

AGENDA

COCHIN SPECIAL ECONOMIC ZONE AUTHORITY

42nd Meeting

Date : 28.03.2022
Time : 3.00 PM
Venue : CSEZ Admn. Building

**COCHIN SPECIAL ECONOMIC ZONE AUTHORITY (CSEZA)
42nd MEETING OF THE COCHIN SPECIAL ECONOMIC ZONE AUTHORITY
MONDAY, 28th MARCH, 2022**

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COCHIN SPECIAL ECONOMIC ZONE AUTHORITY (CSEZA)
42nd MEETING OF THE COCHIN SPECIAL ECONOMIC ZONE AUTHORITY
MONDAY, 28th MARCH, 2022

A: Confirmation of the minutes of the 41st CSEZ Authority meeting held on 22.12.2021

The minutes of the 41st CSEZ Authority meeting held on 22.12.2021 is placed before the Committee for confirmation.

Minutes of 41st Meeting of CSEZ Authority held on 22-12-2021

Cochin Special Economic Zone Authority (CSEZA)
Ministry of Commerce & Industry,
Department of Commerce, Government of India
Administrative Building
Kakkanad, Cochin-682 037.

Minutes of the 41st meeting of the CSEZ Authority held on 22-12-2021 at 11.00 A.M. under the Chairmanship of Shri D.V. Swamy IAS, Development Commissioner, CSEZ & Chairman, CSEZ Authority.

The following Members of the Authority were present.

1. Shri D.V. Swamy, IAS : Chairman (ex-officio)
Development Commissioner,
Cochin Special Economic Zone.
2. Shri K.M. Harilal, : Member (ex-officio)
Joint Director General of Foreign Trade,
Kakkanad, Cochin.
3. Shri Boni Prasada Rao, : Member (ex-officio)
Deputy Development Commissioner ,
Cochin Special Economic Zone, Bangalore.
4. Shri Saranathan P.S., Vice President (Finance) : Member
Sutherland Global Services Pvt. Ltd.,
CSEZ, Cochin-682037.
5. Shri Vinod Kumar R, : Member
Director,
M/s Western India Cashew Company Pvt. Ltd.,
CSEZ, Cochin – 37.

Besides, the members, Shri Pramodu S, ADC & Secretary-in-Charge, CSEZA, Shri Harikumar K K, ADC (Estates), CSEZA, Shri Savio, Assistant, CSEZ, Smt. Vijitha, M.S. Assistant, CSEZ were also present to assist the Authority.

Agenda Item No. A: Confirmation of the minutes of 40th meeting of the CSEZ Authority held on 25-10-2021.

The minutes of the 40th meeting, circulated among the members in advance, was confirmed.

Agenda item No. B: Action taken on decisions of the previous meeting.

Action taken on the decisions/approvals of pervious meeting as reported was noted by the Authority.




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Minutes of 41st Meeting of CSEZ Authority held on 22-12-2021

Agenda item No. C:-

The Gist of discussion/decision is given below:

(i) Annual Report for the year 2020-21.

The Authority after due deliberations, approved the Annual Report for the year 2020-21.

(ii) Preparation of plan for rainwater harvesting and groundwater recharge in CSEZ.

The Authority considered the proposal and to select the agency in terms of Clause 7.3 of the Manual of Procurement of Consultancy and Other Services 2017. It is also decided to release 50% of the consultancy fee in advance as per the terms of payment of CWRDM.

(iii) Proposal for execution of MoU with College of Forestry, Kerala Agriculture University for launching Miyawaki Forest inside Cochin SEZ.

The Authority has approved the proposal for execution of MOU with the College of Forestry, Kerala Agriculture University, Vellanikkara for implementation of Miyawaki Forest inside CSEZ.

(iv) Proposal for approval of ZLD agreement to be executed by units with CSEZA.

The Authority after due deliberations, considered and approved the ZLD agreement to be executed by concerned units with CSEZA.

(v) Changes proposed in the license agreement in respect of pipelines carrying natural gas and other petroleum products.

The Authority after due deliberations, considered and approved the changes proposed in the license agreement in respect of pipelines carrying natural gas and other petroleum products.

(vi) Amendment in the lease deed incorporating the calculation of lease rent compounded on quarterly basis as recommended by DoC.

The Authority after due deliberations, considered and approved to replace clause No.4 in the existing lease deed with the new clause as proposed.

(vii) Ratification of extension of engagement of Project Management Consultancy (Owners Engineer) M/s WAPCOS Ltd. and Outsourcing agencies of WAPCOS Ltd.

