

**INSURANCE REGULATORY DEVELOPMENT AUTHORITY OF INDIA**

30<sup>th</sup> April 2015

Subject: Minutes of the 34<sup>th</sup> Procurement Committee meeting held on 30<sup>th</sup> April 2015

Present:

- |  |                   |
|--|-------------------|
| (i) Shri M.Ramaprasad, Member (NL)       | - Chairman        |
| (ii) Shri M. Pulla Rao,(Sr. JD-General)  | - Member          |
| (iii) Shri Lalit Kumar Chandel,(FA)      | -Member           |
| (IV) Shri A Ramana Rao, (JD- Inspection) | - Member          |
| (V) Shri M.S.Jayakumar,(CAO)             | - Member Convener |

User Department present: ✓

- (vi) Shri H. Anathkrishnani, (JD)
- (vii) Shri. Vikas Kapoor, (JO)

Chairman and Members of the committee were apprised about the agenda item.

**1. Valuation of TAC properties**

The department apprised the committee that with the passing of Insurance Laws Amendment Bill 2015 by the parliament, TAC has been wounded-up. As per the decision of a committee formed by Ministry of Finance, Govt. of India, in its meeting held on 22/03/2011), all residual matters related to TAC are to be attended by IRDAI and unsold TAC properties are to be sold on the latest valuation price.

A Committee reconstituted by IRDAI named 'Committee for Disposal of TAC Assets' in its meeting held on 14<sup>th</sup> November 2014 decided for obtaining fresh valuation in respect of unsold TAC properties (20) as well as few TAC properties purchased by IRDAI(2 ). For arriving at fair average value of the property and bringing more transparency in the valuation, it was decided to obtain valuation from two entities i.e. SUUTI and HDFC may be obtained. The committee also decided that apart from obtaining valuation of the 22 TAC/IRDAI properties, services of SUUTI will also be availed of for:

- a. Assist in obtaining of certified copies of documents from local authorities, etc. for the TAC properties with missing documents
- b. Completing registration process of the already sold but unregistered properties.
- c. Facilitating sale of 11 revalued TAC properties through bidding process among PSU insurance companies, to be informed in due course. The revalued price of the property will be the base price for bidding process.

Accordingly, IRDAI sent communications dated 19/01/2015 to two entities i.e. 1) HDFC Realty Ltd. for submitting its proposal only for valuation of 22 TAC properties and 2) to SUUTI as above.

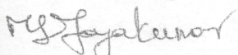
A proposal has been received from SUUTI for carrying out the following activities:

1. Valuation of 22 residential properties
2. Completing documents for few TAC properties/IRDAI,
3. Completing registration process of already sold TAC properties

Sr. No.	Particular of Activities	Process to be adopted by SUUTI	No of Properties	Rate of Fees (in `)	Total Fee chargeable by SUUTI(in `)
1.	Valuation of Properties	Valuation by two (02) independent valuers and thereafter the valuation would be put-up to the Advisory Committee at UTITISL which comprises of three (03) eminent valuers and thereafter the value of the said properties would be decided.	22	15000/- per property + service tax	3,30,000/- + Service Tax
2.	Properties with incomplete documents	Through search and advertisement process.	05	1,50,000/- per property + Service Tax	7,50,000/- + Service Tax
3.	Properties sold but yet to be registered	To be registered with appropriate authority.	10	75,000/- per property + Service Tax	7,50,000/- + Service Tax
4.	Selling of the unsold properties	To be discussed at appropriate time.			
5.	Total cost of the exercise				18,30,000/- + service tax

The Committee approved the proposal.

The meeting ended with vote of thanks to the Chair.

  
CAO

Member-Convener

  
JD (Inspection)

Member

  
Sr JD (Gen)

Member

  
FA

Member

  
Member (NL)

Chairman