



सत्यमेव जयते

**Performance Audit Report of the
Comptroller and Auditor General of India
on
Land Acquisition and Allotment of Properties
in
New Okhla Industrial Development Authority (NOIDA)**



लोकहितार्थं सत्यनिष्ठा

Dedicated to Truth in Public Interest



**Government of Uttar Pradesh
Report No. 6 of the year 2021**

**Performance Audit Report of the
Comptroller and Auditor General of India
on
Land Acquisition and Allotment of Properties
in
New Okhla Industrial Development Authority
(NOIDA)**

**Government of Uttar Pradesh
Report No. 6 of the year 2021
(Performance Audit)**

TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph(s)	Page(s)
Preface	--	xv
Executive Summary	--	xvii-xxxv
Chapter-I: General	--	1-7
Background	1.1	1
Role and powers of Department	1.2	1-2
Role/functions of NOIDA	1.3	2
Management of NOIDA	1.4	2-3
Administrative control of the Government	1.5	3
Entrustment of Audit	1.6	3-4
Status of finalisation of Accounts	1.7	4
Audit Objectives	1.8	4
Audit Criteria	1.9	4-5
Scope and Methodology of Audit	1.10	5-6
Scope Limitation	1.11	6-7
Contents of the Audit Report	1.12	7
Acknowledgement	1.13	7
Chapter-II: Planning		9-23
Introduction	2.1	9
Context of development in National Capital Region	2.2	9-10
Process of Finalisation of Master Plan	2.3	10-11
NOIDA (Preparation and Finalisation of Plan) Regulations	2.3.1	11
Scope of Audit	2.4	11
Audit Findings	2.5	11
Preparation and implementation of MPs without approval	2.6	11-12
MP-2021 not approved by NCRPB	2.6.1	13
Implementation of Master Plan 2031 without considering objections of Chief Town and Country Planner/NCRPB	2.6.2	13-15
Greater discretion with changes in Plan Regulations	2.7	15
Exclusion of defined activities under different categories	2.7.1	15-16
Weakening provisions for systematic regulations of land use area	2.7.2	16

Particulars	Reference to	
	Paragraph(s)	Page(s)
Omission of provision relating to extent of land use and standards of population density	2.7.3	17-18
Substantial revision/changes in land use over time	2.8	18
Large scale land use conversions in NOIDA	2.8.1	18-19
Diversion of industrial land to other uses	2.8.2	19
Mixed land use	2.8.3	19-20
Sports City	2.8.4	20-21
Substantial revision/changes in land use over time	2.8.5	21-22
Conclusion	--	22
Recommendations (1-3)	--	22-23
Chapter-III: Acquisition of Land		25-43
Land Acquisition Process	3.1	25
Acquisition	3.1.1	25-26
Resumption	3.1.2	26
Direct Purchase	3.1.3	26
Status of Land Acquisition in Noida	3.2	26-27
Scope of Audit	3.3	27
Audit Findings	3.4	27
Irregularities in Acquisition under LAA	3.5	28
Acquisition invariably under urgency clause on a standard justification	3.5.1	28-29
Delay in processing of cases of acquisition under urgency clause	3.5.2	29-32
Excessive use of urgency clause to acquire land	3.5.3	32
Avoidable payment of additional compensation in cases of direct purchases of land through sale deeds	3.5.4	33-34
Loss due to excess payment of additional compensation	3.5.5	34-35
Incorrect payment of advance in respect of additional compensation	3.5.6	35-36
Irregularities in Acquisition under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	3.6	36
Unauthorised and irregular payment of No-litigation bonus beyond scope of the 2013 Act	3.6.1	37-38

Particulars	Reference to	
	Paragraph(s)	Page(s)
Failure in exercise of due diligence	3.7	38
Avoidable payment of excess compensation due to delayed execution of agreement	3.7.1	39
Blockade of fund due to inaction on the part of NOIDA	3.7.2	39-41
Ineffective follow-up of acquisitions	3.8	41
Land under encroachment	3.8.1	41-42
Non-mutation of land purchased	3.8.2	42
Conclusion	--	42-43
Recommendations (4-5)	--	43
Chapter-IV: Pricing of Properties		45-69
Costing System in NOIDA	4.1	45
Process of price fixation	4.2	45-46
Status of costing in NOIDA	4.3	46-48
Audit Objectives	4.4	48
Scope of audit	4.5	48
Audit Findings	4.6	49
Systemic deficiencies	4.7	49-50
Mis-categorisation of Sectors for Allotment of Group Housing Plots	4.7.1	50-52
Non-revision of sale price during 2009-10 citing global economic slowdown	4.7.2	52-54
Inconsistencies observed in costing	4.8	55
Arbitrary reduction of rates during the period 2006-07 to 2009-10	4.8.1	55-58
Pricing based on lower acquisition rates	4.8.2	58-59
Delayed inclusion of rehabilitation cost	4.8.3	59
Considering higher percentage of saleable area	4.8.4	59-60
Reduction of tenure for interest cost	4.8.5	60
Reduction in cost for open space	4.8.6	60
Non-inclusion of cost of abadi plots against acquisition of land	4.8.7	61
Impact of deviations	4.8.8	61-62
Non-recovery of costs	4.9	62
Non-recovery of ex-gratia payments for land acquisition	4.9.1	62-63
Non- recovery of additional compensation paid on land acquisition	4.9.2	63-64

Particulars	Reference to	
	Paragraph(s)	Page(s)
Non recovery of payments for abadi plots due to non-framing of policy	4.9.3	64-65
Excess allowance of FAR and GC resulting in lower fixation of Reserve Price	4.10	65-67
Injudicious reduction in rates for office allotments	4.11	67-68
Loss to exchequer due to under levy of Stamp Duty	4.12	68
Conclusion	--	68
Recommendations (6-7)	--	69
Chapter-V: Allotment of Properties - General	--	71-76
Introduction	1	71-73
Status of allotments	2	74
Contents of this Chapter	3	75
Common irregularities in allotment of properties	4	75-76
Chapter 5.1: Allotment of Group Housing Plots	5.1	77-122
Introduction	5.1.1	77
Process of Allotment	5.1.2	77
Status of allotments of Group Housing plots in NOIDA	5.1.3	77-81
Scope of audit	5.1.4	81
Audit Findings	5.1.5	82
Systemic deficiencies	5.1.6	82
Non-approval of the terms and conditions by the Board before launch of the scheme	5.1.6.1	82-84
Allotment by relaxing financial qualification criteria	5.1.6.2	84-85
Deficiency in eligibility conditions resulting in misuse	5.1.6.3	85-87
Contradictory eligibility criteria	5.1.6.4	87-88
Injudicious modifications in terms and conditions in scheme brochures	5.1.6.5	88
Non-compliance and removal of clause for opening escrow account	5.1.6.6	88-89
Removal of clause for obtaining bank guarantee	5.1.6.7	89
Reduction of allotment money	5.1.6.8	89-91

Particulars	Reference to	
	Paragraph(s)	Page(s)
Relaxation of conditions for consortiums	5.1.6.9	91-93
Irregularities in screening of applications and allotment	5.1.7	93
Allotment to entities that did not meet even technical eligibility criteria	5.1.7.1	94-95
Leveraging of net worth for multiple allotments	5.1.7.2	95-97
Absence of fair competition in allotment of plots	5.1.7.3	97-98
Rigging of competition through use of group companies as competitors	5.1.7.4	98
Non-cancellation of plots in spite of delay in deposit of allotment money	5.1.7.5	99
Adverse impact of subdivisions and transfers	5.1.8	99-100
Sub-division without basis	5.1.8.1	100-101
Allowing exit of key member after qualification	5.1.8.2	101-103
Transfers through Change in Shareholding	5.1.8.3	103-106
Irregular transfer of plots	5.1.8.4	106-108
Irregular sub-lease of plots	5.1.8.5	108-110
Post-allotment discrepancies relating to land allocation	5.1.9	110
Allotment without land availability	5.1.9.1	110-111
Loss due to non-levy of stamp duty on Purchasable Floor Area Ratio (FAR)	5.1.9.2	111-112
Failure of the Finance Wing in Group Housing Allotments	5.1.10	112-114
Dues pending after lapse of term	5.1.10.1	114-115
Allotments made in spite of pending dues	5.1.10.2	115-116
Grant of mortgage permission with outstanding dues	5.1.10.3	116-118
Undue favour by making an exception to the prevalent costing method	5.1.10.4	118-121
Conclusion	--	121
Recommendations (8-10)	--	122
Chapter 5.2: Allotment of Commercial Properties	5.2	123-150
Introduction	5.2.1	123
Allotment Procedure	5.2.2	123

Particulars	Reference to	
	Paragraph(s)	Page(s)
Status of allotments of commercial plots in NOIDA	5.2.3	123-124
Scope of Audit	5.2.4	124-125
Audit Findings	5.2.5	125
Scheme related deficiencies	5.2.6	125
Non-approval of the terms and conditions by the Board before launch of the scheme	5.2.6.1	125-127
Preponderance of allotment to selected groups and undue favours thereto	5.2.7	127-128
Execution of lease deed in favour of consortium member instead of in favour of Special Purpose Company (SPC) and facilitating stamp duty evasion	5.2.7.1	128-129
Undue favour in allotment and in ensuring compliance of conditions	5.2.7.2	129-130
Allotment of plot without removing encumbrances and inaction on restoration application resulting in grant of PSP benefit to the allottee	5.2.7.3	130-132
Non cancellation of allotment inspite of non-deposit of any installment	5.2.7.4	132-133
Allotment related observations	5.2.8	133
Allotment to entities not fulfilling the laid down criteria	5.2.8.1	133
Allotments made to entities that were prima facie ineligible	5.2.8.2	133-135
Exit of relevant member after allotment	5.2.8.3	135-138
Transfer of plot through change in shareholding	5.2.8.4	138-140
Discrepancies related to allocation of land	5.2.9	141
Avoidable loss due to delay in handing possession	5.2.9.1	141-142
Additional ground coverage allowed in map approval	5.2.9.2	142
Discrepancies in payment related issues	5.2.10	143
Incorrect fixation of lease rent	5.2.10.1	143-144
Irregular grant of reschedulement facility	5.2.10.2	144-148
Grant of mortgage permission with outstanding dues	5.2.10.3	148-149
Conclusion	--	150

Particulars	Reference to	
	Paragraph(s)	Page(s)
Recommendations (11-12)	--	150
Chapter 5.2: Allotment of Sports City		151-188
Introduction	5.2.11	151-153
Audit Findings	5.2.12	153
Deficiencies in planning and policy formulation	5.2.13	153
Scheme launched without approvals	5.2.13.1 to 5.2.13.2	153-155
Technical eligibility criteria not commensurate	5.2.13.3	155-157
Creation of world class infrastructure without specifications or accreditations	5.2.13.4	157-158
Absence of criteria regarding sports infrastructure	5.2.13.5	158
Perfunctory vetting of applications	5.2.13.6	158
Providing backdoor qualification to applicants	5.2.13.7	158-159
Deficiencies in screening and allotments	5.2.14	159
Plot No. SC-01, Sector 150	5.2.14.1	159-160
Plot No. SC-02 Sector 150	5.2.14.2	161
Plot No. SC-01 Sector 152	5.2.14.3	161-162
Violation of terms related to consortium arrangement	5.2.14.4	162
Plot No. SC-01 in Sector 78/79	5.2.14.5	162-163
Plot No. SC 01 in Sector 150	5.2.14.6	163-164
Plot No. SC 02 Sector 150	5.2.14.7	164-165
Irregularities in transfer and subdivision of plots	5.2.15	165
Irregular sub-division of Sports City plots	5.2.15.1	165-166
Irregular transfer of Sports City plot (Plot no. SC-01 in Sector 150)	5.2.15.2	167-168
Transfer of sub-divided parts of Sports City plots through change in shareholding of subsidiary companies	5.2.15.3	168-170
Non-imposition of transfer charges in plot no. SC-01 in sector 78/79	5.2.15.4	170-171
Non imposition of transfer charges in Plot No. SC-02, Sector 150	5.2.15.5	171-172
Planning and layout related deficiencies	5.2.16	172
Allotment made without NOIDA possessing the entire land	5.2.16.1	172-173

Particulars	Reference to	
	Paragraph(s)	Page(s)
Discrepancies in approval of individual layouts Plot No. SC-01 Sector 150	5.2.16.2	173-174
Plot No. SC-02 sector 150	5.2.16.3	174-175
Envisaged vs. Actual allotment in Sports City	5.2.17	175-176
Timelines with respect to Sports City	5.2.17.1	176-178
Unauthorised sub-division of sports area	5.2.17.2	178-179
Cricket stadium, Plot sub-division and status	5.2.17.3	179-181
Precedence to housing over sports infrastructure	5.2.17.4	181-184
Undue Benefit to Allottees of Sports City Plots	5.2.17.5	184-186
Defeat of avowed objective due to lack of public access	5.2.17.6	186-187
Conclusion	--	187-188
Recommendations (13-14)	--	188
Chapter 5.3: Allotment of Institutional Properties		189-215
Introduction	5.3.1	189
Allotment procedure under Institutional category	5.3.2	189
Status of allotments of Institutional plots in NOIDA	5.3.3	189-190
Scope of audit	5.3.4	190
Audit findings	5.3.5	190
Deficiencies in systems and procedures	5.3.6	191-192
Faulty design and implementation of schemes	5.3.7	193
Loss due to allotment of Office/Corporate Office Plots under Institutional category	5.3.7.1	193-195
Loss due to allowing inadmissible rebates to IT/ITES plots	5.3.7.2 to 5.3.7.3	195-197
Allotments in contravention of prescribed terms and conditions	5.3.8	197
Discretionary allotments	5.3.8.1	197-198
Allotment to Companies which were not even incorporated	5.3.8.2	198-201
Allotments in departure from prescribed procedure	5.3.8.3	201-204
Deficiencies in post-allotment compliances	5.3.9	204-207
Changes in Shareholding	5.3.9.1	207-208

Particulars	Reference to	
	Paragraph(s)	Page(s)
Transfer of plots without levying charges	5.3.9.2	208
Loss to Government exchequer due to inaction on the part of NOIDA	5.3.9.3	208-210
Map/Layout related discrepancies	5.3.10	210
Allotment without acquisition/possession	5.3.10.1	210-211
Undue benefit by allowing excess Floor area ratio (FAR)	5.3.10.2	211-212
Non levy of Map Approval Fees	5.3.10.3	212-213
Discrepancies related to terms of payments	5.3.11	213
Allowing payment in instalments in contravention of GoUP policy	5.3.11.1	213
Loss on Reschedulement of dues	5.3.11.2	213-214
Conclusion	--	214-215
Recommendations (15-16)	--	215
Chapter 5.3: Allotment of Farm House Plots		217-264
Introduction	5.3.12	217
Implementation of the scheme	5.3.13	217-218
Audit Findings	5.3.14	218
Deficiencies in planning	5.3.15	218
Scheme in contravention of permitted activities under Master Plan	5.3.15.1	218-219
Scheme without approval of GoUP and credible justification	5.3.15.2	219-220
Loss due to misclassification of scheme under institutional category	5.3.15.3	221
Launch of Scheme without observance of due procedure	5.3.15.4	221-222
Extremely low fixation of reserve price	5.3.15.5	222-226
Implementation of project and transfer of plot	5.3.15.6	226-227
Blatant violations in allotment of farm house plots	5.3.16	227-256
Cases of allotment by mis-representation, multiple applications and without availability of plots	5.3.17	256
Allotment to company which was not even incorporated	5.3.17.1	256-257
Allotment of multiple plots to same individual/group of companies	5.3.17.2	257-258

Particulars	Reference to	
	Paragraph(s)	Page(s)
Undue favour due to reservation and allotment despite non-availability of plots	5.3.17.3	259-260
Arbitrary allotment by PAC	5.3.18	260
Lackadaisical procedure adopted by PAC in screening applications	5.3.18.1	260-261
Disputes due to discretionary allotment	5.3.18.2 to 5.3.18.3	261-263
Conclusion	--	263-264
Recommendations (17-19)	--	264
Chapter 5.4: Allotment of Industrial Properties		265-287
Introduction	5.4.1	265
Status of allotment of industrial plots in NOIDA	5.4.2	265
Scope of Audit	5.4.3	266
Audit findings	5.4.4	266
Systemic and procedural deficiencies	5.4.5	266
Allotment of underdeveloped plots/allotment without site plan	5.4.5.1	266-267
Lack of parameters for evaluation of industrial project proposals	5.4.5.2	267-268
Non-preparation of detailed notes of rejection and its communication to applicant	5.4.5.3	268
Non-existence of enforcement wing in NOIDA	5.4.5.4	268
Deficiencies in verification of payments made by allottee	5.4.5.5	268-269
Lack of co-ordination between Planning wing and Industrial wing	5.4.5.6	269
Irregularities in screening of the applications and allotment and violation of post allotment compliances	5.4.6	270
Engagement of an outside agency for scrutiny and screening of the applications	5.4.6.1	270
Undue favour in screening of the applications	5.4.6.2	270-271
Discretionary allotment of Industrial plots	5.4.6.3	271-272
Violation of post allotment compliances: Mixed land use Policy	5.4.6.4 to 5.4.6.5	272-277
Violation of Policy and Procedure for Industrial/Institutional Property Management and scheme brochure	5.4.7	278

Particulars	Reference to	
	Paragraph(s)	Page(s)
Non/short recovery of Change in Shareholding Charges	5.4.7.1	278-279
Non-compliance of engagement of local labour	5.4.7.2	279-280
Discrepancies in allotment of industrial plot to CBS International Projects Ltd.	5.4.8	280-282
Discrepancies in approval of map of CBS	5.4.8.1	283-284
Outcome of allotment of industrial plots	5.4.9	284
Failure of NOIDA in achieving its main objective of industrialisation	5.4.9.1	284-286
Conclusion	--	286
Recommendations (20-21)	--	287
Chapter VI: Internal Control		289-301
Introduction	6.1	289
Audit Findings	6.2	289
Governance and Policy framework at apex level of Government and Board	6.3	289-290
Annual Report not being prepared and placed in the legislature by NOIDA	6.3.1	290
Form of accounts not approved by the State Government	6.3.2	290-291
Expenditure/loan beyond mandate of the UPIAD Act, 1976	6.3.3	291
Non-compliance with the NCRPB Act, 1985	6.3.4	291-292
Invoking urgency clause rampantly for acquisition of land	6.3.5	292-293
Compliance of provisions and enforcement at Board level	6.4	293
Dilution of dominant objective	6.4.1	293
Dilution of Regulations	6.4.2	293
Misclassification of land uses	6.4.3	293-294
Arbitrary allotments through interview	6.4.4	294
Absence of Internal Audit mechanism	6.4.5	294-295
Non-formulation of standard working manuals/guidelines	6.4.6	295
Absence of a dedicated enforcement wing	6.4.7	295-296
Administration of activities by NOIDA	6.5	296
Incorporation of conditions in the scheme brochure without approval of the GoUP	6.5.1	296
Launch of scheme brochures prior to approval of Board	6.5.2	296
Relaxing of Brochure conditions to the detriment of NOIDA	6.5.3	296-297

Particulars	Reference to	
	Paragraph(s)	Page(s)
Absence of mechanism for reconciliation of payment made by allottees	6.5.4	297
Allotment of plots without ensuring its intactness	6.5.5	297
Non-recovery of cost of minor minerals as per terms of brochure	6.5.6	297-298
Monitoring system, sharing of information and communication system	6.6	298
Lack of co-ordination between different wings	6.6.1	298-299
Deficiencies in the data maintained by Information Systems wing	6.6.2	299
Non-maintenance of Management Information system (MIS)	6.6.3	299
Non maintenance of data regarding employment generated	6.6.4	299
Conclusion	--	300
Recommendations (22-27)	--	300-301
List of Abbreviations	--	303-304

Appendices	Number	Page(s)
Statement showing details of Audit sample covered in audit	1.1	305
Justification for invoking of urgency clause	3.1	306
Statement showing inordinate administrative delays in processing the acquisition	3.2	307-309
Statement showing details of payment of excess compensation	3.3	310
Statement showing details of land encroached	3.4	311
Statement showing coefficient between Basic Rate and category-wise Rates	4.1	312-314
Statement showing Land Costing by the NOIDA and Audit	4.2	315-317
Statement showing details of increase in FAR and GC in Group Housing and Commercial Plots	4.3	318-319
Statement Showing Impact of Non-Revision of Prices and Non-Consideration of FAR and GC in commercial plots	4.4	320-321
Statement Showing Impact of Non-Revision of Prices and Non-Consideration of FAR and GC in Group Housing Plots	4.5 (i)	322-327

Appendices	Number	Page(s)
Details of year-wise Revised Rates	4.5 (ii)	328-329
Statement Showing Scheme-wise and Sector-wise Rates	4.5 (iii)	330-331
Statement showing calculation of loss on sale of plots meant for corporate offices under the scheme OES 2008 (III)	4.6	332-342
Statement Showing Status of Approval of Group Housing Schemes by the Board of NOIDA	5.1.1	343-344
Statement Showing Leveraging of Net worth for Multiple Allotments	5.1.2	345-346
Statement Showing Cases of Rigging of Bids by Pair of Bidders	5.1.3	347-348
Statement showing sub-division of plots without any basis	5.1.4	349-352
Exit of key member of the consortium after allotment	5.1.5	353-354
Statement Showing grant of purchasable FAR	5.1.6	355
Statement Showing Dues against the Allottees after 10 Years	5.1.7	356-357
Statement showing status of approval of Commercial Builders plot	5.2.1	358
Statement showing incorrect fixation of lease rent	5.2.2	359-360
Statement showing sub-division of Sports City Plots	5.2.3	361-364
Statement showing transfer value of subdivided plots	5.2.4	365-367
Statement showing the impact of flawed pricing in Sports City plots	5.2.5	368
Calculation of loss to the Authority due to allotment of office plots under Institutional category	5.3.1	369-386
Statement showing plot allotted for IT/ITES institution/Industry on a rebate of 25 percent on the prevalent sector rate	5.3.2(a)	387-393
Statement showing plot allotted for IT/ITES institution/Industry on a rebate of 25 <i>percent</i> on the prevalent sector rate	5.3.2(b)	394
Statement showing details of Change in Shareholding (CIS) charges to be levied	5.3.3	395
Statement showing calculation of purchasable FAR amount	5.3.4	396-397

Appendices	Number	Page(s)
Statement showing undue favour due to extremely low fixation of rates.	5.3.5	398-409
Statement showing loss to NOIDA due to reservation of plot without land availability.	5.3.6	410
Statement showing loss due to allotment of underdeveloped plots and delay in site plan by NOIDA	5.4.1	411-412
Statement showing details of original and photocopies of vouchers of NOIDA	5.4.2	413-415
Details of undue benefit to Allottees due to under-fixation of mixed land use charges by NOIDA	5.4.3 (i)	416-417
Details of undue -benefit to Allottees due to non-recovery of Mixed land use charges by NOIDA	5.4.3 (ii)	418-420
Statement showing Allottees using commercial connections on industrial plots of NOIDA	5.4.4	421-423
Statement showing change in shareholding charges not recovered by NOIDA	5.4.5	424-425

Preface

The Report has been prepared for submission to the Governor of Uttar Pradesh under Article 151 of the Constitution of India.

This Report of the Comptroller and Auditor General of India (CAG) contains significant observations arising out of ‘Performance Audit of Land Acquisition and Allotment of Properties in New Okhla Industrial Development Authority (NOIDA)’ during the period 2005-06 to 2017-18 of the Government of Uttar Pradesh (GoUP). The Report emanates from the scrutiny of files and documents pertaining to NOIDA and collection of data from other Government Departments and agencies viz. Registrar of Companies (RoC), Uttar Pradesh Real Estate Regulatory Authority (UPRERA), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) etc., and its cross verification with the data of NOIDA. In July 2017 GoUP entrusted the audit of NOIDA, and three other Industrial Development Authorities (IDAs) to the CAG.

The audit of ‘Land Acquisition and Allotment of Properties in NOIDA’ has raised serious questions of propriety and pointed to governance failure at every level. In the course of acquisition of land, the rights of farmers were side-stepped through misuse of statutory provisions. The allotment of properties was replete with instances of lack of due diligence, contravention of rules and orders, misrepresentation and wilful concealment of facts. In numerous cases allotment has been made to entities who did not meet the essential criteria laid down in the brochures resulting in allotment to entities without financial capacity for executing such projects. This has caused severe distress to home buyers on account of incomplete projects and a huge amount of outstandings remaining overdue to NOIDA. The milieu created by NOIDA and in several instances endorsed by the Board with respect to selective changes in brochure conditions, under-pricing of certain categories of plots and allotment in categories at lower rates along with reduction of allotment money, mortgage, sub-division, permission to exit and transfer clearly suggest that officials in NOIDA had acted in clear breach of public trust and in complete disregard to the interest of NOIDA and the home buyers. The creation of third party rights in the allotted properties has put the interests of stakeholders in further peril. In spite of the clear evidence of breaches, the Authority failed to act against builders/allottees and take action against its own officials for their dereliction of duty and role in permitting/abetting the continuing infractions. These issues bring out serious lapses of probity, integrity and ethics in governance of the Authority.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Executive Summary

Introduction

The Government of Uttar Pradesh (GoUP) constituted the New Okhla Industrial Development Authority (NOIDA) in April 1976 under Section 3 of the Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976 with the object of creating a planned, integrated and modern industrial city, well connected to Delhi. As per the UPIAD Act, 1976 the object of the Authority shall be to secure the planned development of the industrial development area. Its other roles and functions include acquisition of land, demarcation and development of sites for various land use i.e. industrial, commercial, and residential purposes and to provide infrastructure. While the Authority has been in operation since April 1976, it was only in July 2017 that the GoUP entrusted the audit of NOIDA to the Comptroller and Auditor General of India (CAG). Thereafter in January 2018, the GoUP appointed CAG as the sole auditor from the year 2005-06 onwards.

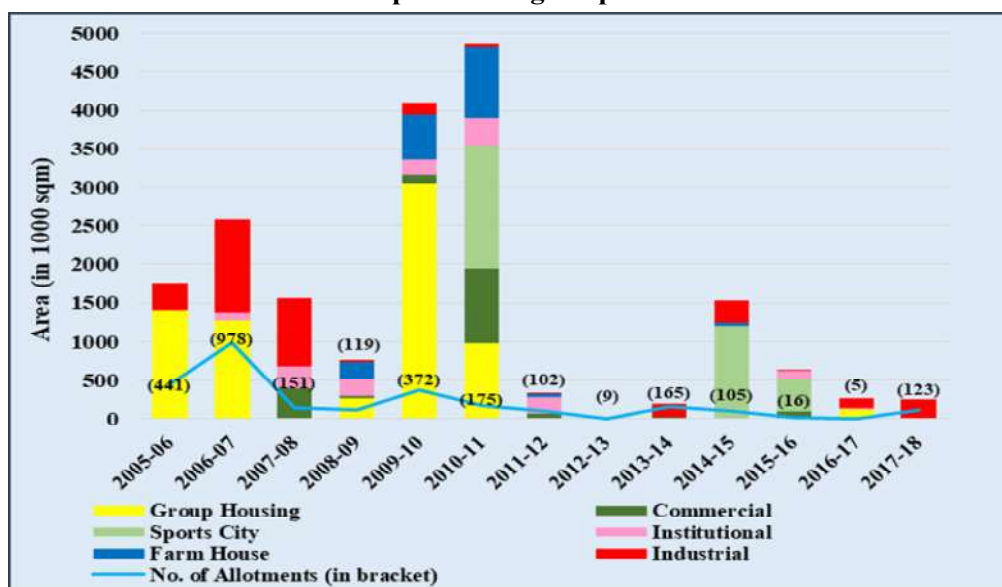
Issues relating to development of NOIDA in close proximity to the national capital, acquisition of land for the said purpose and its allotment for various uses is of considerable interest to a variety of stakeholders. It is in this backdrop that the Performance Audit on “Land Acquisition and Allotment of Properties” in NOIDA, the first of its kind, was undertaken.

