

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM in the Conference Room of Service Centre, NSEZ under the Chairmanship of Dr. L.B. Singhal, Chairman & CEO, NSEZ Authority.

The following Members of the Authority were present.

1. Shri S.S. Shukla, Jt. Development Commissioner, NSEZ
2. Sh. Gagandeep Singh, Dy. DGFT, Kanpur
3. Sh. Puneet Kapoor, Partner, M/s. APK Identification, NSEZ

Besides, during the meeting Shri Rajesh Kumar, Dy. Development Commissioner, NSEZ, Shri R.P. Verma, Secretary, NSEZ Authority, Shri Ajay Kumar Mishra, Account Officer, NSEZ were also present to assist the Authority. List of other participants is enclosed at Annexure-A.

At the outset, the Chairman & CEO, NSEZA welcomed the participants and after brief introduction, each item included in the agenda were taken up for deliberations one by one.

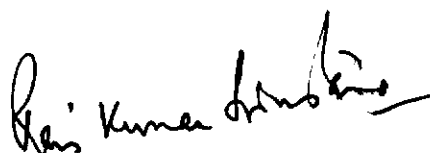
The Gist of discussion/decision is given below:

1. Ratification of the Minutes of meeting of NSEZ Authority held on 25.06.2018.

NSEZ Authority was informed that no reference was received against any of decisions taken in meeting of NSEZ Authority held on 25.06.2018. Accordingly, the Minutes of meeting held on 25.06.2018 were ratified. Further, NSEZ Authority reviewed the compliance of decisions taken in its meeting held on 25.06.2018 in terms of sub-Rule 14 of Rule 10 of SEZ Authority Rules, 2009 and expressed satisfaction over progress made in implementation of decisions taken by the Authority in its meeting held on 25.06.2018

- 2. Approval of estimate for renovation of Conference Room, NSEZ:** It was submitted that the proposal for renovation of conference room, NSEZ submitted by NBCC for 273.53 lacs was placed before the Authority in its meeting held on 26/03/2018. The Authority had deferred the proposal and decided to constitute a Committee headed by Joint Development Commissioner and comprising of Sh. Puneet Kapoor, Shri Amit Mehra, Trade Members of NSEZ Authority, Dy. Commissioner (Customs) and Dy. Development Commissioner (Estate Management) for examination of estimate and to give suitable recommendation to NSEZ Authority in the light of requirement/scope of works. On the basis of scope of work explained to Dy. Project Manager, NBCC in respect of renovation of conference room, NSEZ, M/s. NBCC (India) Ltd., vide its letter dated 12/06/2018 has submitted revised estimate of Rs. 51.54 Lakh (excluding GST). The cost in respect of GST component has been excluded in terms of section 16 of IGST Act.

2.1 The revised estimate proposal for renovation of conference room, NSEZ was examined/ discussed by the Committee headed by JDC on 31/07/2018. The committee felt that the estimate for renovation of conference hall @ Rs. 51.54 Lakh (excluding GST) based on DSR rate is according to the scope of work requisite for renovation and recommended that it may be considered for approval by the Authority. Accordingly, proposal for renovation of conference room, NSEZ at an estimated cost of Rs. 51,54,841/- (excluding GST) was placed before the Authority for approval.



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

Decision:- Authority after due deliberation approved the revised estimate submitted by M/s NBCC for Rs. 51.54 Lakh (excluding GST) for renovation of Conference Room.

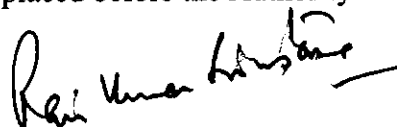
3. **Approval of estimate for renovation of SDF- F, G, H & I Blocks:** - It was submitted that the estimate @ Rs. 2030.98 Lakh for renovation of SDF- F,G,H & I blocks was placed before the Authority in its meeting held on 25/06/2018. The Authority decided to constitute a Committee headed by Joint Development Commissioner and comprising of Sh. Puneet Kapoor, Shri Amit Mehra, Trade Members of NSEZ Authority, Dy. Commissioner (Customs) and Dy. Development Commissioner (Estate Management) of examination of scope of estimate etc. and to give suitable recommendation to NSEZ Authority in the light of requirement/scope of works. M/s. NBCC submitted revised estimate for Rs. 19, 99, 98,574/- (Rupees nineteen crore ninety nine lakh ninety eight thousand five hundred seventy four only).

