



## 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 2<sup>nd</sup> NSEZ Authority meeting (2014 series) held on 02/06/14 at 10:30 AM

The NSEZ Authority meeting was held on 02/06/2014 at 04:30 pm under the Chairmanship of Sh. Manu Tentiwal, Chairman & CEO. The following members of the Authority were present.

1. Sh. S.S. Kumar, Under Secretary, Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, Udyog Bhawan, New Delhi.( Rep. of JS, DoC)
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. ( Member)
5. Sh. Rajeev Sharma, 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 20/03/2014 & review of decisions taken in the said meeting in terms of Sub Rule 14 of Rule 10 of SEZ Authority Rules, 2009.**

NSEZ Authority ratified the Minutes of the meeting held on 20/03/2014 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. **Revision in lease rent and other user charges:** The lease rent was revised earlier on 1.6.2013. Present rates of lease rent/ other user charges are as under :-

For SDF – Rs. 1320/- per sqr mtrs per annum and for plots – Rs. 94 /- per sqr mtrs per annum plus Rs. 10 /- per sqr mtr per annum as maintenance charges. Revision in said user charges were proposed as under:-

<u>Lease rent</u>	<u>Existing rates</u>	<u>Proposed rates</u>	<u>Increment</u>
SDF	Rs. 1320/-	Rs.1450/-	9.84%
Plot	Rs. 94/-	Rs. 104/-	10.63%

<b><u>Maintenance</u></b>	Rs. 10/- per sqr mtrs per annum	Rs. 15/-	50%
<b><u>Water charges</u></b>	<b>Per quarter</b>	<b>Per quarter</b>	
<b><u>Plots upto 1000 sqr mtrs</u></b>	Rs.630/-	Rs.700/-	11.11%
<b><u>Plots upto 5000 sqr mtrs</u></b>	Rs. 900/-	Rs. 1000/-	11.11%
<b><u>Plots above 5000 sqr mtrs</u></b>	Rs. 1800/-	Rs. 2000/-	11.11%
<b><u>SDF</u></b>	Rs. 1200/-	Rs. 1330/-	10.83%

**Decision:** - NSEZ Authority discussed the decisions taken in the meeting held in the DoC on 1<sup>st</sup> May,2013 under the Chairmanship of the Additional Secretary (SEZ) and after due deliberations, approved the user charges as proposed above to be applicable w.e.f. 01.06.2014. However, Sh. Puneet Kapoor, Member of the NSEZ Authority raised that in future, lease rent in respect of SDF should not be revised every year as rates are already on higher side. He suggested to review the lease rates after every three years. Authority decided to refer the issue to the DoC for issue of suitable guide lines in the matter.

3. **Ex-post facto approval for incurring an expenditure of Rs. 8000/- in r/o electricity charges paid to UPPCL beyond the approved limit of Budget for the year 2013- 14:** It is submitted that an amount of Rs. 1.00 crore was approved by Authority in its meeting held on 5.3.2013 for incurring expenditure on RRT. This limit has increased by Rs. 8000/- due to increase in electricity charges. Hence, ex-post facto approval of Authority is solicited.

**Decision:-**The Authority granted Ex-post facto approval for incurring an expenditure of Rs. 8000/- as per agenda.

4. **Approval for engaging a legal firm selected/ recommended by the Committee constituted by the Authority in its meeting held on 20.3.2014.:** As per decision taken in the Authority meeting held on 20/03/2014, the committee invited all legal firms for interview and assessment of suitability of the firm for NSEZ works on 30/04/2014 at 11.00 AM. The representatives of all 11 applicants appeared before the Committee. The following Members of the Committee were present: -

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|---|-----------|
| 1. Sh. Manu Tentiwal, Jt. Dev. Commissioner   | -Chairman |
| 2. Mrs. Mala Rangarajan, Dy. Dev. Commissioner<br>(CVO) invited by the Chairman as member | -Member   |
| 3. Sh. Rakesh Kumar, Dy. Dev. Commissioner  | -Member   |
| 4. Sh. R.P. Verma, Asstt. Dev. Commissioner   | -Member   |

During the interview, the 3 firms namely M/s **Khaitan & CO LLP**, M/s. **ABACUS LEGAL GROUP** and M/s. **Lall Lahiri & Salhotra** did not show the interest to work on the retainer ship charges amounting to Rs. 30000/- as fixed by the Authority. Another applicant viz Sh. Dinesh Kumar Sabhaewal has applied in individual capacity instead of on behalf of firm whereas EOI were invited from legal firms. Keeping in view of performance during interview , willingness , relevant experience of the firms, The Committee was of the view that M/s. RAD & Partners, C-623, New Friends Colony, New Delhi is suitable firm for this office. Hence, committee recommended to award the offer to M/s RAD & Partners @ ` 30,000/- per month as retainer ship charges subject to terms & conditions as published in the notice. The recommendations of the Committee are placed before NSEZ Authority in terms of the decision taken by the Authority in the meeting held on 20.3.2014 for approval to engage M/s. RAD & Partners, C-623, New Friends Colony, New Delhi @ Rs. 30000/- per month.