What has been covered in this audit?

The primary focus of the performance audit was on the policies and procedures adopted by NOIDA for land acquisition and allotment of properties under the Group Housing, Commercial (including Sports Cities), Institutional (including Farm Houses) and Industrial categories during the period 2005-18. As a corollary, the preparation of Master Plans and pricing of properties were also scrutinised to bring out the scope for improvement in these areas.

As per Master Plan-2031, NOIDA planned to develop an area of 1,527.99 lakh sqm against which it acquired 1,237.58 lakh sqm of land till March 2020. During the period covered in audit, 2005-06 to 2017-18, NOIDA allotted 2,761 properties measuring 188.34 lakh sqm under various categories (excluding residential allotment) as depicted in **Chart 1** below:

Chart 1: Allotments of plots during the period 2005-06 to 2017-18



(Source: As per data provided by NOIDA)

From the allotment data presented in the above chart, it was observed that:

- The highest allotment in terms of area was done in the year 2010-11 with an allotment of 48.61 lakh sqm which was 25.81 *per cent* of the total allotments during the period 2005-06 to 2017-18.
- Out of total allotment of 188.34 lakh sqm, allotment of industrial area, the development of which was the primary objective, constituted only 18.38 *per cent* (34.62 lakh sqm) while the remaining 81.62 *per cent* was for other categories *i.e.* Group Housing- 37.72 *per cent* (71.03 lakh sqm), Commercial- 8.94 *per cent* (16.84 lakh sqm), Sports City- 17.07 *per cent* (32.14 lakh sqm), Institutional- 8.14 *per cent* (15.33 lakh sqm) and Farm House- 9.75 *per cent* (18.37 lakh sqm).
- Most of the allotments for Group Housing category *i.e.* over 98 *per cent* in terms of area took place during the period 2005-06 to 2010-11. Allotment made in 2009-10 itself accounted for 43 *per cent* in this category. Out of the remaining seven years, there was no allotment in six years in this category.

What were the audit objectives?

The audit objectives of the Performance Audit were to assess whether:

- Land was acquired in NOIDA through lawful process and for legitimate development purposes;
- Pricing and allotment of properties were transparent and in accordance with the prescribed procedures; and
- Adequate oversight control of the Government and a robust internal control system in NOIDA existed in respect of acquisition of land and allotment of properties.

What audit found and what is recommended?

Audit found significant lapses in the policies adopted by NOIDA in the area of planning, acquisition of land, pricing of properties and allotment of properties under various categories. Failures were observed at the level of NOIDA’s Board, its management and officials. The infractions observed by Audit are outlined in the succeeding paragraphs.

Planning

(a) Low priority for Industrial Development

NOIDA has the mandate to develop industrial development area. Accordingly, priority should have been accorded to allocation of land for industrial purposes. However, development and allocation of land for industrial purposes did not receive priority and only 23 *per cent* area was developed for industrial activities; instead residential development has been the predominant activity with 52 *per cent* land allocation as of March 2020.

(Paragraph 2.8.5)

(b) Master Plan prepared without a Regional Plan

The policy framework of land acquisition and allotment functions executed by NOIDA are regulated by its Master Plans. The Master Plan was to be prepared

by NOIDA as per the Regional Plan and approved by National Capital Region Planning Board (NCRPB).

Master Plan-2021 of NOIDA was approved by the GoUP on 31 August 2006 with the condition that the approval of NCRPB should be ensured before the plan was made applicable. However, upon NCRPB raising observations on the draft Master Plan, NOIDA decided (April 2008) to revise the plan for the perspective year 2031. The Master Plan-2031 was prepared in March 2011 and submitted to NCRPB and Chief Town and Country Planner (CTCP), GoUP, who communicated their observations thereon. The Master Plan-2031 was prepared even though there was no Regional Plan for 2031. The Master Plan-2021 was replaced with Master Plan-2031 to overcome various deficiencies but the latter also failed to address the issues raised by CTCP and NCRPB. The State Government accorded 'No Objection' to the Master Plan-2031 with the condition that the suggestions given by NCRPB and the CTCP be acted upon by NOIDA and based on the same, implementation of the Master Plan-2031 has been initiated.

Thus, NOIDA prepared the Master Plan-2031 without a corresponding Regional Plan in place without addressing the concerns and observations raised by CTCP/ NCRPB and proceeded with implementation of the unapproved Master Plan despite observations of NCRPB.

(Paragraphs 2.6 to 2.6.2)

(c) Dilution of Plan Regulations

The Master Plans were to be prepared in accordance with NOIDA (Preparation and Finalisation of Plan) Regulations. These Regulations were amended in 2010 and the specific definitions for land uses were swapped with very general definitions/clauses. The requirement for detailed specification for land uses were dispensed with and NOIDA was empowered to make such changes to the Master Plan as it deemed fit. These amendments empowered NOIDA to amend the character of the Master Plan, conferred greater discretion and reduced the requirements for detailed disclosure in the Master Plans. Consequently, land use conversions were regularised by introducing various activities *viz.* sports city and mixed land use, schemes not interrelated with the core objective of NOIDA were launched and various activities not permitted in agriculture use, institutional use and industrial use were allowed causing loss to NOIDA. The dilutions made in the Regulations have also resulted in NOIDA including commercial activities in industrial and recreational categories which resulted in allotments being made at reduced rates and consequential loss to the Authority.

(Paragraphs 2.7 to 2.7.3)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
1	NOIDA should ensure that preparation of Master Plan is in alignment and conformity with the corresponding Regional Plan and Sub Regional Plan approved by NCRPB	Accepted

Recommendation No.	Recommendation	Response of the Government
2	The Infrastructure and Industrial Development Department should ensure that the approvals granted by it to the Master Plans and the amendments thereto are in accordance with the policies of NCRPB so as to ensure coordinated development of NCR.	Accepted
3	The Government should thoroughly review and revise the NOIDA (Preparation and Finalisation of Plan) Regulations, which over time have been progressively diluted and has led to discretion and misuse at the hands of the officials in NOIDA.	Accepted. The Government stated that NOIDA should undertake a thorough review of its Regulations and make appropriate amendment wherever required and after approval of the Board, submit it to the Government for approval

Acquisition of Land

(a) Excessive use of Urgency Clause

Land acquisition by NOIDA during the audit period can be divided into two distinct phases based on the applicable statute in force viz. acquisitions under the Land Acquisition Act, 1894 (LAA, 1894) applicable upto December 2013, and thereafter under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 Act (2013 Act), which came into force from 1 January 2014.

Audit noticed that land acquisition under LAA, 1894 by NOIDA was predominantly based on use of urgency clause. The invocation of urgency clause enabled the Collector to dispense with the rights of landowners in respect of hearing on objections to proposed land acquisition and acquire the land for NOIDA. Approximately 80 per cent of land was acquired by using this provision. Audit also noticed that NOIDA furnished a standard justification in all sampled cases for invoking the urgency clause which cited requirement of land for industrial development. This standard justification given by NOIDA did not fall under the ambit of conditions laid down in LAA, 1894 for invoking the urgency clause. In spite of very limited land acquisition for industrial purpose, all acquisitions were made by invoking the urgency clause, depriving the farmers/landowners of the opportunity of being heard. Audit scrutiny further revealed that on the one hand NOIDA claimed urgency in acquisition of land while on the other, inordinate administrative delays ranging from 11 to 46 months in submission of the final proposals for land acquisition were observed, indicating that the invocation of urgency clause

was uncalled for. In this context, it is pertinent to point out that the Hon'ble Supreme Court, in its judgement¹, has held that invocation of urgency clause was wrong.

(Paragraphs 3.5.1 to 3.5.3)

(b) Payment of No Litigation Bonus, beyond scope of the Act

After the enactment of the 2013 Act, NOIDA decided to pay a lump sum amount as Rehabilitation and Resettlement/Non-Litigation Bonus to farmers so as to avoid delays and additional burden on account of Social Impact Assessment and Rehabilitation and Resettlement packages. Audit observed that the 2013 Act provides for preparation of a Rehabilitation and Resettlement Scheme and its approval by the competent authority as well as preparation of Social Impact Assessment study and accordingly, taking measures to mitigate the loss to the affected persons. The Authority, instead of preparing a Rehabilitation and Resettlement Scheme, bypassed the laid down procedure of the Act by paying a lump sum amount of ₹ 373.85 crore in lieu thereof. Such payment towards Rehabilitation and Resettlement/No Litigation Bonus was in contravention and beyond the scope of the 2013 Act.

(Paragraph 3.6.1)

(c) Avoidable payouts on account of additional compensation and delay

Audit also noticed failures in due diligence on the part of NOIDA whereby avoidable payment of additional compensation in cases of direct purchases through sale deeds was made, excess payment of additional compensation was made by adopting higher rates of payment, payments were made in respect of ineligible villages and avoidable payments were made on account of delays resulting in additional payouts to the extent of ₹ 520.72 crore. Post-acquisition, land measuring 45,26,464 sqm. remained encroached which indicated lack of follow-up on the part of NOIDA.

(Paragraphs 3.5.4 to 3.5.6 and 3.7.1 to 3.7.2)

Recommendations		
Recomm- endation No.	Recommendation	Response of the Government
4	NOIDA needs to ensure abidance with the statutory provisions, as provided for under the Act and exercise due diligence while invoking the urgency clause in carrying out land acquisitions.	Accepted. Government stated that it has since rescinded the urgency clause.

¹ Savitri Devi vs. State of U.P. and others, civil appeal no. 4506 of 2015

Recommendation No.	Recommendation	Response of the Government
5	Post-acquisition, the follow-up mechanism should be strengthened by NOIDA so that the acquired land is put to productive use at the earliest, mutated without delay and kept unencumbered.	Accepted.

Pricing of properties

(a) Costing of properties: No policy framework

The policy framework for pricing of properties in NOIDA had a serious gap that needs to be addressed: Audit noted that neither any guideline was prescribed by the GoUP nor has NOIDA prepared its own costing manual/standards/norms nor has it adopted guidelines of any other similar Authority/organisation. As a result, a methodological analysis cannot be carried out in respect of costs to be considered, sector-wise rates and category-wise rates, and due to which audit analysis was confined to evaluating the consistency of the practices adopted by NOIDA. It was observed that the components of costing were not consistent during the audit period 2005-18. Besides, the Board of NOIDA fixed the allotment rates arbitrarily due to which NOIDA was deprived of ₹ 1,316.51 crore of revenue. Further, NOIDA did not factor in the increase in development norms (Floor Area Ratio and Ground Coverage) while determining the reserve price for plots being allotted through bidding system. This resulted in provision of higher built-up area without corresponding increase of reserve prices leading to failure in realising revenue amounting to ₹ 13,968.49 crore.

(Paragraphs 4.7, 4.8.8 and 4.10)

(b) Mis-categorisation of sectors and non-inclusion of costs

It was also observed that NOIDA had mis-categorised the sectors in allotment of Group Housing plots which led to lower fixation of reserve price and consequent loss of possible revenue of ₹ 798.69 crore. Further, no mechanism was developed to ensure the recovery of the costs which were not factored in the allotment rates and thus, NOIDA had to bear these costs amounting to ₹ 1,424.56 crore from its own resources.

(Paragraphs 4.7.1 & 4.9.1 to 4.9.3)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
6	Guidelines should be prepared by NOIDA, with advice of professional costing experts, so as to ensure that all costs incurred toward acquisition, development of land and other expenses are factored.	Accepted

Recommendation No.	Recommendation	Response of the Government
7	NOIDA should develop a mechanism to ensure that the sale prices are fixed in strict compliance of the recommendation and any unwarranted deviation causing loss to NOIDA should not be allowed.	Accepted

Allotment of Group Housing Properties

(a) Group Housing Projects: Delay in completion and spiralling dues

During the audit period 2005-06 to 2017-18, NOIDA allotted 67 group housing plots measuring 71.03 lakh sqm which were sub-divided into 113 plots by the allottees. Audit observed that out of the 113 projects, 71 projects were either incomplete or partially completed, which constituted 63 per cent of the total projects. Out of the 1,30,005 flats sanctioned, Occupancy Certificate was not issued for 44 per cent of flats, due to which home-buyers who have invested their lives' savings and hard-earned money in the purchase of flats still remained deprived of possession of their flats. Though the Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976 has prescribed penal measures for defaulters, NOIDA had failed to take action for huge dues against the builders even after lapse of the tenure for payment. Against allotment value of ₹ 14,050.73 crore during 2005-06 to 2017-18, dues of NOIDA pending receipt, as on 31 March 2020, have spiralled to ₹ 18,633.21 crore. The recovery of dues has now become more challenging due to the legal hurdles on account of third party rights being created. This has consequently adversely affected the finances of NOIDA.

(Paragraphs 5.1.3 and 5.1.10.1)

Audit analysed the management of Group Housing category by NOIDA and observed the following reasons leading to the above situation:

(b) Allotments to those not meeting eligibility criteria

In two cases, allotment of more than two lakh sqm, worth ₹ 471.57 crore, was made to companies who failed to even qualify the requirement laid down as part of technical eligibility criteria of having a turnover of ₹ 200 crore from real estate activities.

(Paragraph 5.1.7.1)

(c) Leveraging of net worth for multiple allotments

NOIDA evaluated actual net worth of the applicant case-wise against the required net worth as per criteria but failed to evaluate the net worth in aggregate in case of multiple allotments to the same allottees. Resultantly, allottees obtained more than one allotment by leveraging their net worth multiple times. 10 applicants were allowed to use their net worth upto a maximum of 2.29 times to garner 26 (sub-divided into 43 plots) allotments worth ₹ 4,293.35 crore from NOIDA. Though the previous allotments were known to NOIDA, the Plot Allotment Committee failed to take cognisance of it. Non completion of the projects by the allottees have resulted in distress to

home buyers as 22,653 flats out of 54,987 flats sanctioned in the above 43 projects could not be completed till March 2020.

(Paragraph 5.1.7.2)

(d) Allowing exit of key member after qualification

NOIDA allowed exit of the key consortium members having substantial net worth which was considered for allotment of the plots/projects in 11 cases (within one year of allotment in five cases), leaving the land/project to companies who by themselves were incapable of qualifying for allotment. This resulted in distress to home buyers as 10,769 flats out of 27,370 flats sanctioned in six of the above projects have not been completed till 31 March 2020.

(Paragraph 5.1.8.2)

(e) Sub-division of plots

The GoUP, as a one-time measure, allowed sub-division of plots as part of recession relief measures for existing allottees facing financial problems upto March 2011. But NOIDA at the level of the Chief Executive Officer (CEO) embedded the one-time concession, based on the decision of GoUP, as a permanent feature by incorporating it in its brochures commencing November 2009 and according benefitting not only to the existing allottees encountering difficulties but to all prospective allottees. As a result, large plots allotted to qualified bidders were sub-divided between developers without any basis including to those who would have *ab-initio* not qualified to execute the project. In eight of these sub-division cases, the net worth of the sub-lessee was even less than one crore rupee and yet they were permitted sub-lease of plots worth ₹ 501.62 crore in aggregate. As a result, numerous projects were lying incomplete causing distress to home buyers who had invested their life savings in such projects.

(Paragraph 5.1.8.1)

(f) Sharp reduction in allotment money

NOIDA provided relaxations by reducing the upfront allotment money to be paid by the builders/allottees from 40 *per cent* of the land premium in 2006-07 to as low as 10 *per cent* in 2009-10. This reduction substantially reduced the financial commitment of the developers. Builders in turn garnered more allotments as they enjoyed greater leverage to obtain bigger plots and to take loans from banks on the back of deposit of smaller amount of down-payment. This huge undue favour by NOIDA led to increased outstanding dues on account of deferment of premium of ₹ 2,664.96 crore to the detriment of NOIDA.

(Paragraph 5.1.6.8)

(g) Pending dues: Yet allotment made and mortgage permission granted

NOIDA, rather than taking action as statutorily provided for, made multiple allotments to group companies of Amrapali and Unitech who were in default in payment of dues for earlier allotments which amounted to ₹ 9,828.49 crore as of 31 March 2020 in respect of these two allottees. Further, in violation of its own policies, NOIDA granted mortgage permission to four allottees without payment of dues by them. As on 31 March 2020, the total dues of these four allottees have swelled to ₹ 1,215.12 crore against the allotted value

of ₹ 768.77 crore. While the UPIAD) Act, 1976 has prescribed penal measures for defaulters, the officials of NOIDA failed to take appropriate action. It is pertinent to mention here that the Hon'ble Supreme Court in the case of Bikram Chatterjee and others vs. Union of India and others observed that *“They have violated every condition, but still, Authorities were bent upon to condone everything. This reflects absolute dereliction of duty cast upon the Authority.”*

(Paragraphs 5.1.10.2 to 5.1.10.3)

(h) Removal of clause for opening escrow account

With a view to securing payment of dues by the developers and also ensuring the application of funds collected by the developer from the ultimate buyers on the concerned project, a provision for escrow account was introduced in 2006. However, this clause was removed by the Chief Executive Officer (CEO) in May 2006 from all the subsequent scheme brochures and this fact was not even brought to the knowledge of the Board. As of March 2020, 85 of the 113 allottee builders were in default in payment of instalments of the premium of the allotted plots. By removing the requirement of escrow account, NOIDA has imperiled its own interests as well as those of home buyers in addition to non-completion of the group housing projects.

(Paragraph 5.1.6.6)

Recommendations		
Recommen- -dation No.	Recommendation	Response of the Government
8	Government may consider investigating the nexus between officials of NOIDA and builders and also take action against officials responsible for/involved in abetting irregularities in allotment and post allotment transfer that was detrimental to the interest of the Authority, Government and the home buyers.	Accepted. GoUP directed NOIDA to investigate the cases pointed out by Audit and send suitable recommendation for action, if any fault was found in this regard.
9	NOIDA should ensure effective monitoring of huge pendency of dues together with its recovery from willful defaulters.	Accepted
10	The regulations/orders with respect to mortgage, mutation and exit from projects should be reviewed/revised to minimise discretion at the hands of the officials.	Accepted

Allotment of Commercial properties

(a) Allotment to a few select groups

Audit found that 79.83 *per cent* of total allotments in commercial category plots made during the period 2005-18 were to three groups viz. Wave, Three C and Logix Groups. Despite repeated violations and outstanding dues of ₹ 14,958.45 crore, NOIDA failed to take action against these groups enabling them to hold majority of commercial land. About 75 *per cent* of the area allotted to these groups remained non-functional even after lapse of specified time period, indicating that allotment of land rather than development of projects was the main consideration of the allottees. NOIDA also failed to monitor the execution of projects.

(Paragraph 5.2.7)

(b) Allotments to ineligible entities and transfer without levy of transfer fee

Audit observed that plots worth ₹ 1,680.93 crore for 1,43,250 sqm (14.325 hectare) of land were allotted to entities who were *prima facie* ineligible due to not even meeting the technical eligibility criteria laid down in brochures. Further, the relevant members on whose credentials the consortium qualified the eligibility criteria, subsequently exited the project within a short period, between five days to 13 months from the date of allotment. Thus, land was retained with entities who were incapable of executing the projects. Plots were transferred without levying the requisite transfer fees leading not only loss of ₹ 83.49 crore to NOIDA but also facilitating back door entry to entities not fulfilling the initially laid down qualification criteria. This has resulted in non-execution of projects while NOIDA has facilitated the allottees by continuously relaxing the conditions.

(Paragraphs 5.2.8.2 to 5.2.8.4)

(c) Irregular grant of reschedulement facility

The facility of reschedulement of payments due to the Authority was introduced to provide a one-time relief to allottees but Audit noticed that repeated reschedulements were permitted in seven cases in spite of non-payment. Resultantly, outstandings with respect to these seven allottees have spiraled to ₹ 4,257.58 crore against allotment value of ₹ 2,383.91 crore. NOIDA has also failed to take any action against these seven defaulters as statutorily provided for.

(Paragraph 5.2.10.2)

(d) Incorrect fixation of lease rent

Annual lease rent for commercial builder plots/sports city plots was fixed at a nominal rate of ₹ one per sqm bypassing the Government orders as well as the Board's orders and NOIDA cherry-picked between two sets of order for the benefit of the allottees which resulted in loss of revenue of ₹ 429.92 crore to NOIDA.

(Paragraph 5.2.10.1)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
11	NOIDA should review its policies which have resulted in preponderance of allotments in hands of selected allottees who are having huge dues against them.	Accepted. It was stated that NOIDA would build in proper safeguards in future schemes/brochures to avoid allotment to same entities who were not financially capable to complete multiple projects.
12	NOIDA should initiate disciplinary action against officials who have conferred repeated benefits to allottees in the commercial category, in supercession of NOIDA's interest.	Accepted. It was stated that after the enquiry suitable action would be taken for omission/failure to adherence to conditions of brochures, if any fault is found.

Sports City

(a) Scheme launched without approvals

NOIDA, in deviation from its primary mandate of development of an industrial township, allotted four plots measuring 33.44 lakh sqm during 2011-16 for the integrated development of four sports cities with the aim of holding marquee sports events like National Games, Commonwealth Games and Asiad Games. Three golf courses of nine holes each and one International Cricket Stadium were envisaged in the sports cities along with infrastructure for other games. Audit noticed that at the time of launch of the first sports city scheme during 2008, there was no category of sports city in the Master Plan-2021. The concept of sports city was included in Master Plan-2031 which was approved by the GoUP in 2011 though notably there exists no Regional Plan 2031 corresponding to the Master Plan-2031.

(Paragraphs 5.2.11, 5.2.13.1 and 5.2.13.2)

(b) Insufficient technical eligibility criteria

The envisioned sports city infrastructure necessitated detailed specifications for the facilities with the involvement of serious developers for executing the projects. However, NOIDA failed to lay down any specifications or parameters for the level of intended sports infrastructure. The technical eligibility criteria specified for the developers were based on real estate development rather than development of sports infrastructure. Moreover, technical eligibility criteria of net worth of ₹ 80 crore to ₹ 125 crore was also not commensurate with the value of the sports city plots which ranged between ₹ 837 crore and ₹ 2,264 crore.

(Paragraphs 5.2.13.3 to 5.2.13.5)

(c) Deficiencies in screening and allotments

The lacunae in policy were further accentuated by failures in due diligence; in three out of four allotments, plots worth ₹ 4,500 crore involving area of more than 25 lakh sqm were allotted to ineligible entities who did not even meet the technical eligibility criteria of stipulated net worth, turnover or past experience.

(Paragraphs 5.2.14.1 to 5.2.14.3)

(d) Sub-division of Sports City plots and transfer without levy of transfer fee

Four Sports City plots were sub-divided by the allottee consortiums into 81 parts. The sports facilities were proposed in 34 out of 81 sub-divided plots thereby subverting the very theme of an integrated development of a sports city. Further, out of 81 sub-divided plots, 54 plots were transferred to other than original allottees. Allottees/sub-allottees transferred many of the sub-divided plots to other parties through change in shareholding, however, NOIDA failed to impose transfer charges amounting to ₹ 437.32 crore on transfer of sub-divided plots through change in shareholding.

(Paragraphs 5.2.15.1, 5.2.15.3 to 5.2.15.5 and 5.2.17.2)

(e) 65 acre golf course not possible and no sign of the cricket stadium

Of the sub-divided plots it is notable that the area for golf course in one sports city scheme (SC-01/Sector 150) was divided into 13 non-contiguous plots. Resultantly, there is no possibility of development of a 65 acre golf course as was originally conceived. What is left of a nine-hole golf course are narrow green stretches for playing golf between rows of villas and housing towers. Similarly, in case of the international cricket stadium which was to have been completed by December 2018, a significant part of the land earmarked for it is still to be acquired.

(Paragraphs 5.2.17.2, 5.2.17.3 and 5.2.17.6)

(f) Precedence to housing over sports infrastructure

None of the sports facilities in the Sports city has been completed even though the stipulated time period for completion of sports facilities in the four plots was between October 2016 and December 2019. On the other hand, two group housing projects in the Sports City have been given completion certificate. Consortiums prioritised development of Group Housing projects within the Sports City while placing sports-related development on the back-burner. The facilities intended have either not materialised at all or those created are in complete violation of the Board’s vision.

(Paragraphs 5.2.17.1, 5.2.17.4 and 5.2.17.6)

(g) Undue benefit to the allottees

Audit observed that NOIDA had given incentive to the developers in terms of reduced prices for plots and allowing extra Floor Area Ratio (FAR) and Ground Coverage (GC) for developing sports infrastructure. The allottees, through sub-divisions and prioritising Group Housing have vitiated the envisioned concept and received an undue benefit of ₹ 8,643 crore. NOIDA abdicated its regulatory responsibilities, permitted large scale sub-division of

plots and development of Group Housing in sub-divided plots while placing no focus on the intended creation of sports infrastructure.

(Paragraphs 5.2.15.1, 5.2.17.4 and 5.2.17.5)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
13	The Government should, in light of large scale departure and dilution from the originally planned sporting theme, review the <i>raison d'être</i> of such a category at all.	Accepted Government stated that future Sports City schemes will be taken up after review of sports related projects.
14	If development of Sports City is to be taken up in earnest, then Government should lay down clear norms for development of Sports Cities in consultation with subject matter experts.	Accepted

Allotment of Institutional properties

(a) Allotment of Office Plots under Institutional category

The purpose of making allotments under the Institutional category was to use land/building or part thereof for carrying on any activities like testing, research, demonstration etc. for the betterment of society and it includes educational institutions. However, the allotments made under the Institutional category were *ab-initio* riddled with infirmities. Audit noted that allotments were made for commercial offices under this category thereby providing huge undue advantages of the lower allotment rates, as the ratio of allotment price between institutional and commercial land was from about 4 times to 11 times. The loss to NOIDA on account of allotment of plots to commercial offices under the Institutional category amounted to ₹ 3,032 crore.

(Paragraphs 5.3.1 and 5.3.7.1)

(b) Interviews and allotment to ineligible allottees

The allotment under this category was based on interviews by the Plot Allotment Committee (PAC). The PAC did not have any objective and transparent criteria for assessment of the applications received. As a result the vast amount of discretion was exercised by the members of the PAC and allotments were made to ineligible entities. Entities which were not even incorporated at the time of submission of application, as required under the brochure conditions, were allotted plots. Instances of serious contravention of rules and orders, misrepresentation and concealment of facts by PAC were also noticed. Post-allotment, NOIDA granted undue favours in approval of maps and in fixing terms of payments in contravention of GoUP policies.

(Paragraphs 5.3.6, 5.3.8.2, 5.3.8.3, 5.3.9, 5.3.9.2, 5.3.10.3 and 5.3.11.1)

(c) Allowing inadmissible rebates to IT/ITES plots

In violation of GoUP orders, NOIDA allowed universal application of rebate of 25 per cent on sector rate to all the Information Technology/Information Technology Enabled Services (IT/ITES) units irrespective of the investment being made by them instead of providing rebate to mega units having investment proposal of ₹ 50 crore and above. This was continued even after October 2012 when GoUP had discontinued the rebate. Thus, NOIDA provided undue favour to the allottees which resulted in loss of ₹ 147.40 crore on 153 allotments made for the IT/ITES units.

(Paragraph 5.3.7.2)

(d) Purpose of allotments not achieved

Audit noticed that only eight per cent of the allotments made under the Institutional category during the audit period are functional and a large number of plots were also found to have been transferred defeating the very purpose of allotments under the Institutional category.