3.1 The Committee headed by Jt. Development Commissioner examined the estimate and observed that the same appears to conform to applicable DSR rate and is based on scope of work requisite for renovation of these blocks. The Committee recommended to place the proposal before the Authority for consideration. The budget provision has already been approved by the Authority in its meeting held on 26/03/2018 for Rs. 2000 Lakh. Accordingly, the estimate submitted by NBCC for Rs. 19, 99, 98,574/- (Rupees nineteen crore ninety nine lakh ninety eight thousand five hundred seventy four only) was placed before the Authority for approval.

Decision:- Authority after due deliberation approved the estimate of Rs. 19, 99, 98,574/- for renovation of SDF -F, G, H & I Blocks. M/s NBCC shall execute the work. It was noted that M/s NBCC had already accomplished renovation works in respect of 05 Nos. of SDF Blocks during preceding year(s).

4. **Approval of estimate for Development of Drainage System in NSEZ:-** It was submitted that the estimate amounting to Rs.1499.46 Lakh for development of drainage system in the Zone complex was placed before the Authority in its meeting held on 25/06/2018 and it was decided by the Authority to get examined the estimate as per decision taken in its meeting held on 26/03/2018. In this regards a meeting was held by the committee and it was informed to the members of the Committee headed by Jt. Development Commissioner, NSEZ and comprising of Dy. Commissioner (Customs), Dy. Development Commissioner (Estate Management) and Sh. Puneet Kapoor, Trade member of the Authority. It was brought to the notice of the committee that Noida Authority has allotted land to this office in two phases. Hence, there is a difference in slope level of existing drains. The units in the zone have erected their infrastructure at different levels at different places. All these have created a situation where the flow of water in drain is not proper and this leads to water logging in the zone.

Sh. Anurag Singhal, DGM and Atul Jadhav, DPM, NBCC informed that in order to assess proper gradient/slope of drains across the zone detailed digital mapping is required before construction of drainage system to mark the gradient/slope required for the drainage. He informed that cost of this study i.e. Digital Mapping will be Rs. 20.94 lakh only. Members of the Committee also concerned with the view of representative of M/s NBCC that a Digital Mapping of the zone may be got conducted which will provide us basic information for any development activities inside the zone. It was decided that recommendations of the Committee may be placed before Authority for consideration. Hence, the proposal was placed before the Authority for consideration of the proposal.



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

Trade Member of the Authority suggested that in addition to digital mapping a professional other than NBCC may also be hired to suggest scope of work for drains of NSEZ after studying the existing drain condition i.e where fresh drain is to be constructed and where minor repair and maintenance is required. He informed the Authority that some parts of drains in the zone may require suitable repair only and some may require dismantling of existing one and construction of new one.

Decision:- Authority after due deliberation decided to (i) hire a professional to suggest the proper scope of work for drainage system and (ii) to get the digital mapping of the zone done through M/s NBCC Ltd.

5. **Draft guidelines for allotment & regulation of shops:** It was informed to the Authority that there are 16 shops inside the Zone and 04 are vacant. These shops are earmarked for activities as per details given below:-

- a) Courier Services
- b) Air, Rail/Road ticket and Passport Services
- c) Medical Store
- d) Colour/blue print of large map/drawing.
- e) Banks
- f) Other services useful for NSEZ units

However, there has been no guideline for allotment/cancellation of shop, change of ownership/change of firm which has been allotted the shop etc.

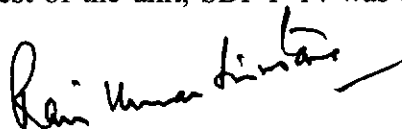
5.2 The proposal for framing of guidelines for allotment of shops in the zone complex was placed before the Authority in its meeting held on 26/03/2018 where it was decided by the Authority to constitute a committee headed by Dy. Development Commissioner (Estate Management), NSEZ and comprising of Secretary, NSEZ Authority and Accounts Officer, NSEZ for preparation of draft guidelines for allotment of shops/specific issues of change of shareholding etc. and give suitable recommendations to NSEZ Authority. Draft guidelines prepared by the committee were placed before the Authority in its meeting held on 25/06/2018. However, the same was deferred by the committee for further study.

