नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण
NOIDA SPECIAL ECONOMIC ZONE AUTHORITY
(अधीनस्थ भारत सरकार)
(Under Government of India)
वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
Min. of Commerce & Industry, Deptt. of Commerce,
विकास आयुक्त का कार्यालय
Office of the Development Commissioner
नौएडा दादरी रोड, फेस.2, नौएडा. 201305, जिला गौतम बुद्ध नगर (उ०प्र०)
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam Budh Nagar (UP)

फाइल सं.एन.एस.ई.जेड़.ए./प्रशा/05/09/ दिनांक: .02.2021

सेवा में,

1. संयुक्त सचिव(एस.ई.जेड्स/ई.ओ.यू.), भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, उद्योग भवन, नई दिल्ली|
2. संयुक्त डी.जी.एफ.टी.,117/एल-444, काकादेव, कानपुर-208025 |
3. अध्यक्ष एवं निदेशक(श्री अमृत मनवानी), मैसर्स सहासरा इलेक्ट्रॉनिक्स प्रा. लि., प्लाट संख्या 129जी, एन.एस.ई.जेड़., नौएडा-201305

विषय: एन.एस.ई.जेड़. प्राधिकरण की दिनांक 16 फरवरी को पूर्वाहन 11:00 बजे आयोजित की गई बैठक का कार्यवृत अग्रेषित करने के सम्बन्ध मे|

महोदय,

उपरोक्त विषय के सन्दर्भ में, मुझे एन.एस.ई.जेड़. प्राधिकरण की दिनांक 16 फरवरी को पूर्वाहन 11:00 बजे वीडियो कॉन्फ्रेंसिंग के माध्यम से आयोजित की गई बैठक का कार्यवृत आपके अवलोकनार्थ एवं आवश्यक कार्यवाही हेतु अग्रेषित करने का निर्देश हुआ है |

भवदीय

नितिन

संलग्नक:उपरोक्त

(नितिन गुप्ता)
उप विकास आयुक्त

प्रतिलिपि:-

1. निदेशक(एस.ई.जेड्स), भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग, उद्योग भवन, नई दिल्ली |
2. ओ.एस.डी., अध्यक्ष एवं मुख्य कार्यपालक अधिकारी, एन.एस.ई.जेड़. प्राधिकरण, एनएसईजेड़, नौएडा |
3. वरिष्ठ लेखाधिकारी, एनएसईजेड़, नौएडा |
4. मैसर्स राजीव शर्मा एंड एसोसिएट्स, ऑफिस संख्या 1014-1015, लोजिक्स ऑफिस टावर, सेक्टर-32, नौएडा-**201301** |
5. श्री धर्मेन्द्र मुदगल, जनरल मैनेजर, मैसर्स एन०पी०सी०सी० लिमिटेड, 1/123, विनीत खण्ड, गोमती नगर, लखनऊ-226010
6. श्री ए० स्टीफन लिओ, जनरल मैनेजर, मैसर्स वाप्कोस लिमिटेड, 76 सी, इंस्टीट्यूटनल एरिया, सेक्टर-18, गुरुग्राम-122015
7. सम्बंधित पत्रावली |

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उप विकास आयुक्त

नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण, नौएडा

दिनांक 16.02.2021 को सुबह 11:00 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की बैठक का कार्यवृत

Minutes of meeting of NSEZ Authority held under the Chairmanship of Shri. A. Bipin Menon, Chairman & CEO, NSEZ Authority at 11:00 AM on 16.02.2021 through video conferencing.

The following members of the NSEZ Authority were present through video conferencing during the meeting:-

1. Shri Himanshu Dhar Pandey, Asstt. DGFT, Kanpur
2. Sh. Amrit Manwani, CMD, M/s Sahasra Electronics Pvt. Ltd., Member from Industry

Besides, during the meeting i) Shri Nitin Gupta, Dy. Development Commissioner, NSEZ & Secretary, NSEZ Authority, ii) Shri Ajay Kumar Mishra, Sr. Account Officer, NSEZ, iii) Shri Pramod Kumar, Asstt. Development Commissioner, NSEZ and iv) Sh. Rajeev Sharma, FCA, M/s. Rajeev Sharma & Associates were also present through video conferencing to assist the Authority.

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 and decided unanimously as under.

1. दिनांक 20.11.2020 को आयोजित नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की बैठक के कार्यवृत का अनुसमर्थन:

1.1 NSEZ Authority was informed that no reference was received against any of decisions taken in its meeting held on 20.11.2020. Accordingly, the Minutes of meeting held on 20.11.2020 were ratified.

1.2 Further, NSEZ Authority reviewed the compliance of decisions taken in its meeting held on 20.11.2020 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 20.11.2020.

2. इकाई के नाम एवं शेयर होल्डिंग में बदलाव के कारण मैसर्स एबिक्स सॉफ्टवेयर इंडिया प्रा. लि. (अब मैसर्स एबिक्सकैश प्रा. लि.) पर ट्रान्सफर चार्जेज लगाने के सम्बन्ध में |

2.1 It was informed to NSEZ Authority that the proposal of M/s. Ebix Software India Pvt. Ltd., (in respect of all three existing NSEZ units) for change of name of the company to "EbixCash Pvt. Ltd." and change in shareholding was considered by the Approval Committee in its meeting held on 21.09.2020. The Approval Committee also directed to refer the matter of shareholding changes to NSEZ Authority for appropriate action to examine the issue of levy of transfer charges.