(Paragraphs 5.3.6 and 5.3.8.2)

Recommendations		
Recomm- endation No.	Recommendation	Response of Government
15	The Government should clearly define the activities permitted under the Institutional category to avoid misinterpretation/misuse on account of vague definitions.	Accepted.
16	NOIDA should consider taking stringent action against officials, in particular those in the Plot Allotment Committee, who in a number of cases concealed, misrepresented and suppressed material facts, thus, enabling entirely ineligible entities to get allotment of plots.	Accepted in principle. The Government stated that after receiving a factual report from NOIDA, it will examine and take necessary action if there was any malfeasance or misconduct.

Allotment of Farm House Plots

(a) Scheme launched without Government approval

Two schemes were launched during 2008-11 for allotment of farm house plots in which 18.37 lakh sqm area was allotted to 157 applicants. Audit noted that the Farm House scheme were launched without prior requisite clearances and due diligence. The scheme of NOIDA was *ab initio* in contravention of the Regional Plan which permitted establishment of Farm Houses outside *abadi* (inhabited) area. The Farm House category was introduced without GoUP approvals relating to Building Regulations.

(Paragraphs 5.3.15.1 to 5.3.15.4)

(b) Low and questionable fixation of reserve price

NOIDA acquired agricultural land from farmers and made allotment of farmhouses in close proximity to well-developed areas with corporate offices having infrastructure that commanded a substantial premium in the real estate market. The minimum allotment area was 10,000 sqm with activities like swimming pool, dwelling unit, playground etc. permitted. Though the beneficiaries of the allotment of farmhouses were going to be entities/individuals who clearly did not lack the capacity to pay, yet the allotment rate fixed by the Authority was ₹ 3,100 per sqm compared to minimum land rate of ₹ 14,400 in 2008-09. Such low rates fixed by the Authority for allotment of farmhouses was highly questionable, did not serve public interest and led to undue favour of over ₹ 2,833 crore to the beneficiaries and corresponding loss to NOIDA.

(Paragraph 5.3.15.5)**(c) Blatant violations in allotment of Farm House Plots**

- In the allotment of farm house plots, it was observed that the PAC did not have any objective and transparent criteria for interview and assessment of the applications received. The PAC was vested with vast discretionary powers. It adjudged the application as satisfactory or unsatisfactory without detailing the basis of its judgement. Reservation of plots in subsequent schemes was also done for selective applicants in contravention of the terms and conditions. Of the 51 allotments taken up for detailed examination by Audit, in 47 cases it was observed that one or more brochure conditions were violated and in 11 cases even the consultant UPICO's specific negative report with respect to the applicant was not taken cognisance of by the PAC. In two allotment cases the applicant company was not even incorporated at the time of submission of the application. Allotments made on the recommendation of PAC reveal a blatant disregard for scheme guidelines and a wilful role in concealment and misrepresentation of material facts, whereby ineligible allottees were made allotment of farm houses.

(Paragraphs 5.3.16, 5.3.17.3 and 5.3.18.1)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
17	The Government should review the entire scheme of allotment of farmhouses and take a considered decision on dealing with allotments already made, which was flawed and vitiated.	Response of Government awaited
18	Even if the Scheme of Farmhouses is to be continued by the Government, after a review, the existing pricing needs a thorough review keeping in view the paying capacity of prospective allottees and use the farmhouses are being put to.	Accepted

Recommendation No.	Recommendation	Response of the Government
19	The members of the PAC and the concerned CEO responsible for allotment of farmhouse plots who blatantly disregarded all norms and allotted plots to undeserving cases should be held accountable and action taken against them.	Response of Government awaited

Allotment of Industrial Plots

(a) Objective of industrialisation: Position thereagainst

The main objective of NOIDA is to develop the industrial area. NOIDA developed 18.36 *per cent* of land for industrial use, of which only 32.91 *per cent* area could be made functional by March 2020. Thus, the actual functional industrial area was only five *per cent* of the total area which shows that NOIDA has failed to achieve its main objective of industrialisation.

(Paragraph 5.4.2)

(b) Discretion in allotment due to absence of parameters

Audit evaluated the reasons, constraints and loopholes causing delays in the development of industrial area and observed that the system of allotment was riddled with infirmities. Allotments were made on basis of interviews of applicants by the PAC, which conferred a large amount of discretion on the PAC. No parameters were prescribed for the PAC for evaluating the applicants/ projects. PAC adjudged the application as satisfactory or unsatisfactory, without detailing the basis of its judgement. As a result, cases of undue favours in allotment were noticed and discretionary allotments were made. Instances of NOIDA management directing the PAC to reconsider their selection/ rejection of proposed allotment were also noticed.

(Paragraphs 5.4.6.1 to 5.4.6.3)

(c) Undue advantage to the allottees due to Mixed Land Use Policy

Deviation from NOIDA’s core objective of industrialisation was noticed as NOIDA brought out a policy for Mixed Land Use, whereby commercial activities were allowed on industrial plots. The policy was meant to regularise unauthorised commercial activities, yet it covered in its ambit only three activities viz. auto showrooms, museums and art galleries. Audit noticed that the conversion charges approved by GoUP were further reduced by NOIDA, while implementing this policy. The Mixed Land Use policy was implemented to pass on undue favours at NOIDA’s expense.

(Paragraphs 5.4.6.4 and 5.4.6.5)

(d) Allotment to CBS International: Violations and yet no action

NOIDA allotted a plot measuring 1,02,949 sqm to CBS International Projects Limited (CBS) in the Industrial area at a premium of ₹ 52.77 crore for establishment of IT Park on the terms and conditions prevailing in Institutional areas. Audit noticed that CBS was *ab-initio* ineligible for allotment because

M/s Burchill VDM, an overseas company, was not the shareholder in CBS at the time of application by CBS but was shown as such to leverage its financials to enable CBS to qualify for allotment of the plot. As the terms and conditions laid down for IT/ITES, a certain percentage was allowed for residential and commercial use for captive purposes. Notably, the condition regarding captive use of residential and commercial space was omitted while according approval letter of maps. CBS along with Bhutani group openly advertised for sale of residential studio apartments and commercial spaces to non-IT/ITES units whereas the same was to be given to only IT/ITES units for their captive use. The instant case points to serious failure on the part of the concerned officials of NOIDA in non-incorporation of the clause of captive use and further inaction for preventing sale of commercial and residential portion for non-captive use which has resulted in undue benefit to the allottee to the extent of ₹ 745.56 crore.

(Paragraph 5.4.8)

Recommendations		
Recommendation No.	Recommendations	Response of the Government
20	The Government/NOIDA should develop clear cut guidance on mixed land use, so that the sanctity of individual categories of land use is maintained, in the overall context of development of NOIDA.	Accepted. The Government directed NOIDA to bring a compounding scheme with a definite window for conversion and to avoid post allotment changes.
21	The Government/NOIDA should undertake a thorough review of its existing policy which has not borne its desired results with respect to utilisation of areas designated in the Master Plan-2021 for industrial purposes.	Accepted. It was stated that the Government has already enacted legislation in the matter and will issue further direction.

Internal Control

Lack of sound internal control mechanism

The findings of audit point to serious gaps in the governance structure of NOIDA which has translated in extremely poor outcomes for all the principal stakeholders viz. the Authority, State Government, industries and the public at large and specifically for the home buyers etc. There is evidence of a complete disregard of basic tenets of governance viz., adherence to public interest, accountability, transparency in decision making, ethics and integrity, to name a few. The Performance Audit Report is replete with instances of contravention of rules and orders, willful concealment of facts, etc. It brings out exercise of power beyond the remit of NOIDA and misuse and flouting of extant rules and orders. NOIDA did not prepare the annual reports for laying

before both houses of the Legislature in compliance of the Uttar Pradesh Industrial Area Development Act, 1976. Absence of any internal audit led to unchecked violation of rules/orders and procedures as brought out in this Report. All of these translated into failure to achieve the objectives of NOIDA, distress for end-use stakeholders like home buyers who invested their life savings in schemes of NOIDA and losses to NOIDA and the Government involving thousands of crore of rupees.

(Paragraphs 6.3.1, 6.3.4, 6.3.6, 6.4.1, 6.4.2, 6.4.5, 6.5.3, 6.5.5 and 6.5.6)

Recommendations		
Recommendation No.	Recommendation	Response of the Government
22	The Government should initiate action for ensuring compliance of provisions of the UPIAD Act, 1976 notably relating to preparation of Annual Reports by NOIDA and their laying before the State Legislature.	Accepted
23	The Government should ensure that instances of public expenditure beyond the Authority’s mandate are routed through the State Budget.	Infrastructure and Industrial Development Department stated that the views of the Finance Department, GoUP are being sought.
24	The Government, with a view to develop NOIDA as a centre of world class infrastructure with an enabling, fair and non-intrusive environment, should overhaul the Board of NOIDA to curb discretionary powers in hands of officials and consider inclusion of outside professionals of eminence with subject matter expertise in the Board.	The Government agreed to examine the recommendation in light of the provisions of the Act after receipt of the Audit Report.
25	The Government/NOIDA should establish a system of internal audit to ensure compliance with rules and regulations within the Authority and in monitoring the design and functioning of internal control policies and procedures.	Accepted

Recommendation No.	Recommendation	Response of the Government
26	NOIDA should install a Management Information System to enable its Board to make informed decisions and for collection and dissemination of information to improve working within NOIDA.	Accepted
27	Since the existing system of allotments in case of Institutional, Farm Houses, and Industrial categories through interviews, post scrutiny by PAC has been found to be compromised and vitiated, the Government/NOIDA should devise transparent system of allotment afresh, with minimal scope for discretion in the hand of the officials.	Accepted It was stated that in the present guidelines transparency has been brought through Industrial Information System.

CHAPTER–I

General

CHAPTER-I

General

Introduction

Background

1.1 In 1972, under the provisions of the U.P. Regulation of Building Operations Act, 1958, the Government of Uttar Pradesh (GoUP) declared 50 villages of the district Bulandshahr, situated close to Delhi as “Yamuna-Hindon-Delhi Border Regulated Area” with the objective of regulating its development and to address pressures of speculative land dealings in this area. Subsequently, GoUP constituted¹ (April 1976) the New Okhla Industrial Development Authority (NOIDA) in the same region under Section 3 of the Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976 with the objective of creating a planned, integrated and modern industrial city, well-connected to Delhi. NOIDA is under the administrative control of the Infrastructure and Industrial Development Department (IIDD) of GoUP. As of March 2020, the development area of NOIDA covered 81 villages with aggregate land of 20,316 hectare. Out of this area, NOIDA has prepared Master Plan (MP)-2031 for 15,279.80 hectare. MP-2031 was approved by the State Government in September 2011. NOIDA has acquired 12,375.79 hectare land in 69 villages up to March 2020.

Role and powers of Department

1.2 IIDD functions as the arm of GoUP to formulate and implement industrial and infrastructure development policies and strategies of GoUP by creating an enabling environment for promoting industrial growth in the State. It performs its function relating to development of industrial areas through eight Industrial Development Authorities (IDAs)² constituted under the UPIAD Act, 1976 and one company³, incorporated under the Companies Act, 1956. NOIDA is one of these eight IDAs. IIDD is responsible for implementation of the policies of GoUP and has been given powers under the UPIAD Act, 1976 to regulate the functioning of NOIDA. IIDD with respect to NOIDA is responsible for:

- ensuring that all steps in the process of land acquisition for the industries are completed in a time-bound manner;
- issuing directions to NOIDA from time to time for efficient administration of the UPIAD Act, 1976;
- approval of the regulations framed by NOIDA for administration of affairs;
- control of NOIDA by requiring them to furnish any report/return and other information;

¹ vide Notification dated 17 April 1976.

² New Okhla Industrial Development Authority (NOIDA), Greater NOIDA Industrial Development Authority (GNIDA), Yamuna Expressway Industrial Development Authority (YEIDA), Uttar Pradesh Expressway Industrial Development Authority (UPEIDA), Lucknow Industrial Development Authority (LIDA), Gorakhpur Industrial Development Authority (GIDA), Satharia Industrial Development Authority (SIDA) and Uttar Pradesh State Industrial Development Authority (UPSIDA).

³ U. P. State Industrial Development Corporation Limited (UPSIDC).

- ensuring proper implementation of Master/Development Plans by NOIDA; and
- ascertaining that development works have been undertaken in accordance with their plans.

Role/functions of NOIDA

1.3 As per Section 6 of the UPIAD Act, 1976, the object of NOIDA is to secure the planned development of the industrial development area. NOIDA is responsible for performing the following functions:

- acquiring land in the industrial development area, by agreement or through proceedings under the Land Acquisition Act;
- preparing a plan for the development of the industrial area;
- demarcating and developing sites for industrial, commercial and residential purposes in accordance with the plan;
- providing infrastructure for industrial, commercial and residential purposes;
- providing amenities;
- allocation and transfer, either by way of sale or lease or otherwise, plots of land for industrial, commercial or residential purposes;
- regulating the erection of buildings and setting up of industries; and
- laying down the purpose for which a particular site or plot of land shall be used, namely for industrial or commercial or residential purpose or any other specified purpose in such area.

Management of NOIDA and administrative control of the Government

Management of NOIDA

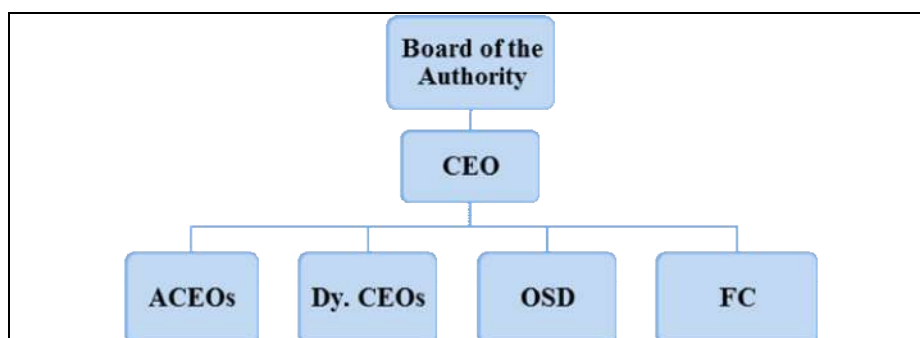
1.4 As per Section 3 of the UPIAD Act, 1976, NOIDA shall be a body corporate consisting of 11 members (including five members to be nominated by GoUP). Out of these, the Secretary, Industries Department, GoUP or his nominee not below the rank of Joint Secretary-ex-officio shall be the Chairman. Section 4 of the UPIAD Act, 1976 provides that the Chief Executive Officer (CEO) of NOIDA shall be appointed by the State Government. Section 5 (1) of the UPIAD Act, 1976 provides that subject to such control and restrictions as may be determined by general or special orders of the State Government, NOIDA may appoint such number of officers and employees as may be necessary for the performance of its functions and may determine their grades and designations. The CEO is a whole-time officer of NOIDA, who carries out day-to-day affairs with the help of Additional Chief Executive Officers (ACEOs), Deputy Chief Executive Officers (DCEOs), Officers on Special Duty (OSD) and a Finance Controller (FC). The actual constitution of the Board of NOIDA is given in **Chart 1.1**.

Chart-1.1: Constitution of Board of NOIDA



The organisational structure is depicted in **Chart 1.2**.

Chart-1.2: Organisational Structure



Administrative control of the Government

1.5 NOIDA functions under the administrative control of the IIDD, GoUP. The Department of Appointment and Personnel, GoUP appoints Indian Administrative Services (IAS) and Provincial Civil Services (PCS) officers directly to NOIDA as ACEOs/DCEOs and OSD. Besides, an officer from Finance & Accounts Services of the State is posted as FC by the Finance Department, GoUP. Moreover, Principal Secretaries/Secretaries to GoUP are members of the Board which is the highest decision making body of NOIDA.

Entrustment of Audit and finalisation of Accounts

Entrustment of Audit

1.6 Audit of NOIDA, since its inception in 1976, has been essentially outside the purview of the Comptroller and Auditor General of India (CAG) except for a brief period during 2003-04 to 2005-06 when audit of receipts of NOIDA was undertaken by the designated audit office⁴. However, comprehensive audit, though sought for through repeated references by the CAG's organisation between February 2004 to April 2017 was not acceded to.

⁴ Office of the Principal Accountant General (Audit-II), Uttar Pradesh, Lucknow (erstwhile Office of the Accountant General (Commercial and Receipt Audit), Uttar Pradesh, Lucknow

It was only in July 2017 that the GoUP entrusted the audit of NOIDA, and three⁵ other IDAs to the CAG with immediate effect. Later on (January 2018) GoUP appointed CAG as the sole auditor for all⁶ authorities under IIDD from the year 2005-06 onwards and for the future also. Prior to entrustment of audit of NOIDA to CAG, Local Fund Auditors were conducting the audit of NOIDA.

Status of finalisation of Accounts

1.7 NOIDA had prepared its financial statements upto the year 2017-18 on cash basis and the financial statements upto the year 2011-12 had been certified by the Local Fund Audit Department as per the requirement of Section 22 of the UPIAD Act, 1976. CAG has been entrusted with the Audit of NOIDA from the year 2005-06 onwards on 17 January 2018. Financial statements for the period from 2012-13 to 2016-17 were submitted (January 2018) by NOIDA to the Office of the Principal Accountant General (Audit-II), Uttar Pradesh, Lucknow. Audit of the accounts for the year 2012-13 was started but NOIDA intimated that it was revising its financial statements from cash basis to accrual basis of accounting to ensure compliance with Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and on the basis of observations issued by the Office of the Principal Accountant General (Audit II), U.P., Lucknow on the accounts of 2012-13. The revised financial statements for the period from 2005-06 to 2017-18 have been submitted by NOIDA to the Office of the Principal Accountant General (Audit-II), Uttar Pradesh, Lucknow in February 2021.

Audit Objectives

1.8 The objectives of the present Performance Audit of ‘Acquisition of Land and Allotment of Properties in NOIDA’ were to assess whether:

- land was acquired in NOIDA through lawful process and for legitimate development purposes;
- pricing and allotment of properties were transparent and in accordance with the prescribed procedures; and
- adequate oversight control of the Government and a robust internal control system existed in NOIDA respect of acquisition of land and allotment of properties.

Audit Criteria

1.9 Audit examination was done on the basis of the following audit criteria:

- Provisions of the UPIAD Act, 1976 and National Capital Region Planning Board (NCRPB) Act, 1985 to assess the purpose for undertaking land acquisition;
- Provisions of the Regional Plan (RP)-2021 of NCRPB, Sub-Regional Plan (SRP)-2021 of GoUP, MP-2021 and 2031 of NOIDA to assess legitimate development purposes of various land acquisitions;
- Provisions of the Land Acquisition Act, 1894 (LAA), the Uttar Pradesh Land Acquisition (Determination of Compensation and Declaration of Award

⁵ Greater Noida Industrial Development Authority (GNIDA), Yamuna Express way Industrial Development Authority (YEIDA) and Uttar Pradesh State Industrial Development Authority (UPSIDA).

⁶ NOIDA, GNIDA, YEIDA, UPEIDA, LIDA, GIDA, SIDA and UPSIDA.

by Agreement) Rules, 1997 (*Karar Niyamawali*) and the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act) to assess whether land acquisitions were in accordance with the procedures and methods prescribed under these Acts and Rules;

- Guidelines/instructions from GoUP and the Board/CEO of NOIDA for costing of properties and fixing of premium/reserve price for allotment;
- Work procedure of NOIDA for execution of development works and its accounting to assess whether development cost was recovered through the costing of land;
- Property allotment policies, procedures and terms and conditions of brochures⁷ of schemes were examined with respect to provisions of the Industrial and Service Sector Investment Policy, 2004, Infrastructure & Industrial Investment Policy, 2012, and Uttar Pradesh Information Technology Policies, 2004 and 2012;
- Government orders issued by IIDD, resolutions as per the Board's agenda and minutes, administrative and annual reports and physical & financial progress reports so as to evaluate the performance of NOIDA regarding land acquisition and allotment of properties.

Scope and Methodology of Audit

1.10 The present Performance Audit, conducted during December 2018 to November 2019, covers the performance of NOIDA in acquisition of land for legitimate development purposes, pricing and allotment of properties and also includes an evaluation of the oversight control of the Government and the internal control system in NOIDA for the period from 2005-06 to 2017-18.

The major activities of land acquisition and allotment of properties in NOIDA were carried out during 2006-07 to 2012-13. Out of 24 notifications for land acquisition (issued till March 2018), 22 notifications pertain to the period prior to 2012-13. Similarly, out of 7,287 cases of allotments made during April 2005 to March 2018 under various categories, 6,820 cases pertain to the period prior to 2012-13.

In respect of land acquisition, the sample for examination was selected on the basis of random sampling for cases of acquisition below 100 hectare. However, all the cases of acquisition over 100 hectare have been selected for examination. In respect of allotment of properties, the allotments made during 2005-2018 have been covered in this audit and the sample size has been determined on the basis of stratified random sampling. In such cases, related sanction of maps has also been a part of audit scrutiny. Details of sampling are given in **Table 1.1**:

⁷ Brochure is a document containing complete terms and conditions for the allotment of properties. Terms and conditions of the brochure are also included in the lease deed.

Table 1.1: Details of Sampling

	Method	Total no. of cases	Sample selected	Percentage of sample selected to total cases	Files submitted during the course of audit
Land Acquisition					
Under LA Act	Random	24	15*	62.5	15
Through Agreements	Random	1134	115	10.14	115
Resumption ⁸	Judgmental	7	7	100	7
Total		1165	137	11.76	137
Land Allotments					
Industrial	Stratified Random	1865	83	4.66	83
Institutional & IT		511	107	20.94	104
Commercial		320	46	14.37	39
Group housing/Builders		113	46	39.65	42
Total		2809	282	10.04	268

*Includes 10 cases of acquisition of land greater than 100 hectare.

Audit methodology included:

- explaining the audit objectives to IIDD, GoUP and NOIDA in an entry conference held on 28 December 2018;
- scrutiny of records, analysis of data, raising audit queries, joint physical verification, interaction with the officers of the Government to assess efficacy of control of IIDD over NOIDA and interaction with the Management of NOIDA at the office of NOIDA; and
- collection of data from other Government Departments and agencies viz. Registrar of Companies (RoC), U.P. Real Estate Regulatory Authority (UPRERA), U.P. Power Corporation Limited (UPPCL) etc., analysis of data, its cross verification with the data of NOIDA and raising audit queries.

The draft Performance Audit Report was issued (January 2020) to the Government and NOIDA for obtaining their comments. The replies of NOIDA and comments/views put forth by the Government in the exit conference held on 08 September 2020, 30 September 2020 and 09 October 2020 have been suitably incorporated in the Performance Audit Report. During the process of scrutiny, the report was revised and the revised report was again issued to the Government on 16 September 2021 for which no response was received within the stipulated time of two weeks.

Scope Limitation

1.11 The Audit team faced some constraints related to submission of records and information. Out of a total of 282 files related to allotment which were requisitioned, only 268 files were examined in audit as the remaining 14 files could not be produced during the course of audit from December 2018 to November 2019. As NOIDA submitted these files/information after the

⁸ The land of *Gram Samaj* is Government land left at the disposal of *Gram Samaj*. NOIDA sends proposals to the District Collector for resumption of the land of *Gram Samaj* based on which the Divisional Commissioner issues notification for resumption of land in favour of the NOIDA mentioning the value of land. The land is thereafter resumed in favour of the NOIDA on the payment of amount mentioned in the notification.

closure of audit in August/September 2020 (**Appendix 1.1**), these records will be examined in the next audit of NOIDA.

Contents of the Audit Report

1.12 This report contains six chapters as follows:

- I. General
- II. Planning
- III. Acquisition of Land
- IV. Pricing of Properties
- V. Allotment of Properties
- VI. Internal Control

Chapter-I describes entrustment of audit, audit objectives, audit criteria, audit scope and methodology. The other five chapters contain audit findings. Chapter-V Allotment of Properties is further divided in four sub-chapters namely Allotment of Group Housing plots, Allotment of Commercial plots (including Sports City plots), Allotment of Institutional plots (including Farm House plots) and Allotment of Industrial plots.

Acknowledgement

1.13 Audit acknowledges the cooperation and assistance extended by the officials of NOIDA and IIDD, GoUP during conduct of the Performance Audit.

CHAPTER–II

Planning

CHAPTER-II

Planning

Introduction

2.1 In the context of land acquisition and allotment functions executed by NOIDA, planning plays a crucial role. The allocation of acquired land in the notified development area has to be planned and executed in sync with the approved land use and other related development guidelines. After the land is acquired, micro planning of the sector level development is an essential activity to carry out various development activities in pursuance of allotment. The Industrial Development Authority must have the macro plan of the broad development framework in its Master Plans (MPs) showing various land uses within the notified development area.

Context of development in National Capital Region

2.2 The development area of NOIDA falls within the ambit of the National Capital Region (NCR); therefore, it is bound to follow the provisions of the statutes enacted and applicable for the development of NCR.

The National Capital Region Planning Board (NCRPB) Act, 1985 was enacted by the Government of India (GoI) with the objective of providing for the constitution of a Planning Board¹ for the preparation of a plan for the development of NCR² and for co-ordinating and monitoring the policies for the control of land-uses and development of infrastructure in NCR so as to avoid any haphazard development of the region and for matters connected therewith or incidental thereto. As per Section 7 of the NCRPB Act, 1985, NCRPB was required to prepare the Regional Plan (RP) and ensure preparation of Sub-regional Plans (SRP) by the participating states. The implementation of provisions of this Act was incumbent upon its Board which also consisted of Chief Ministers of constituent states.

Section 10(2)(a) of the NCRPB Act provides that the RP shall indicate the policy in relation to land use and the allocation of land for different uses. Therefore, the RP translates broad planning policies and proposals into physical (spatial) form to illustrate the manner in which the land in NCR is to be used for various purposes. However, the detailed specific reservation of areas for various land uses of sub-regional and urban importance will be detailed out in SRP and MPs³ which are to be prepared by the respective

¹ NCRPB consists of Union Minister of State (Independent Charge), Housing And Urban Affairs as Chairman and Chief Minister of Haryana, Chief Minister of Rajasthan, Chief Minister of Uttar Pradesh, Lieutenant Governor, National Capital Territory of Delhi, Chief Minister of NCT-Delhi, Minister of Urban Development, Government of Rajasthan, Minister of Urban Development, Government of Uttar Pradesh, Chairman, Railway Board, Secretary, Ministry of Road Transport and Highways, Secretary, Ministry of Housing And Urban Affairs, Chief Secretary, Government of Haryana, Chief Secretary, Government of Rajasthan, Chief Secretary, Government of Uttar Pradesh, Chief Secretary, Government of NCT-Delhi, Principal Secretary, Town & Country Planning Department, Government of Haryana, Member Secretary, National Capital Region Planning Board, Secretary, Ministry of Environment, Forest and Climate Change and Chief Planner, Town and Country Planning Organisation, Government of India as members as of January 2021.