The Authority after deliberations ratified the extension of engagement of WAPCOS Ltd. (owners engineer) and outsourcing agencies of WAPCOS for a period upto 31.01.2022.



Minutes of 41st Meeting of CSEZ Authority held on 22-12-2021

(viii) **Ratification of extension of contract period of consultants.**

The Authority after due deliberations ratified the extension of period of consultants for a period upto 31.01.2022.

(ix) **Revised Budget Estimate of CSEZ Authority for the year 2021-22.**

Revised budget estimate for the year 2021-22 was discussed in detail in the meeting and approved the same.

(x) **Review of Ongoing Capital Works in CSEZ.**

The Authority noted the status of various on-going projects in CSEZ.

(xi) **Schedule of vacant space in the Zone.**

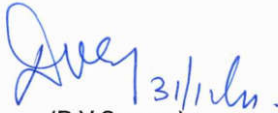
The Authority noted the vacancy status of built up space/land available in CSEZ.

D. Any other matter approved by the Chairman.

The Authority has also discussed on the implementation of Master Plan formulated for CSEZ. It has been decided to constitute a Committee under the Chairmanship of Joint Director General of Foreign Trade, Cochin, Shri K M, Harilal to explore the ways to implement the Master Plan.

The meeting ended at 12.30 p.m. with thanks to the Chair.




(D V Swamy)
Chairman.
CSEZ Authority

B: Action taken on decisions of the previous meeting.

Agenda No. C	Date	Subject	Action taken
(i)	22.12.2021	Annual Report for the year 2020-21	The Authority approved the Annual Report and submitted to the Parliament.
(ii)		Preparation of plan for rainwater harvesting and groundwater recharge in CSEZ	Contract executed with the agency viz. CWRDM.
(iii)		Proposal for execution of MoU with College of Forestry, Kerala Agriculture University for launching Miyawaki Forest inside Cochin SEZ.	Follow up action has been taken to execute MoU.
		Proposal for approval of ZLD agreement to be executed by units with CSEZA	
		Charges proposed in the license agreement in respect of pipelines carrying natural gas and other petroleum products	Follow up action has been taken to execute agreement.
		Amendment in the lease deed incorporating the calculation of lease rent compounded on quarterly basis as recommended by DoC	Necessary amendment has been made in the agreement.
		Ratification of extension of engagement of Project Management Consultancy (Owners Engineer) M/s WAPCOS Ltd. and Outsourcing agencies of WAPCOS Ltd.	
		Ratification of extension of contract period of consultants.	
		Revised Budget Estimate of CSEZ Authority for the year 2021-22.	
(iv)		Review of ongoing capital works in CSEZ.	
(v)		Schedule of vacant space in the Zone	
D.		Any other items approved by Chairman, CSEZA.	
(i)	22.12.2021	Implementation of Master Plan formulated for CSEZ.	Follow up action has been taken.

C: Proposal for consideration.

(i) Budget Estimate for 2022-23 of CSEZ Authority.

The Budget Estimates and Revised Estimates for 2021-22 of the Cochin Special Economic Zone Authority was approved in the 38th and 41st meeting of Authority respectively.

Budget Estimates for 2022-23 is presented herewith envisaging a total income of **Rs.7489.21 lakh** and an expenditure of **Rs.4929.84 lakh** leaving an operating surplus of **Rs.2559.36 lakh**.

The Actual income and expenditure for the period up to 31st January 2022 and estimates for the remaining two months has been taken into consideration for preparation of the Budget estimates for the year 2022-23.

The detailed Budget Estimate for 2022-23 is placed at Annexure-I. The salient features of the budget are as follows:

Sl.No.	Budget Head	Budget Estimates 2022-23 (Rs. in lakh)
1	OPERATING INCOME	6938.96
2	OPERATING EXPENDITURE	4664.04
3	OPERATING SURPLUS (1-2)	2559.36
4	<i>Add:</i> (1) ADMINISTRATIVE & MISC. INCOME	0.25
5	(2) FINANCE & MISC.INCOME	550.00
6	TOTAL (3 + 4 + 5)	2825.16
7	<i>Less:</i> (1) ADMINISTRATIVE & MISC. EXPENDITURE	265.80
8	(2) FINANCE & MISC. EXPENDITURE	0.00
9	TOTAL (7 + 8)	265.80
10	NET SURPLUS (6 -9)	2559.36
11	CONTRIBUTION FOR CAPITAL WORK	2547.60
12	SURPLUS AVAILABLE AFTER CONTRIBUTION	11.76

The Budget estimates in detail is placed below for approval of the Authority.