2.2 Details of all three existing NSEZ units are as under:-

	Unit-I	**Unit-II**	**Unit-III**
i) एल.ओ.ए .की तिथि	29/12/2008	30/01/2013	19/12/2017
ii) डी.सी.पी.	15/05/2009	30/09/2015	12/03/2020
iii) एल.ओ.ए .की वैधता	14/05/2024	29/09/2020	30/06/2020
iv) कारखाने का पता	Plot No. 122-123	Plot No. 112-113	Plot No. 118, 119A, 120 & 121

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2.3 This office has taken note of change of name of the company from "Ebix Software India Pvt. Ltd." to "EbixCash Pvt. Ltd." and change in shareholding in terms of Instruction No.89 dated 17.05.2018 read with Instruction No.90 dated 03.08.2018 in respect of above mentioned units/LOAs, details of change in Shareholding pattern since 29.12.2008 as under:

Date	**Name of shareholders**	**No. of shares**	**% Shareholding**	**Change in shareholding**
29.12.2008	Mr. S.N. Kachroo Mr. Jyoti Kachroo Ebix.Com INC	5000 5000 6,40,000	0.77% 0.77% 98.46%	--
24.05.2010	Mr. S.N. Kachroo Mr. Jyoti Kachroo **Ebix Singapore Pte. Ltd.**	5000 5000 6,40,000	0.77% 0.77% 98.46%	**98.46%**
06.05.2019	Mr. Jyoti Kachroo Ebix Singapore Pte. Ltd.	10,000 2,34,352	4.09% 95.91%	Change is less than 50% w.r.t. 24.05.2010
30.10.2019	Ebix Singapore Pte. Ltd.	2,34,352	100%	Change is less than 50% w.r.t. 06.05.2019
16.08.2020	Ebix Singapore Pte. Ltd. 6 Other Nominee shareholders of Ebix Singapore Pte. Ltd.	2,34,346 6	99.99% 0.01%	Change is less than 50% w.r.t. 30.10.2019

2.4 As per NSEZ Authority in its meeting held on 04.09.2012, "*In case of company/partnership, even if the LOA is same, no transfer charges shall be levied if there is change/transfer of equity up to 50%, but transfer charges shall be levied if more than 50% share/promoters/directors/partners are changed. In case of proprietary concerns, if there is changes of hands, transfer charges shall be levied. In case there is change in name only with no changes in constitution and ownership, no transfer charges shall be levied. The above shall come into effect prospectively.*"

2.5 In this case, the main change in shareholding pattern took place during 2010 when 98.46% of shareholding pattern was transferred from "Ebix.Com Inc." to "Ebix Singapore Pte. Ltd." which now holds 100% shareholding in the company. However, the Authority took the decision for charging transfer charges on change of Entrepreneurship in its meeting held on 04.09.2012. Hence, in the instant case, applicability of transfer charges in respect to premises allotted to Unit-1 (LOA issued in 2009) i.e. Plot No. 122-123, NSEZ may be decided by NSEZ Authority as there was no guidelines prior to decision of NSEZ Authority meeting dated 04.09.2012.

2.6 Unit is paying lease rent regularly. Unit has cleared the lease rent upto 31.12.2020 in respect of Plot No. 122, 123, 118, 119A, 120&121, 112 and 113, NSEZ, Noida.

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2.7 In view of above, proposal was placed before NSEZ Authority to take a view on imposition of transfer charges in respect to premises allotted to Unit-1 (LOA issued in 2009) i.e. Plot No. 122-123, NSEZ as per decision of NSEZ Authority.

निर्णय:- Authority discussed the matter in detail. The Authority after due deliberations decided that transfer charges may not be levied on M/s. EbixCash Pvt. Ltd. in respect to premises allotted to Unit-1 (LOA issued in 2009) i.e. Plot No. 122-123, NSEZ as the main change in shareholding pattern took place during 2010 when 98.46% of shareholding pattern was transferred from "Ebix.Com Inc." to "Ebix Singapore Pte. Ltd." which now holds 100% shareholding in the company and the Authority took the decision for charging transfer charges on change of more than 50% share in its meeting held on 04.09.2012.

3. एसडीएफ हेतु किरायेदारी समझौता रजिस्टर करने के सम्बन्ध में।

3.1 It was informed to Authority that NSEZ Authority in its meeting held on 23.06.2016 has decided as under in respect of registration of Tenancy agreement in case of SDF:-
"*NSEZ Authority after deliberations decided not to insist units to get the Tenancy Agreements registered, but in case unit on its own opts for registration, their tenancy agreement would be got registered*"

3.2 Accordingly, this office does not insist units to register the Tenancy Agreements, but if unit on its own opts for registration, their tenancy agreement got registered.

3.3 It is mentioned that this office executes Sub Lease Deed in respect of Plots for a period of 15 years and Tenancy Agreement in respect of SDFs for a period of 5 years.

3.4 As per Rule 17(I)(d) of Part III of Registration Act, 1908, leases of immovable property from year to year, or any term exceeding one year, or reserving a yearly rent shall be registered.

3.5 In view of above, the matter was placed before NSEZ Authority to take a view.

निर्णय:- The Authority discussed the matter in detail. The Authority after due deliberations decided that all tenancy agreement in respect of space allotted by NSEZ Authority may be registered as per requirement of Rule 17(I)(d) of Part III of Registration Act, 1908.

4. मैसर्स एनपीसीसी लिमिटेड द्वारा की जा रही परियोजनाओं की समीक्षा।

Progress report in respect of ongoing projects awarded to NPCC was placed before the Authority. The Authority reviewed the projects one by one and took note of progress made. M/s NPCC Ltd. requested to grant extension of time up to 30.04.2021 in respect of repairing of park No. 2, 3, 4 & 5, NSEZ. Authority agreed for extension subject to submission of written request of M/s NPCC Ltd. and progress of work will be reviewed in next meeting in March, 2021. M/s NPCC Ltd. was also directed to ensure disposal of solid waste in zone complex regularly failing which notice may be issued to them. The Authority also advised Sh. Amrit Manwani to submit his inputs on service being provided by the Solid Waste Management contractor.

5. <u>मैसर्स वाप्कोस लिमिटेड द्वारा दी जा रही सेवाओं के प्रदर्शन की समीक्षा।</u>

Progress report in respect of services provided by M/s WAPCOS Ltd. was placed before the Authority. The Authority reviewed the services one by one and took note of progress made.

6. <u>Engagement of additional PSUs for Infrastructure work at Noida SEZ, Noida(additional agenda)-</u>

6.1 It was informed to Authority that Noida SEZ has engaged NBCC & NPCC for the purpose of development work in Noida SEZ. Further, M/s WAPCOS Limited has also been engaged for various day to day activities of operation & maintenance of the zone. Of late, it has been observed that when the number of development work is more, execution of work by the two agencies, i.e. NBCC & NPCC, take more time than expected in view of non-availability of dedicated supervisory staff at each site. This delay sometimes defeats the very purpose of the work for which it was to be undertaken.

6.2 In view of this Authority felt that Noida SEZ should engage more PSUs for Infrastructure work, which will not only result in healthy competition among the PSUs to complete the work within the stipulated time frame, but also monitoring of the work may also be done effectively.