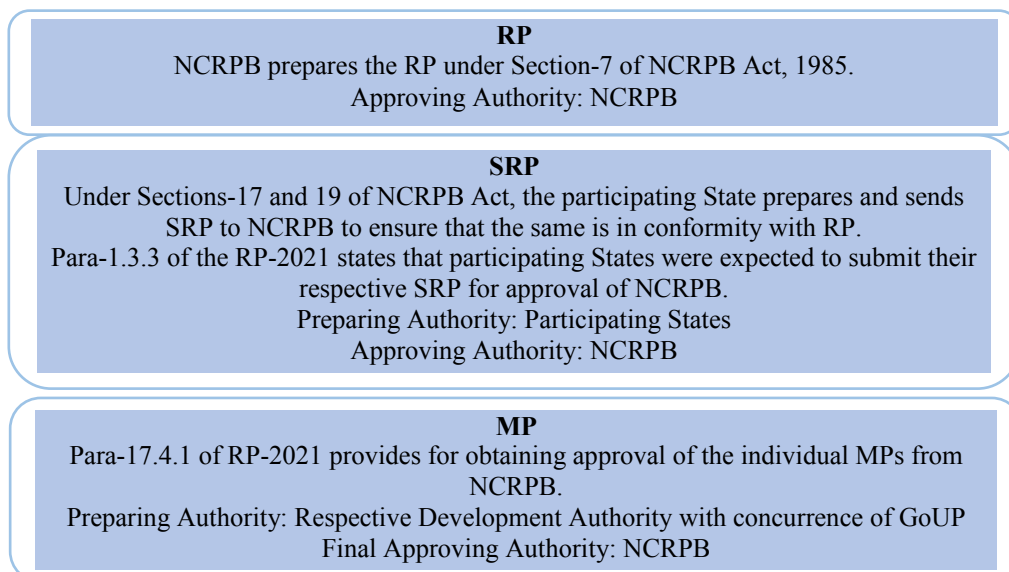
² NCR's constituent area includes Gautam Budh Nagar (NOIDA).

³ SRP encompasses the five districts of Uttar Pradesh while MP is specific for NOIDA.

participating States within the overall framework of the RP (para 17.1.1 of RP 2021).

The hierarchy of RP, SRP and MP is shown diagrammatically in **Chart 2.1**.

Chart 2.1: Chart showing hierarchy of RP, SRP and MP

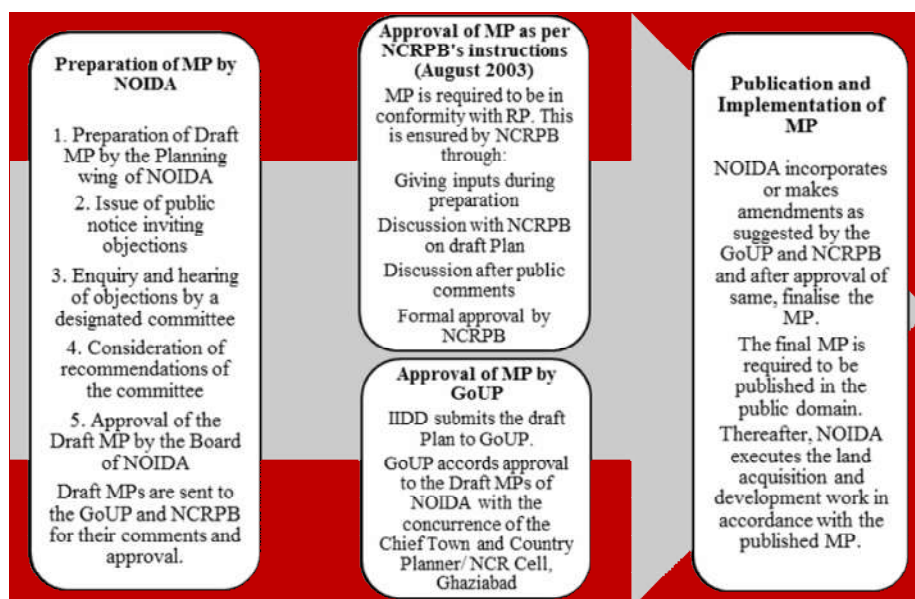


Process of Finalisation of Master Plan

2.3 Existence of an MP for development of the notified area is an essential pre-condition for initiating the process of land acquisition and development in NCR. An MP⁴ is a development plan, which has to be prepared by NOIDA in conformity with the RP and got duly approved by Government of Uttar Pradesh (GoUP) and NCRPB.

The process of finalisation of the MP has been diagrammatically depicted in **Chart 2.2**.

Chart 2.2: Process of finalisation of Master Plan



Source: MP of NOIDA and Information furnished by NOIDA.

⁴ Section 2(i) of the NOIDA (Preparation and finalization of Plan) Regulations, 2010 provide that ‘Plan’ means the Master Plan prepared by the Authority for development of Industrial Development Area under Section 6(2) of the Act, within the meaning of the Act.

From the stipulations laid down in the RP- 2021 and the instructions issued by NCRPB (August 2003), it was evident that NCRPB was to be consulted at all stages of preparation of the MP and the approval of the MP was to be accorded by NCRPB.

NOIDA (Preparation and Finalisation of Plan) Regulations

2.3.1 For the preparation of MP-2021, NOIDA was guided by NOIDA (Preparation and Finalisation of Plan) Regulations, 1991⁵ (Plan Regulations, 1991) which were approved by GoUP. The objective of these Regulations was proper planning and development of NOIDA.

Thus, macro planning in NOIDA involves its conceptualisation in conformity with the RP with the dominant objective of development of the industrial development area.

Scope of Audit

2.4 During the audit period 2005-2018, two MPs viz. MP-2021 and MP-2031 were prepared by NOIDA. Audit analysed both the MPs for their consistency with the RP- 2021 along with status of their approval by GoUP and NCRPB. In this context the amendments to Plan Regulations were also analysed. The micro planning aspects are discussed in the respective allotment chapters (Chapter V) and macro planning aspects are discussed in the succeeding **Paragraphs 2.6, 2.7 and 2.8.**

Audit Findings

2.5 The audit findings, as a result of analysis of the RP and MPs have been classified as under:

- Preparation and implementation of MPs without approval (discussed in Paragraphs 2.6 to 2.6.2).
- Greater discretion with changes in Plan Regulations; (discussed in Paragraphs 2.7 to 2.7.3).
- Substantial revision/changes in land use over time (discussed in Paragraphs 2.8 to 2.8.5).

Preparation and implementation of MPs without approval

2.6 RP indicates the broad planning policies and proposals in relation to land use and the allocation of land for different uses in NCR. The MP is subservient to the RP and thereafter, in order of hierarchy, to the SRP of the State. These serve as a guidance for formulation of the MP. Accordingly, the MPs prepared by NOIDA were required to be in accordance with the RP-2021, notified by NCRPB on 03 October 2005.

The preparation of MPs by NOIDA during the audit period 2005-2018 was evaluated in light of stipulations laid down by NCRPB in RP 2021, the provisions of the NCRPB Act in respect of RP and SRP and the position laid down by the Hon'ble Supreme Court and High Court through their judgements in the matter as detailed below:

⁵ Gazette Notification No. Bha. U./18-11-44-(N)-85, dated 12th April, 1991.

Master Plan

Paragraph 17.4.1 of RP-2021 provides that no development in the controlled/development/regulated zones can be undertaken except in accordance with the Master/Development Plans for the respective controlled areas approved by the Board and duly notified by the State Government under their respective Acts.

Judicial pronouncements

The Hon’ble Supreme Court in its judgment⁶ (31 March 1994) observed that *the overriding effect of the Act by virtue of Section 27 and total prohibition of any activity of development in violation of the finally published RP provided in Section 29 of the Act is sufficient to indicate that any claim inconsistent with the finally published RP in the area cannot be sustained on any ground.*

The Hon’ble Allahabad High Court in its judgement⁷ of 01 October 1996 stated that *one stipulation is inescapable that unless the NCRPB gives the green signal nothing can go ahead. The necessary implication of this is also that at every stage in reference to the plans, aforesaid, each constituent State, a part of the NCR Plan, has to keep a close consultation with the federal agency which is the Board (NCRPB).*

The Hon’ble High Court, Allahabad in its judgement 1998 elaborated that ‘... *land uses cannot be changed except with the tacit permission and close scrutiny of the NCRPB.*

*Whatever development is permissible must be strictly monitored under the National Capital Region Plan Act, 1985 by the authorities named and constituted under it*⁸.

Section-27 of NCRPB Act provides for the overriding effect of the provisions of this Act over the inconsistency in any law, instrument or any decree or order of any court, tribunal or other authority with regard to any development work being undertaken by any State Government in NCR. Section 29 of the Act clearly states that once the NCRPB publishes its RP for NCR, no development shall be made in the Region which is inconsistent with RP. It also empowers the NCRPB to direct the concerned participating State to stop such violation of RP by giving a notice in writing. Further, the Hon’ble Supreme Court in its judgment (31 March 1994) also reaffirmed the overriding effect of Sections- 27 and 29.

As per the provisions of Section-27 read with Section-29 of NCRPB Act and Para-17.4.1 of the RP-2021⁹, it was mandatory for NOIDA to prepare the MP(s) in conformity with RP-2021.

On analysis of the MP 2021 and 2031 prepared by NOIDA, Audit observed the following shortcomings in preparation of the same.

⁶ Judgement dated 31.03.1994, AIR 2263, 1994 SCC (4) 42.

⁷ Civil Misc. Petition No. 26737 of 1993 of GDA vs Delhi Auto and General Finance Pvt Ltd.

⁸ Judgement dated 18.12.1998 in the Civil Misc. Petition No.13899 of 1998.

⁹ No development in the controlled/development/regulated zones can be undertaken except in accordance with the Master/Development Plans for the respective controlled areas approved by the Board and duly notified by the State Governments under their respective Acts.

NCRPB did not approve NOIDA's MP 2021 and raised objections on it.

MP-2021 not approved by NCRPB

2.6.1 The MP of NOIDA for the period 2006-2021 (MP-2021) was prepared in accordance with NOIDA (Preparation and Finalisation of Plan) Regulations, 1991 and approved by the Board of NOIDA on 09 September 2005. MP 2021 envisaged a population of 12 lakh of NOIDA for which land development of 14,964 hectare was proposed. Considering the position of March 2005 of population of 5.50 lakh of NOIDA and already developed area of 7,191 hectares, development targets were fixed for three phases. In the first phase, development of 9,714 hectare for population of eight lakh up to 2011, in the second phase, development of 12,237 hectare for population of 10 lakh up to 2016 and in the third phase, development of 14,964 hectare for population of 12 lakh up to 2021 was targeted.

MP 2021 was approved by the State Government on 31 August 2006 with the condition that the approval of NCRPB should be ensured before the plan was made applicable.

Audit observed that the MP was sent (31 August 2006) to NCRPB which communicated (08 January 2007) 37 objections¹⁰ on which the responses of NOIDA were communicated (19 February 2007) to NCRPB along with a revised draft. NCRPB conveyed (08 January 2008) five observations on the revised draft to NOIDA. The major issues pointed out by NCRPB were preparation of Disaster Management Plan, undertaking planning according to higher population density, creation of a green buffer between NOIDA and GNIDA, increasing the allocation to commercial and recreational land uses and creating a green buffer between industrial and residential areas. In view of the above observations of NCRPB, NOIDA decided (in the 169th meeting of its Board held on 28 April 2010) to revise the plan for the Perspective Year 2031, despite provision of the NCRPB Act and RP for preparation of the MP within the overall framework of the RP.

In its reply, NOIDA stated (August 2020) that after making amendments, a revised MP 2021 was submitted to NCRPB on which five suggestions were made. One of the suggestions was to increase the population density from 80 persons per hectare to 150-200 persons per hectare for population of 25 lakh upto 2021 and preparing a MP for the same was a difficult task. Moreover, infrastructure facilities for such a population could not have been fully utilised as of 2021. Accordingly, it was considered suitable to revise the MP 2021 to the MP 2031.

From the reply of NOIDA, it is evident that the MP 2031 was initiated in absence of approval of MP 2021 by NCRPB. Hence the fact remains that MP 2021 was not approved and MP 2031 was initiated, whereas the overarching RP and SRP were prepared only upto 2021.

Implementation of Master Plan 2031 without considering objections of Chief Town and Country Planner/NCRPB

2.6.2 The Master Plan of NOIDA for the period upto 2031 (MP-2031) was prepared in accordance with NOIDA (Preparation and Finalisation of Plan)

¹⁰ On demography and settlement pattern (4), economic activities (1), transport (12), physical infrastructure (1), water supply (1), drainage & sewerage (1), solid waste disposal (1), sewage treatment (1), social infrastructure (4) and land use (11).

In absence of approval of MP 2021, NOIDA initiated MP 2031 without the corresponding RP or SRP. Approval of NCRPB has not been obtained for MP 2031.

Regulations, 2010 (Plan Regulations 2010)¹¹ and approved by the Board of NOIDA on 29 March 2011. MP-2031 envisaged a population of 25 lakh by 2031 for which land development of 15,280 hectare was proposed. It was envisaged to reduce the number of sub-zones¹² from 33 to 15 by removing the sub-zones which were not required. Accordingly zoning regulations considering different activities under prescribed land use were prepared. MP 2031 *inter alia* proposed land uses under Mixed Land Use, Recreational Land Use, Support Facilities under main activities and development of embankment areas.

MP-2031 was sent (18 May 2011) to NCRPB, which in turn, communicated (8 August 2011) 20 observations¹³ on MP-2031, of which only three observations¹⁴ were addressed in the revised draft and assurances/replies were furnished for the rest. The Chief Town and Country Planner (CTCP) under the Housing and Urban Planning Department (HUPD) of GoUP, on a reference made by the State Government (June 2011), also made (September 2011) four recommendations which were to be incorporated in MP-2031.

Audit observed that the State Government accorded (29 September 2011) its ‘No Objection’ to MP-2031 with the condition that the suggestions given by NCRPB and the CTCP will be acted upon and accordingly communicated to them. Even though RP (paragraph 17.4.1) stipulated prior approval of MP by NCRPB, conditional approval was accorded by the State Government.

Thus, it may be concluded that even though MP-2021 was replaced with MP 2031 to overcome various deficiencies but the latter also failed to address the issues raised by CTCP and NCRPB.

In its reply, NOIDA stated (August 2020) that amendments to MP-2031 were made as per NCRPB’s observations and a revised draft was submitted (01 September 2011) to NCRPB, which has not communicated any further deficiencies. NOIDA further stated that a meeting was held (08 September 2011) wherein representatives of GoUP, NOIDA, CTCP and NCRPB were given a presentation of MP-2031 and important issues related to it were discussed. In the said meeting, no observations were raised by NCRPB from which their approval is assumed. Based on this, the no-objection was given by the Government. Further proceedings to execute the suggestions of NCRPB and CTCP are underway.

From the reply of NOIDA, it is evident that the requisite formal approval of the MP-2031 has not been received as yet from NCRPB as envisaged in paragraph 17.4.1 of the RP. Rather, in absence of further observations from NCRPB, approval has been assumed by NOIDA. Conditional No Objection has been received from GoUP pending compliance with NCRPB’s and CTCP’s observations and based on the same, implementation of MP-2031 has been initiated.

Thus, it may be concluded that NOIDA implemented MP-2031 without corresponding RP in spite of directions of Hon’ble Supreme Court and

¹¹ Notification No. 1422/77-4-10-44-(N)-85, dated 30 July, 2010, published in the U.P. Gazette, dated 31 July, 2010.

¹² Sub-zone denotes sub-category of activities under major land use zones.

¹³ Land Use related (6), Demography related (4), Water Supply (2), Transport (7), Disaster Management Plan (1).

¹⁴ On land use map, population density and population projection.

Hon'ble High Court, Allahabad that unless NCRPB gives the green signal nothing can go ahead. In this regard it is pertinent to mention that MP-2021 of GNIDA was expressly approved (August 2012) by NCRPB. The steps taken by NOIDA for implementation of MP-2031 in absence of a RP- 2031, could have unintended implications at a later date for the coordinated development of NCR.

Greater discretion with changes in Plan Regulations

2.7 Plan Regulations, 1991 served as the guiding principle for proper planning and development of the area in NOIDA. NOIDA had prepared MP-2021 in accordance with these Regulations. These Regulations were amended in February 2010 (First Amendment¹⁵). The only amendment made was of Section 5 whereby the time period for sending objections and suggestions to NOIDA on the draft plan was reduced from not earlier than 30 days to 15 days.

Thereafter, in July 2010 the Regulations were again revised¹⁶ and NOIDA (Preparation and Finalisation of Plan) (Second Amendment) Regulations, 2010 (Plan Regulations, 2010) were approved and notified¹⁷ by GoUP wherein major amendments were made in Sections 2, 4 and 11 of the Plan Regulations, 1991. The stated reason (in 169th Board meeting of NOIDA) for amendments was to carry out changes to MPs in view of changing circumstances and requirements. These amendments are discussed in the following paragraphs:

Exclusion of defined activities under different categories

2.7.1 The changes made in Section 2 relating to definitions of various categories viz. Agriculture use, Commercial use, Industrial use, Institutional use, Plan are detailed in **Table 2.1**.

Table 2.1: Changes made in Section 2 relating to definitions of various categories

Plan Regulations, 1991	Plan Regulations, 2010
<p>Section 2. Definitions:</p> <p>‘Agriculture use’ means the use of land or any part thereof for farming, horticulture, piggery, fishery, poultry farming, sericulture and all legitimate uses incidental thereto;</p> <p>‘Commercial use’ means the use of any land or building of part thereof for carrying on any trade, business or profession, sale of goods of any type, whatsoever and includes private hospitals, nursing homes, hostels, hotels, restaurants, boarding house not attached to any educational institution, consultant offices in any field, cottage and service industries.</p> <p>‘Industrial use’ means the use of any land or building or part thereof mainly for location of industries and other incidental use such as offices, eatable, establishment etc. carrying out any activities.</p>	<p>Definitions:</p> <p>‘Agriculture use’ means the use as defined in the Plan as may be approved in accordance with the Act¹⁸ and these Regulations;</p> <p>‘Commercial use’ means the use as defined in the Plan as may be approved in accordance with the Act and these Regulations.</p> <p>‘Industrial use’ means the use as defined in the Plan as may be approved in accordance with the Act and these Regulations;</p>

¹⁵ Notified vide GoUP notification no. 49/77-4-10-44 N/85 dated 18.02.2010.

¹⁶ Revisions to Sections 2, 3, 4, 5, 6, 8, 9, 10 and 11.

¹⁷ Notified vide GoUP notification no. 1422/77-4-10-44 N/85 dated 30.07.2010.

¹⁸ UP Industrial Area Development Act, 1976.

Specific definitions for respective land use categories as given in the Plan Regulations, 1991 were substituted with very general definitions/clauses in the Plan Regulations, 2010.

Plan Regulations, 1991	Plan Regulations, 2010
‘Institutional use’ means the use of any land/building or part thereof for carrying on any activities like testing, research, demonstration etc. for the betterment of the society and it includes educational institutions.	‘Institutional use’ means the use as defined in the Plan as may be approved in accordance with the Act and these Regulations;
‘Plan’ means the plan prepared by the Authority for the development of Industrial Development Area under sub-Section (2) of Section 6 of the Act, and it includes Sector Plan.	‘Plan’ means the Master Plan prepared by the Authority for the development of Industrial Development Area under sub-Section (2) of Section 6 of the Act, within the meaning of the Act.

Audit observed that specific definitions for respective land use categories as given in the Plan Regulations, 1991 were substituted with very general definitions/clauses in the Plan Regulations, 2010.

Weakening provisions for systematic regulations of land use area

2.7.2 Section 4 (1) of the Regulations deals with sector¹⁹ plans for carrying out development activities, land use by allocating different activities and systematic Regulations of each land use area. The comparative changes in Plan Regulations are detailed in **Table 2.2**.

Table 2.2: Comparative changes in Plan Regulation

Plan Regulations, 1991	Plan Regulations, 2010
Section 4(1) (a) - The Plan may include Sector Plans showing various sectors into which the Industrial Development Area or part thereof may be divided for the purpose of development.	The Plan may include various sectors into which the Industrial Development Area or part thereof may be divided for the purpose of development
Section 4(1) (b) - The Plan will show the various existing and proposed land uses indicating the most desirable utilisation of land for different uses allocating different activities.	The Plan will show the various existing and proposed land uses indicating the most desirable utilisation of land for different uses.
Section 4(1) (e) - The Plan may include Housing Plan consisting of estimates of housing requirement and proposals regarding standard type of new housing units.	Proposals regarding Housing.
Section 4(1) (h) - Systematic regulation of each land use area, allocation of heights, number of stories, size and number of buildings, size of yards and other open spaces and the use of land and building.	Omitted.

Audit observed that the above amendments allowed NOIDA to prepare MP-2031 without specifying the particular activities to be performed in a sector. The requirement for detailed specifications of various land uses was dispensed with through this amendment, whereby the requirements from the plan became less stringent.

¹⁹ Sector is an earmarked development area demarcated in terms of geographical location and area.

Omission of provision relating to extent of land use and standards of population density

Amendment to Plan Regulations in 2010 enabled NOIDA to make such changes which relate to extent of land use or standards of population density.

2.7.3 Section 11 of the Regulations deals with the amendments related to important alterations in the character of the Plan, extent of land use and standards of population density. The comparison of the changes in the Regulations are detailed in **Table 2.3**.

Table 2.3: Details of changes in Regulations

Plan Regulations 1991	Plan Regulations 2010
Section 11 (4) - NOIDA shall not make during the specified period in which the Plan is to remain effective, such amendment(s) in the Plan which affects the important alteration in the character of the Plan and which relates to the extent of the land use or standards of population density.	Omitted. Section 12²⁰ - Sector Layout Plan: The Chief Executive Officer shall be competent to approve the layout plan prepared for the sector or a part of the sector or scheme. Any amendment in the layout plan of a sector or a scheme shall duly be approved by the Chief Executive Officer (CEO). If such amendment involved the change in the area of a sector and/or inter-sector changes in the location of public parks and/or green belts, it shall be done in accordance of the procedure laid down in sub-Section (2) of Regulation 11.

Audit observed that the Plan Regulations, 1991 restricted NOIDA from making such amendments which affected important alterations in the character of the plan and which related to the extent of land use or standards of population density but it was substituted in the Plan Regulations, 2010 by authorising NOIDA to make such amendments as it thought fit and making changes to land use with the permission of the State Government.

Thus, the major provisions had been diluted during the period February 2010 to July 2010 by substituting or omitting the clauses with undefined activities under different uses, important alterations in the character of the plan etc. The amendments in the Plan Regulations were also approved by GoUP. These amendments empowered NOIDA to amend the character of the MP, conferred greater discretion and reduced the requirements for detailed disclosure in the MPs. Consequently, land use conversions were regularised by introducing various activities *viz.* sports city and mixed land use, schemes not interrelated with the core objective of NOIDA were launched and various non-permitted activities in agriculture use, institutional use, industrial use and commercial use were permitted causing loss to NOIDA (as discussed in detail in relevant chapters).

In its reply, NOIDA stated (August/September 2020) that development of urban areas is a complex and dynamic process which requires continuous modifications and which cannot be carried on a static framework. The Regulations of 1991 were accordingly amended in 2010 with the approval of the Government. NOIDA MP-2031 includes Zoning Regulation and Development Codes in Chapter 7 wherein categories and sub-categories of land use are defined. Specifying the core activity and support activity for major activities has improved transparency and strengthened the process. Further, in respect of amendment of Section 11, NOIDA stated that no additional powers had been provided to CEO for making amendments to MP.

²⁰ Inserted in Plan Regulations, 2010

The reply of NOIDA citing transformations as the reasons for amendments in regulations is not acceptable as the amendments made in the Regulations modified the basic premises on which planning is done. Additionally, the stated reasons, as discussed in the Board meeting, were absence of provisions for changes to MP, change of land use and population density (Section 11). The specific definitions for land uses were swapped with very general clauses (Section 2), the requirement for detailed specification for land uses were dispensed with (Section 4) and NOIDA was empowered to make such changes to the MP as it deemed fit (Section 11). These changes have effected dilution to the restrictive covenants which regulated the planning process. Further, the reply of NOIDA describes the features included in MP-2031 which was prepared in accordance with the revised Plan Regulations 2010. The regulations are at a higher pedestal as they guide the Authority in preparation of MP. Dilution of Plan Regulations and then specifying activities in MP reverses the order of things. These dilutions are to the overarching framework and not specific to any MP. While there may be some merit in the argument that the changes are necessitated with the developments over time, Audit findings as brought out in this Report corroborate that dilutions made in the regulations have resulted in NOIDA including commercial activities in industrial and recreational categories which resulted in allotments being made at reduced rates and consequential loss of revenue (as discussed in chapters on allotment of Industrial properties and Sports City).

In the exit conference (30 September 2020), Additional Chief Secretary, Infrastructure and Industrial Development Department (IIDD), acknowledging the need for a review in the matter, directed CEO, NOIDA to compare the approved regulations of NOIDA and GNIDA. He stated that wherever a case for strengthening the regulations in NOIDA was necessary that would be done after such a review.

Substantial revision/changes in land use over time

2.8 The Industrial Development Authorities have the mandate to develop industrial townships with ancillary objectives of developing residential, commercial and institutional areas. Thus, accordingly priority should have been accorded to allocation of land for industrial purposes. Consequent to amendments to the Regulations, NOIDA was empowered to make various changes in land use. NOIDA, instead of focusing on industrial areas, focused on developing residential and commercial areas in different land uses, which is discussed in the ensuing paragraphs.

Large scale land use conversions in NOIDA

2.8.1 In NOIDA, large scale land conversions were carried out during the period March 2008 to June 2010 after the approval of MP-2021 by GoUP in August 2006. The proposals for land use conversion were to be sent to the State Government as well as to NCRPB for its approval.

Audit observed that NOIDA sent the proposals for conversion of land use to the State Government only. No proposals were forwarded to NCRPB for its approval even though the U.P. Government order of 23 September 1997 provided for that. Instead, the land use conversions, which affected the zoning Regulations, were made applicable without approval of NCRPB. Large scale conversions were carried out in areas marked as green (573 hectare). Further, to legitimise these land use conversions, MP was revised for the perspective

year 2031 in which all these land conversions carried out since 31 August 2006 (the date on which MP-2021 was approved by GoUP) to the date of approval (29 September 2011) of MP-2031, were incorporated.

Thus, MP-2031, accommodated the earlier changes made in land use conversions which resulted in regularisation of unauthorised conversions.

In its reply, NOIDA stated (August 2020) that all land use conversions were duly approved by the Board and thereafter by GoUP.

The reply of NOIDA is not acceptable as the requirement for NCRPB's approval has been settled in judgements by the Hon'ble Supreme Court and High Court wherein it was held that there was a total prohibition of any activity of development in violation of RP and unless the NCRPB gives the green signal, nothing is to go ahead.

Diversion of industrial land to other uses

525 hectare Industrial land of proposed SEZ was changed to residential, commercial and institutional uses, even though the SEZ was not approved by the Government.

2.8.2 NOIDA earmarked 1,050 hectare of industrial land for establishment of Special Economic Zone (SEZ) in compliance of the revised SEZ Policy (04 August 2006) of GoUP which consisted of processing and non-processing areas. Subsequently, 50 *per cent* of the area *viz.* 525 hectare was retained as industrial and land use of remaining 525 hectare was changed to residential, institutional and commercial on the ground that as per SEZ Policy these activities were permitted in the non-processing area. This change was approved by GoUP on 04 April 2016 on the condition that there should be no violation of the directions of NCRPB with these changes and also that NOIDA will ensure that area for industrial use is not reduced from the 18.37 *per cent* proposed in MP-2031.

Audit observed that the basic premise on which the land use change was proposed was incorrect as formal approval of GOI was to be obtained for notifying the area as SEZ. As no formal approval for the SEZ was granted, the entire area remained under industrial use only and any conversion on the pretext of utilisation of non-processing area should not have been permitted. Further with this land use conversion, industrial area proposed in MP-2031 was also reduced to less than 15 *per cent* from the initially planned area of 18.37 *per cent* and was in contravention of GoUP directions.