5.3 The draft guidelines were again placed again before the Authority for consideration and approval.

Decision: Authority after due deliberation decided to forward the draft guidelines to the Committee constituted by Ministry of Commerce under the chairmanship of Sh. D. Anandan, JDC, MEPZ SEZ and comprising of Sh. S.S. Shukla, JDC, Noida SEZ, Sh. Satyadeep Mohapatra, JDC, Kandla SEZ for making recommendation so as to maintain uniformity in functions of SEZ Authorities across all SEZs.

6. **Policy for temporary allotment of SDFs in NSEZ:-** It was informed to the Authority that a major fire broke out on 07.06.2013 in the factory premises at Plot No. 76-77, NSEZ allotted to M/s Sara Trans Export Corporation on 10.12.2004 resulting in damage of all raw materials, consumable goods, capital goods including building structure etc.

6.1 On the request of the unit, SDF F-13 was allotted on 17.06.2013 for the period of four months without charging allotment fee as a special consideration for facilitating unit to meet their export orders in time bound manner. The allotment was done on purely temporary basis. Possession of SDF No. F-13 was taken over by the unit on 21.06.2013. On subsequent request of the unit, SDF F-14 was also allotted to the unit on 26.07.2013



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

for a period of four months on same terms & conditions i.e. without levy of allotment fee and possession was taken over by unit on 11.09.2013. In both the allotments however applicable lease rent was charged.

6.2 The request of the unit for extension of temporary allotment was considered subject to payment of Allotment fee amounting to Rs. 22,82,140/- @ Rs. 1750/- per sq. mtrs. Accordingly the unit vide this office letter dated 14.2.2014 was advised to deposit full allotment fee in respect of allotment of premises (SDFs F-13 & F-14). Unit vide letter dated 03.03.2014 had requested for waiver off the allotment fee amounting to Rs. 22,82,140/- in respect of allotment of premises (SDFs F-13 & F-14).

6.3 The request of the unit for waiver off the allotment fee was placed before the NSEZ Authority in its meeting held on 02.06.2014. Shri Jasveer Singh, Partner of the firm appeared before the NSEZ Authority and requested not to charge the allotment fee and allow the unit to retain SDFs for next one year as renovation of building damaged badly on account of fire was taking time. NSEZ Authority, after due deliberation, decided to allow the unit to retain SDFs till December, 2014 without payment of allotment fees and if the unit wants to retain SDFs after Dec, 2014 then allotment fees shall be charged @ 25% up to June, 2015 and if unit fails to shift their operations in their plot till June, 2015, then remaining 75% of allotment fees shall be charged. The decision of the Authority was conveyed to the unit vide this office letter dated 18.06.2014. Since the unit neither deposited the allotment fee nor vacated the SDFs, demand notice was served on 28.01.2015 to deposit 25% of allotment fee amounting to Rs. 5,70,535/- to retain SDF up to June 2015.

6.4 Unit vide letter dated 03.03.2015 had again requested to waive off the said charges. The proposal of the unit for waiver off the allotment fee was again placed before in the NSEZ Authority meeting held on 29.06.2015. Shri Jasveer Singh, Partner of firm appeared before the NSEZ Authority and requested to waive off the levy of allotment fee and promised to vacate the SDFs by the end of July, 2015. NSEZ Authority did not agree with his request as sufficient time was already given. However, Authority extended the time up to July 2015 on the payment of 25% of allotment fee as approved earlier by the Authority in its meeting held on 02.06.2014. The decision of the Authority was conveyed to the unit vide this office letter dated 16.07.2015.

6.5 The unit in place of paying allotment fee mentioned above made a representation to DoC for waiver off the non-refundable allotment fee. **DoC vide letter dated 25.07.2018 has informed as under :-**

“That the matter of waiver of non-applicable one time, non-refundable fee by Noida SEZ for a temporary SDF unit has been examined and it has been noted that there is no policy with NSEZ Authority for charging allotment fee for temporary allotment of units. Further, the allotment fee was levied on M/s Sara Trans Industries only when the unit refused to vacate the premises in 2016. NSEZ Authority, which is competent to levy user charges or fees or rent for use of properties of the Authority could consider charging allotment fee per year of usage for such temporary allotment. DoC vide its letter dated 25/07/2018 under reference has also clarified that in case of any legal or operational issue matter may be referred to them along with opinion of this office.”

6.6 In view of above directions of DoC, matter regarding laying down guidelines for temporary allotment of SDFs in NSEZ on the ground of natural calamities like fire, earthquake etc. was put up before NSEZ Authority for consideration.