6.3 Rule 133 (1) 133 (2), 133 (3) of GFR, 2017 are reproduced as under:-

" ***133(1)-*** *A Ministry or Department at its discretion may directly execute repair works estimated to cost up to Rupees Thirty Lakhs after following due procedure indicated in Rule 139, 159 & 160.*

133(2)- *A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty Lakhs and original/minor works of any value to any Public Works Organisation (PWO) such as Central Public Works Department (CPWD), State Public Works Department, others Central Government organisations authorised to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organization (BRO). etc. or Ministry/Department's construction wings of Ministries of Railways, Defence, Environment & Forests, Information & Broadcasting and Departments of Posts, and Space etc.*

133(3)- *As an alternative to 133(2), a Ministry or Department may award repair works estimated to cost above Rupees thirty Lakhs and original works of any value to:*

(i) any Public Sector Undertaking set up by the Central or State Government to carry out civil or electrical works or

(ii) to any other Central State Government organization /PSU which may be notified by the Ministry of Urban Development (MOUD) for such purpose after evaluating their financial strength and technical competence

<u>For the award of work under this sub-rule, the Ministry/ Department shall ensure competition among such PSUs/Organizations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work.</u>

In exceptional cases, for award of work under (i) and (ii) above, on nomination basis, the conditions contained in Rule 194 would apply. The work under these circumstances shall also be awarded only on the basis of lump sum service charge."

6.4 The matter was placed before Authority to take a view and to deliberate how additional PSUs can be hired.

निर्णय:- The Authority discussed the matter in detail. The Authority after due deliberations decided that expression of interest may be invited in compliance with relevant GFR provisions from Central PSUs like EIL, MECON etc. for Infrastructure work at Noida SEZ, Noida.

7. Engagement of Engineers India Limited (EIL) as a governmental agency for providing technical consultancy relating to infrastructural work(additional agenda).

7.1 It was informed to Authority that Noida SEZ has engaged NBCC & NPCC for the purpose of development work in Noida SEZ. Further, M/s WAPCOS Limited has also been engaged for various day to day activities of operation & maintenance of the zone.

7.2 It has been observed that Noida SEZ has not engaged any technical agency to provide technical consultancy for infrastructural work carried out from time to time by Noida SEZ.

7.3 In view of above, Authority felt that Noida SEZ should engage a technical agency to provide technical consultancy for Infrastructure work so that technical consultancy for infrastructural work may be obtained from them as and when required.

7.4 In this regard SEZ Authority Rule 9(4) is reproduced as under:-

"*The Authority may engage agencies or employees on contract/outsourcing for discharge of its functions and the terms and conditions of such appointment shall be decided by the Authority and preference shall be given to outsource all works to the extent possible and only if outsourcing cannot be done as a principle, regular staff shall be appointed.*"

7.5 It has come to the notice that M/s Engineers of India Limited (EIL) (A Govt. of India Undertaking) and MECON provides such technical consultancy and independent engineer services for Infrastructure work.

7.6 In view of above, the matter was placed before Authority for deliberations/taking a view.

निर्णय:- The Authority discussed the matter in detail. The Authority after due deliberations decided that expression of interest including their charges may be called from EIL and MECON in compliance with GFR provisions for tendering technical consultancy services to NSEZA on various aspects relating to Infrastructure development, operation and maintenance work at Noida SEZ, Noida.

8. Lease rental period for units in the Noida SEZ – for recommending to Department of Commerce (additional agenda).

8.1 It was informed to Authority that it was informed by the Entrepreneurs in the meeting held under the chairmanship of Shri A. Bipin Menon, Development Commissioner, NSEZ with NSEZ Entrepreneurs on 15.12.2020 at 11.00 AM that they are finding it difficult to seek financial assistance from Banks/Financial Institutions in view of shorter period of lease and condition imposed by NSEZ that plot is not a subject matter of mortgage. It was informed that explicit decisions with regard to lease period and condition of plot not to be mortgaged have been taken by the Department of Commerce. However, NSEZ Entrepreneurs Association may come up with suggestions in this regard, which may be taken up with DoC for consideration. Till date no response has been received from them.

8.2 The Department of Commerce vide instruction no. 98 has informed that the matter of extending the lease period of land as decided by the Board decided by the Board of Approval (BoA) in its 65th meeting held on 19.05.2015 has been considered in 91th meeting of the BoA held on 06.08 2019 and on the recommendation of BoA following decisions have been taken with the request to all DCs to ensure necessary compliance with immediate effect:

(i) As stipulated in Rule 11(5) of the SEZ Rules, 2006, the lease rights cease to exist in case of expiry or cancellation of the Letter of Approval. The lease period for developer, co-developer as well as the units may be for a period not exceeding the period allowed in the respective State Government's UT's policy.

(ii) The existing bar of 30 years lease period as laid down by the Board of Approval in its 65" meeting is dispensed with.

(iii) It is mandatory to have a registered lease deed for legal sanctity of the documents.

(iv) The existing agreements based on 30 years norms may be accordingly considered administratively for amendment of tenure clause. Alternatively, the same could be considered at the time of next renewal.

8.3 It is pertinent to mention here that the lease deed which NSEZ is executing was approved by Department of Commerce, when this Zone came into existence.

8.4 It is mentioned that DoC vide instruction No. 103 has issued clarification on Doc's Instruction no. 98 regarding review of lease period in case of developer, co-developer and units in Special Economic Zones that the amendment in tenure clause in compliance of the said instruction may be considered and if suitable, approved at the level of the jurisdiction Development Commissioner subject to compliance with extant rules and regulations as per State / UT government's policy. These instructions are applicable to SEZs which are not owned by the Government of India.

8.5 In view of above, matter was placed before Authority to take a view and appropriate direction.

निर्णय:- The Authority discussed the matter in detail. Sh. Amrit Manwani, member stated that longer lease period i.e. upto 30 years should be considered. The Authority after due deliberations decided that suggestion of NSEZ Entrepreneurs as requested in meeting held on 15.12.2020 may be obtained and then may be forwarded to Department of Commerce for further decision in the matter.