In its reply, NOIDA stated (August 2020) that though land use of non-processing areas was changed, there was no reduction in area under SEZ.

The reply of NOIDA is not acceptable as in the absence of approval of SEZ, the area remained under industrial category and as such the conversion of 50 *per cent* area has effectively reduced the total allocation to industrial category.

Mixed land use

Auto showrooms, museums and art galleries were permitted on Industrial plots under Mixed Land Use Policy.

2.8.3 The concept of mixed land use on industrial plot was introduced in MP-2031 and the policy for the same was approved on 19 November 2013. Under the policy, the use of industrial plot for commercial use was partially allowed.

Audit observed that the concept of mixed land use was introduced in MP-2031 without obtaining prior approval of such use by NCRPB. The Policy was formulated considering the Urban Housing and Habitat Policy 2014 whereas NOIDA was regulated by "Infrastructure and Industrial Investment Policy

2012”. Under the mixed land use policy NOIDA allowed 25 per cent of permissible industrial area for non-industrial purposes i.e. Auto show rooms, art galleries and museums. The basic objective of NOIDA was to promote industrialisation but allowing commercial activity in industrial areas not only led to debilitating its main objective but also the ancillary functions of employment generation, planned development of other categories in conjunction with its major objective etc.

Thus, the policy of mixed land use was without approval of NCRPB and the resultant reduction in industrial allocation was also contrary to NOIDA’s objective of industrial development.

In its reply, NOIDA stated (August 2020) that its policy of mixed land use was necessitated by actual requirements and is approved by GoUP. NOIDA was fully authorised to implement such policy. This Policy was introduced in MP- 2021 wherein residential, commercial and institutional uses were planned on allotted properties on major roads. It was stated that the format of MP-2031 was sent to NCRPB for suggestions and the suggestions received from NCRPB did not include any remark on mixed land use which shows that NCRPB was in agreement with mixed land use policy.

The reply of NOIDA itself confirms that under mixed land use policy residential, commercial and institutional uses were planned on allotted properties on major roads in MP-2021. However, NOIDA has implemented this policy for regularising the commercial establishments on industrial plots, which was irregular. Further, the reply of NOIDA that NCRPB was in agreement with the mixed land use policy is also not acceptable as the policy was introduced in November 2013 whereas the MP- 2031 was submitted to NCRPB in May 2011.

Thus, the policy of mixed land use was in divergence of the stated objectives which will lead to shrinking of the industrial area.

Sports City

Sports Cities were developed on Recreational Green areas with 30 per cent land being utilised for residential and commercial uses.

2.8.4. The RP-2021 provided for category of recreational land use under the urbanisable area. The MP- 2021 of NOIDA provided for sports complex use under recreational land use. Further, the sub-zone of ‘Sports City’ was included as a separate land use under recreational category in MP-2031 and relevant amendments in Building Regulations incorporating development norms for Sports City, were notified by GoUP on 27 May 2011.

Audit observed that at the time of launch of the scheme in October 2008, there was no land use category/sub-zone in MP-2021 in which Sports City could be launched. In MP-2031, NOIDA not only included a separate sub-zone of land use as ‘Sports City’ but also gave power to the Board to decide on the land use pattern of the 30 per cent area after utilising 70 per cent area for recreational land use. This allowed permission for 96.92 hectare of recreational land for other than recreational use i.e. residential and commercial use. Approval/clearance from NCRPB was not sought even though the scheme was against the recreational land use provided in RP- 2021. Table 7.4 (para 8.12) of MP-2031 provides for permissible support activities in used premises or plot which nowhere mentioned either for commercial land use or for group housing activities in Sports City.

Thus, the concept of Sports City was not included in MP-2021 but after launch of the scheme for Sports City, the concept was included in the MP-2031 without approval of NCRPB. This was also enabled by the changes made in Regulations and in contravention of the Hon'ble High Court observation wherein it was explicitly mentioned that land uses cannot be changed except with the tacit permission and close scrutiny of NCRPB.

In its reply, NOIDA stated (August 2020) that detailed proposal for Sports City was included in MP-2021 which was not commented upon by NCRPB. As per MP-2031, Sports City is not a category but an activity. The activities permitted have been spelt out in chapter 7 of MP 2031. Further, proposal for land use determination for Sports City has been approved by GoUP.

The reply of NOIDA is not acceptable as the scheme was launched (October 2008) without approval from GoUP and approval was accorded subsequently in May 2011. The residential and commercial activities permitted in recreational green areas were also contrary to the provisions of RP- 2021 and hence irregular. The above issues are discussed in detail in **Paragraphs 5.2.13.2 and 5.2.13.1** in the Sports City Chapter.

Substantial revision/changes in land use over time

2.8.5 As per Section 6 of the Uttar Pradesh Industrial Area Development Act, 1976, the object of the Authority (NOIDA) shall be to secure the planned development of the industrial development area. Thus, accordingly priority should have been accorded to allocation of land for industrial purposes. The status of actual allocation/development of land *vis-à-vis* MP-2031 is given in **Table 2.4**.

Table 2.4: Detail of allocation/development of land as per MP-2031

(Area in hectare)

Land Use	MP-2021		MP- 2031		Development upto March 2020		Percentage of development to MP-2031	Percentage of development to MP-2021
	Area	Per cent	Area	Per cent	Area	Per cent		
Industrial	1951.00	20.05	1756.52	18.37	2460.63	22.71	87.68	81.99
SEZ	1050.00		1050.00					
Residential	5334.00	35.65	5722.14	37.45	5659.47	52.23	98.90	106.10
Commercial	564.00	3.77	581.33	3.80	333.10	3.07	57.30	59.06
Institutional	1219.00	8.14	1357.97	8.89	822.08	7.59	60.54	67.44
Recreational	1513.00	10.12	2432.82	15.92	1106.14	10.21	45.47	73.11
Transport	2211.00	14.78	1942.15	12.71	58.44	0.54	3.01	2.64
Agriculture	1017.50	6.80	332.47	2.18	291.57	2.69	87.70	28.66
Water bodies	104.50	0.69	104.50	0.68	104.5	0.96	100	100.00
Total	14964.00	100	15279.90	100	10835.93	100	70.92	72.41

Source: MP of NOIDA and Information furnished by NOIDA.

The table above brings out the lopsided focus of the NOIDA over the years. Consequently, when compared with the land use plan in MP-2021 with the development of land as of March 2020, there is significant variance. Excessive development of Residential category (106.10 *per cent*), made possible by conversion of land use of other category, was in evidence. Further, residential use has been kept at 35.65 *per cent* of total land area which will in fact be more than 40 *per cent* if residential use allowed in Sports City (in recreational green area) and in institutional plots is considered. On the other hand, the actual development in most other categories viz. Commercial, Institutional,

Transport and Agriculture was well below what was envisaged in MP-2021. Development of Industrial category, the primary objective of the NOIDA, also did not receive priority.

Conclusion

The Master Plan for development of notified development area was to be prepared by NOIDA as per RP- 2021 duly approved by NCRPB. The NCRPB till date has only prepared RP- 2021 and GoUP has also prepared Sub Regional Plan for the year 2021. NOIDA prepared MP-2021 to which NCRPB had raised various objections. NOIDA, instead of addressing the flaws/inconsistencies in MP- 2021, prepared a new MP-2031. Despite provision of NCRPB Act and Hon’ble Supreme Court judgement for preparing MP within the overall framework of RP, NOIDA has initiated implementation of MP 2031 without the corresponding RP and SRP. In order to accommodate and regularise various changes, major amendments/dilution in provisions of NOIDA (Preparation and Finalisation of Plan) Regulations, 1991 were effected and MP-2031 was prepared incorporating such changes. The same was not only inconsistent with RP-2021 but has also not been approved by NCRPB as yet. NOIDA, despite the ruling of Hon’ble High Court that land uses cannot be changed except after scrutiny and permission of NCRPB, proceeded with the implementation of unapproved MP. The unilateral step taken by NOIDA for implementation of MP-2031 in absence of preparation of higher level plan by NCRPB raises fundamental issues on the overall planned development of the NCR.

The IIDDD was responsible for regulating and monitoring the functioning of Authorities including monitoring the MPs. IIDDD, despite its overriding powers failed to ensure adherence to the regulatory framework and to check the dilution in provisions of the Plan Regulations. These dilutions and amendments to the regulations provided huge discretion at the hands of NOIDA which was blatantly misused.

Recommendations

Recommendation Number	Recommendation	Response of the Government
1	NOIDA should ensure that preparation of MP is in alignment and conformity with the corresponding RP and SRP approved by NCRPB.	Accepted
2	The Infrastructure and Industrial Development Department (IIDDD) should ensure that the approvals granted by it to the MPs and the amendments thereto are in accordance with the policies of NCRPB so as to ensure coordinated development of NCR.	Accepted

Recommendation Number	Recommendation	Response of the Government
3	The Government should thoroughly review and revise the NOIDA (Preparation and Finalisation of Plan) Regulations, which over time have been progressively diluted and has led to discretion and misuse at the hands of the officials in NOIDA.	Accepted. The Government stated that NOIDA should undertake a thorough review of its Regulations and make appropriate amendment wherever required and after approval of the Board, submit it to the Government for approval

CHAPTER–III

Acquisition of Land

CHAPTER-III

Acquisition of Land

Introduction

Land Acquisition Process

3.1 NOIDA acquires land through three processes *i.e.* Acquisition, Resumption and Direct Purchase.

Acquisition

3.1.1 Land is acquired under the provisions of the Land Acquisition Act, 1894 (LAA), and the Uttar Pradesh Land Acquisition (Determination of Compensation and Declaration of Award) Rules, 1997 (*Karar Niyamawali*).

The Government of India (GoI) enacted the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act) to replace the LAA, which came into force from 1 January 2014.

More than 80 *per cent* of the land in Noida has been acquired under the LAA. The procedure for acquisition under the LAA, being the principal mode of land acquisition, has been depicted in **Chart 3.1**.

Chart 3.1: Process for acquisition under LAA



In the above process of land acquisition (as detailed in **Chart 3.1**), the proposal for acquisition of land is sent by NOIDA to the Additional District Magistrate (Land Acquisition) {ADM (LA)} in the proforma prescribed for publication of preliminary notification under Section 4 and declaration that land is required for a public purpose under Section 6 of the LAA. The ADM (LA) examines the correctness of information submitted by NOIDA and, after satisfying himself, forwards the proposal to the Government for publication of notifications under Sections 4 and 6 of the LAA. The compensation for land acquisition is paid by the ADM (LA) to the landowners at the rates determined under the LAA. For acquisition carried out by mutual consent under Section 11 (2) of the LAA, compensation rates approved by NOIDA are applied, which are uniform for all villages, types and locations of land for a particular year.

Resumption

3.1.2 The land of *Gram Samaj* is Government land left at the disposal of the *Gram Samaj*. NOIDA sends proposals to the District Collector for resumption of land of the *Gram Samaj* based on which the Divisional Commissioner issues notification for resumption of land in favour of NOIDA along with the value of land. The land is thereafter resumed in favour of NOIDA on payment of the amount mentioned in the notification.

Direct Purchase

3.1.3 Land is also acquired by purchasing directly from the landowners based on the rates of compensation approved by the Board of NOIDA and payment is made directly to the landowner. Sale deeds are executed between landowners and NOIDA.

Status of Land Acquisition in Noida

3.2 During the period from its inception in the year 1976 to March 2018, NOIDA has acquired 12,326.777 hectare of land in Noida. The status of land acquired through all the processes since inception to March 2018 and during the years 2005-06 to 2017-18 is summarised in **Table 3.1**.

Table 3.1: Status of land acquired

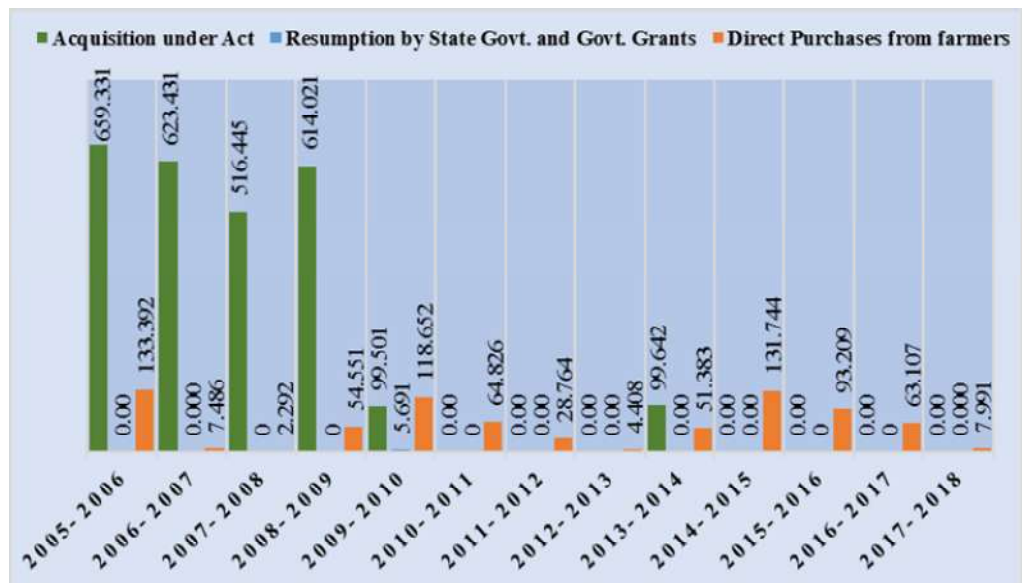
Land Acquisition Process	Total land acquired up to March 2018	Acquired during 01.04.2005 to 31.12.2013		Acquired during 01.01.2014 to 31.03.2018	
	Area (in hectare)	No.	Area (in hectare)	No.	Area (in hectare)
Acquisition under Land Acquisition Acts	10,085.7968	24	2,612.3714	0	0
Resumption by State Government and Govt. Grant	1,106.8514	7	5.69	0	0
Direct purchase from farmers	1,134.1288	604	444.7206	530	317.0830
Total	12,326.777	635	3,062.782	530	317.083

Source: Information furnished by NOIDA.

The status of year-wise acquisition of land during the years 2005-06 to 2017-18 is shown in **Chart 3.2**.

Chart 3.2: Year-wise acquisition of land

(Area in hectare)



Source: Information furnished by NOIDA.

From the above chart, it is evident that 77 per cent acquisition took place upto the year 2008-09 and thereafter the majority (73 per cent) of the land acquired was through direct purchase from the farmers. Notably, the route of direct purchase from farmers was taken greater recourse to since financial year 2009-10. In fact, in eight out of nine years starting from the year 2009-10, either acquisition was undertaken only through direct purchase or direct purchases outstripped acquisition of land through the processes laid down under LAA & 2013 Act.

Scope of Audit

3.3 Out of 3379.865 hectare of land acquired during the years 2005-06 to 2017-18, Audit scrutinised cases of acquisition of 2,164 hectare of land, which included 15 cases of acquisition under the LAA for 2,086.58 hectare, all seven cases of resumption for 5.69 hectare and 115 cases (61 cases before the enactment of 2013 Act and 54 cases after the enactment of 2013 Act) of direct purchases for 71.73 hectare. The issues/discrepancies observed during audit are detailed in the succeeding paragraphs.

Audit Findings

3.4 The audit findings as a result of examination of sample cases, are discussed in the ensuing paragraphs. These audit findings have been grouped as under:

- Irregularities in acquisition under LAA (discussed in Paragraphs 3.5 to 3.5.6).
- Irregularities in acquisition under 2013 Act (discussed in Paragraphs 3.6 to 3.6.1).
- Failure in exercise of due diligence (discussed in Paragraphs 3.7 to 3.7.2).
- Ineffective follow-up of acquisitions (discussed in Paragraphs 3.8 to 3.8.2).

Irregularities in Acquisition under LAA

3.5 Section 17 of the erstwhile LAA provided the following powers for acquisition:

• Section 17(1) of the Act provides that in cases of urgency, whenever the appropriate Government so directs, the Collector, though no such award has been made, may, on the expiration of fifteen days from the publication of the notice mentioned in Section 9, sub-section (1), take possession of any waste or arable land needed for public purposes or for a Company. Such land shall thereupon vest absolutely with the Government, free from all encumbrances.

• Section 17(2) of the Act provides that whenever, owing to any sudden change in the channel of any navigable river or other unforeseen emergency, it becomes necessary for any Railway administration to acquire immediate possession of any land for the maintenance of their traffic or for the purpose of making thereon a river-side or ghat station, or of providing convenient connection with or access to any such station, or the appropriate government considers it necessary to acquire the immediate possession of any land for the purpose of maintaining any structure or system pertaining to irrigation, water supply, drainage, road communication or electricity, the Collector may, immediately after the publication of the notice mentioned in subsection (1) and with the previous sanction of the appropriate Government enter upon and take possession of such land, which shall thereupon vest absolutely with the Government free from all encumbrances provided that the Collector shall not take possession of any building or part of a building under this sub-section without giving to the occupier thereof at least forty eight hours' notice of his intention to do so, or such longer notice as may be reasonably sufficient to enable such occupier to remove his movable property from such building without unnecessary inconvenience.

• Section 17(4) of the Act provides that in the case of any land to which, in the opinion of the appropriate Government, the provisions of sub-section (1) or sub-section (2) are applicable, the appropriate Government may direct that the provisions of Section 5A shall not apply, and, if it does so direct, a declaration may be made under Section 6 in respect of the land at any time after the publication of the notification under Section 4, sub-section (1).

Thus, Section 17 empowered the Collector, with the approval of Government, to make an award to acquire the land and take possession in cases of urgent requirement of the land. Further, sub-section 4 enabled the Collector to dispense with public hearing required under Section 5A.

The discrepancies observed in respect of land acquisition made under the LAA are discussed hereunder:

Acquisition invariably under urgency clause on a standard justification

3.5.1 Audit observed that during the period covered in audit, NOIDA had, in all 15 sampled cases of land acquisition involving 13 villages¹ and 2,086.58

¹ Badoli Bangar, Badoli Khadar, Basi Brahauddin Nagar, Begampur, Gulawali, Kondali Bangar, Lakhnawali, Nagla Nagli, Salarpur Khadar, Shehdara, Shahpur Goverdhanpur Khadar, Sorkha Jahidabad and Suthiana

Invoking of urgency clause on grounds other than those provided under LAA.

hectare of land, forwarded its proposals to the ADM (LA) for acquisition of land by invoking Section 17(4) of the LAA. In 14 cases², Audit observed that urgency clause was invoked using a standard justification (**Appendix-3.1**) as translated hereunder:

“In accordance with the plans of the New Okhla Industrial Development Authority for industrial development, the work of development of roads, sewerage and electricity availability is expected to be carried out. The work is held up due to non-allotment. Applicants want allotment of this land which is not being done due to non-acquisition of land. The applicants are specially the reputed foreign industrial institutions which want to make substantial capital investment in the area of Uttar Pradesh. Hence, it is very essential to provide them the land immediately according to their plans. If this land is not made available to these units according to their requirements, these applicants will establish their units in other States. Therefore, effort is being made so that any unit may not go from this area of the State to another State because of land acquisition, only then the industrial development of this area will be possible.

Therefore, it is extremely important to acquire this land through NOIDA for planned development. (details of proposed acquisition). Considering the above, notification for acquisition of selected land under Section 4 read with Section 17 of the LAA is recommended.”

From perusal of above standard justification for invoking urgency clause, it is evident that the grounds given by NOIDA did not fall under the ambit of conditions laid down in Section 17, which was primarily meant to be invoked for events like change in channel of rivers or other emergencies, for maintenance of railway traffic or for maintaining any structure or system pertaining to irrigation, water supply, drainage, road communication or electricity.

Thus, it is evident that the grounds for invocation of urgency clause were not in accordance with the purposes specified by the Act.

The enforcement of the urgency clause and dominant object of the Industrial Development Authorities were challenged in the Hon’ble Allahabad High Court. In its judgement³ dated 21 October 2011, the Hon’ble Court held that the Authorities were giving priority to the allotment of Group Housing/Builder plots over those related to industries. As a result, acquisition of land in village Momnathal, wherever it was in progress, was quashed. Additional compensation was also awarded to the landowners wherever land acquisition process had been completed.

Delay in processing of cases of acquisition under urgency clause

3.5.2 Acquisition of 2,086.58 hectare of land in 13 villages involving 15 cases test-checked in audit revealed that the acquisition procedure in 11 out of 15 sampled cases took time ranging from 18 months to 94 months as detailed in **Appendix 3.2** despite invocation of urgency clause. This establishes that invocation of urgency clause did not help in early completion of the acquisition process.

Inordinate delay in sending the final proposals resulted in huge additional expenditure to the tune of ₹ 563.84 crore.

² In one case of Sorkha Jahidabad village justification was not found on record.

³ Case No. 37443 of 2011, Gajraj Singh and others Vs. State of UP and others.

Audit further noticed that on the one hand NOIDA claimed urgency in acquisition of land but on the other, incurred inordinate administrative delays in sending the final proposals after the initial proposals of NOIDA were returned by the ADM (LA) for removing shortcomings in 11 cases (9 villages, area 1,637.619 hectare) (**Appendix-3.2**). Audit observed that the reasons attributable to delays were lack of information, incorrect area of land, missing details of *khasra/ khatauni*, absence of list of assets and inclusion/exclusion of directly purchased land area, missing details of *abadi*⁴ etc. given in the proposal of land acquisition. The year-wise position of the delays observed is shown in **Table 3.2**.

Table 3.2: Range of time taken by NOIDA in sending final proposal

Year of Acquisition	No. of cases	Range of time taken by NOIDA in sending the final proposals
2005-06	1	34 months
2006-07	1	46 months
2007-08	1	11 months
2008-09	3	18 months to 27 months
2009-10	2	26 months to 27 months
2010-11	2	26 months to 36 months
2013-14	1	22 months

Source: Information furnished by NOIDA.

It can be seen from the table that delays attributable to NOIDA⁵ ranged from 11 to 46 months during the acquisition process, indicating that the invocation of urgency clause was uncalled for. Analysis of the reasons for delay revealed that crucial information missing in the file was sought by the Government but was submitted with delays by NOIDA. Case-wise reasons for delay are given in **Appendix-3.2**. The said incorrect/missing information led to delays which could have been avoided by NOIDA by correct survey and exercising due diligence in submission of the acquisition proposal. From the above, it is evident that in spite of invoking urgency clause, there were substantial procedural delays on the part of NOIDA and thus invocation of the urgency clause only served the purpose of bypassing the mechanism of holding public hearings to redress the objections of landowners.

Further, no timelines and Standard Operating Procedure (SOP) relating to time-bound acquisition of land was issued by NOIDA to suggest that the proposed acquisitions were urgent.

Audit analysed the financial impact of the delays calculated from the date of return of the initial proposal by ADM (LA) to the date of sending the revised final proposal which is brought out in **Table 3.3**.

⁴ Residing population.

⁵ Calculated for period between return of initial proposal by ADM (LA) and submission of final proposal by NOIDA.

Table 3.3: Financial Impact of the delays

Sl. No.	Name of Villages	Date of proposal returned by ADM(LA)	Rate for the year (₹ per sqm)	Date of revised/ final proposal sent	Rate for the year (₹ per sqm)	Difference of rate (₹ per sqm)	Total Area acquired (in hectare)	Additional Expenditure (₹ in crore)
1	2	3	4	5	6	7 (6-4)	8	9 (7*8)
1	Basi Brahuiddin Nagar	04.05.2002	431.91	25.02.2005	469.42	37.51	145.60	5.46
2	Sorkha Jahidabad	17.04.2001	411.64	25.02.2005	469.42	57.78	439.32	25.38
3	Begampur	05.09.2005	486.65	27.07.2007	1,000	513.35	7.559	3.88
4	Begampur	05.09.2005	486.65	27.07.2007	1,000	513.35	100.66	51.67
5	Shahpur Goverdhanpur Khadar	20.12.2006	503.89	25.10.2007	1,000	496.11	128.43	63.71
6	Badoli Bangar	21.01.2006	486.65	27.07.2007	1,000	513.35	152.69	78.38
7	Salarpur Khadar	20.05.2006	503.89	03.07.2008	1,000	496.11	159.25	79.00
8	Salarpur Khadar	20.05.2006	503.89	03.07.2008	1,000	496.11	42.74	21.20
9	Kondali Bangar	21.01.2006	486.65	28.03.2008	1,000	513.35	194.30	99.74
10	Shehdara	17.01.2006	486.65	24.03.2008	1,000	513.35	170.14	87.34
11	Gulawali	22.09.2006	503.89	14.10.2009	1,000	496.11	96.93	48.08
								563.84

Source: Information furnished by NOIDA.

Thus, the delay on the part of NOIDA in acquisition of land, each of which was acquired invoking the urgency clause, led to incurrence of additional expenditure to the tune of ₹ 563.84 crore by NOIDA.

In its reply, NOIDA stated (August 2020) that the procedure for land acquisition under the LAA was determined by the Board of Revenue/ Government from time to time. The delays were attributable to changes in the rules prescribed from time to time, for complying with the Government directives, rules and procedures, legal delays on account of matters being under consideration of courts and revision of acquisition proposals. These changes necessitated administrative and financial approvals on revised proposals and thus delays were inadvertent and cannot be ascribed to the Land Acquisition wing. However, the Government, during the exit conference, accepted the audit recommendation of exercising due diligence in invoking the urgency clause and stated that it has since been rescinded and NOIDA has stopped using the urgency clause.

No justification has been put forth in the reply for invocation of urgency clause due to which the landholders' rights to hearings were dispensed with. In this context, it is pertinent to point out that the Hon'ble Supreme Court, in its judgement⁶, has held that invocation of Sections 17(1) and 17(4) was wrong. Further, the reply of NOIDA citing procedural issues as the reason for delay is not acceptable as on the one hand, the right of landowners to hearing was being bypassed on the grounds of urgent acquisition while on other hand inordinate delays were taking place for routine processes.

⁶ Savitri Devi vs. State of U.P. and others, civil appeal no. 4506 of 2015.

The Government may also consider examining the basis on which NOIDA was permitted to invoke the urgency clause, which allowed dispensing with due process on the one hand, while at the same time there were inordinate delays in sending the final proposals which resulted in huge additional expenditure.

Excessive use of urgency clause to acquire land

3.5.3 Section 11(2) of the LAA, dealing with the enquiry and award by the Collector, lays down the provisions for acquisition of land through agreement on agreed rates.

On analysis of the acquisition cases, Audit observed that all the processes involved viz. proposals for land acquisition by NOIDA, the notifications under Section 4 and the declarations under Section 6 were made by invoking powers under Section 17 (urgency clause), thereby depriving the farmers of the opportunity of public hearing. The only resort left for unwilling farmers was litigation in the Courts. Alternatively, the farmers could either accept the award made by Collector at circle rates or could enter into an agreement with NOIDA under Section 11(2) at the rates declared by NOIDA, which were two to eight times the circle rates. Audit observed that in 22 land acquisition cases/notification (**Appendix 3.3**), NOIDA acquired only 20 *per cent* land through compulsory acquisition route and entered into agreements for acquisition of 80 *per cent* land. Thus, invoking of Section 17 in all cases worked as a coercive measure to acquire land.

In its reply, NOIDA stated (August 2020) that 90 *per cent* of the farmers had sold their land through agreement and payment has been made in accordance with the *Karar Niyamawali*, which was approved by the Government, hence there was no irregularity. Further, NOIDA stated that it is incorrect to state that the farmers did not get an opportunity for hearing due to invocation of urgency clause as the agreements were entered into by the farmers on their free will and hence there was no coercion.