Ravi Kumar

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

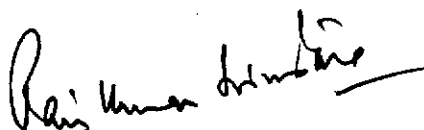
6.7 The Committee was informed that initial validity of Letter of Approval (LOA) issued to the unit is 5 years from the date of commencement of production as per SEZ Rule 19(6) of SEZ 2006. The SDF which is allotted to the unit for operation in SEZ is also allotted for 5 years i.e. Tenancy period is five years and the same is renewed after 5 years based on satisfactory performance of the unit. Therefore any allotment of SDF for five years or beyond is considered as permanent allotment for LOA. Whereas any SDF allotted for a period of upto 4 years on account of natural calamity i.e. fire & earthquake cannot be termed as permanent allotment. In this case two SDFs remained in possession of M/s Sara Trans from for 3 years 9 months (from 17/06/2013 & 26/07/2013 to 21/03/2017). Thus this was observed to be temporary allotment being allotted for a period less than five years. Representatives of Trade present in NSEZ Authority suggested that this kind of temporary allotment on account of Natural calamity needs to be considered sympathetically as the unit is already subjected to loss on account of such calamity like fire.

Decision: The members of the Authority discussed the issue at length. Authority after due deliberation decided the following guidelines for temporary allotment of SDF(s) in case of natural calamity like fire, earthquake etc:-

- i) NSEZ Authority on the request of any unit and subject to availability of SDF may permit allotment of SDF for temporary period on the ground of Natural calamity so that export performance of applicant unit doesn't suffer due to this reason.
- ii) Allotment shall be free of Allotment Charges and Security Deposit for a period of 2 years as construction of new building or restoration of damaged building is time consuming affair.
- iii) The Allottee will pay the lease rent at normal rate approved by NSEZA for the additional space also, allotted on temporary basis during this period.
- iv) If allottee has to retain the SDF for 3rd year also, 5% of applicable allotment fee shall be levied on the unit.
- v) If allottee wants to retain SDF for 4th year, additional 10% applicable allotment fee shall be levied.
- vi) Beyond 4th year full applicable allotment fee will be charged.
- vii) Unit will give an undertaking that they will not carry out any alteration work in the building structure and handover the premises in due time after clearing of lease rent.

6.8 Authority also decided that the above guidelines have been framed/laid down for temporary allotment of SDF(s) on the directions of Department of Commerce in the background of case of pertaining to M/s Sara Trans Industries. In view of this the Authority decided to forward these guidelines to DoC with the recommendation to consider giving retrospective effect of these guidelines in the matter of M/s Sara Trans Industries.

- 7 **Approval for estimate for renovation of stair cases/tiling in certain rooms:** The proposal for renovation of stair cases/tiling work of room in service Centre was approved by the Authority in its meeting held on 26/03/2018. However, it was decided to constitute a Committee headed by Joint Development Commissioner and comprising of Sh. Puneet Kapoor, Shri Amit Mehra, Trade Members of NSEZ Authority, Dy. Commissioner (Customs) and Dy. Development Commissioner(Estate Division) for examination of Scope of work, Estimate etc. The Committee may examine details of estimate submitted by M/s NBCC Ltd. and also reviewed the scope of works and will give suitable recommendation to NSEZ Authority. The committee discussed/examined the estimate on 31/07/2018 and physically inspected the site and after due deliberations, it was decided to revise the scope of the work as under:



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

- a. Only one room needs tiling, hence tiling works in one room i.e. last room in the lane where office of DC(C) is located at first floor and white wash of all the rooms is required.
- b. Staircase needs wooden panel on the wall side. The texture and colour of the wooden panel should be in sync with the reception desk on ground floor. The granite on the steps may be cleaned and polished.

Accordingly, NBCC vide its email dated 14/09/2018 submitted revised estimate of Rs. 4853912.79 (including all charges) which was placed before the Authority for approval. Earlier the proposal submitted by NBCC was for Rs. 51,77,634/-

Decision: Authority after due deliberation decided to defer the matter to re-examine the estimate and scope of work and submit its recommendations to the Authority in the next meeting.