9. Creation of a cycle track and re-modification of the main roads inside the NSEZ(additional agenda).

9.1 It was informed to Authority that as per direction given by Competent Authority, M/s WAPCOS Ltd. vide letter dated 06.02.2021 has informed that a site inspection was carried out on 04.02.2021. M/s WAPCOS Ltd. has submitted the site inspection report. They have submitted two proposals for construction of cycle Truck as per the site conditions. Details are as under:-

9.2 Option-1:- Using Interlocking Paver block in Cycle track-

S. No.	Description	Amount (in Rs.)
1.	Interlocking Paver Block	2,89,85,209.00
2.	WAPCOS charges@5.70%	16,52,157.00
3.	**Total(1+2)**	**3,06,37,366.00**

4.	Contingency charges@3%	9,19,121.00
5.	**Total(3+4)**	**3,15,56,487.00**

Option-2:- Using Granite Stone block in Cycle track-

S. No.	Description	Amount (in Rs.)
1.	Granite Stone Block	4,15,11,409.00
2.	WAPCOS charges@5.70%	23,66,150.00
3.	**Total(1+2)**	**4,38,77,559.00**
4.	Contingency charges@3%	13,16,326.00
5.	**Total(3+4)**	**4,51,93,886.00**

9.3 The proposed length of cycle track is approx. 6 km. The Cycle track will start from Gate No.1 and will end at Gate No.2.

9.4 In view of above, proposal for construction of cycle track in NSEZ was placed before NSEZ Authority for appropriate decision.

निर्णय:- The Authority discussed the matter in detail. Representative of WAPCOS informed that the proposed width of cycle track would be 2 meter. The Authority directed WAPCOS to reduce the width of Cycle track and track would be one way only. M/s WAPCOS Ltd. was requested to submit the revised estimate using interlocking paver block in cycle track and reinforcement of existing roads.

10. नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की निधि) फण्ड (को सावधि जमा हेतु पांच राष्ट्रीय बैंको में विभाजित करने के सन्दर्भ में(अतिरिक्त एजेंडा)|

10.1 It was submitted to Authority that it was informed to NSEZ Authority in its meeting held on 22.11.2020 that as per Income & Expenditure statement as on 26th Aug, 2020 total amount of Rs.12.56 crore is lying in the bank accounts. Details are as under:-

(a) SBI Rs.1.78 crore (Current Account)
(b) SBI Rs.7.19 crore (Saving Account)
(c) Canara Bank Rs.3.59 Crore (Saving Account)

10.2 The aforesaid amount of lease rent etc. for Second quarter has been deposited in the Authority Account. It has been proposed to invest fresh FDs Rs.10 crore from the total available balance of Rs. 12.56 Crore in 5 different nationalized banks.

10.3 Further, it was informed that State Bank of India, NSEZ Branch has maintained our 14(Fourteen) Fixed Deposit (FDs) amounting to Rs. 11,40,00,000/-(Rs. Eleven Crore Forty Lakh Only) and maturity amount of Rs. 12,53,47,287/-(Rs. Twelve Crore Fifty Three Lakh Forty Seven Thousand Two Hundred Eighty Seven Only) with the rate of interest @ 6.7%(1Year). These FD's are going to mature from 25.09.2020 to 09.10.2020. The details are as under:-

Values in INR

S. No.	A/c No	Amount	Term	Maturity Date	Maturity Value
1	37963084620	9000000	1 year	25-09-2020	10192484
2	37963092256	9000000	1 year	25-09-2020	10192484

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3	37963093533	9000000	1 year	25-09-2020	10192484
4	37963094491	9000000	1 year	25-09-2020	10192484
5	37963095075	9000000	1 year	25-09-2020	10192484
6	37963100847	5000000	1 year	25-09-2020	5662491
7	37964921818	4000000	1 year	25-09-2020	4247129
8	38755150161	6000000	1 year	09-10-2020	6447525
9	38755245678	9000000	1 year	09-10-2020	9671287
10	38755245588	9000000	1 year	09-10-2020	9671287
11	38755245102	9000000	1 year	09-10-2020	9671287
12	38755244914	9000000	1 year	09-10-2020	9671287
13	38755244448	9000000	1 year	09-10-2020	9671287
14	38755244709	9000000	1 year	09-10-2020	9671287
	Total	**114000000**			**125347287**

It was proposed to reinvest aforesaid amounts i.e. Rs.12,53,47,287/-in the shape of F.D.

10.4 The rate of interest offered by the banks to invest aforesaid amounts in Fixed Deposit for the period of one year is as under:-

Name of Bank	Rate of Interest (%) for one year period (For amount below 1 crore)
Canara Bank	5.40
Union Bank of India	5.25
Bank of Baroda	5.10
HDFC Bank Ltd.	5.10
ICICI Bank Ltd.	5.00
Central Bank	4.95
State Bank of India	4.90
Central Bank	4.90
Punjab National Bank	3.10

10.5 It was informed that the total 14 FDs are lying in the SBI amounting Rs.12,53,47,287/- (after maturity). As per Ministry of Finance Order No. 7/118/2005-BOA Dated 16th July, 2012, **bidding is not required** and **surplus funds may be placed with one or more banks to spread the resources among the banks**. Now, rate of interest is reduced from 5.1% to 4.9%, it can be reinvested in those banks who offer highest rate of interest.

10.6 It was proposed that matured FDs (Rs.**12.53 Crore)** available with SBI may either be renewed in the same SBI branch i.e. NSEZ Branch or may be transferred to Canara Bank, NSEZ Branch to open the new FDs for next one year as Canara Bank is offering highest rate of interest. Likewise a decision to invest **Rs.10 Crore** in fresh FDs may be taken keeping in view the rate of interest offered by above banks, especially the nationalized banks. Here, it was also mentioned that the branches of nationalized banks i.e. SBI, Canara Bank, Central Bank, PNB are located in NSEZ premises itself. Further, it was also informed that PNB has been already collecting Customs duties paid by the various units.

नितिन

10.7 In view of above, complete facts as mentioned above were placed before Authority in its meeting held on 22.11.2020 for consideration and necessary decision in the matter.

10.8 The Authority in its meeting held on 22.1.2020 discussed the matter in detail and deferred the matter for its next meeting with the direction to FCA to examine the matter and give pros and cons factoring in the relevant provisions of SEZ Act/Rule and SEZ Authority along with his opinion. The Authority also directed the Estate Division to obtain inputs from other SEZ Authorities on the matter of investing surplus funds of the Authority and the practice being adopted there. Till then the FDs may be continued with the banks where it have been invested and investment w.r.t. above comments above may be made as per present practice.