The reply does not address the fact that all acquisitions were made by invoking urgency clause under Section 17 of the LAA and the agreements made under Section 11(2) as stated in the reply were also made in pursuance of the notifications under urgency clause. By invocation of the urgency clause, the right to public hearing was waived off and the farmers were forced to sell their land either by way of compulsory acquisition under Section 11(1) or through the agreement route (*karar*) under Section 11(2), and 80 *per cent* of the landowners chose the agreement route on account of higher rates being offered. Agreements with landowners at individual level cannot be equated with the public hearing process wherein all affected parties are given a fair chance to raise their objections. The fact remains that through the discretionary use of urgency clause, NOIDA acquired land bypassing the right of farmers for hearing of objections. In effect, the invocation of urgency clause took away the basic rights of farmers/landowners to raise their objections against proposed acquisition and coerced them to hand over these land to NOIDA.

Avoidable payment of additional compensation in cases of direct purchases of land through sale deeds

3.5.4 As discussed in **Paragraph 3.5.1**, the enforcement of the urgency clause and dominant object of the Industrial Development Authority (IDA) were challenged in the Allahabad High Court. In its judgment⁷ (21 October 2011), the Hon'ble High Court directed that:

Direct purchase cases were not covered in the ambit of the judgement in case of Gajraj Singh vs State of Uttar Pradesh. Hence, additional compensation should not have been paid to the landowners whose lands were directly purchased through sale deed. NOIDA chose to pay additional compensation to the tune of ₹ 270.91 crore which was avoidable.

- the petitioners shall be entitled for payment of additional compensation to the extent of 64.70 per cent in addition to the compensation received by them under Karar Niyamawali/award;
- all the petitioners shall be entitled for allotment of developed abadi plot⁸ to the extent of 10 per cent of their acquired land subject to maximum of 2,500 sqm.

The Hon'ble High Court however left it open to NOIDA in cases where allotment of *abadi* plot to the extent of six *per cent* or eight *per cent* had already been made either to make allotment of the balance of the area or to compensate the landowners by payment of the amount equivalent to balance area as per the average rate of allotment made for developed residential plots.

NOIDA was also allowed to take a decision as to whether the benefit of additional compensation and allotment of *abadi* plot to the extent of 10 *per cent* be also given to (a) those land holders whose earlier writ petition challenging the notifications have been dismissed upholding the notifications; and (b) those land holders who have not come to the Court, relating to the notifications which are subject matter of challenge in writ petitions mentioned.

On a query by NOIDA (July 2012) on this matter, GoUP had stated that there was no legal compulsion to pay additional compensation in cases of direct purchase of land through sale deeds.

Audit observed that NOIDA made payment of additional compensation of ₹ 270.91 crore and allowed benefit of *abadi* plots to those landowners from whom land was purchased directly through sale deeds. As these cases were not covered in the ambit of the judgement in case of Gajraj Singh, there was no justification for these payments/benefits to landowners and payment of additional compensation of ₹ 270.91 crore was avoidable. It is notable that in the context of payment of additional compensation in cases of direct purchase of land through sale deeds, the Hon'ble High Court, in the case of Brahm Singh and Others vs. State of U.P. and Others, held (3 February 2012) that '*The petitioners having executed the sale deed of the lands in dispute they are not entitled for the benefit of the decision of Full Bench passed in Writ Petition No.37443 of 2001 (Gajraj and others vs. State of U.P. and others) decided on 21 October 2011. The petitioners having voluntarily executed the sale deed, they cannot claim that the compensation is inadequate nor any such claim can be considered at this stage.*'

⁷ Case No. 37443 of 2011 Gajraj Singh and others vs State of U.P. and others.

⁸ Abadi plots are developed plots given to landowners in addition to monetary compensation.

In its reply, NOIDA stated (August 2020) that payment of compensation in the cases of acquisitions through agreements were covered under the Hon’ble High Court order. For payment of compensation decision was taken by the Chief Executive Officer (CEO) of NOIDA on 16 and 23 December 2011 (prior to decision in Brahm Singh case on 3 February 2012) in view of farmers’ agitation and law and order issues. This decision was taken after written agreement between NOIDA and Kisan Sangharsh Samiti on 9 December 2011 and was duly approved by the Board in the 180th Board meeting held on 29 November 2013 after multiple correspondence with the Government.

The reply is not acceptable as it was obvious that the cases filed with the petition of Gajraj Singh pertained to land acquisition under LAA and not the cases of direct purchases through sale deed. Therefore, the direct purchase cases were not covered in the ambit of the judgement in case of Gajraj Singh. On this very ground, additional compensation should not have been paid to the landowners where lands were directly purchased through sale deed. Instead of taking recourse to legal remedies, NOIDA chose to pay additional compensation to the tune of ₹ 270.91 crore which was avoidable. Later on, in the case of Brahm Singh related to Greater Noida, the Hon’ble High Court held⁹ (3 February 2012) that in cases of direct purchase of land through sale deed, additional compensation was not payable.

Loss due to excess payment of additional compensation

3.5.5 As discussed in **Paragraph 3.5.4**, the Hon’ble High Court in Gajraj Singh *Vs.* State of U.P. and others (writ petition no. 37443) on 21 October 2011 directed that the petitioners shall be entitled for payment of additional compensation to the extent of 64.70 *per cent* in addition to the compensation received by them under *Karar Niyamawali*/award.

Audit observed that as per the Hon’ble High Court judgement, payment of only 64.70 *per cent* of what had already been paid under agreement or award was to be paid. For acquisition of land under the LAA, NOIDA had acquired land by two methods, viz.

- Through compulsory acquisition, for which initial compensation had been awarded on rates based on DM circle rates, and
- Through agreements between landowners and NOIDA, where compensation had been awarded based on rates decided by NOIDA for ancestral land and non-ancestral land (at the rate of 15 *per cent* below rates for ancestral land).

In actual practice, acquisition of land of any village constituted a combination of acquisitions by means of compulsory acquisitions and agreement based acquisitions for ancestral land and non-ancestral land, with varying rates. These rates under agreement based acquisitions were two to eight times of the rates awarded under compulsory acquisition.

Audit observed that the requirement for the amount likely to be paid as additional compensation was always determined by Land Acquisition wing and Finance wing of NOIDA based on the highest rates applicable for

Not ensuring due diligence by the officials of NOIDA before payment of additional compensation to ADM(LA) resulted in payment of excess amount of ₹ 228.73 crore.

⁹ Writ number 6176 of 2012, Brahm Singh and others vs State of UP, judgement dated 3 February 2012.

ancestral land, whereas the actual acquisition was done at a combination of rates which were lower. This resulted in an additional payment of ₹ 228.73 crore in case of 22 villages (**Appendix 3.3**). Since the additional compensation was to be paid at the rate of 64.70 *per cent* of what has already been paid under agreement or award, the amount of additional compensation should have been determined at actual rate rather than the highest rate.

Thus, the additional compensation was calculated incorrectly which resulted in excess payment of ₹ 228.73 crore in case of 22 villages. Neither the Legal wing nor the Land Acquisition wing nor the Finance wing exercised due diligence in evaluating the underlying awards before making payment, which has resulted in loss to NOIDA. This is another instance of absolute dereliction of duty cast upon the officials of NOIDA, corroborating the observation of the Hon'ble Supreme Court in its judgement relating to Amrapali Builders¹⁰.

In its reply, NOIDA stated (October 2020) that it has not calculated the amount of compensation to be paid but has released payment to ADM (LA) on their demand and there was no excess payment.

The reply is not acceptable. Financial Rules provide that every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of his own money. Also it does not address the responsibility incumbent on its own officers for undertaking due diligence before making the payment. Further, there were clear directions of CEO for ensuring due diligence (25 January 2012) in the matter, yet the Land Acquisition wing and the Finance wing failed to estimate the quantum of additional compensation payable, which was discernible from the awards for acquisition of land in case of respective villages, resulting in huge excess payment of ₹ 228.73 crore. Government may consider investigating the matter of excess payment and make suitable determination with respect to infraction by NOIDA and/or concerned district/ LA officials.

Incorrect payment of advance in respect of additional compensation

3.5.6 The Hon'ble High Court in *Gajraj Singh vs State of U.P. and others* (Writ petition no. 37443/2011) directed (21 October 2011) that the petitioners shall be entitled for payment of additional compensation to the extent of 64.70 *per cent* in addition to the compensation received by them under *Karar Niyamawali*/award for notifications issued for land acquisition under Section 4 on or after 30 March 2002 to 17 March 2009.

In pursuance of the above judgement, ADM (LA) demanded (03 December 2011) village-wise additional compensation of ₹ 1,024.64 crore to be distributed among landowners of 17 villages. As per order of CEO dated 15 December 2011, 25 *per cent* of the required amount i.e. ₹ 255.41 crore was sent to ADM (LA) in two instalments i.e. ₹ 50 crore on 15 December 2011 and ₹ 205.41 crore on 16 December 2011.

Out of the compiled list of landowners of 17 villages, landowners of two villages (Sadarpur and Sultanpur) were not entitled to get additional

¹⁰ Bikram Chatterjee and others vs Union of India and others writ petition (C) 940/2017.

compensation as the notification issued in the said villages under Section 4 was before 30 March 2002¹¹.

The advance for additional compensation which was sent to ADM (LA) included the compensation to be paid to Sadarpur and Sultanpur villagers amounting to ₹ 8.18 crore (₹ 2.42 crore and ₹ 5.76 crore respectively). At the time of further payment, it was intimated (June 2012) by NOIDA to ADM (LA) that the landowners of the said two villages were not entitled to get additional compensation. Thus, the compensation was not disbursed to the said two villages by ADM (LA) and the same amount was lying unutilised with ADM (LA) since December 2011.

Due to lack of due diligence before making the advance, NOIDA paid excess amount of ₹ 8.18 crore to the ADM (LA) which is still lying unadjusted with them. NOIDA never tried to get refund of this excess amount which remained with ADM (LA) and hence suffered a loss of interest of ₹ 7.50 crore¹².

In its reply, NOIDA stated (August 2020) that after noticing the irregularity in demand by ADM (LA), NOIDA had instructed for non-payment in these two villages. However, some additional compensation has been paid in Sadarpur (the quantum of which has not been intimated in the reply). NOIDA, on its part, has requested the Government to take suitable action against the officials for unwarranted disbursement and recovery from farmers along with interest. Further, it is stated that since the matter pertains to two Government departments, the issue of interest payment does not arise.

The reply confirms the findings of Audit. The primary responsibility vested with NOIDA to conduct due diligence on its own and check the admissibility of the amount claimed by ADM (LA) before payment, which could have prevented the avoidable loss. The amount so advanced and lying unrecovered could not be utilised by NOIDA and has entailed loss of interest, which it could have otherwise earned.

Irregularities in Acquisition under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

3.6 The GoI enacted the 2013 Act to replace the LAA. The 2013 Act came into force from 01 January 2014 and sought to provide just and fair compensation to the affected families whose land had been acquired or was proposed to be acquired or are affected by such acquisition and make adequate provisions for such affected persons for their rehabilitation and resettlement. The 2013 Act introduced provisions for recognising non-owners as affected persons (Section 2c), social impact analysis (Sections 4 to 8) and provisions for award of rehabilitation and resettlement amount (Section 31 and 32). These provisions for rehabilitation and resettlement were meant for compensating the affected families in respect of hardships from acquisition of land and consequent displacement.

¹¹ The notification in respect of Sadarpur (44.5289 ha) and Sultanpur (90.321 ha) villages was issued on 28 January 1994 and 06 December 1999 respectively.

¹² Calculated for the period from December 2011 to March 2020 at the rate of 11 per cent per annum at which NOIDA charges interest from its allottees.

Unauthorised and irregular payment of No-litigation bonus beyond scope of the 2013 Act

The payment of ₹ 373.85 crore, towards Rehabilitation and Resettlement/No Litigation Bonus was in contravention and beyond the scope of 2013 Act.

3.6.1 Sections 26 to 30 of 2013 Act lay down the provision for determining the compensation payable. As per the 2013 Act, the amount of compensation payable consists of:

- The market value of land to be acquired, multiplied by a specified factor,
- Solatium equivalent to one hundred *per cent* of the compensation amount,
- Rate of 12 *per cent* per annum on such market value for the period between date of publication of notification of the Social Impact Assessment study to the date of award or the date of taking possession of the land, whichever is earlier.

NOIDA (in the 183rd meeting of the Board in August 2014) decided that in respect of land acquired by agreements, the farmers would be paid compensation consisting of market value of land and 100 *per cent* solatium at the rate of ₹ 1,320 per sqm, thus totalling ₹ 2,640 per sqm. Further, a lump sum payment at the rate of ₹ 1,320 per sqm (50 *per cent* of above) was also fixed for payment as Rehabilitation and Resettlement/No Litigation Bonus. The above decision was based on the recommendations of a Committee constituted for this purpose, which deliberated on the issues arising from the enactment of the 2013 Act, wherein the main points and recommendations thereon were as under:

- Before the notification for acquisition under the 2013 Act, a Social Impact Assessment study has to be conducted and a public hearing and publication of the study has to be carried out. Further, an appraisal of Social Impact Assessment report by an expert group has to be carried. Though these provisions were likely to benefit farmers, yet would cause delays in the acquisition process;
- Besides the Social Impact Assessment Report, a scheme for Rehabilitation and Resettlement was also to be prepared. This scheme was to be approved by Rehabilitation and Resettlement Commissioner. Thus, additional burden for Rehabilitation and Resettlement was to be borne by NOIDA.
- Besides these, there were additional costs and time delays on account of challenges to the awards in the courts.

To avoid the above delays and costs, it was recommended that a separate lumpsum payment of ₹ 1,320 per sqm be paid as Rehabilitation and Resettlement/ No Litigation Bonus.

During the period August 2014 to March 2018, NOIDA acquired 278.9791 hectare of land through agreements on which Rehabilitation and Resettlement/ No-Litigation Bonus amounting to ₹ 327.95 crore has been paid.

Though the Board had initially decided for payment of Rehabilitation and Resettlement/No Litigation Bonus only in the cases of acquisition through agreements, in a subsequent meeting the Board approved (14 March 2016) payment of Rehabilitation and Resettlement/No-Litigation Bonus for acquisition through compulsory acquisition route. In the case of Badoli Bangar village where a total of 81.6423 hectare of land was acquired on 20 June 2016 through compulsory acquisition route, the ADM (LA) made a request for

payment of No Litigation Bonus for the instant acquisition case and accordingly NOIDA paid ₹ 45.90 crore as Rehabilitation and Resettlement/ No Litigation Bonus.

Audit observed that the payment of Rehabilitation and Resettlement/ No Litigation Bonus, as determined by the above Committee and approved by the Board, was in breach of the 2013 Act which provides for preparation of a Rehabilitation and Resettlement Scheme and its approval by competent authority as well as preparation of Social Impact Assessment study and accordingly, taking of measures to mitigate the loss of affected persons. Section 4 to Section 8 of the 2013 Act lay down the statutory process to be followed for Social Impact Assessment in all cases where land has been acquired other than through urgency clause. Similarly, Section 31 to Section 47 of the 2013 Act lay down the statutory provisions in respect of Rehabilitation and Resettlement. However, instead of a family-specific compensation for Rehabilitation and Resettlement, a lump sum amount, payable per sqm of land acquired, was fixed by NOIDA. Instead of preparing a Rehabilitation and Resettlement Scheme, NOIDA has bypassed the laid down procedure of the Act by paying a lump sum amount in lieu thereof. The payment of the entire sum of ₹ 373.85 (₹ 327.95 + ₹ 45.90) crore, towards Rehabilitation and Resettlement/No Litigation Bonus during the period August 2014 to March 2018 was in contravention and beyond the scope of the 2013 Act. The Government should seek a definitive explanation from the Board as to how a decision of this nature was taken by it in blatant violation of the Act.

In its reply, NOIDA stated (August 2020) that the 2013 Act required a Social Impact Assessment Study before the notification and a scheme for Rehabilitation and Resettlement duly approved by the Rehabilitation and Resettlement Commissioner. This required additional cost and time delay besides challenges in the Courts. Hence, on the recommendation of a Committee constituted for this purpose, it was decided to pay Rehabilitation and Resettlement/No Litigation Bonus. It was further stated that Rehabilitation and Resettlement/ No Litigation Bonus was paid for acquisitions made under agreement route which facilitated hassle-free and litigation-free acquisition of land.

The reply is not acceptable as the payment of Rehabilitation and Resettlement/ No Litigation Bonus, as determined by the Committee and approved by the Board, was beyond the scope of the 2013 Act. The Act provides specific provisions for preparation of a Rehabilitation and Resettlement Scheme and Social Impact Assessment Study to adjudge and mitigate the specific loss to affected persons. The circumstances in which Social Impact assessment under the 2013 Act is exempted has been laid down in the Act and the present case does not qualify for such the exemption. NOIDA, has thus, bypassed the laid down procedure and decided to award a lump sum payment in lieu thereof which was beyond the scope of the Act.

Failure in exercise of due diligence

3.7 Financial Rules provide that every officer is expected to exercise the same vigilance in respect to expenditure incurred from public money as a person of ordinary prudence would exercise in respect of his own money. However, Audit observed the following contravention of the Financial rules:

Avoidable payment of excess compensation due to delayed execution of agreement

Due to non-finalisation of policy in time, the payment was made to landowners at revised rate which led to an additional payment of ₹ 1.08 crore.

3.7.1 During the year 2009-10, NOIDA purchased the land of Sarfabad and Wajidpur villages directly from the farmers. In respect of 12 Sale deed cases of acquisition in the above villages, the administrative and financial approval for purchase of land was taken in the year 2009-10 and subsequently cheques for compensation were drawn but were not handed over to the farmers in the same year. It was observed that after drawing cheques in favour of the farmers in the year 2009-10, the agreements were entered in favour of NOIDA after delays ranging from six to 17 months from the date of administrative and financial approval, that is in the subsequent financial year 2010-11, during which period the compensation rate increased from ₹ 1,000 per sqm to ₹ 1,100 per sqm. The landowners demanded additional payment for the revised rates based on date of agreement, which was paid by NOIDA. In addition to this, NOIDA also had to bear differential amount of stamp duty. Additional compensation payable at the rate of 64.7 *per cent* also increased accordingly. This led to an additional payment of ₹ 1.08 crore¹³ for the differential rate of ₹ 100 per sqm which was avoidable.

As such, NOIDA should have paid the compensation only after completing all the requisite formalities on file. Had NOIDA taken appropriate action and entered into the agreements on a timely basis before the end of the financial year 2009-10, it could have saved on the avoidable differential cost amounting to ₹ 1.08 crore arising due to delayed execution of agreement.

In its reply, NOIDA stated (August 2020) that the delay in execution of agreements was on account of procedural delays and due to time taken for finalisation of policies.

The reply is not acceptable as NOIDA, on its own, initiated the process of land acquisition and even sanctioned payment for the land. However, payment was delayed due to non-finalisation of policy in respect of owners who were non-cultivators (*seerdars*). Before initiating the acquisition, NOIDA should have clarified its own policies to avert avoidable payments.

Blockade of fund due to inaction on the part of NOIDA

Physical possession of the land could not be taken. Hence, the amount advanced by NOIDA to acquire land was not utilised and has been lying pending with ADM (LA) since July 2002. The reason being not carrying out due diligence either at the time of survey or taking possession.

3.7.2 For acquisition of land required for public use, NOIDA sends proposal to the Collector duly indicating the location of the land, survey number, extent of the land and sketch of the land. After receiving a proper acquisition proposal, the Collector proceeds with publication of notification under Section 4 of the LAA. Section 16 of the Act also provides that the possessed land should be free from all encumbrances.

Audit noted that NOIDA decided to acquire 33.28 acre land in Elabans village for which a proposal was sent (27 May 1999) to ADM (LA) to issue notification under Section 4/17. The notification under Section 4/17 was issued on 17 April 2002 for 33.156 acre land followed by notification under Section 6/17 on 26 June 2003. An advance amount of ₹ 4.32 crore¹⁴ was also paid to ADM (LA) towards this proposed acquisition. After issuance of

¹³ ₹ 1.08 crore = Total payable compensation at 90% + Stamp duty at 5% + Additional compensation at 64.70% of ₹ 67,56,700.00 (60,895 sqm * ₹ 100 + 2780 sqm * ₹ 240).

¹⁴ The amount ₹ 36,24,192, ₹ 3,47,97,672 and ₹ 48,02,733 was sent to ADM (LA) on dated 29.4.99, 19.07.02 and 24.06.03 respectively.

notification under Section 6, the site survey of the land was done¹⁵ and it was found that out of 33.156 acre land, 21.484 acre was lying vacant and in the remaining land, school, houses etc. were existing. The matter was referred to Legal wing as to whether the option to withdraw from the land acquisition process under the LAA was available to NOIDA on 25 January 2003 for their opinion. Legal wing opined on 19 April 2004 that NOIDA has no power to give up the land which was included in land acquisition process. In view of opinion of Legal wing, the possession was taken on 28 February 2005 of land of area of 33.156 acre by Land Acquisition wing and handed over to Engineering wing on 16 March 2005 for taking physical possession and necessary action. However, till date physical possession could not be taken by NOIDA as *abadi* was already existing in the land and development works were already executed by *Gram Samaj*. As per records made available to Audit, the award of the said land was not declared till March 2020.

In this connection, Audit obtained a satellite image of Elabans village from National Remote Sensing Centre (NRSC) of Indian Space Research Organisation (ISRO) for the year 2005 to ascertain the extent of *abadi* existing in the village. The image is as under:



Source: Image from NRSC, ISRO, Hyderabad of September 2005.

The blue colour shows construction and the red colour shows vegetation.

The above image clearly confirms that the proposed village (marked in the map in blue lines) had a dense *abadi* settlement. Audit observed that the proposal for acquisition of land was sent without ascertaining whether the land was free from all encumbrances and no site inspection was done by the Land Acquisition wing of NOIDA before sending the land acquisition proposal to the Government. Neither physical possession could be taken by NOIDA nor was any award declared under Section 11 of the Act. As a result NOIDA could not commence its development work. The objective of payment of the amount

¹⁵ Joint survey done by Lekhpal, Revenue Inspector and Naib Tehsildar on 26 July 2003.

of ₹ 4.32 crore for land acquisition remained unfulfilled and the funds have remained unutilised and is pending return from District Authorities since 2003. Further with the enactment of the 2013 Act (with effect from 01 January 2014) the proceedings under the LAA have also lapsed in accordance with the provisions of Section 24(2) of the 2013 Act.

In its reply, NOIDA stated (August 2020) that the land was encroached by villagers after notification under Section 4 and the entire onus of proceedings for acquisition lies on the ADM (LA) rather than NOIDA. Neither has any award been declared by the Collector nor has payment been made under any agreement. Further, the sums pending with the ADM (LA) are adjusted or returned to NOIDA from time to time.

The reply is not acceptable as in this case possession on paper only has been taken by Land Acquisition wing of NOIDA in 2005. The ISRO image of September 2005 clearly brings out the area occupied (*abadi*) which can be seen in the image depicted in blue colour which represents constructions. As a result, physical possession has not been taken nor has any award been declared till March 2020. The reply does not address the issue that the amount advanced by NOIDA could not be utilised and has remained pending with ADM (LA) since July 2002, the reason being not carrying out due diligence either at the time of survey or taking possession. As a result, the case has become deadlocked with NOIDA's advance lying unadjusted.

Ineffective follow-up of acquisitions

3.8 After the acquisition of land has been completed, the possession of acquired land is taken by NOIDA for undertaking further development. Thus, effective follow-up of acquisition is an important aspect of the process. Audit noticed that in the following cases, the Land Acquisition wing of NOIDA failed in following up for possession of the acquired land.

Land under encroachment:

3.8.1 Protection of land from unauthorised encroachment is one of the most important functions of NOIDA. The land protection activities are carried out by Land Acquisition wing as well as the user departments. It is the responsibility of NOIDA to maintain round-the-clock watch and ward for protection of land so as to ensure that no unauthorised structure comes up on the land and to remove the same at the earliest, if any.

Eradication of land mafias being the top priority of the State Government, a task force was constituted under Chief Secretary (May 2017). Clear and result-oriented directions were given for removal of encroachments from both Government land as well as private land. Accordingly, work-circle wise list of encroached land was prepared in June 2017 wherein 988 properties were identified across 10 work circles. In many instances, the dimension of land was not recorded in the list but in the rest of the cases, a total of 45,26,464 sqm land worth ₹ 16,385.80 crore (at 2019-20 prices) was under encroachment (**Appendix-3.4**).

Audit noted that despite acquiring land, NOIDA was unable to develop it on account of encroachments which showed that NOIDA failed in successfully following up the acquisitions made.

95 per cent of 45.26 lakh sqm of land valuing more than 16,000 crores were still under encroachment since June 2017.

In its reply, NOIDA stated (August 2020) that as per the prevailing orders, the responsibility for ensuring encroachment free land rests with the concerned work Circle instead of the Land Acquisition wing. Further, since 2017, 24.580 hectare had been freed of encroachments.

From a perusal of the reply, it is evident that only a small percentage (five *per cent*) of the land has been freed of encroachments and the remaining 95 *per cent* area remained out of NOIDA’s control. NOIDA should strengthen the post-acquisition follow-up mechanism, so as to utilise the acquired land for productive use.

Non-mutation of land purchased

3.8.2 Mutation is the change of title ownership from the existing owner to a new owner, when the property is sold or transferred. By mutating a property, the new owner gets the property recorded in his name in the land revenue department.

During the period 2005-06 to 2017-18 NOIDA acquired lands measuring 761.8036 hectare in Noida through direct purchases from farmers and made 1,134 sale deeds with landowners. After acquisition, NOIDA was required to get the ownership of these lands duly transferred in its favour.

Audit scrutiny of 115 selected cases relating to purchase of land through sale deeds with landowners revealed that in 30 cases, though the land was acquired through mutual agreement (*bainama*) during 08 April 2005 to 19 February 2018, the ownership of these lands continued to vest with the farmers as per land revenue records as on March 2020. NOIDA did not get the title of acquired land transferred in its favour although it was the responsibility of the Land Acquisition wing of NOIDA to transfer the title of the acquired land in favour of NOIDA. In 64 cases, NOIDA took three to 108 months from the date of agreement with landowners to get the ownership of the land acquired. In the remaining 21 cases, the status of mutation was not provided by NOIDA despite request.

Non-transfer of the title of acquired land in NOIDA’s favour was fraught with the risk of transfer of these lands purchased by NOIDA to other persons.

In its reply, NOIDA accepted the audit observation and assured that mutation of the land would be effected.

Conclusion

The land acquisition process undertaken by NOIDA primarily up to 2010-11 suffered from irregularities on many counts. All acquisitions made under the LAA were done by invoking the urgency clause of the Act. However inordinate time was taken for processing land acquisition cases, indicating that there was little justification in invoking the urgency clause in every case. NOIDA, while making payments of additional compensation in pursuance of Hon’ble High Court’s judgement, failed to exercise due diligence resulting in substantial avoidable payments and over-payments.

From 2014 onwards when NOIDA acquired land through direct purchase, it made payment of Rehabilitation and Resettlement /No Litigation Bonus which was beyond the scope of 2013 Act. The Board of

NOIDA, instead of putting a check on the violations, regularised the payment which it was not authorised to sanction.

NOIDA also failed to exercise the required prudence and as a result made excess payments on account of delays of various kinds. Post- acquisition of land, failure to effect mutation of land and check encroachments on land was also observed.