- 8 **Imposition of penalty for delay in completion of work for construction of SDF 'M' Block, NSEZ:-** M/s NBCC India Ltd. was awarded the work of "Construction of SDF 'M' Block in Noida SEZ" vide this office letter dated 27.03.2012 at a total cost of Rs. 2143.00 lakh. The cost was subsequently revised to Rs. 2199.00 lakh vide minutes of NSEZ Authority meeting held on 07.11.2012. An amount of Rs. 1900.00 lakh has been released so far. Last installment of Rs. 1.0 crore (Rupees One Crore only) was released vide sanction order dated 11.08.2017. Final bill has not been submitted by NBCC so far. For timely and smooth completion of the project this office had signed an MOU with NBCC. Clause 19 of the said MOU reads as under:

"Failure to complete the work within the stipulated time limit of as stipulated will attract penalty of Rs.50,000/- @ 1% of P.M.C. (Project Management Charges) till three months and afterwards 2% till completion of work"

8.1 As per above mentioned MoU signed by this office with M/s NBCC for this project, the above work was to be completed within 2 years from the date of award of work to the contractor by M/s NBCC. In this case the work was awarded by M/s NBCC to the contractor on 06.10.2012. Thus this was to be completed by 05.10.2014. However, on the request of the implementing agency i.e. M/s NBCC, this time, in pursuance of clause 16 of MoU, was extended by NSEZ Authority up to 31.12.2014.

8.2 The progress of this work has been regularly monitored in various meetings of the NSEZ Authority as well as in specific meetings taken at different levels in NSEZ hierarchy. These were specifically monitored in the meetings of NSEZ Authority held on 29.06.2015, 20.01.2016, 28.03.2016, 06.10.2016, 26.12.2016, 16.03.2017, 30.05.2017, 27.07.2017, 06.11.2017, 04.01.2018, 26.03.2018 & 25/06/2018. In these meetings it was inter alia emphasized by NSEZ Authority that delay in completion of the project would attract imposition of penalty in terms of clause 19 of the MoU signed by this office with M/s NBCC.

8.3 There has been delay of 39 months (from January 2015 to March 2018) for completion of the said project. Therefore, in terms of Clause 19 of MoU mentioned above, the following penalty amount was computed:-

S. No.	Particulars	Amount(Rs. in Lakh)
i.	Estimated cost	2198.77
ii.	Amount of contract awarded by	1928.74

Rehman Hussain

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

	NBCC to its contractor	
iii.	Design & drawing @ 2%	38.57
iv.	Contingency Charges @3%	57.86
v.	NBCC Agency Charges @ 9% (Project Management Charges)	173.59
vi.	Total [ii+iii+iv+v]	2198.76
Calculation of Penalty		
i.	Work Completion dated as per MOU	05.10.2014 i.e. 2 years from the date of award of work to the contractor by M/s NBCC
ii.	Extension granted to NBCC for completion of the project by NSEZA	31.12.2014
iii.	Penalty clause in MOU	As per clause 19 of the MOU: Failure to complete the work within the stipulated time limit of as stipulated will attract penalty of Rs.50,000/- @ 1% of P.M.C. (Project Management Charges) till three months and afterwards 2% till completion of work
iv.	Penalty amount for 1st three months [from January 2015 to March 2015]	Rs.1.50 Lakhs @ Rs.50,000/- for 1st three months
v.	Penalty amount for remaining period of 36 months	Rs.124.98 Lakhs @ 2% of PMC per month
vi.	Total Penalty [iv+v]	Rs. 126.48 Lakhs

8.4 In the light of facts and circumstances explained above, the Competent Authority had imposed a penalty of Rs.126.48 Lakhs [Rupees One crore twenty six lakhs forty eight thousand only] on M/s NBCC for delay of 39 months in completion of the said project and this amount stands adjusted against the balance amount to be paid to M/s NBCC on submission of final bill.

8.5 It was also informed that an Audit team from India Audit and Account's Department has pointed out huge delay in execution of project by M/s NBCC, provision for imposition of penalty in case of delay and also expressed their strong reservations for non-imposition of penalty so far.

8.6 In view of the facts and circumstances explained above, it was placed before Authority to ratify decision for imposition of penalty for Rs. 126.48 lacs on NBCC.

Decision: Authority ratified the decision for imposition of penalty for Rs. 126.48 lacs on NBCC.

- 9 **Review of ongoing Projects awarded to NBCC:** Progress report in respect of ongoing projects awarded to M/s. NBCC was placed before the Authority for monitoring. NSEZ Authority monitored the progress of all projects being carried out by M/s NBCC one by one and expressed satisfaction over progress.