**Decision:** - After due Deliberations, NSEZ Authority approved to engage M/s. RAD & Partner as legal retainer @ Rs. 30,000/- per month wef 1<sup>st</sup> July, 2014.

- 5. Approval for materials/items to be purchased for guest house:** As decided in the meeting held on 20.3.2014, a list of items required for the guest house has been prepared. Kendriya Bhandar has submitted estimate amounting to Rs. 600000/- . It is proposed to approve the same so as to develop the guest house at the earliest. List is enclosed (page no. 12-15)

**Decision:-**The list of items produced by Kendriya Bhandar along with photo graphs of major items were shown to the members. Authority felt that rates quoted by the Kendriya Bhandar are quite justified. Hence, The NSEZ Authority approved the items as per list at the estimate cost of Rs. 6,00,000/- (Rupees Six Lacs only) to be purchased through Kendriya Bhandar for developing Guest House.

- 6. Ratification of decision for construction of new bore well in NSEZ complex:** As the bore well no. 3 has become un-operational, It was decided on file to develop a new bore well through U. P. Jal Nigam @ Rs. 38,65,264/- with construction of a room. Ratification of the decision is proposed.

**Decision:** - NSEZ Authority ratified the decision taken by Chairman & CEO on file for construction of new bore well through UP Jal Nigam @ Rs. 38,65,264/- (Rupees thirty eight lacs sixty five thousand two hundred sixty four only).

7. **Re-allotment of SDF to M/s Morgan Tectonics in accordance with legal opinion as the Eviction Order was issued under PP Act, 1971 for non – payment of lease rent:** Eviction Order under section 5 of PP Act, 1971 was issued to the unit on 20.3.2013 after giving reasonable opportunities by issuing notices under section 7 and 4 of said Act. Distt. Court is the Appellate Authority in the matter. Unit did not file an Appeal within stipulated time and approached DC to revoke the Eviction Order. Unit cleared lease rent. On direction of DC, legal opinion was obtained. Legal Retainer has opined that SDF may be re-allotted to the unit. Proposal is placed before Authority for consideration.

**Decision:** - Facts of the case and legal opinion were explained to the members. The promoter of the unit, Sh. P.V. Khullar was also appeared before the Authority and explained the circumstances for default in payment of lease rent. Authority after due deliberations, decided to re-allot the said SDF to M/s. Morgan Tectonics as the said unit is operational in the said SDF since 10/08/1991. The Authority imposed a penalty of Rs. 20,000/- on the unit and directed the promoter to pay lease rent regularly on due date.

8. **Request of M/s. Sara Trans Industries for waiving off allotment fee in r/o S.D.F. allotted due to fire break in their building constructed at Plot No. 76/77, NSEZ, Noida:** It is submitted that major fire broke out in the building of the unit constructed at plot no. 76-77 during July, 2013. On request of the unit, SDF –F14 was allotted on 26.7.2013 for 4 months and SDF- F-13 was allotted on 11.09.2013 without charging Allotment fee

@ Rs. 1750/- per sqr mtrs subject to condition that unit will shift their operations in their building within 4 months. But unit did not shift their operations within said period due to non-settlement of claim by Insurance Deptt. and on request of the unit, allotment was extended upto 16.1.2014. Unit again requested to extend the period of allotment. It was considered and allowed on payment of allotment fee @ Rs. 1750/- per sqr mtrs. Unit has represented to waive off allotment charges and extend period of allotment till renovation of their building at plot no. 76-77. The proposal of the unit is placed before the Authority for consideration.

**Decision:-** Sh. Jasveer Singh, Partner of the unit appeared before the NSEZ Authority and explained the reasons for not commencing the renovation work in the building damaged due to major fire breakout in July, 2013. He requested Authority not to charge allotment fee and to allow the unit to retain SDFs for next one year. The Authority, after due deliberation, decided to allow the unit to retain SDFs till the end of Dec, 2014 without payment of allotment fee and if unit wants to retain after Dec' 14 then 25% of the allotment fee shall be charged up to June,2015 and if unit fails to shift their operations in their building after June,2015 then remaining allotment fee i.e. 75% shall be charged from the unit.