Recommendations		
Recommendation Number	Recommendation	Response of the Government
4	NOIDA needs to ensure abidance with the statutory provisions, as provided for under the Act and exercise due diligence while invoking the urgency clause in carrying out land acquisitions.	Accepted. Government stated that it has since rescinded the urgency clause.
5	Post-acquisition, the follow-up mechanism should be strengthened by NOIDA so that the acquired land is put to productive use at the earliest, mutated without delay and kept unencumbered.	Accepted.

CHAPTER-IV

Pricing of Properties

CHAPTER-IV

Pricing of Properties

Introduction

Costing System in NOIDA

4.1 Pricing of properties for allotment by the Industrial Development Authorities (IDAs) is a crucial aspect as this gives NOIDA a critical input about the cost of the property and how it can be sold at a rate sustainable for NOIDA.

For taking appropriate decision in this regard, NOIDA must keep an account of all the costs incurred and to be incurred in the acquisition of land, on internal/external development, on maintenance etc. For pricing to be sustainable for NOIDA, it must also include:

- a. future maintenance cost as NOIDA has to undertake the maintenance works,
- b. interest cost for return on own funds deployed on land acquisition and development,
- c. a shield over and above to reduce the risks due to unforeseen expenditures and
- d. pricing should be based upon the development norms {Floor Area Ratio(FAR) and Ground Coverage (GC¹)} being allowed.

Thus, these elements form the basis of pricing. In addition, premium/reserve prices are fixed and the allotment of properties is made based on these prices, either at a prefixed price or at the highest bid offered over and above the reserve price. Nature of properties for which these two types of prices are applied are:

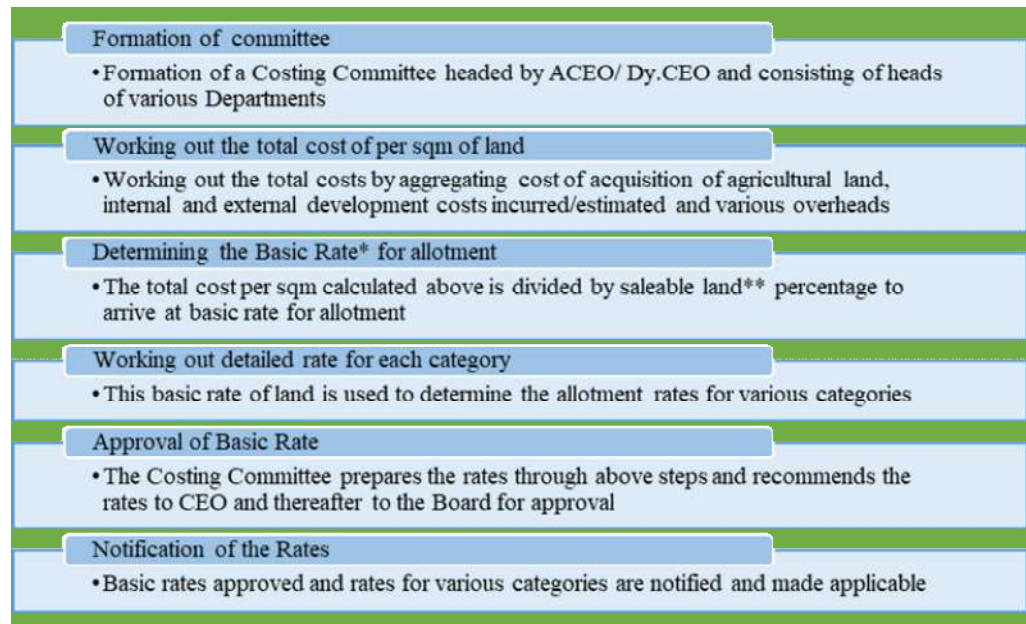
- Premium (price) for allotment of industrial, institutional and farm houses is fixed where allotments are made on the basis of recommendations of a Plot Allotment Committee (PAC) which evaluates the applications. In case of residential plots and flats, allotments are made on the basis of draw of lot manually or by computer processing.
- Reserve prices are fixed for allotment of commercial plots/shops, group housing/builder plots and plots for sports cities, where allotment is made to the highest bidder over and above the reserve price.

Process of price fixation

4.2 NOIDA carries out annual costing of land for the purpose of determination of allotment rates. This process begins with considering the basic rate of land acquisition and adding thereto the related development costs and other overheads to arrive at the basic land rate for allotment. The process of price fixation by NOIDA is depicted in **Chart 4.1**.

¹ FAR is the quotient of total covered area (plinth area) on all floors divided by the total area of plot. Higher FAR means more covered area is allowed to be constructed on a given area of the plot and *vice versa*. GC is the ground area of the plot which can be covered for construction. It is the area other than open space. Higher GC means more ground area can be covered on a given area of plot.

Chart 4.1: Flowchart showing process of price fixation by NOIDA



* Basic rate for allotment represents the total cost for the year divided by saleable area. At this rate, allotments were made for E category residential properties.

** Saleable land is that portion of land which can be sold by NOIDA after appropriating land for infrastructure, facilities, amenities *etc.*

Status of costing in NOIDA

4.3 Trend of basic rates for land allotment: After determining the basic rate for allotment through the costing process, NOIDA notifies the basic rates for allotment. The rates as notified by NOIDA for the audit period from 2005-06 to 2017-18 are shown in **Chart 4.2**.

Chart 4.2: Basic rate for land allotment notified by NOIDA



Source: Information furnished by NOIDA.

Analysis of the chart above revealed the following:

(i) During the period 2005-06 to 2017-18, the increase in basic rate for land allotment was 651.11 *per cent* entailing an annual average increase of 54.26 *per cent*.

(ii) If the 13 years period from 2005-06 to 2017-18 is broken into four parts *viz.* 2005-06 to 2007-08, 2008-09 to 2010-11, 2011-12 to 2013-14 and 2014-15 to 2017-18, and the increase within the period is analysed, it is observed that the increase in basic rate for land allotment ranged from 10 *per cent* (2008-09 to 2010-11) to 166.67 *per cent* (2005-06 to 2007-08) between 2005-08 to 2014-17.

In reply NOIDA stated (August 2020) that it is not justified to compare difference of every three year duration because land cost was prepared as per the prevailing situation at that time and the same had been approved by the Board.

(iii) It was also observed that there was no increase in land rates for allotment for the years 2009-10 and 2017-18.

Basic Rates for allotment by categories²: Based on the basic rates for allotment fixed, NOIDA fixes the rates for various categories of land use. An overview of correlation between basic rate and category-wise rates, in 2016-17³ is depicted in **Table 4.1**.

Table 4.1 (i): Coefficient of Residential and Group Housing rates to Basic Rate for allotment

	Category A	Category B	Category C	Category D	Category E
Residential	2.75	1.92	1.40	1.17	1.00
Group Housing	3.75	2.50	2.25	2.00	1.42

Table 4.1 (ii): Coefficients of Industrial rates to Basic Rate for allotment

Industrial	Upto first 4000 sqm	Next 4001 to 20000 sqm	Next 20001 to 60000 sqm	Next above 60001 sqm
Phase I	0.91	0.84	0.77	0.70
Phase-II	0.32	0.29	0.28	0.27
Phase-III	0.33	0.32	0.31	0.31

Table 4.1 (iii): Coefficients of Institutional rates to Basic Rate for allotment

Institutional	R&D/ Film Audio/video studio/ IT, ITES Sector 1, 16A and Sector 24	R&D Software/ Service, Film audio/video studio phase II, III, Expressway	IT Park/ ITES/ Biotech Park Phase-II, III	Govt/Semi Govt Hospital/ dispensary	Superbazar/ Milk, Fruit & Vegetable Distribution Centre	Farm House on Agriculture Land
	1.5	0.54	0.41	0.29	0.29	0.22

Source: Information compiled by Audit.

² NOIDA categorises sectors on the basis of geographical location, availability of land and market value.

³ Basic rate for allotment was not revised in the year 2017-18. Hence, correlation between basic rate for allotment and category-wise rates for allotment were same in 2016-17 and 2017-18.

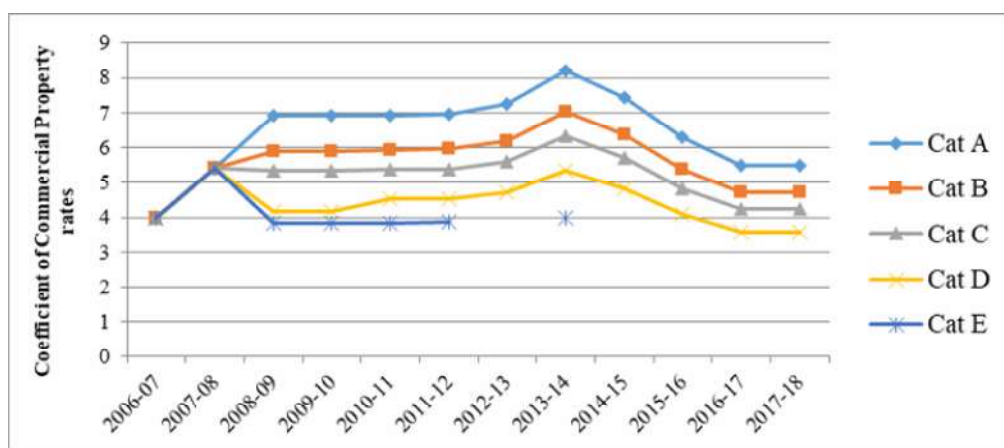
The above tables and **Appendix 4.1** indicate the following:

(i) Analysis of the relation between basic rates for allotment and category-wise rates for allotment revealed that the coefficient between the basic rates for allotment and category-wise rates for allotment has remained consistent during the period 2007-08 to 2016-17 except for the commercial category.

(ii) Amongst the Residential, Group Housing, Industrial and Institutional categories and their sub-categories, the rates fixed for Farm Houses were the lowest and those of category ‘A’ sectors in Group Housing were the highest.

(iii) The rates for allotment decided for Commercial category kept increasing upto 2013-14 and thereafter showed a decline, thereby exhibiting an inconsistent trend. **Chart 4.3** shows the coefficient of Commercial category rates for allotment (for plots above 10,000 sqm).

Chart 4.3: Coefficient of Commercial category rates for allotment (for plots above 10,000 sqm) to the Basic Rate for allotment



Source: Information compiled by Audit.

Once the basic rates for allotment were decided, the rates of these categories and their sub categories were fixed as a coefficient of the basic rate for allotment (as depicted in **Table 4.1** above).

Audit approach

Audit Objectives

4.4 Audit was conducted with the objectives of assessing whether:

- guidelines were prepared and approved for determination of sale price of properties;
- the pricing of properties was done in accordance with the approved guidelines, if any;
- all costs incurred were considered adequately in pricing of properties; and
- pricing of properties was done on a consistent basis.

Scope of audit

4.5 Audit evaluated the costing system for the period 2005-06 to 2017-18. In this evaluation, the various components of costing carried out were analysed as well as the expenditures incurred but not considered in costing were also examined.

Audit Findings

4.6 Audit evaluated the process of pricing of properties during the period 2005-2018 and the deficiencies observed are discussed in the succeeding paragraphs. These observations have been grouped as follows:

- Systemic deficiencies (discussed in Paragraphs 4.7 to 4.7.2)
- Inconsistencies observed in costing (discussed in Paragraphs 4.8 to 4.8.8)
- Non-recovery of costs (discussed in Paragraphs 4.9 to 4.9.3)
- Excess allowance of FAR and GC resulting in lower fixation of reserve price (discussed in Paragraph 4.10)
- Injudicious reduction in rates for office allotments (discussed in Paragraph 4.11)

Systemic deficiencies

NOIDA did not prepare any guideline for pricing of the properties due to which there was no streamlined method of pricing.

4.7 The costing procedure being followed by NOIDA entailed working out the basic rate for allotment for saleable land on the basis of input costs like land acquisition costs, external and internal development costs, interest cost and various overheads. The rates for various categories were then calculated from these basic rates for allotment by applying respective coefficients. Audit observed the following deficiencies in the costing procedure prevalent in NOIDA:

(i) NOIDA had neither framed any costing guidelines of its own nor adopted guidelines of any other similar Authority/organisation for costing and fixing of premium/ reserve prices for various land uses. Thus, the system of costing mainly depended on past practices.

(ii) There was no laid-down manual or procedure for inclusion/exclusion of the heads of expenditure and the manner in which such expenditure was to be calculated.

(iii) The basic rates for allotment were decided by NOIDA's Board and category-wise rates for allotment were fixed as a multiple/factor of these basic rates for allotment, which was a consistent practice. No formal document was produced for fixing of these category-wise multiples/factors.

(iv) There was no system of costing of entire sector, where allotment of entire sector was made and for defining the saleable and non-saleable area.

As a result, Audit observed that though the broad costing elements remained the same, the constitution of specific input costs kept varying from year to year as discussed in the succeeding **Paragraph 4.8**. The costing system was based on practices rather than being a well laid down mechanism. In the absence of any costing guidelines, there was no streamlined method for fixing of premium and reserve prices for properties. Further analysis revealed that category-wise and sector-based costing kept varying, which has been discussed in detail under relevant paragraphs.

In reply, NOIDA stated (August 2020) that the system for costing of properties in NOIDA is neither laid down by NOIDA itself nor specified by Government of Uttar Pradesh (GoUP) and therefore, NOIDA does the costing of the properties as per its own process. The primary objective of this costing is to recover the costs incurred on land acquisition, development and construction

activities and the fact that NOIDA had ‘excess of income over expenditure’ in various financial years indicates the adequacy of pricing of NOIDA. NOIDA stated (September 2020) that it had also requested GoUP through various letters to issue costing guidelines. NOIDA further stated that in view of the recommendations of Audit, the process to appoint a cost accountant for streamlining the costing process in NOIDA is being started.

It is evident from the reply that the cost exercise was carried out based on past practices instead of any laid-down system and as a result, the shortfalls mentioned above, and discussed in the Chapter, continue to persist. NOIDA’s contention of excess of income over expenditure, indicating adequacy of pricing, is no substitute for a rationalised and well thought-out guideline for pricing. NOIDA has since (September 2020) agreed that a cost accountant would be appointed to review its costing practices.

Mis-categorisation of Sectors for Allotment of Group Housing Plots

Due to mis-categorisation of sectors for allotment of Group Housing plots, NOIDA had to bear loss of possible revenue of ₹ 798.69 crore.

4.7.1 NOIDA divided sectors for land use of commercial, residential and Group Housing into A to E categories based on the level of development of the sectors. Audit analysed the categorisation of all 178 sectors under the Group Housing category *vis-à-vis* the categorisation under Commercial category. It was observed that over the audit period (2005-2018) while the category allotted to the sectors had generally been upgraded with development, however, in 11 cases⁴ of Group Housing, the category of the sectors was increased from category E/D/C to A but later downgraded to category B on 4 June 2014 after two years. During 2009-10 and 2010-11, out of 178 sectors, 96 sectors were categorised at par in both the categories, in 41 sectors Group Housing categorisation was higher than the Commercial category and in 41 sectors, the Group Housing category was lower. In the latter category, it was observed that in six sectors⁵, allotments were made for Group Housing projects in lower categories and subsequent to allotment, the categorisation was upgraded to category B/C in the year 2012-13 and in two cases (sectors 108 and 110) it was brought at par (category B in sector 108 and category C in sector 110) with categorisation under commercial category. No justification was found on record regarding allocating the same sector in the same year in different categories of development for different land use. Audit observed that six allotments were made in Group Housing category in 2009-10 and 2010-11 in these six under categorised sectors as depicted in **Table 4.2**.

Table 4.2: Mis-categorisation of Sectors for Allotment of Group Housing Plots

Sector	2009-10		2010-11		Scheme (Allotment detail given in footnote)	Year
	Commercial Category	Group Housing Category	Commercial Category	Group Housing Category		
135	B	E	B	E	2009(III) ⁶	2009-10
110	D	E	D	E	2009 (VI) ⁷	2009-10
168	B	E	B	E	2010(III) ⁸	2010-11

⁴ Sectors 15, 15 A, 16, 16A, 16B, 25A, 32, 41, 44, 50 and 51.

⁵ Sectors 108, 110, 135, 143B, 144 and 168.

⁶ M/s Today Homes Noida Pvt. Ltd – 51,900 sqm.

⁷ M/s Granite Gate Properties Pvt. Ltd – 1,64,120 sqm.

⁸ M/s Three C Projects Pvt. Ltd. – 69,998.73 sqm, M/s Opulent Infradevelopers Pvt. Ltd. – 19,998.78 sqm, M/s Sunworld Residence Pvt. Ltd. – 40,331.26 sqm, M/s Paras Seasons Haven Pvt. Ltd. – 29,998.97 sqm, M/s Capital Infraprojects Pvt. Ltd. – 39,999.76 sqm.

Sector	2009-10		2010-11		Scheme (Allotment detail given in footnote)	Year
	Commercial Category	Group Housing Category	Commercial Category	Group Housing Category		
108	B	D	B	D	2010(IV) ⁹	2010-11
143B	B	E	B	E	2010(IV) ¹⁰	2010-11
144	B	E	B	E	2010(V) ¹¹	2010-11

Source: Information compiled by Audit.

The above allotments in Group Housing category at reduced rates on account of lower reserve prices based on lower sector categorisation resulted in loss of possible revenue of ₹ 798.69 crore as depicted in **Table 4.3**.

Table 4.3: Loss due to mis-categorisation of Sectors for Allotment of Group Housing Plots

Scheme	Plot no. and sector	Total area allotted sqm)	Allotment rate of the plot (in ₹ per sqm)	Reserve price of the plot for respective sector (in ₹ per sqm)	Difference of allotment rate and reserve price for respective sector per sqm (5-4)	Undue benefit to allottee (₹ in crore) (3x6)
1	2	3	4	5	6	7
GH-2009 (III)	GH-01/135	51,900	21,121	36,000	14,879	77.22
GH-2009 (VI)	GH-05/110	1,64,120	22,700	28,800	6,100	100.11
GH-2010 (III)	GH-01/168	2,00,217.5	23,601	39,600	15,999	320.33
GH-2010 (IV)	GH-01,02,03/108	44,280	33,247	39,600	6,353	28.13
GH-2010 (IV)	GH-01/143B	73,945.53	23,575	39,600	16,025	118.50
GH-2010 (V)	GH-03/144	96,742	23,640	39,600	15,960	154.40
Total						798.69

Source: Information compiled by Audit.

In reply it was stated (August 2020) that NOIDA classifies the sectors according to geographical location, availability of land and demand of land in the sector and market rate. Therefore, it is not necessary that if any sector is in higher category in residential use then the same sector should be in the same category for commercial use. It was also stated that since commercial and Group Housing properties are auctioned, the rates realised are reflective of market price, hence there was no financial loss.

The reply is not acceptable as the lower classification led to lower fixation of reserve price based on which bids were finalised in auction. Further, the lower classification was done in only two years in only six sectors where allotment was done, out of 178 sectors analysed by Audit over 13 years. Such categorisation of sectors in costing indicates deliberate under categorisation of these sectors. This is also evident from the fact that subsequent to allotment the categorisation of sectors under Group Housing category had been upgraded and in two cases was brought at par with categorisation under Commercial category. The anomaly lies in the fact that commercial properties

⁹ M/s Laureate Buildwell Pvt. Ltd. – 44,280 sqm.

¹⁰ M/s Sikka Infrastructure Pvt. Ltd. – 50,308.92 sqm, M/s GSS Procon Pvt. Ltd. – 10,306.12 sqm, M/s Rani Promoters Pvt. Ltd. – 13,330.49 sqm.

¹¹ M/s Unitech Ltd.- 30,247.90 sqm and 21,494.80 sqm, M/s Gulshan Homes & Infrastructure Pvt. Ltd. – 23,504.50 sqm and 21,494.80 sqm.

command greater premium *vis-a-vis* Group Housing properties. Hence, categorisation of the same sector in lower category in Group Housing, as compared to Commercial, was indicative of incorrect classification which translated in benefit being provided to builders at the expense of NOIDA, and thereby resulted in loss of potential revenue. Further, the subsequent upgradation of the sectors after allotment is a clear indication that the under categorisation of the sectors was deliberate.

Non-revision of sale price during 2009-10 citing global economic slowdown

NOIDA did not increase the rate of land in 2009-10 stating economic slowdown which was not found correct in Audit analysis. Audit also noted that allotment of Group Housing plots and Institutional plots during 2009-10 were more than yearly average of 2005-06 to 2017-18.

4.7.2 NOIDA, as per adopted practice, annually revises the allotment/sale price of various land use (different categories of property) *viz.*, Residential, Builder/Group Housing, Commercial, Industrial, Institutional, Information Technology and Recreational. Audit noticed that during the year 2009-10, allotment rates of land were not increased by NOIDA stating that due to economic slowdown in the market, rates of 2008-09 would remain effective and thus, there was no rate increase during the year 2009-10.

Audit, however, noticed that the ground of economic slowdown was taken without any analysis in its support on record. The decision of the Board for not revising the sale price on the ground of economic slowdown was not justified as analysed by Audit from the empirical data on Gross Domestic Product (GDP) growth of India and the Gross State Domestic Product (GSDP) growth of Uttar Pradesh during that period and the trend of sale of properties in NOIDA itself as discussed below:

Growth rate of GDP of India and GDP of Uttar Pradesh: The quarter-wise growth rate of GDP of India and Uttar Pradesh at *constant prices* during 2008-09 and 2009-10 as per data published by Ministry of Statistics and Programme Implementation, Government of India (GoI) is summarised in **Table 4.4**.

Table 4.4: GDP growth rate of India (at constant prices)

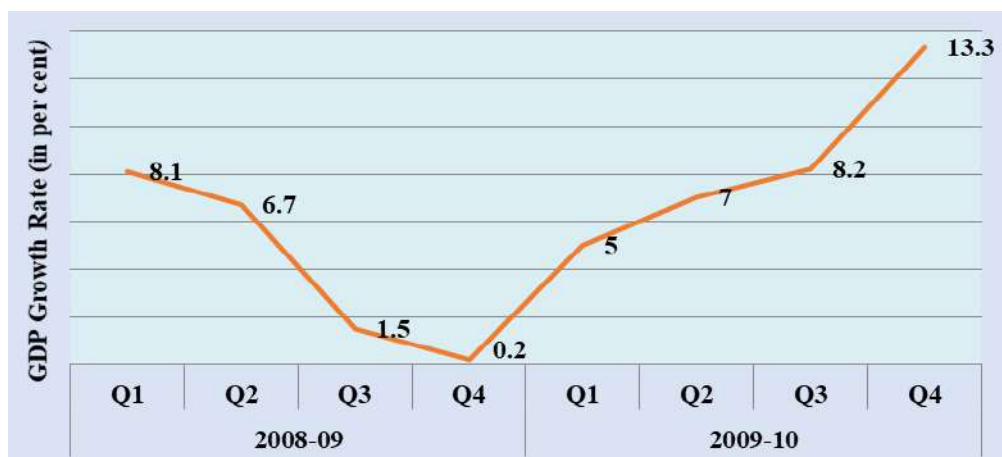
Particulars	2008-09 (in per cent)	2009-10 (in per cent)
Quarter 1 (April to June)	8.1	5.0
Quarter 2 (July to September)	6.7	7.0
Quarter 3 (October to December)	1.5	8.2
Quarter 4 (January to March)	0.2	13.3

Source: Ministry of Statistics and Programme Implementation, GoI.

It could be seen from the above that:

- The GDP growth rate of India was higher during the three quarters (July 2009-March 2010) of 2009-10 than the corresponding quarters of the previous year (2008-09), in fact significantly higher in the last two quarters.
- The GDP growth rate of India at *constant prices* started increasing continuously from five *per cent* in the first quarter of 2009-10 to 13.3 *per cent* in the last quarter of 2009-10 as depicted in **Chart 4.4**.

Chart 4.4: GDP Growth Rate of India at constant prices



Source: Ministry of Statistics and Programme Implementation, GoI.

- The quarter-wise GDP showed an increasing trend from the first quarter of 2009-10. NOIDA launched nine¹² group housing schemes during 2009-10 and allotted 31 plots measuring 30,52,679.78 sqm. In spite of this, NOIDA failed to analyse the increasing trend and review the decision of no change in the sale price of properties for the year 2009-10 before launch of these schemes and made 31 allotments during this period.

GSDP growth of the State: The growth of GSDP of Uttar Pradesh at *constant prices* during the period 2008-09 to 2013-14 as per data published by Ministry of Statistics and Programme Implementation, GoI is summarised in **Table 4.5**.

Table 4.5: GSDP growth rate of Uttar Pradesh

Year	GSDP growth rate of Uttar Pradesh (at constant prices) in per cent
2008-09	6.99
2009-10	6.58
2010-11	7.86
2011-12	5.57
2012-13	5.92
2013-14	5.14

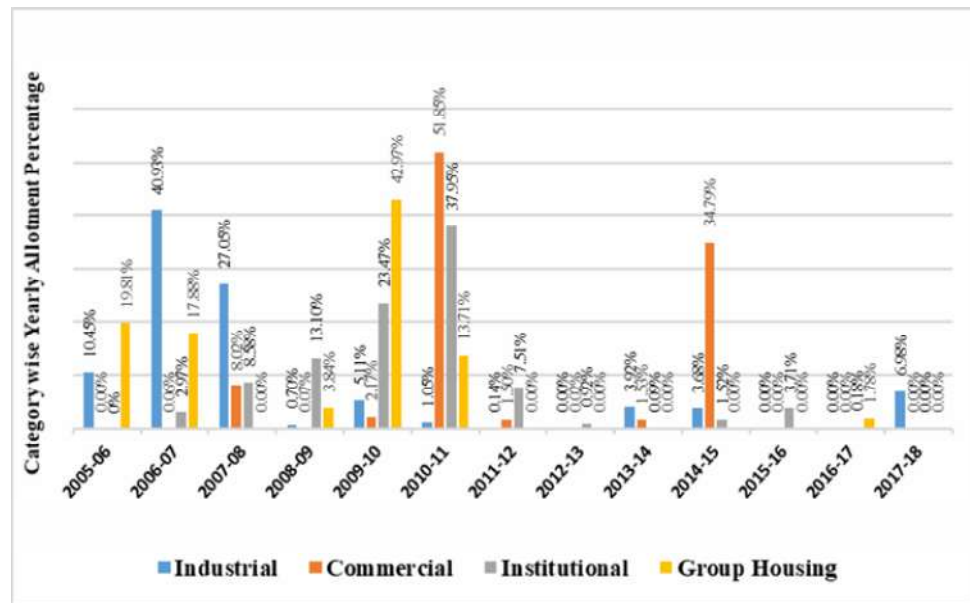
Source: Ministry of Statistics and Programme Implementation, GoI.

It is evident that the GSDP of Uttar Pradesh was 6.58 *per cent* during 2009-10 which was marginally lower than the growth rate of 6.99 *per cent* during the previous year 2008-09. Notably, the GDP growth rate of India and GSDP growth rate of Uttar Pradesh during 2009-10 were higher than the corresponding growth rates in the years 2011-12, 2012-13 and 2013-14 when the prices of properties were revised upwards.

Trend of sale of properties in NOIDA: Audit also analysed the trend of sale of Industrial, Commercial, Institutional and Group Housing plots during 2005-06 to 2017-18 which is shown in **Chart 4.5**.

¹² One scheme each in June 2009, December 2009, January 2010, February 2010 and March 2010, two schemes each in July 2009 and November 2009.

Chart 4.5: Year-wise position of allotments



Source: Information furnished by NOIDA.