10.9 It was informed to Authority that FDs have been renewed with the banks where it have been invested and investment w.r.t. above comments above has also been made as per present practice.

10.10 Accordingly, vide this office letter dated 18.01.2021 other SEZ Authorities requested to provide their inputs and practice being adopted in their zone. M/s Rajeev Sharma & Associates vide this office letter dated 18.01.2021 also requested to expedite their opinion in the matter.

10.11 Visakhapatnam SEZ Authority vide their letter dated 03.02.2021 has informed that the surplus funds of VSEZ Authority are usually deposited in various public sector banks whereas this it is proposed by UAC to call for willingness from the public sector banks and as such the FDs will be transferred on maturity to the bank that are offering higher rate of interest. Falta SEZ Authority vide letter dated 22.01.2021 has informed that Falta SEZ Authority has created Terms Deposits of surplus funds in the Central Bank of India in the denomination of Rs.1.90 Crores each for one(1) year period and are getting interest@4.9% per annum.

10.12 M/s Rajeev Sharma & Associates vide e-mail dated has submitted as under:-

I. That the chapter III of the SEZ Rules, 2009 thrown some light about the financial viability of the Zone and empowers the Authority to take necessary steps as it deems fit, the said clause reads as under:-
6.(1) The Authority shall, -
(i) take all necessary measures for efficient management of the Zone and develop it as a financially viable organization,
(v) have powers to raise resources in a manner consistent with provisions of the SEZ Act and Rules framed there under.

II. That the SEZ Rules, 2009 appears to have nowhere stated specifically about the Mode of Investment in the Securities yielding Incomes.

III. That the general discussions during the CAG Audit of the Authority shows that the Surplus Funds may be parked in the no risk securities in the form of bank deposits.

IV. That the Surplus funds may also be parked in the Debt Funds or any other permissible Risk Free Securities with the prior permission of the Central Govt.

V. AS far as the Surplus funds are to be invested in the form of the Bank Deposits, It should be splitted over the different banks instead of the entire amount in one bank on a yearly basis maturity. Further, they submitted the guidelines dt. 08/05/2017 given by the Department of Public Enterprises, in case, it may be treated as a guiding path in the absence of any clear Instruction under the SEZ Rules, 2009.

10.13 In view above, input received from other SEZ Authorities along with FCA opinion is placed before NSEZ Authority for appropriate decision.

निर्णय:- The Authority discussed the matter in detail. The Authority after due deliberations decided to constitute a committee under the chairmanship of Sh. Nitin Gupta, Dy. Development Commissioner, NSEZ consisting of Sh. Amrit Manwani, Trade member, Sr. A.O. and FCA, Sh. Rajeev Sharma to examine the matter in details and suggest options for investment of surplus fund in risk free securities.

अध्यक्ष को धन्यवाद के साथ बैठक समाप्त हुई।

नितिन

(नितिन गुप्ता)
उप विकास आयुक्त

अ बिपिन मेनन

(ए. बिपिन मेनन)
अध्यक्ष एवं सीईओ

नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण

दिनांक 16.02.2021 को पूर्वाह्न 11:00 बजे आयोजित होने वाली नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की बैठक की कार्यसूची

क्र. सं.	विषय सूची	पृष्ठ सं.
1.	दिनांक 20.11.2020 को आयोजित नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की बैठक के कार्यवृत्त का अनुसमर्थन|	2, 6-23
2.	इकाई के नाम एवं शेयर होल्डिंग में बदलाव के कारण मैसर्स एबिक्स सॉफ्टवेयर इंडिया प्रा. लि. (अब मैसर्स एबिक्सकैश प्रा. लि.) पर ट्रान्सफर चार्जेज लगाने के सम्बन्ध में |	2-3
3.	एसडीएफ हेतु किरायेदारी समझौता रजिस्टर करने के सम्बन्ध में |	4
4.	मैसर्स एनपीसीसी लिमिटेड द्वारा की जा रही परियोजनाओं की समीक्षा |	5, 24
5.	मैसर्स वाप्कोस लिमिटेड द्वारा दी जा रही सेवाओं के प्रदर्शन की समीक्षा |	5, 25
6.	अतिरिक्त अंक, यदि कोई हो, अध्यक्ष और सीईओ की मंजूरी के साथ |	5

नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण

दिनांक 16.02.2021 को पूर्वाह्न 11:00 बजे आयोजित होने वाली नौ.वि.आ.क्षे.प्राधिकरण की बैठक की कार्यसूची

1. **दिनांक 20.11.2020 को आयोजित नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की बैठक के कार्यवृत्त का अनुसमर्थन**:

Ratification of the Minutes of the Authority meeting held on 20.11.2020 & decisions taken in the said meeting in terms of Sub Rule 14 of Rule 10 of SEZ Authority Rules, 2009 is required to be reviewed. Copy of the minutes is attached at Page No.6 to 23.

2. **इकाई के नाम एवं शेयर होल्डिंग में बदलाव के कारण मैसर्स एबिक्स सॉफ्टवेयर इंडिया प्रा. लि. (अब मैसर्स एबिक्सकैश प्रा. लि.) पर ट्रान्सफर चार्जेज लगाने के सम्बन्ध में |**

2.1 It is submitted that the proposal of M/s. Ebix Software India Pvt. Ltd., (in respect of all three existing NSEZ units) for change of name of the company to “EbixCash Pvt. Ltd.” and change in shareholding was considered by the Approval Committee in its meeting held on 21.09.2020. The Approval Committee also directed to refer the matter of shareholding changes to NSEZ Authority for appropriate action to examine the issue of levy of transfer charges.