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

- (i) **Construction of new tube wells:** It is submitted that there are 4 tube wells in the Zone. Out of 4 tube wells, 3 have become un- operational. The work for re- construction of tube well no. 2 & 4 was awarded to UP Jal Nigam but could not be re- constructed due to puncture in the bore. Hence, it is proposed to approve to construct 2 new more Tube-

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Wells and work may be awarded to UP Jal Nigam @ 38,65,264/- each plus rising line for actual requirement and estimate shall be obtained after identifying the place for tube well.

**Decision:** - The Agenda/proposal was explained to the members. NSEZ Authority noted that tube well No. 2 and 4 have become un-operational due to puncture and falling of B.T. Pump in the bore well. Authority approved the proposal for construction of two new tube wells through M/s UP Jal Nigam @ Rs. 38, 65, 264 (Rupees thirty eight lacs sixty five thousand two hundred sixty four only) per tube well.

(ii) **The permission for sharing of space:** - It is submitted that M/s. Global Dent Aids (Trading Unit) has been sharing their space with another unit viz. M/s. Global Dents Aids Private Limited as a sister concerned since 2007, without any permission of this office. Now they have applied for permission of sharing space. It was decided in its Authority meeting held on 05/03/2012 that the permission for sharing of space shall be allowed on payment of lease rent @ 1.5 times on normal lease rent. The proposal of the unit shall be regularized subject to payment of lease rent @1.5 times w.e.f. 05/03/2012 as decided by the Authority valid up to March' 2015. The proposal is placed before the Authority meeting for consideration.

**Decision:-** After a long deliberations, NSEZ Authority decided to regularize sharing permission since 2007 as the promoter/company are same but has different LOA subject to condition that unit will pay lease rent @ 1.5 times on the normal lease rent since march' 2012 as decided by the NSEZ Authority earlier with interest @ 12% per annum plus penalty amounting to Rs. 10,000/- (Rupees then thousand only)

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- (iii) **Sale of property at Plot No. 152, NSEZ:** - It is submitted that the property of M/s. Intercraft Engineering Pvt. Ltd. was mortgaged with Canara Bank with the permission of this office vide letter dated 01/11/2007. It was informed by the Bank that the unit has defaulted to pay loans and classified as NPA on 25/02/2010. The bank has initiated an action under SARFAESI Act and issued a sale notice to the unit, resulting an e-auction of said property was conducted on 12/03/2014 after proper publicity given in newspapers. The said property was taken up by M/s. Cyber futuristic India Pvt. Ltd. as a valid LOA holder with liabilities and applicable transfer charges. It is also submitted that the above action was initiated by the Bank without prior permission of this office for auction. The proposal is placed before the Authority meeting for ex-post facto approval for auction the property at plot No. 152.

**Decision:-** Agenda point was explained to the Members of the Authority. The Chief Manager of Canara Bank appeared before the Authority and explained the circumstances for auctions of the property. Authority granted ex-post facto approval on the auction and directed the Chief Manager, Canara Bank not to auction any property in the Zone without prior approval of the Authority in future.

- (iv) **Write off irrecoverable losses:** - M/s Glorry Glitters (Exports) India was allotted SDF No. A-8 on 19/09/2005 to implement the LOA dt. 01/25/2005-Proj/7791 dt. 13/09/2005 for manufacturing of readymade garments. Action under P.P. Act, 1971(Eviction of unauthorized occupants) was initiated against the unit as unit failed to pay dues and occupant was declared unauthorized under Section 5 of P.P. Act. Possession of the allotted SDF was taken over under proper Panchanama on 03/02/2012. Goods lying at the SDF was auctioned by NSEZ Authority and dues amounting to Rs. 6,91,628/- was recovered. Recovery Certificate Under Section 14 of P.P. Act. 1971 issued to the

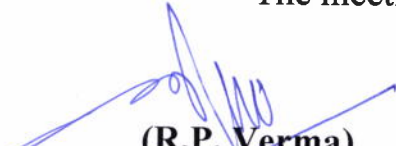
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District Magistrate, G.B. Nagar to recover dues amounting to Rs. 14,56,158/- on 27/12/2013 and said R.C. was returned by them in original with the information that Proprietor of the unit Sh. Ashok Kumar Tohani has been died on 10/01/2014 and no property is available to recover the dues.

**Decision:-**NSEZ Authority decided to write a letter to the District Magistrate, G.B.Nagar again to recover the dues from the legal heir of late Sh. Ashok Kumar Tohani, proprietor of M/s. Glory Glitter ( Exports) India.

The meeting ended with vote of thanks to the chairman & CEO.

  
(R.P. Verma)  
Secretary

  
(Rakesh Kumar)  
Dy. Dev. Commissioner

  
(Manu Tantiwal) 04/06/2014  
Chairman & CEO (I/c.)