



NOIDA SEZ AUTHORITY

(Under Government of India)

Min. of Commerce & Industry, Deptt. of Commerce,
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam
Budh Nagar (UP)

नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण
(अधीनस्थ भारत सरकार)

वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
नौएडा दादरी रोड, फेस.ए, नौएडा.201305, जिला गौतम बुद्ध नगर (उप्र0)

Minutes of the 1st NSEZ Authority meeting (2014 series) held on 20/03/14 at 10:00 AM

The NSEZ Authority meeting was held on 20/03/2014 at 10:00 AM under the Chairmanship of Dr. L.B. Singhal, Chairman & CEO, NSEZ Authority. Besides, Sh. Manu Tentiwal, Joint Development Commissioner, NSEZ, the following were also present:-

1. Sh. S.S. Kumar, Under Secretary, Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, Udyog Bhawan, New Delhi.
2. Sh. Rakesh Kumar, Dy. Development Commissioner, NSEZ.
3. Sh. R.P. Verma, Secretary to the Authority.
4. Sh. Puneet Kapoor, Partner, APK Identification, NSEZ, Noida.
5. Sh. Samir Jain, Managing Director, M/s. Indeutsch Industries Pvt. Ltd., SDF : E-7 & 8, NSEZ, Noida
6. Sh. Ram Sundar Jha, representative of M/s. Rajeev Sharma & Associates, Noida.

Chairman & CEO welcomed all members and consented to the agenda being placed before the Authority. The issues discussed and the decisions are as below:-

1) Ratification of the Minutes of the Meeting held on 28/11/2013:-

The Authority ratified the Minutes of the meeting held on 28/11/2013 and reviewed the compliance of the decisions taken in the previous meeting of the Authority in terms of sub-rule 14 of rule 10 of SEZ Authority Rules, 2009.

2. Review on the Budget for the year 2013-14 and approval for the budget for the year 2014-15:-

The Authority in terms of Rule 10 (2) of SEZ Authority Rules, 2009 reviewed the Budget approved for the year 2013 – 14 and noted the achievements/receipts of revenue as proposed in the said Budget. Authority after due deliberations approved the Budget for the year 2014-15 as reproduced on next page:

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NOIDA SEZ Authority
BUDGET FOR THE YEAR 2014-15

Revenue & Expenditure Budget Estimate for the year 2014-15

Sr. No.	Particulars	₹ in lacs
A	Estimated Revenue	
	11. Lease Rentals	2200
	12. User Charges	400
	13. Interest on fixed deposit	600
	14. Others	100
	Total	3300
B	Funds available including FDs up to 15.3.2014	7500
C	Grand Total (A+B)	10800
D	Estimated Expenditure	
	17. Minor works	
	e. Infrastructure Development (Capital expenditure)	5312
	f. Maintenance	250
	18. Rent Rate & Taxes	100
	19. FTE/DTE	10
	20. Professional fee/ charges	10
	21. Advertisement & Publicity	05
	22. Office Expenses	50
	23. Salary & wages	0
	24. Misc. Expenses	200
	Total	5887

Break-up of estimated expenditure on minor works

S. no	Description of work	Estimated expenditure (in lacs of ₹)
1.	Repair & re- construction of roads	2000
3.	Development of Parks	100
4.	Construction of SDF- M- block	300
5.	4 KM CC Boundary wall	1412 (282.22 +1129.78)
6.	Renovation of Service Centre, Store room, and 2 SDFs	1000
7.	Misc. (Tube well, Gate -1, minor repair works)	500
	Total	5312.0

3. **Approval for "Imprest" for Authority for petty expenses :** at present , NSEZA has no Imprest for daily need, it is proposed to approve an amount of Rs. 5000/- (Rs. Five thousand only) and secretary NSEZA may be empowered for financial sanctions up to Rs. 5000/-

Decision: - The Authority approved the "Imprest" amounting to Rs. 5000/- (Rs. Five thousand only) for petty expenses and empowered secretary NSEZ Authority for financial sanction up to Rs. 5000/-

4. **Construction of a Record Room at first floor and renovation of first floor:** A proper record room is required to be maintained in the office for maintaining records of permanent nature and keep other records till its necessity/validity. Accordingly, it is proposed to develop a record room at first floor along with renovation of the office of Customs wing in the tone of 2nd floor.