(ii) Energy Audit of Power Distribution System in CSEZ – Ratification

As per proviso to Clause 3 of the Bureau of Energy Efficiency (Manner and Intervals for Conduct of Energy Audit (Accounting) in Electricity Distribution Companies) Regulations 2021 notified vide No.18/BEE/DISCOM/2021 dated 6th October 2021 issued by the Bureau of Energy Efficiency, the first annual energy audit of every electricity distribution company has to be conducted within six months from date of commencement of the said notification i.e. by 6th April, 2022 and the result has to be uploaded in the website of DISCOM. CSEZA being a DISCOM for the supply of power within the CSEZ, CSEZA is also bound to conduct the energy audit.

To carry out the energy audit, CSEZA has invited limited tenders from the BEE accredited energy auditing firms located in Kerala and are registered with the Energy Management Centre. After completing tender formalities, CSEZA has selected Kerala State Productivity Council (KSPC) as Energy Auditor at an amount of Rs.3,90,000/- (excluding GST).

The matter is placed before the CSEZ Authority for ratification.

(iii) Appointment of Chartered Accountant Firm as Internal Auditor (External Agency) of CSEZ Authority

The Comptroller and Auditor General in its annual audit reports has been pointing out the absence of an internal auditing mechanism for auditing the accounts maintained by the Chartered Accounting firm even though a Chartered Accountant firm is engaged for maintenance and finalisation of accounts in terms of Rule 6(1)(iii) of SEZ Authority Rules, 2009. The decision is taken in accordance with Rule 9(4) of the SEZ Authority Rules, 2009. In view of this it was proposed to engage another Chartered Accountant firm who is empanelled by CAG.

The proposal is placed before the CSEZ Authority for ratification.

(iv) Waiver of rent in respect of canteens run by CEPZIA

Three spaces in the Zone viz. (1) CSEZ canteen (Plot No.13), (2) Canteen at Plot No.16 and Executive Canteen at FRBL Building were given to CEPZIA to run canteens. However, due to COVID-19 pandemic situation and on Government directions under Disaster Management Act these canteens were remained closed and non-operational. Hence, CEPZIA has requested for waiver of lease rent in respect of the above canteen spaces amounting to Rs.85,225/- inclusive of IGST @ 18%. In terms of Rule 7(6) of the SEZ Authority Rules, 2009, Authority can write off irrecoverable losses of its property on account of irrecoverable lease rent, natural calamities, etc. amounting upto Rupees One lakh. Considering COVID-19 pandemic as a natural calamity, it is proposed that the above sum may be written off from the accounts of CSEZA.

The matter is placed before the CSEZ Authority for consideration.

(v) Lease rent rates for land and built up space in CSEZ for the year 2022-2023.

The current lease rent rate applicable for built up space is Rs.2916/- per sq.mtr. per annum and Rs.389/- per sq.mtr. per annum for plots. The above rates are effective from 01.04.2017. The Authority has not revised the lease rent after FY 2017-18.

The matter is placed before the CSEZ Authority for consideration.

(vi) Execution of agreement with Indian Oil Adani Gas Pvt. Ltd. for supply of natural gas for operation of boiler in ZLD plant.

As part of the Operation of Reject Management System of ZLD plant a 2.5 Tonne IBR Boiler is installed to generate steam. As the boiler is gas fired and M/s. Indian Oil Adani Gas Pvt. Ltd. is the supplier of natural gas in CSEZ, they have given consent to supply gas to the ZLD plant. Accordingly, security deposit of Rs.5,70,000/- was paid to them and MDPE pipeline was

laid till the plant premises. In this connection, a gas supply agreement has to be executed in the format provided by the supplier.

The matter is placed before the CSEZ Authority for consideration.

(vii) Audit observation on construction of MLCP – reg.

The project of multi-level car parking was conceived in 2011 and was decided to implement it with a grant-in-aid from the Ministry of Commerce & Industry under ASIDES. The project was entrusted to the then O&M Agency, KITCO. The project could not be started in the location identified for it and an amount of Rs.68.79 lakh was spent for initial land development. The Comptroller and Auditor General in their audit for the period 01-04-2015 to 31-03-2018, observed that there was a delay in construction of multi-level car parking in CSEZ and as per the agreement executed with KITCO a penalty of maximum 5% of the contract value. Since the contract value was Rs.414.28 lakhs, a penalty of Rs.20.71 lakh could be recovered from them.

This office informed CAG that Rs.68.79 lakh was spent utilizing CSEZA's own fund for land development and the same is reflected in Schedule 3 Fixed Assets as an addition to land development in the Annual Accounts for the year 2020-21. It was also informed that the project is under implementation and the same is expected to be completed by April 2022 and hence requested to drop the relevant paras. Action taken on the above observation has to be intimated to the CAG.