2.2 Details of all three existing NSEZ units are as under:-

	Unit-I	**Unit-II**	**Unit-III**
i) एल.ओ.ए. की तिथि	29/12/2008	30/01/2013	19/12/2017
ii) डी.सी.पी.	15/05/2009	30/09/2015	12/03/2020
iii) एल.ओ.ए. की वैधता	14/05/2024	29/09/2020	30/06/2020
iv) कारखाने का पता	Plot No. 122-123	Plot No. 112-113	Plot No. 118, 119A, 120 & 121

2.3 This office has taken note of change of name of the company from “Ebix Software India Pvt. Ltd.” to “EbixCash Pvt. Ltd.” and change in shareholding in terms of Instruction No.89 dated 17.05.2018 read with Instruction No.90 dated 03.08.2018 in respect of above mentioned units/LOAs, details of change in Shareholding pattern since 29.12.2008 as under:

Date	**Name of shareholders**	**No. of shares**	**% Shareholding**	**Change in shareholding**
29.12.2008	Mr. S.N. Kachroo Mr. Jyoti Kachroo Ebix.Com INC	5000 5000 6,40,000	0.77% 0.77% 98.46%	--
24.05.2010	Mr. S.N. Kachroo Mr. Jyoti Kachroo **Ebix Singapore Pte. Ltd.**	5000 5000 6,40,000	0.77% 0.77% 98.46%	**98.46%**
06.05.2019	Mr. Jyoti Kachroo Ebix Singapore Pte. Ltd.	10,000 2,34,352	4.09% 95.91%	
30.10.2019	Ebix Singapore Pte.	2,34,352	100%	

	Ltd.			
16.08.2020	Ebix Singapore Pte. Ltd. 6 Other Nominee shareholders of Ebix Singapore Pte. Ltd.	2,34,346 6	99.99% 0.01%	**100% (w.r.t. shareholding pattern of the company at the time of setting up of Unit-1 in 2008.)**

2.4 As per NSEZ Authority in its meeting held on 04.09.2012, "*In case of company/partnership, even if the LOA is same, no transfer charges shall be levied if there is change/transfer of equity up to 50%, but transfer charges shall be levied if more than 50% share/promoters/directors/partners are changed. In case of proprietary concerns, if there is changes of hands, transfer charges shall be levied. In case there is change in name only with no changes in constitution and ownership, no transfer charges shall be levied. The above shall come into effect prospectively.*"

2.5 In this case, the main change in shareholding pattern took place during 2010 when 98.46% of shareholding pattern was transferred from "Ebix.Com Inc." to "Ebix Singapore Pte. Ltd." which now holds 100% shareholding in the company. However, the Authority took the decision for charging transfer charges on change of Entrepreneurship in its meeting held on 04.09.2012. Hence, in the instant case, applicability of transfer charges in respect to premises allotted to Unit-1 (LOA issued in 2009) i.e. Plot No. 122-123, NSEZ may be decided by NSEZ Authority as there was no guidelines prior to decision of NSEZ Authority meeting dated 04.09.2012.

2.6 Unit is paying lease rent regularly. Unit has cleared the lease rent upto 31.12.2020 in respect of Plot No. 122, 123, 118, 119A, 120&121, 112 and 113, NSEZ, Noida.

2.7 In view of above, proposal is placed before NSEZ Authority to take a view on imposition of transfer charges in respect to premises allotted to Unit-1 (LOA issued in 2009) i.e. Plot No. 122-123, NSEZ as per decision of NSEZ Authority

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3. एसडीएफ हेतु किरायेदारी समझौता रजिस्टर करने के सम्बन्ध में |

3.1 It is submitted that NSEZ Authority in its meeting held on 23.06.2016 has decided as under in respect of registration of Tenancy agreement in case of SDF:-

"*NSEZ Authority after deliberations decided not to insist units to get the Tenancy Agreements registered, but in case unit on its own opts for registration, their tenancy agreement would be got registered*"

3.2 Accordingly, this office does not insist units to register the Tenancy Agreements, but if unit on its own opts for registration, their tenancy agreement got registered.

3.3 It is mentioned that this office executes Sub Lease Deed in respect of Plots for a period of 15 years and Tenancy Agreement in respect of SDFs for a period of 5 years.

3.4 As per Registration Act, 1908, leases of immovable property from year to year, or any term exceeding one year, or reserving a yearly rent shall be registered.

3.5 In view of above, the matter is placed before NSEZ Authority to take a view.

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नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण

दिनांक 16.02.2021 को पूर्वाह्न 11:00 बजे आयोजित होने वाली नौ.वि.आ.क्षे.प्राधिकरण की बैठक की कार्यसूची

5. मैसर्स एनपीसीसी लिमिटेड द्वारा की जा रही परियोजनाओं की समीक्षा।

Progress report in respect of ongoing projects awarded to NPCC is enclosed at Page No. 24.

6. मैसर्स वाप्कोस लिमिटेड द्वारा दी जा रही सेवाओं के प्रदर्शन की समीक्षा।

Progress report in respect of ongoing projects awarded to WAPCOS is enclosed at Page No.25.

7. अतिरिक्त अंक, यदि कोई हो, अध्यक्ष और सीईओ की मंजूरी के साथ।

Noida SEZ Authority Meeting

Additional agenda for the meeting of NSEZ Authority to be held on 16.02.2021

1. Engagement of additional PSUs for Infrastructure work at Noida SEZ, Noida

1.1 It is submitted that Noida SEZ has engaged NBCC & NPCC for the purpose of development work in Noida SEZ. Further, M/s WAPCOS Limited has also been engaged for various day to day activities of operation & maintenance of the zone. Of late, it has been observed that when the number of development work is more, execution of work by the two agencies, i.e. NBCC & NPCC, take more time than expected in view of non-availability of dedicated supervisory staff at each site. This delay sometimes defeats the very purpose of the work for which it was to be undertaken.

1.2 In view of this it is felt that Noida SEZ should engage more PSUs for Infrastructure work, which will not only result in healthy competition among the PSUs to complete the work within the stipulated time frame, but also monitoring of the work may also be done effectively.

1.3 Rule 133 (1) 133 (2), 133 (3) of GFR, 2017 are reproduced as under:-

*" **133(1)-** A Ministry or Department at its discretion may directly execute repair works estimated to cost up to Rupees Thirty Lakhs after following due procedure indicated in Rule 139, 159 & 160.*

***133(2)-** A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty Lakhs and original/minor works of any value to any Public Works Organisation (PWO) such as Central Public Works Department (CPWD), State Public Works Department, others Central Government organisations authorised to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organisation (BRO). etc. or Ministry/Department's construction wings of Ministries of Railways, Defence, Environment & Forests, Information & Broadcasting and Departments of Posts, and Space ele.*

***133(3)-** As an alternative to 133(2), a Ministry or Department may award repair works estimated to cost above Rupees thirty Lakhs and original works of any value to:*

(i) any Public Sector Undertaking set up by the Central or State Government to carry out civil or electrical works or

(ii) to any other Central State Government organisation /PSU which may be notified by the Ministry of Urban Development (MOUD) for such purpose after evaluating their financial strength and technical competence

<u>For the award of work under this sub-rule, the Ministry/ Department shall ensure competition among such PSUs/Organisations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work.</u>

In exceptional cases, for award of work under (i) and (ii) above, on nomination basis, the conditions contained in Rule 194 would apply. The work under these circumstances shall also be awarded only on the basis of lump sum service charge."