Ravi Kumar Dindori

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

- 10 **Review of on-going projects awarded to NPCC:** Progress report in respect of ongoing projects awarded to M/s. NPCC was placed before the Authority. The Authority reviewed each project one by one. Authority expressed displeasure in the delay of completion of project of Solid Waste Management Plant and development of Parks. Project Manager Sh. Ranjan Chatterjee explained that preparation of available site took approx. two months time due to uneven surface requiring a lot of digging and the same was not anticipated by them at the time of submitting project report and it was beyond their control. He also informed that due some changes in the design/scope of work the project had to be revised. Hence they are unable to complete the Project in time. DPM of NPCC requested for time extension for completion of these projects.

Decision:- Authority observed that as per clause No. 18 of the Agreement signed between NSEZ Authority and M/s NPCC, Development Commissioner has the power to extend the time for completion of project therefore after due deliberation decided to grant them time up to December, 2018 for completion of these two projects. It was also directed that M/s NPCC will complete these project within the extended time and no further extension shall be granted.

- 11 **Review of performance of services awarded to NSL:** Present status of on-going services awarded to M/s. NSL was placed before the Authority which were reviewed the Authority and expressed satisfaction on the performance of NSL with some suggestion to improve the quality of service.

The Members of the Authority informed Sh. M.C. Sharma, CEO, M/s NSL that improvement and regular monitoring is required in lifting of garbage. Sh. Sharma assured the Authority that proper attention will be given towards lifting of garbage and other related services. He assured the Authority to personally look into this matter.


Decision:- The Authority directed representative of M/s NSL to given proper attention in the cleanliness in the zone and have regular inspection in the Security roads along Boundary Wall and clear garbage regularly.

- 12 **Review of Performance of Solar Power Project installed by M/s PEC Ltd.** Sh. Lalit Kain, Project Manager of M/s PEC Ltd. appeared on behalf of the company and explained about the current status of the application filed in MNRE in respect of sanction and release of 25% subsidy. He informed that there is no procedural lapse on their part. He has implemented the project of NSEZ based on the previous experience. He also stated the examples of other department where they have followed the same procedure to get the refund from MNRE. He also informed that subsidy amount will be deposited in the account of PEC Ltd. thereafter they will transfer it to NSEZ Authority. He has also assured the Authority to take effective measures to get subsidy amount from MNRE. Sh. Kain requested the Authority to release balance 5 % payment.

Decision:- Authority directed to write a letter to CMD of M/s PEC Ltd. to resolve the issue of release of subsidy amount from MNRE as the application was filed on 27.06.2017 and subsidy has not yet been received. As per scope of work condition No. 5 of MOU signed between NSEZ Authority and M/s PEC it is the sole responsibility of M/s PEC Ltd. to prepare and submit necessary documentation on behalf of NSEZA and obtain achievement linked incentive from MNRE accordingly. Authority informed that balance payment will be given on receipt of subsidy amount from MNRE.

- 13 **Additional points, if any, with the approval of Chairman & CEO-**

Supplementary Agenda



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

- a) **Request of NBCC for condonation of delay in execution of work in respect of Construction of 4km RCC Boundary wall:** It was submitted that the work of Construction of 4km RCC Boundary wall was awarded to NBCC on 02.11.2015. The brief details are as under:-

1. Approved estimated cost	:	Rs. 17,95,43,188/-
2. Tender Award cost	:	Rs. 11,75,98,688/-
3. Amount of final bill	:	Rs. 10,40,01,376/-(including design/drawing, NBCC Centage, service tax & GST charges)
4. Date of tender awarded by NBCC to its contractor	:	23.01.2016
5. Date of completion as per agreement	:	01.05.2017
6. Date of completion as submitted by NBCC	:	30.06.2017
7. Delay, if any	:	There is delay of approx. 02 months in completion of work i.e. from 01.05.2017 to 30.06.2017. Penalty amount- Rs. 71,81,728/-
8. Reason for delay	:	Reasons for delay submitted by NBCC are mentioned below.

NBCC has requested to condone delay in completion of work. Hence, it is placed before the Authority to condone delay in view of reasons as explained by NBCC.