The matter is placed before the Authority for its consideration.

(viii) Master Plan of CSEZ

Proposal for preparation of a comprehensive master plan for CSEZ considering the future development of CSEZ in the next 30 years at an estimated cost of Rs.74.00lakh was approved in the 38th Authority meeting held on 25-03-2021. Accordingly, M/s.Voyants Solutions Pvt. Ltd. was engaged to prepare the Master Plan and a final report was submitted by them.

The matter is placed before the CSEZ Authority for consideration.

(ix) Review of Ongoing Capital Works in CSEZ

Sl. No.	Name of Project	Work Status (% completion)	Expected Date of Completion (EDC)	Work Order / Contract Value with Agency (Excluding PMC Charge)
1	Construction of New SDF 3 Building			
	1. Main Civil Works	93	31-05-2022	42,36,98,243.00
	2. Plumbing Works	90	15-04-2022	28,81,459.00
	3. Structural Glazing Works	97	15-04-2022	6,72,91,079.00
	4. Extra Civil Works	55	31-05-2022	6,47,60,069.00
	5. Firefighting & Protection Works	80	31-05-2022	1,89,40,518.00
	6. Internal Electrification Works	70	31-05-2022	48,31,220.00
	7. Substation & DG Set Works	85	31-05-2022	3,50,14,149.00
	8. SITC of Lifts	95	31-05-2022	74,00,000.00
2	Installation of ZLD Plant			
	1. Plant & Machinery			
	i) Biological Treatment, MBR, Softner, Degasser, RO, Saturator, Ultrafiltration, RO IV, Belt Press	95	15.04.2022	10,10,00,000.00
	ii) Reject Management (MEE), Boiler and Other Accessories for MEE	90	15.04.2022	2,31,49,000.00
	2. Civil Works			
	i) Civil Work- Phase-1 (for RO Plant)	100 (Completed)	05-07-2021	7,24,64,370.00
	ii) Civil Work- Phase-2 (for RMS Plant)	100 (Completed)	15-07-2021	73,32,215.00
	3. Collection and Conveyance System	50	15.04.2022	46,77,876.00
	4. Electrical works	100 (Completed)	15-04-2021	22,61,698.00
3	Construction of Multi Level Car Parking Building	60	31.05.2022	5,78,92,918.00

Sl. No.	Name of Project	Work Status (% completion)	Expected Date of Completion (EDC)	Work Order / Contract Value with Agency (Excluding PMC Charge)
4	Civil, Interior & Allied Works for Modification of Existing Building into Crèche and Gymnasium			
	1. First Floor - Gymnasium	100 (Completed)	15-02-2021	2,05,92,482.00
	2. Ground Floor - Crèche	95	31-03-2022	
	3. Supply and Installation of Fitness Equipments in Gymnasium	100 (Completed)	15-02-2021	24,47,834.00
	4. Open Cell Ceiling (Extra Item - Civil)	100 (Completed)	31-01-2021	5,88,000.00
	5. Wooden Pergola and Granite Flooring (Extra Item – Civil)	100 (Completed)	31-01-2021	3,75,000.00
	6. Supply Installation and Commissioning of Cassette Type Inverter AC	100 (Completed)	31-10-2020	11,53,270.00
	7. Maintenance Work of Terrace Slab	100 (Completed)	11-09-2020	1,45,096.00
5	Construction of Sports Facility in SDF 17			
	Civil Works	70	-	68,21,138.00

(x) Schedule of vacant space in the Zone

Sl. No.	Approximate Area in Sq.mtrs.	Vacant Space in SDF	Location
1	77.71	SDF 16	I Floor
2	192.00		II Floor
3	377.00		II Floor
4	332.68		III Floor
5	169.70		IV Floor
	TOTAL AREA - 1149.09		

1	302.66	SDF 17	II Floor
2	404.18		II Floor
3	495.72		II Floor
4	166.95		III Floor
5	227.23		III Floor
6	703.18		III Floor
7	300.61		IV Floor
8	126.23		IV Floor
	TOTAL AREA – 2726.76		

1	238.00	43A	II Floor
2	812.75		IV Floor
	TOTAL AREA – 1050.75		

The total vacant built-up area is **4926.60 sq. mtr.**

Vacant Space in Plot :

Area in Sq. mtrs.		
1	4203.26	Plot No 31
2	11429.50	Plot 9
3	2027.00	Plot 6
	TOTAL AREA –17659.76	

Submitted for perusal of the Authority

D. Any other items as approved by Chairman.