1.4 The matter is placed before Authority to take a view and to deliberate how additional PSUs can be hired.

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2. **Engagement of Engineers India Limited (EIL) as a governmental agency for providing technical consultancy relating to infrastructural work.**

2.1 It is submitted that Noida SEZ has engaged NBCC & NPCC for the purpose of development work in Noida SEZ. Further, M/s WAPCOS Limited has also been engaged for various day to day activities of operation & maintenance of the zone.

2.2 It has been observed that Noida SEZ has not engaged any technical agency to provide technical consultancy for infrastructural work carried out from time to time by Noida SEZ.

2.3 In view of above, it is felt that Noida SEZ should engage a technical agency to provide technical consultancy for Infrastructure work so that technical consultancy for infrastructural work may be obtained from them as and when required.

2.4 In this regard SEZ Authority Rule 9(4) is reproduced as under:-

"*The Authority may engage agencies or employees on contract/outsourcing for discharge of its functions and the terms and conditions of such appointment shall be decided by the Authority and preference shall be given to outsource all works to the extent possible and only if outsourcing cannot be done as a principle, regular staff shall be appointed.*"

2.5 It has come to the notice that M/s Engineers of India Limited (EIL)(A Govt. of India Undertaking) provides such technical consultancy for Infrastructure work.

2.6 In view of above, the matter is placed before Authority for deliberations/taking a view.

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3. **Lease rental period for units in the Noida SEZ – for recommending to Department of Commerce.**

3.1 It is submitted that it was informed by the Entrepreneurs in the meeting held under the chairmanship of Shri A. Bipin Menon, Development Commissioner, NSEZ with NSEZ Entrepreneurs on 15.12.2020 at 11.00 AM that they are finding it difficult to seek financial assistance from Banks/Financial Institutions in view of shorter period of lease and condition imposed by NSEZ that plot is not a subject matter of mortgage. It was informed that explicit decisions with regard to lease period and condition of plot not to be mortgaged have been taken by the Department of Commerce. However, NSEZ Entrepreneurs Association may come up with suggestions in this regard, which may be taken up with DoC for consideration. Till date no response has been received from them.

3.2 The Department of Commerce vide instruction no. 98 has informed that the matter of extending the lease period of land as decided by the Board decided by the Board of Approval (BoA) in its 65th meeting held on 19.05.2015 has been considered in 91th meeting of the BoA held on 06.08 2019 and on the recommendation of BoA following decisions have been taken with the request to all DCs to ensure necessary compliance with immediate effect:

(i) As stipulated in Rule 11(5) of the SEZ Rules, 2006, the lease rights cease to exist in case of expiry or cancellation of the Letter of Approval. The lease period for developer, co-developer as well as the units may be for a period not exceeding the period allowed in the respective State Government's UT's policy.

(ii) The existing bar of 30 years lease period as laid down by the Board of Approval in its 65" meeting is dispensed with.

(iii) It is mandatory to have a registered lease deed for legal sanctity of the documents.

(iv) The existing agreements based on 30 years norms may be accordingly considered administratively for amendment of tenure clause. Alternatively, the same could be considered at the time of next renewal.

3.3 It is pertinent to mention here that the lease deed which NSEZ is executing was approved by Department of Commerce, when this Zone came into existence.

3.4 It is mentioned that DoC vide instruction No. 103 has issued clarification on Doc's Instruction no. 98 regarding review of lease period in case of developer, co-developer and units in Special Economic Zones that the amendment in tenure clause in compliance of the said instruction may be considered and if suitable, approved at the level of the jurisdiction Development Commissioner subject to compliance with extant rules and regulations as per State / UT government's policy. These instructions are applicable to SEZs which are not owned by the Government of India.

3.5 In view of above, matter is placed before Authority to take a view and appropriate direction.

4. **Creation of a cycle track and re-modification of the main roads inside the NSEZ.**

4.1 It is submitted that as per direction given by Competent Authority, M/s WAPCOS Ltd. vide letter dated 06.02.2021 has informed that a site inspection was carried out on 04.02.2021. M/s WAPCOS Ltd. has submitted the site inspection report. They have submitted two proposals for construction of cycle Truck as per the site conditions. Details are as under:-

4.2 Option-1:- Using Interlocking Paver block in Cycle track-

S. No.	Description	Amount (in Rs.)
1.	Interlocking Paver Block	2,89,85,209.00
2.	WAPCOS charges@5.70%	16,52,157.00
3.	**Total(1+2)**	**3,06,37,366.00**
4.	Contingency charges@3%	9,19,121.00
5.	**Total(3+4)**	**3,15,56,487.00**

Option-2:- Using Granite Stone block in Cycle track-

S. No.	Description	Amount (in Rs.)
1.	Granite Stone Block	4,15,11,409.00
2.	WAPCOS charges@5.70%	23,66,150.00
3.	**Total(1+2)**	**4,38,77,559.00**
4.	Contingency charges@3%	13,16,326.00
5.	**Total(3+4)**	**4,51,93,886.00**

4.3 The proposed length of cycle track is approx. 6 km. The Cycle track will start from Gate No.1 and will end at Gate No.2.

4.4 In view of above, proposal for construction of cycle track in NSEZ is placed before NSEZ Authority for appropriate decision.

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5. विषय:- नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण की निधि (फण्ड) को सावधि जमा हेतु पांच राष्ट्रीय बैंको में विभाजित करने के सन्दर्भ में |

5.1 It is submitted that it was informed to NSEZ Authority in its meeting held on 22.11.2020 that as per Income & Expenditure statement as on 26th Aug, 2020 total amount of Rs.12.56 crore is lying in the bank accounts. Details are as under:-

(a)	SBI	Rs.1.78 crore (Current Account)
(b)	SBI	Rs.7.19 crore (Saving Account)
(c)	Canara Bank	Rs.3.59 Crore (Saving Account)

5.2 The aforesaid amount of lease rent etc. for Second quarter has been deposited in the Authority Account. It has been proposed to invest fresh FDs Rs.10 crore from the total available balance of Rs. 12.56 Crore in 5 different nationalized banks.