Decision: - The Authority felt an urgent requirement of a record room as no proper record room is maintained in the Service Center. After due deliberations, The Authority decided to assign the work to the nominated Engineering Firm for preparation of 'Scope of Works' for developing a Record Room at first floor and renovating the Office of Customs-wing at first floor in the tone of 2nd floor. On finalization of 'Scope of Works', the same be forwarded to the Public Work Organizations of Central/State of Uttar Pradesh for submission of estimate so as to place before Authority in its next meeting for approval to award the work to lowest quote.

5. **Review on the permission granted or to be granted to NSEZ units for mortgaging the property in NSEZ.** It has been learnt that NSEZ units are mortgaging the property situated in NSEZ with financial institutions as collateral for term loan/ capital limit either for entire group of the co. or for NSEZ unit only, in case, they have single unit. The amount of loan/ capital limit is often so high that cannot be recovered from the property at NSEZ. Recently, two cases have come to the notice. One is of M/s Evinix Industries Ltd. and another is of M/s Moser Baer (I) Ltd.

Decision:-After deliberations, The Authority decided to obtain legal opinion on the issue and get the language of permission for mortgage vetted on the following points:-

- i. That the permission for mortgage does not cover the area of land as the plot is not a subject matter of mortgage being the property of the Govt. of India.
- ii. NOC shall be valid for the validity period of Sub-lease deed only. The period of lease may be extended on request of the unit on expiry of lease period by the Competent Authority.
- iii. First charge shall be of NSEZ Authority for the amount of unpaid balance/dues of lessor /Authority.

Authority also decided to make a reference to DoC for discussion with all Zonal DCs so as to frame suitable guidelines to be followed by all Development Commissioners.



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6. **Engagement of Engineering cum Architect firm – Discussion and approval for monthly retainer ship charges.** As approved by the Authority in its meeting held on 28.11.2013, notice inviting EoIs was published in the “HT and Amar Ujala” Newspaper resulting 16 proposals have been received up to the last date. Lowest retainer ship has been quoted by M/s. ABDIEL PROJECT LLP, Kalkaji, and New Delhi amounting to Rs. 30000 /- per month.

Decision:-The Authority noted that the tender notice inviting Expression of Interests was published in the “Hindustan Times and Umar Ujala (Hindi)” to give wide publicity and it was also placed on the Website of NSEZ. The details of 16 proposals received up to the last date of submission of EoIs were explained to the Authority in great details including two options for quoting rates and after deliberations, the Authority decided to go with the option of monthly retainer ship. Accordingly, approved to issue offer letter to M/s. Abdiel Project LLP, Kalkaji, New Delhi to engage on monthly retainer ship charges @ Rs. 30,000/- per month being lowest quote.

7. **Engagement of a Legal firm – fixation and approval for monthly retainer ship charges:** With reference to the advertisement dt. 4.2.2014, eleven EOIs have been received from various legal firms. Authority is requested to fix monthly retainer ship to discuss the matter with all legal firms during interview so as to select one suitable firm.

Decision:-The Authority noted that a wide publicity was given for inviting EoIs in the “Hindustan Times and Amar Ujala (Hindi)” newspaper resulting 11 EoIs were received up to last date for submission of EoIs from various legal firms. The Authority after due deliberation fixed a monthly retainer ship charges amounting to Rs. 30,000/-. The Authority also desired that Committee constituted in the previous meeting held on 26/11/2013 may conduct interviews and decide the parameters for selection of one suitable legal firm. The recommendation of the Committee shall be placed before the Authority in its next meeting for approval. In the meantime, contract period of Sh. G.S. Arora, advocate be extended for next 03 months up to 30/06/2014 on the same Terms & Conditions.

