to June 2020 for IT Units operating in STPI Units in order to mitigate the losses suffered by the Units due to the lockdown.

The proposal was discussed by the Members. They noted that though the Modules were allotted to the Startups in March 2020, they have not actually started functioning from the premises due to the Lockdown and therefore, it would be unfair to charge Lease Rent for the months they have not used the facility. Since they are unlikely to use the facility till the end of June 2020 due to the Lockdown, the Members have decided to waive off the Lease rent for the StartUps for the period from 1st March 2020 to 30th June 2020.

3.7. Allotment to StartUps in Agaram Start up facility in MEPZ:

In its 22nd meeting, the Authority decided to convert six 4-seater modules and three 8-seater modules into four 12-seater modules as there was good demand for 12-seater modules. Accordingly e-auctions were held on 16.03.2020 and 17.03.2020 for the four 12-seater modules.

The results of the E-Auction are as follows:

Module No.	Date of E Auction	H-1 Bidder	Remarks
G-12	16.03.2020	M/s. Coda Technology Solutions Pvt. Ltd	2 Bidders participated in the E-Auction
H-12	16.03.2020	M/s. Coda Technology Solutions Pvt. Ltd	2 Bidders participated in the E-Auction

I-12	17.03.2020	M/s. M I Traders and Services Private Limited	Only 1 Bidder participated in the E-Auction
J-12	17.03.2020	No Bid Received	----

The proposal for Allotment of Modules G-12 and H-12 to M/s. Coda Technology Solutions Pvt. Ltd. was placed before the Authority for approval. The Proposal for Allotment of Module I-12 to M/s. MI Traders and Services Pvt. Ltd., the single bidder, was also placed before the Authority for approval, as was done in the case of other single bids earlier. The Authority has approved both the proposals. Further, the proposal for re-auction of Module J-12 was also approved by the Authority.

3.8. E-auction of SDF Modules surrendered by M/s. DXC Technology Ltd

The mMembers were informed that for the SDF Modules No: 9 & 10 surrendered by M/s. DXC technology Ltd., it is proposed to conduct e-auction for allotment to prospective bidders. The Authority approved the proposal.

3.9. Creation of StartUp facility in SDF I (Phase II):

The members were informed that out of the 144 seats created in the Agaram Plug and Play facility to encourage StartUps, 132 seats have been auctioned and allotted. On the basis of the response received for the StartUp facility, it was decided to convert Module Nos. 5, 6, 7, 8, 11, 12, 15, 16, 49 & 50 surrendered By M/s. DXC Technology Ltd. also as Plug and Play facility for the StartUps. The proposal was placed in the 22nd Authority meeting and was accepted by the Members.

M/s. KITCO Ltd. has now prepared the detailed estimates for renovating the modules and converting them into Plug & Play facility for 813 seats. The estimated cost is ₹ 3,52,97,168/-. The above 10 Modules for StartUp facility (Phase II) will have 813 seats in addition to the 144 seats already set up, thus totaling to 957 seats. The proposal to renovate the Modules and convert them into Plug & Play Facility at the estimated cost was placed before the Authority.

The Members discussed the proposal and welcomed the idea of encouraging the StartUps. Mr. Sekar, ADGFT suggested that since the facility is exclusively for StartUp Units, the modules should be allotted on First Come First Serve basis instead of e-

auction. The suggestion was agreed to by other Members too. In fact, a similar decision was taken in the last Authority meeting too.

Further, the Authority has approved the proposal to renovate the Modules and convert them into Plug & Play Facility at the estimated cost.

3.10. Providing N95 facemasks to the Government General Hospital, Chromepet, Chengalpattu Collectorate, Police Personnel, St. Thomas Mount Range and PPE Kits to the CISF personnel at Chennai Airport.

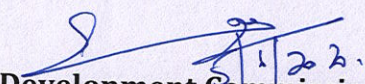
The Chairman stated that the Chief Civil Surgeon and Medical Officer (i/c), Government General Hospital, Chromepet had requested for N95 masks for their Doctors, Nurses, Technicians, Health workers, Housekeeping staff and other staff who are treating COVID-19 patients. Their total strength is 189 and the requirement is at least 5 N95 masks per person per month. This amounts to around 1000 masks per month approximately. The Hospital authorities have requested MEPZ SEZ Authority to sponsor at least 2000 masks to cater to their needs for 2 months.

The Chairman further informed that when this matter was being deliberated, M/s. Air Filter Systems, an SEZ Unit in MEPZ came forward to sponsor 1000 N95 masks for the Government Hospital. Therefore, the proposal to sponsor the remaining 1000 N95 facemasks at an approximate cost of ₹ 1,50,000/- was placed before the Authority for approval.

Further, the Chairman proposed for sponsoring 1000 3-Ply masks to Collectorate, Chengalpattu and 1000 3-Ply Masks to the Police Personnel of St. Thomas Mount Range, at a cost of ₹ 24,000/- in total and 100 PPE Kits to the CISF personnel at Chennai Airport at an approximate cost of ₹ 70,000/- as per the request made by the District Collector, Chengalpattu.

The Authority Members have appreciated the need for sponsoring such protective kits and gears to the frontline workers who are fighting against COVID-19 and unanimously approved all the three proposals.

As all the agenda were discussed, the meeting ended with a vote of thanks to the Chair and the Members.


Assistant Development Commissioner
Estate Management