5.3 Further, it was informed that State Bank of India, NSEZ Branch has maintained our 14(Fourteen) Fixed Deposit (FDs) amounting to Rs. 11,40,00,000/-(Rs. Eleven Crore Forty Lakh Only) and maturity amount of Rs. 12,53,47,287/-(Rs. Twelve Crore Fifty Three Lakh Forty Seven Thousand Two Hundred Eighty Seven Only) with the rate of interest @ 6.7%(1Year). These FD's are going to mature from 25.09.2020 to 09.10.2020. The details are as under:-

Values in INR

S. No.	A/c No	Amount	Term	Maturity Date	Maturity Value
1	37963084620	9000000	1 year	25-09-2020	10192484
2	37963092256	9000000	1 year	25-09-2020	10192484
3	37963093533	9000000	1 year	25-09-2020	10192484
4	37963094491	9000000	1 year	25-09-2020	10192484
5	37963095075	9000000	1 year	25-09-2020	10192484
6	37963100847	5000000	1 year	25-09-2020	5662491
7	37964921818	4000000	1 year	25-09-2020	4247129
8	38755150161	6000000	1 year	09-10-2020	6447525
9	38755245678	9000000	1 year	09-10-2020	9671287
10	38755245588	9000000	1 year	09-10-2020	9671287
11	38755245102	9000000	1 year	09-10-2020	9671287
12	38755244914	9000000	1 year	09-10-2020	9671287
13	38755244448	9000000	1 year	09-10-2020	9671287
14	38755244709	9000000	1 year	09-10-2020	9671287
	Total	**114000000**			**125347287**

It was proposed to reinvest aforesaid amounts i.e. Rs.12,53,47,287/-in the shape of F.D.

5.4 The rate of interest offered by the banks to invest aforesaid amounts in Fixed Deposit for the period of one year is as under:-

Name of Bank	Rate of Interest (%) for one year period (For amount below 1 crore)
Canara Bank	5.40
Union Bank of India	5.25
Bank of Baroda	5.10
HDFC Bank Ltd.	5.10

ICICI Bank Ltd.	5.00
Central Bank	4.95
State Bank of India	4.90
Central Bank	4.90
Punjab National Bank	3.10

5.5 It was informed that the total 14 FDs are lying in the SBI amounting Rs.12,53,47,287/-(after maturity). As per Ministry of Finance Order No. 7/118/2005-BOA Dated 16th July, 2012, **<u>bidding is not required</u>** and **<u>surplus funds may be placed with one or more banks to spread the resources among the banks</u>**. Now, rate of interest is reduced from 5.1% to 4.9%, it can be reinvested in those banks who offer highest rate of interest.

5.6 It was proposed that matured FDs (Rs.**12.53 Crore)** available with SBI may either be renewed in the same SBI branch i.e. NSEZ Branch or may be transferred to Canara Bank, NSEZ Branch to open the new FDs for next one year as Canara Bank is offering highest rate of interest. Likewise a decision to invest **Rs.10 Crore** in fresh FDs may be taken keeping in view the rate of interest offered by above banks, especially the nationalized banks. Here, it was also mentioned that the branches of nationalized banks i.e. SBI, Canara Bank, Central Bank, PNB are located in NSEZ premises itself. Further, it was also informed that PNB has been already collecting Customs duties paid by the various units.

5.7 In view of above, complete facts as mentioned above were placed before Authority in its meeting held on 22.11.2020 for consideration and necessary decision in the matter.

5.8 The Authority discussed the matter in detail and deferred the matter for its next meeting with the direction to FCA to examine the matter and give pros and cons factoring in the relevant provisions of SEZ Act/Rule and SEZ Authority along with his opinion. The Authority also directed the Estate Division to obtain inputs from other SEZ Authorities on the matter of investing surplus funds of the Authority and the practice being adopted there. Till then the FDs may be continued with the banks where it have been invested and investment w.r.t. above comments above may be made as per present practice.

5.9 It is mentioned that FDs have been renewed with the banks where it have been invested and investment w.r.t. above comments above has also been made as per present practice.

5.10 Accordingly, vide this office letter dated 18.01.2021 other SEZ Authorities requested to provide their inputs and practice being adopted in their zone. M/s Rajeev Sharma & Associates vide this office letter dated 18.01.2021 also requested to expedite their opinion in the matter.

5.11 Visakhapatnam SEZ Authority vide their letter dated 03.02.2021 has informed that the <u>surplus funds of VSEZ Authority are usually deposited in various public sector banks whereas this it is proposed by UAC to call for willingness from the public sector banks and as such the FDs will be transferred on maturity to the bank that are offering higher rate of interest</u>. Falta SEZ Authority vide letter dated 22.01.2021 has informed that <u>Falta SEZ Authority has created Terms Deposits of surplus funds in the Central Bank of India in the denomination of Rs.1.90 Crores each for one(1) year period and are getting interest@4.9% per annum</u>.

5.12 M/s Rajeev Sharma & Associates vide e-mail dated has submitted as under:-

I. That the chapter III of the SEZ Rules, 2009 thrown some light about the financial viability of the Zone and empowers the Authority to take necessary steps as it deems fit, the said clause reads as under:-
6.(1) The Authority shall, -
(i) take all necessary measures for efficient management of the Zone and develop it as a financially viable organization,

(v) have powers to raise resources in a manner consistent with provisions of the SEZ Act and Rules framed there under.

II. That the SEZ Rules, 2009 appears to have nowhere stated specifically about the Mode of Investment in the Securities yielding Incomes.

III. That the general discussions during the CAG Audit of the Authority shows that the Surplus Funds may be parked in the no risk securities in the form of bank deposits.

IV. That the Surplus funds may also be parked in the Debt Funds or any other permissible Risk Free Securities with the prior permission of the Central Govt.

V. AS far as the Surplus funds are to be invested in the form of the Bank Deposits, It should be splitted over the different banks instead of the entire amount in one bank on a yearly basis maturity. Further, they submitted the guidelines dt. 08/05/2017 given by the Department of Public Enterprises, in case, it may be treated as a guiding path in the absence of any clear Instruction under the SEZ Rules, 2009.

5.13 In view above, input received from other SEZ Authorities along with FCA opinion is placed before NSEZ Authority for appropriate decision.