Sh. Atul Jadhav, DPM, M/s NBCC India Ltd. appeared before the Authority and explained the reasons for delay as under:-

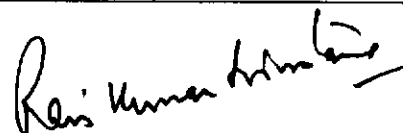
- i. Hindrance of 33 KV electrical lines alongside the boundary wall.
- ii. Hindrance of drain along the boundary wall on Nangla village.
- iii. Non clearance of Metro line due to construction of metro pillar alongside the boundary wall.
- iv. Availability of No of trees along the boundary wall which has not been cut due to permission not given by forest officer these results delay in dismantling & excavation.
- v. Sewer & Drain line which passes through old boundary wall to outside the drain.
- vi. Transformers present alongside of the boundary old boundary wall.

He also informed that they had brought these problem to the notice of NSEZ Authority meetings held from time to time. He also submitted that problems in execution of work were brought to the notice of their office also.

Decision: The members of the Authority were informed that contention of M/s NBCC Ltd. that delay of 2 months was due to some hindrances in the construction is correct. Said hindrances were beyond their control. The Trade Members of the Authority appreciated the construction quality of the boundary wall. Hence, the Authority after due deliberation, accorded post facto approval of extension of the completion of the Project by two months till 30.06.2017.

- b) **Request of NPCC for condonation of delay in execution of work in respect of Construction of boundary wall of CWC in NSEZ:** It was submitted that the work of Construction of boundary wall of CWC in NSEZ was awarded to NPCC on 28.04.2017. The brief details of work are as under:-

1. Approved estimated cost	:	Rs. 1,34,27,264/-
----------------------------	---	-------------------



Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

2. Date of Work Order issued to NPCC	:	28.04.2017
3. Tender award amount	:	Rs. 1,09,53,216/-
4. Date of Tender awarded by NPCC to its contractor	:	27.06.2017
5. Name of Contractor	:	M/s Royal Construction Company, Bulandshahr
6. Details of payment already made	:	Rs. 1,20,71,539/- (approx 90% of estimated cost paid to NPCC in four installments)
7. Amount of final bill	:	Rs. 1,40,51,019/- (inclusive of 1% labour cess, 3% contingency, 6% Service tax and 7% PMC charges)
8. Balance payment to be made (6-7)	:	19,79,480/- (as per Final Utilization Certificate)
9. Date of completion as per agreement	:	05.10.2017 3 months from 10 th day of letter of award issued or acceptance of LOI whichever is later. Contractor accepted the LOI on 06.07.2017
10. Date of completion as submitted by NPCC	:	20.12.2017 (as intimated by NPCC vide letter dated 25.04.2018)
11. Delay, if any	:	Yes, 75 days delay
12. Reason for delay	:	Completion of work delayed due to additional scope of work.

- A. It is submitted that the proposal for approval of additional work in respect of construction of Boundary wall of CWC in NSEZ was placed before the NSEZ Authority in its meeting held on 25.06.2018. The value of award work of contract has increased from Rs. 1,09,53,216/- to Rs. 1,19,52,831/- (without PMC charges).
- B. M/s NPCC Ltd. has completed the work in delay of 75 days for which penalty amounting to Rs. 6,71,363/- (5% of estimated cost i.e. Rs. 1,34,27,264/-) has been calculated as per condition No. 19.
- C. M/s NPCC Ltd. has requested to condone delay in view of reason mentioned at S. No. 12 above.
- D. Condition No. 16 of MoU is reported as *“Any time extension for completion of the work due to genuine reason shall require prior approval of DC, NSEZ.”*

In this case M/s NPCC Ltd. has requested for condonation of delay after completion of work. Accordingly, the request of M/s NPCC, it was placed before Authority for consideration.

Decision: The members of the Authority were informed that contention of M/s NPCC Ltd. that delay of 75 days was due to additional work (construction of slab in Gate area, laying of pavers block in front & back portion and increase of measurements of other BOQ itmes of works etc.) which were brought to the notice of NSEZ Authority in its meeting held on 25.06.2018. In view of this fact in pursuance of condition No.16 of MOU signed with M/s NPCC Ltd. The Authority after due deliberation, granted post facto approval for completion of the project by 3 months till 20.12.2017.

- c) **Additional cost of Rs. 5.27 lakh including 2.39 lakh for additional work in respect of Construction of 06 nos. toilets in the zone premise by M/s NBCC and for condonation of delay in execution of work :** It was submitted that the work of Construction of 06 nos.