8. **Levy of Compounding/ transfer charges on M/s RFB Latex Ltd. and M/s Lakeland gloves:** - on request of M/s Lakeland gloves, the building erected at plot no. 24 measuring 2700 sqr. mtrs. was transferred to M/s RFB Latex Ltd. on 18.6.2013 with the approval of UAC in its meeting held on 6.5.2013 subject to payment of applicable transfer charges. Since the unit was not having Completion Certificate at the time of transfer so the transfer charges were levied @ Rs. 1000/- per sqr mtrs. Unit requested to charge transfer charges @ Rs. 550/- as they have applied to this office for CC prior to the approval of transfer. During process of CC drawings, it was observed that an area measuring 835.06 sqr mtrs has been constructed by the unit without sanction of building plan. The area so constructed was compoundable as per

Noida authority bye laws. The rates of Noida Authority are Rs. 1000/- per sqr mtrs and NSEZA on 18.4.2011 decided to charge compounding charges @Rs. 200/- per sqr mtrs. Unit has deposited transfer/ compounding charges @ Rs. 550/- and Rs. 200/- respectively and requested to levy transfer charges/ compounding charges @ Rs. 550/- and Rs.200/- per sqr mtrs on the ground as explained above.

Decision: - The Authority deferred the case for seeking clarification from the Noida Authority on the issue first so as to decide in the next Authority meeting.

9. **Maintenance of Guest House – Finalization of terms & conditions:** As decided by the NSEZ Authority in its meeting held on 05.3.2013, the renovation work has been completed in staff quarter no. D-1. Authority may decide terms & conditions for maintenance of Guest house.

Decision:- The Authority after due deliberations, decided to maintain the guest house at our own for Govt. Officials/Guests of NSEZ. The Chairman & CEO directed to prepare a list of items required for maintenance of 'Guest House' so as to place before the Authority in the next meeting for approval of expenditure to be incurred for procurement of necessary items.

10. **Levy of Five times lease rent on the units those have not obtained Completion Certificate of the building within prescribed limit – Discussion on the recommendations of the Committee. :** - Recommendations of the Committee as constituted in the previous Authority meeting were placed before the Authority.

Decision: - The Authority deferred the matter for next meeting as reference has been made to DoC in case of M/s De - Core Science & Technologies Ltd. The decision of DoC is still awaited.

11. **Tender for food court constructed by NBCC in facilitation center: - This matter was deferred in the previous meeting held on 28.11.2013:-** It has to be decided whether area measuring 700 sqr mtrs on the first floor of the Facilitation center be allotted to small investors or incubators be developed by NSEZA or tenders be invited for food court.

Decision:- After due deliberations, The Authority decided to maintain the area as food court on the first floor of the Facilitation Center. Chairman directed Jt. Development Commissioner to call renowned Companies/Firms such as M/s. Mc.Donald, Piza Hut, costa, others and discuss their requirement of space /other conditions so as to accommodate more brands to facilitate the Industries located in NSEZ. A complete report be placed before Authority in it next Authority meeting for decision.

12. **Repairing/reconstruction of boundary wall of the park behind service center/park No. 01 and canteen adjacent to Park No. 01.**

Decision:-The Authority decided to obtain ‘Scope of Works’ and ‘Estimate’ from NBCC and place before Authority in its next meeting for approval.

13. **Laxman Overseas- Recovery of lease rent.** A Brief details of the matter was placed before the Authority.


Decision: - The Authority perused the brief history of the said unit along with Court Orders and noted that LoA of the unit was cancelled by then Development Commissioner on 23/02/2006 through an Adjudication Order passed under FT(DR) Act,1992 and the Unit did not file an appeal before the Appellate Authority against the said cancellation. Hence, the request of the unit for revival of LoA dated 25/10/2002 cannot be considered. An appeal has to be filed within time as prescribed under Section 15 of FT(DR) Act, Unit Approval Committee or Development Commissioner do not have the powers to review decision of DC, passed under an adjudication order. As for as payment of lease rent is concerned unit has to pay lease rent outstanding till date as the unit did not hand over the possession of Plot No. 67 & 19 measuring 8460 Sqr. Mtrs. after cancellation of LoA.

14. **Additional points with the approval of the Chairman**

Award of contract for lifting of Garbage: - A brief detail of the tender for disposal of garbage and cleanliness of drains/sewers were explained to the Authority. Authority noted that financial bids of two qualified bidders only were opened. After deliberation, The Authority approved to award the contract to the lowest quote viz. M/s. Help Line Hostility (P) Ltd., New Delhi @ Rs. 2,01860/- per month subject to conditions as stipulated in tender notice.

Meeting ended with vote of thanks to the chair.


(Manu Tewari) 24/08/2014
Joint Dev. Commissioner


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