Ravi Kumar Dindane

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

toilets in the zone premises was awarded to NBCC on 05.05.2016. The brief details are as under:-

1.	Approved estimated cost	:	Rs. 71,51,230/-
2.	Date of work order issued to NBCC	:	05.05.2016
3.	Tender award amount	:	Rs. 57,82,855/-
4.	Date of tender awarded by NBCC to its contractor	:	27.12.2016
5.	Name of Contractor	:	M/s. Trilok & Associates
6.	Details of payments already made.	:	Rs. 52,04,570/-
7.	Amount of final bill.	:	Rs. 71,10,528/- /-(Rs. 63,09,942/- + 2% design/drawing, 9 % NBCC Centage, 15 % Service tax & 18 % GST charges)
8.	Balance payment to be made.	:	Rs. 19,05,958/- (calculated on the basis of Final Utilization Certificate)
9.	Date of completion as per agreement	:	<u>As per agreement the work would be completed within the stipulated time mentioned in work award letter to the contractor by NBCC plus 3(three) months more time to NBCC for administrative formalities.</u> However, the same period may be counted from the date of approval of design/drawings or release of advance payment to NBCC, whichever is later. We may take the completion date as 27.05.2017.
10.	Date of completion submitted by NBCC	:	17.08.2017
11.	Cost of additional work	:	Rs. 2,39,042/-
12.	Description of additional work	:	Subhead XIII Road work-Chequerred precast cement concrete tiles 22 mm thick in footpath & courtyard including rubbing & cleaning etc. and light shade pigment using white cement.
13.	Whether approval for additional work was obtained by NBCC, if not reason thereof	:	Work was executed after the instructions of then DDC, NSEZ
14.	Delay, if any	:	There is delay of 2 months, 21 days in completion of work i.e. from 27.05.2017 to 17.08.2017.
15.	Penalty for delay in completion of work	:	Rs. 3,86,166/- (calculated @ 1 % of the estimated cost for every 15 days)
16.	Reason for delay	:	NBCC has submitted that the actual demarcation was carried out on 08.03.2017 so the completion period may be calculated from the date of demarcation.

In view of facts mentioned above, it was placed before the Authority to accord approval for additional work amounting to Rs. 5.27 lakh including 2.39 lakh for additional work and condone delay in view of reasons explained by NBCC.

Ravi Kumar

Noida Special Economic Zone Authority, Noida

Minutes of NSEZ Authority meeting held on 19.09.2018 at 11:30 AM

The members were informed about additional work of Rs. 2.39 lakh including revision of existing scope of work of Rs. 2.88 lacs. Sh. Atul Jahdav, DPM, M/s NBCC also informed to the Authority that actual demarcation was carried out on 08.03.2017 as M/s NBCC Ltd. was suggested to provide sample of toilets. This project was actually started on 08.03.2017 hence there is no delay in the completion of project. Representative of M/s NBCC, Sh. Atul Jahdav, DPM informed the Authority that he informed the Authority about additional scope of work and consequent extension in completion time in earlier meetings of the Authority dated 04.01.2018, 26.03.2018 and 25.06.2018 where the performance of M/s NBCC in NSEZ was reviewed.

Decision:- The Authority taking cognizance of the facts informed by the representative of M/s NBCC concluded that there is no delay in execution of the work.

- d) **Remuneration for the staff/officers nominated for the Authority work:** It was inform to the Authority that Chairman & CEO, NSEZ Authority on 25/05/2011 fixed additional remuneration for Secretary, NSEZ Authority, Accounts Officer, NSEZ amounting to Rs. 2000/- per month. It was submitted that following officers/official are also looking after the work of the Authority in additional to their normal duties:-
- i. Estate Officer, NSEZ Authority
 - ii. Assistant (Estate Section)

As the remuneration was fixed in year 2011, i.e. seven year back, it was proposed to upwardly revise the remuneration to Rs. 5000/- P.M and accord approval for above to officers also.

Decision: Authority after due deliberation decided to refer the matter to the Committee formed by Department of Commerce under the chairmanship of Sh. D. Anandan, JDC, MEPZ SEZ and comprising of Sh. S.S. Shukla, JDC, Noida SEZ; Sh. Satyadeep Mohapatra, JDC, Kandla SEZ so as to maintain uniformity in administrative / financial decision making process in SEZ Authorities across the country.

Meeting ended with vote of thanks to the chair.



(S.S. Shukla)
Jt. Development Commissioner



(Dr. L.B. Singhal)
Chairman & CEO