From the above it is observed that in group housing plots, out of total allotments (71,03,427.19 sqm in 113 cases) made during the period 2005-06 to 2017-18, 42.97 per cent (30,52,679.78 sqm in 62 cases including sub-divisions) was made during the year 2009-10. Similarly, in the Institutional category, out of total allotments (33,70,469 sqm in 511 cases) made during the period 2005-06 to 2017-18, 23.47 per cent (7,90,916 sqm in 163 cases) was made during the year 2009-10. Thus, though rates were not revised citing recession in the market, the actual allotments were more than the yearly average. In fact as far as Group Housing was concerned it was the highest for any year in the entire 13 year period, which clearly establishes that the ground of recession for non-review of rates in 2009-10 was not a valid one.

The above facts indicate that there was no lack of demand during 2009-10. Instead, the Group Housing and Institutional plots sold during 2009-10 were above the yearly average of plots sold during the period 2005-06 to 2016-17.

Thus, the basis of considering economic slowdown was neither based on empirical data nor borne out by the facts of actual sale of properties in NOIDA itself. It is evident that NOIDA overlooked its own interest by failing to revise the rates of land.

In reply NOIDA stated (August 2020) that the GoUP had issued various Government Orders to facilitate the industrial/institutional/commercial units and to attract investors due to economic slowdown. It was also stated that deriving conclusions on Real Estate (Market) based on GDP is not reasonable as real estate is a very small component of GDP.

As evident from GDP data in **Chart 4.4** and **Table 4.4**, the cited recession, based on which rates were not revised, was not a factually acceptable reason for not revising rates. Further, as borne out by the data from NOIDA, allotment was much higher than the average which was a clear evidence of robust demand for real estate. By failing to revise rates, inspite of demand, NOIDA lost out on substantial revenue.

Inconsistencies observed in costing

4.8 Audit noted that NOIDA normally considered the following factors in costing viz. land acquisition cost, internal and external development costs, administrative expenses, maintenance expenses, contingencies, interest cost etc. as detailed in **Table 4.6**.

Table 4.6: Summary of Costing elements of NOIDA

Sl. No.	Particulars of Costing Elements (in ₹ per sqm)
A:	Basic Land Acquisition Rate
	Add: Related costs of acquisition cost such as acquisition expenses, rehabilitation charges, additional compensation, annuity, no litigation bonus, stamp/registration charges, <i>abadi</i> land cost, provision for open space, interest cost on land acquisition cost <i>etc.</i>
	Total Land Cost (A)
B:	Add: Development Cost such as internal development cost, external development cost and interest cost on internal and external development cost <i>etc.</i>
C:	Add: Maintenance Cost such as maintenance work, village development cost, health and sanitation cost <i>etc.</i>
D:	Add: Contingency Expenditure/special expenditure
E:	Add: Administrative Expenditure
F:	Add: Reserve for state of the art facilities
G:	Total cost of land
H:	Basic rate for allotment (After dividing up the above calculated total cost of land by saleable land percentage)

Source: Information furnished by NOIDA.

However, in absence of a laid-down procedure for pricing, these factors were not uniformly applied by NOIDA in all the years. The deviations/omissions by NOIDA as observed by Audit have been discussed topic-wise in the succeeding paragraphs (tabulated in **Appendix-4.2**). The aggregate impact of all these deviations is ₹ 1,316.51 crore which has been reflected in terms of revised basic rates for allotment calculated by audit and discussed in the concluding **Paragraph 4.8.8**.

Issue-wise analysis of deviations is as under:

Arbitrary reduction of rates during the period 2006-07 to 2009-10

During 2006-07 to 2009-10, the basic rates for allotment were arbitrarily fixed downwards.

4.8.1 The basic allotment rates are determined by a Costing Committee headed by the Additional Chief Executive Officer (ACEO) and consists of heads of various Departments. The rates recommended by this committee are first approved by the CEO and then by NOIDA's Board and thereafter made applicable. However, it was observed that the calculated rates proposed to the Board and approved by the latter were arbitrarily fixed downward during the period 2006-07 to 2009-10 as discussed below:

- **2006-07:** The Costing Committee calculated the basic rates for land allotment for the year 2006-07 at ₹ 8,500 per sqm. The proposal for increase in rates was placed in the 131st Board meeting (25 January 2006). The basic rate for allotment was approved by the Board who directed that before implementing, it may be examined in the light of calculation process adopted by other authorities. No further action was found to have been taken on the direction of the Board and the matter was again put up in the 133rd Board meeting (20 March 2006) and basic land rate for allotment approved by the Board was ₹ 7,500 per sqm. However, no justification was found on record regarding downward fixation of the basic land rate for allotment.

In reply, NOIDA stated (August 2020) that the basic rate for allotment of land for the year 2006-07 was calculated to ₹ 8,500 per sqm and placed in the 133rd Board meeting of NOIDA for approval and after deliberation the Board approved ₹ 7,500 per sqm as basic land rate for the year 2006-07.

The reply of NOIDA that rates were approved after due deliberation by the Board fails to bring out the specific input costs that were reduced to arrive at the rate of ₹ 7,500 per sqm. In the reply they have elaborated reasons stated for proposing the rate of ₹ 8,500 per sqm but not specified the grounds on which duly calculated rates were decreased. Hence the reduction lacked justification and was arbitrary.

- **2007-08:** The basic land allotment rate fixed for the year 2007-08 in the 145th Board meeting (25 June 2007) was ₹ 13,200 per sqm which was later revised downwards to ₹ 12,000 per sqm in the 146th Board meeting (10 September 2007) on the grounds that the Residents Welfare Associations (RWA) and Entrepreneur Association of NOIDA (NEA) had opposed increase in the rate. Reduction of rates on the basis of what was sought by RWA/NEA, without taking cognisance of the costing, entailed providing the allottees undue benefits. Thus, the views of interested parties were given precedence over the prevalent system, giving benefit to the allottees at the cost of NOIDA.

In reply, NOIDA stated (September 2020) that RWA/NEA were displeased due to increase in the land rates in 2007-08. The Costing Committee reconsidered the rates (₹ 13,200 per sqm) and reduced the rates (₹ 12,000 per sqm) by reducing ‘Reserve from State of the Art Facilities’ cost from 45 *per cent* to 35 *per cent* which was also approved by the Board and therefore NOIDA did not bear any loss.

The reply is not acceptable as reduction was carried out at the instance of interested parties i.e. RWAs and NEAs and not in the larger public interest. Further, NOIDA has stated that Reserve for State of the Art Facilities was increased from 30 *per cent* to 45 *per cent* due to extraordinarily heavy expenses in this head as well as shrinking saleable area of land and thereafter it was reduced to 35 *per cent* from 45 *per cent*. In this connection it is notable that though the increase was approved in the 145th Board meeting, however, while reducing it, no justification was found on record. Moreover, the effect of reduction of 10 *per cent* in Reserve for State of the Art Facilities comes to only ₹ 589 per sqm while the rate was reduced by ₹ 1,200 per sqm, which is not explained in the reply.

- **2008-09:** The basic land allotment rate of ₹ 17,700 per sqm was proposed for the year 2008-09 in the 149th Board meeting (08 April 2008). In the Board meeting it was decided that revision in the rates was required and the proposal was to be finalised after perusal of the rates of Greater NOIDA. The revised proposal for reduction of rates to ₹ 16,000 per sqm (as per 150th Board meeting held on 01 May 2008) was justified on the ground of corresponding increase in land use in commercial category to offset the reduction in basic rates for allotment. The Board also authorised the CEO to increase the rate upto 20 *per cent* from the previous year and the rate finally approved was ₹ 14,400 per sqm on the basis of 20 *per cent* increase on the previous year’s rate of ₹ 12,000 per sqm. The overall reduction in rates and corresponding measures proposed to offset the reduction are shown in **Table 4.7**.

Table 4.7: Table showing reduction made in overall rates vis-à-vis corresponding increase in elements

Details	Rate per sqm (In ₹)
Rate proposed in 149 th Board meeting	17,700
Rate proposed in 150 th Board meeting	16,000
Measure proposed in 150 th Board meeting to offset the reduction: - Increasing land use of commercial category -	650
Rate finally notified as per decision taken in 150 th Board meeting	14,400
Reduction in rates (17,700-14,400)	3300
Effective reduction in rates (3300-650)	2650

Source: Minutes and agenda of the Board Meetings.

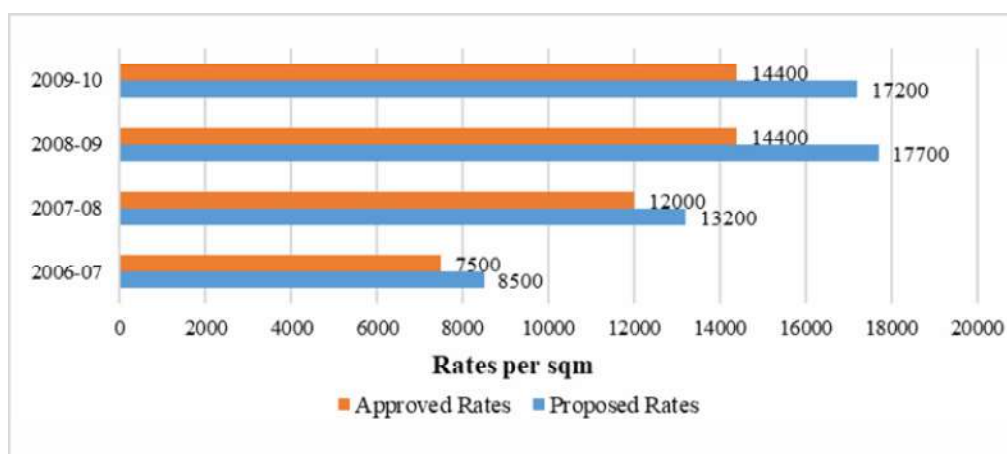
Thus, the rate reduction of ₹ 3,300 per sqm (₹ 17,700 - ₹ 14,400) was effected by considering alternative arrangement for ₹ 650 per sqm. Further, the amount to be recovered/compensated through commercial category was not placed on record.

In reply, NOIDA stated (August 2020) that the Costing Committee had recommended the rate for the year 2008-09 as per the decision taken in the 149th Board meeting of NOIDA.

The reply does not address the issue of reductions made by the Board without considering the rates recommended by a duly appointed Costing Committee after detailed consideration of costs and hence the reduction was arbitrary.

• **2009-10:** The basic land rate for allotment calculated for the year 2009-10 and mentioned in the agenda for the 162nd Board meeting (03 July 2009) was ₹ 17,200 per sqm. However, the rate finally approved was ₹ 14,400 per sqm *i.e.* without revision in the rates on the ground of worldwide economic recession as discussed in detail in **Paragraph 4.7.2**.

Summary position: The above arbitrary fixation of the basic rates is depicted in **Chart 4.6**.

Chart 4.6: Chart depicting arbitrary fixation of Basic Rates

Source: Information compiled by Audit.

Thus, it is evident from the above that the Board ignored the costs as worked out by the Costing Committee and rates were arbitrarily fixed downward without any justification on record during the period 2006-07 to 2009-10. In cases where some justification was recorded, those were either factually not

correct¹³ or involved a clear case of conflict of interest¹⁴. Failure to take cognisance of incurred costs and costing principles was detrimental to NOIDA’s interests as it resulted in lower fixation of reserve price and undue benefit to the allottees. The facts brought out provide credence to the observation of the Hon’ble Supreme Court¹⁵ in Amrapali case which held that action of the officials of NOIDA led to unjust enrichment of builders and that the interest of NOIDA was overlooked.

In reply, NOIDA stated (August 2020) that no undue favour was given to the allottees as NOIDA had earned surplus through sale of properties in these years.

The contention of NOIDA is not acceptable. The basic rate for allotment of land needs to be done on the basis of rationalised and well thought out guidelines for pricing. The occurrence of surplus earned by NOIDA would be based on a composite of factors and cannot be a substitute for a laid down guideline for pricing.

Pricing based on lower acquisition rates

4.8.2 Audit observed that the rates considered by NOIDA for the purpose of calculation of basic land acquisition cost were lower than the land acquisition rates approved by the Board for 6 years out of total 13 years analysed by the audit as shown in **Table 4.8**.

Table 4.8: Land acquisition rates during the period of audit

Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Basic rates for land acquisition approved by the Board (in ₹ per sqm)	486.71	503.94	1000	1000	1000	1100	1240	1240	1490	2640	2640	2640	2640
Basic rates for land acquisition considered by NOIDA for costing (in ₹ per sqm)	469.41	486.51	503.73	1000	1057	1087	1239	1240	1495	1495	2640	2640	2640
Difference (in ₹ per sqm)	17.3	17.43	496.27	0	-57	13	1	0	-5	1145	0	0	0

Source: Information compiled by Audit.

No justification was found on record regarding adopting different rates of land in costing than the Board approved rates of land acquisition. This resulted in inaccurate calculation of basic land cost for allotment, and in effect meant that in these years the land cost taken was lower than the acquisition cost of land and hence there was a corresponding understatement of basic rates for allotment. This translated in lower realisation from the allottees and therefore was against the interest of NOIDA.

In reply, NOIDA stated (August 2020) that the basic reason for difference in these years was approval of basic land rates for allotment before approval of rates for acquisition of land by the Board/CEO. NOIDA further stated (September 2020) that in view of recommendations of the Audit, the process

¹³ In 2008-09.

¹⁴ In 2007-08.

¹⁵ Bikram Chatterjee & others Vs Union of India and others, writ petition (C) 940/2017.

to appoint a cost accountant for streamlining the costing process of NOIDA is being started.

The reply is not convincing as the yearly rates for land acquisition are worked out by NOIDA through a mechanism (approved by the Board) wherein previous year rates were adjusted for current year Cost Inflation Index (CII). Thus, NOIDA could have calculated the rate of acquisition of land through the above mechanism on the basis of the land rates for the previous year and CII. In its further reply, NOIDA has agreed to get the process reviewed by a cost accountant.

Delayed inclusion of rehabilitation cost

4.8.3 GoUP through its order of 10 August 2004 outlined the facilities to be provided to the families affected on account of land acquisition for their rehabilitation under the Rehabilitation Policy, 2003 of GoI. During the period 2006-07 to 2013-14 (till the implementation of the new land acquisition act), while calculating the basic land rate for allotment, NOIDA included an element of two *per cent* for meeting this expenditure. But for costing for the year 2005-06 (finalised in March 2005), this element was not included resulting in downward calculation of basic land cost of 2005-06.

In reply, NOIDA accepted the observation and stated (August 2020) that rehabilitation cost could not be included in the costing of the year 2005-06 due to lack of awareness of the related Government orders (GOs).

The reply is self-explanatory that the rehabilitation cost was not included in the costing for the year 2005-06 even though the GOs was issued in August 2004 resulting in failure to earn revenue.

Considering higher percentage of saleable area

4.8.4 NOIDA works out cost of land by including cost of acquisition, internal and external development costs and various overheads as per convention. The aggregated rate so arrived is divided by the saleable percentage of land to work out basic rate for allotment. The saleable area¹⁶ from 2004-05 to 2009-10 was 50 *per cent* which was revised to 55 *per cent* from the years 2010-11 onwards without any justification on record. This resulted in lower fixation of land cost for the years 2010-11 to 2017-18.

In reply, NOIDA stated (September 2020) that the saleable area was increased from 50 *per cent* to 55 *per cent* keeping in view the present practice of planning and allotment of properties which was approved by the Board of NOIDA. Further, inspite of global economic recession, rates were revised upwards in 2010-11 by 10 *per cent*, which was higher than the rise in CII in that year. The decision of the Costing Committee was thereafter approved by the Board. In view of recommendations of the Audit, a process to appoint a cost accountant for streamlining the costing process of NOIDA is being started.

While Audit notes the decision of NOIDA to get the process of costing of properties reviewed by a cost accountant, it may be noted that details and basis of stated changes made to planning or allotment areas were not placed before the Board nor furnished in the reply. Increase, if any, in saleable area should

¹⁶ Saleable area refers to land planned for allotment, excluding the areas planned for parks, roads and other amenities.

increase the area available for allotment and should be duly reflected in the Master Plan. However, despite specific request by Audit, NOIDA did not clarify whether saleable area was increased as 55 *per cent* in Master Plan 2021/2031.

Reduction of tenure for interest cost

4.8.5 While determining the basic rate for allotment, NOIDA includes a component of interest on the land cost and development cost respectively as its fund is deployed for land acquisition and development. This is to be recovered subsequently by allotment of the property as this is an element of cost for NOIDA. NOIDA charged interest cost for 1.5 years on land cost and development cost upto 2009-10 and 2011-12 respectively. However, from 2010-11 interest cost for one year on land cost has been considered and similarly, from 2012-13 interest cost for one year on development cost has been considered. No justification was found on record for reducing the 1.5 years period to one year in the calculation, which has resulted in reduction of the overall basic rate.

In reply, NOIDA stated (September 2020) that the interest cost on land acquisition cost was changed from 1.5 years to 1 year keeping in view the planning and allotment of properties at that time which was approved by the Board of NOIDA. Further, in spite of global economic recession, rates were revised upwards in 2010-11 by 9.83 *per cent*, which was higher than the rise in CII in that year. The decision of the Costing Committee was thereafter approved by the Board. In view of the recommendations of the Audit, the process to appoint a cost accountant for streamlining the costing process of NOIDA is being started.

While Audit notes the decision of NOIDA to get the process of costing of properties reviewed by a cost accountant, it may be noted that details and basis of stated changes made to planning or allotment of areas were not placed before the Board nor furnished in the reply.

Reduction in cost for open space

4.8.6 NOIDA charged 10 *per cent* for open space on acquired land as per Master Plan 2021 with effect from 2008-09. It was observed that NOIDA had not taken this element in the costing for the years 2015-16 and 2016-17 which was not justified, even though the same Master Plan was in operation.

In reply, NOIDA stated (September 2020) that 10 *per cent* for open space was included in 45 *per cent* non-saleable area and green areas being developed through Sports City upto 2015-16. Therefore, 10 *per cent* green area was not included in the land cost. The process to appoint a cost accountant for streamlining the costing process of NOIDA is also being started.

Audit notes the decision of NOIDA to get the process of costing of properties reviewed by a cost accountant. At the same time it may be pointed out that the provision for open space was being separately considered upto 2014-15, however, it was merged with non-saleable area from 2015-16 without assigning the reasons behind the merger and is thus a departure from the established practice. Further, Sports City Schemes were initiated from 2010-11, but costing has been revised from 2015-16 and such reasons were not even submitted to the Board.

Non-inclusion of cost of abadi plots against acquisition of land

4.8.7 The Board of NOIDA decided (January 1998) to allot developed land/plots equivalent to five *per cent* of land acquired to the original landowners. Thereafter, in pursuance of the High Court judgement in case of Gajraj Singh vs. State of U.P. and others, 2011 and the Supreme Court judgement on the SLP of Savitri Devi vs. State of U.P., 2012, it was directed that there should be allotment of developed *abadi* land to the extent of 10 *per cent* of land acquired. This was to be made applicable from 2002-03. The Board, after considering the issue¹⁷, decided (December 2016) a normative rate of ₹ 22,000 per sqm for evaluating land to be given against acquisition, whether in the form of plot or its monetary equivalent. This benefit would be extended to all farmers. Thus, accordingly ₹ 2,200 per sqm should have been charged to costing as expenditure on this head which was however not included while working out the land rates.

In reply, NOIDA stated (September 2020) that as per the order of the High Court, five *per cent* additional *abadi* land was to be distributed to only those farmers who have filed a case in the court. Therefore, only five *per cent abadi* land cost was taken into consideration while calculating the land rates. Additional amount paid was to be loaded on the forthcoming schemes. Further, the process to appoint a cost accountant for streamlining the costing process of NOIDA is also being started.

Audit notes the decision of NOIDA to get the process of costing of properties reviewed by a cost accountant and load the amount on the forthcoming schemes. The audit contention is based on the Hon'ble High Court's judgement. In the case of Gajraj Singh vs. State of U.P. and others, 2011, whereas it had directed allotment of 10 *per cent* developed *abadi* plots and the Board of NOIDA had decided to extend the benefit to all farmers. Accordingly, cost for 10 *per cent* developed *abadi* plot instead of 5 *per cent* should have been included in costing.

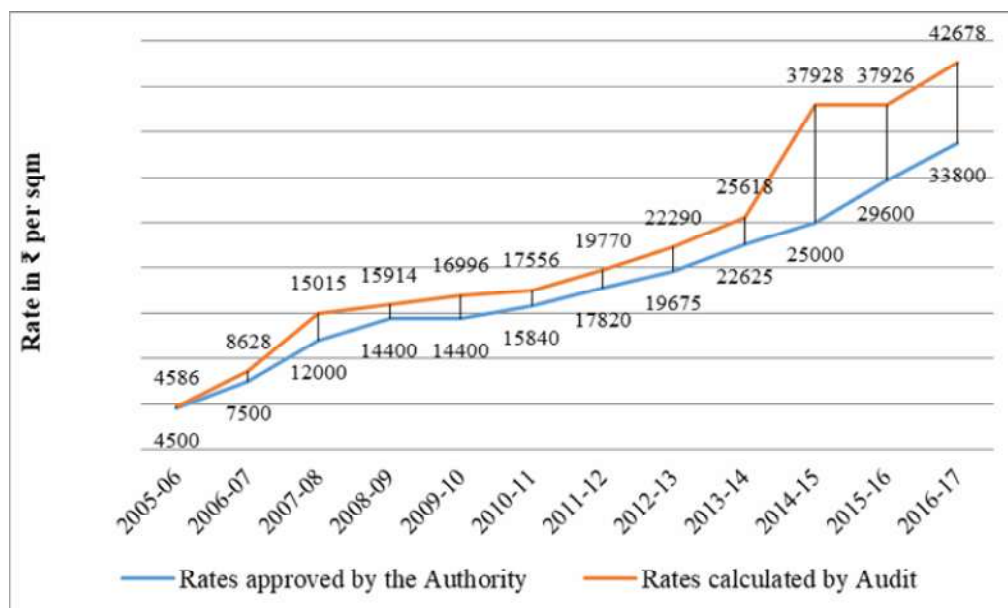
Impact of deviations

4.8.8 An analysis of inconsistencies in costing during the audit period 2005-2018, as pointed out in **Paragraphs 4.8.1 to 4.8.7**, brings out the fact that the procedure adopted by the Board was completely arbitrary and discretionary. Pricing decisions were made on the basis of requests from interested parties, NOIDA overlooked the applicable orders in respect of key costing components, cost elements were revised without justification and the entire procedure appeared *ad-hoc* in absence of established guidelines. After considering the inconsistencies noticed in the costing exercise (**Paragraphs 4.8.1 to 4.8.7**) conducted by NOIDA during the audit period, the impact of these issues has been depicted in **Appendix-4.2**. Accordingly, Audit has re-calculated the basic rates for allotment for the audit period after assessment of the impact of the above-stated inconsistencies, which is depicted in **Chart 4.7**.

NOIDA had not followed consistency in the pricing nor did it include all the input costs which resulted in under pricing of the rates ranging 1.91 *per cent* to 51.71 *per cent* and loss of possible revenue of ₹ 1,316.51 crore.

¹⁷ In its 191st meeting dated 21 December 2016.

Chart 4.7: Pricing of land



Source: Information compiled by Audit.

Analysis of these rates revealed that the under-pricing in the rates ranged between 1.91 per cent in 2005-06 to 51.71 per cent in 2014-15.

Audit observed that on account of the above-stated inconsistencies, NOIDA failed to earn revenue¹⁸ to the tune of ₹ 1,026.24 crore, ₹ 164.06 crore and ₹ 126.21 crore in the Group Housing, Institutional and Industrial categories, respectively.

In reply, NOIDA stated (August 2020) that it was constituted for planned development of its notified area and providing infrastructure facilities and not for earning money. It is registered as a charitable organisation with the income tax authorities keeping in view its activities and if it enters into commercial activities, the registration will be cancelled and it will be liable for heavy amount of income tax.

The reply of NOIDA does not address the issue in the audit paras. The audit objective in evaluation of pricing practices adopted by NOIDA is to bring out deviations from the established practices for costing. Moreover, inconsistent pricing practices also have the effect of unequal treatment on the prospective allottees. Even after 44 years, NOIDA has been unable to put in place a defined procedure, leading to inconsistent practices and resultant loss of revenue.

Non-recovery of costs

4.9 Audit observed that the Costing Committee, responsible for preparing cost data, failed to include the following costs while determining the allotment rates, which led to price fixation at lower levels as discussed hereunder:

Non-recovery of ex-gratia payments for land acquisition

4.9.1 The Board¹⁹ approved (April 2010) payment of ex-gratia for land acquired in 2006-07 and 2007-08 on mutual agreement basis. This ex-gratia

¹⁸ Area of the respective plots * (Rate calculated by Audit – allotment rate of the plot).

¹⁹ In their 167th meeting dated 28 April 2010.

NOIDA did not factor in the cost of *ex-gratia* payments for land acquisition in the costing of the properties which resulted in loss on account of under-recovery of ₹ 210.82 crore.

payment approved was over and above the declared rates for land acquisition of NOIDA and as such was a special case where higher rates were awarded. Under this special payment, ₹ 210.82 crore was paid for acquisition of seven villages at the rate of ₹ 310 per sqm as *ex-gratia*. Since the costing exercise should cover all elements of expenditure, this *ex-gratia* payment should have been included in the calculation of basic rate. Non-inclusion thereof has resulted in loss on account of under-recovery of ₹ 210.82 crore.

In reply, NOIDA stated (September 2020) that *ex-gratia* payment for land acquired was made for only 2006-07 and 2007-08 in the year 2010-11 after approval of the Board and no *ex-gratia* payment was made thereafter. Therefore, it was not included in the calculation of land cost. However, NOIDA has agreed to charge the amount to forthcoming schemes for recovery.

NOIDA has accepted the audit observation and agreed to take corrective action. This aspect will be verified in future audit of NOIDA.

Non-recovery of additional compensation paid on land acquisition

NOIDA stopped charging the additional compensation expenses in its cost before full recovery of the cost without any reason due to which ₹ 736.43 crore was under-recovered.

4.9.2 The Hon'ble High Court in Gajraj Singh vs. State of U.P. and others (writ petition no.37443) directed in its judgement (21 October 2011) that- *'After considering all aspects of the matter including the amount which has been paid by NOIDA as additional compensation, we are of the view that payment of amount to the same extent i.e. 64.70 per cent of what has already been paid under agreement or award shall meet the ends of justice which payment of compensation shall be in addition to other directions which hereinafter shall be issued.'*

In pursuance, the CEO, NOIDA instructed (30 November 2011) disbursement of additional compensation. Subsequently, the CEO, NOIDA directed (March 2016) that under the head additional compensation ₹ 1,811.90 crore had been disbursed out of which ₹ 891.20 crore should be recovered from allottees of plots, ₹ 198.63 crore from forthcoming schemes and ₹ 722.07 crore from areas which are to be brought under planned development. Accordingly, the latter two elements totaling ₹ 920.70 crore were to be recovered through costing for plots.

Audit observed that during the period 2012-13 to 2014-15, this element was included in the costing and following amounts were recovered as detailed in **Table 4.9**.

Table 4.9: Details of Additional Compensation recovered²⁰

(₹ in crore)						
Sl. No.	Year	Industrial	Commercial	Institutional	Group Housing	Total Additional Compensation recovered
1.	2012-13	0.00	1.30	1.47	0.00	2.77
2.	2013-14	4.06	27.95	0.26	0.00	32.27
3.	2014-15	3.37	144.43	1.43	0.00	149.23
		7.43	173.68	3.16	0.00	184.27

Source: Information compiled by Audit.

²⁰ Total amount recovered from allotment of properties of each category during a year was divided by total allotment area during the year for the respective category and the basic land rate to get the coefficients of respective categories. Thereafter total allotment area of respective categories was multiplied with these coefficients and per sqm additional compensation rate to obtain recovery of additional compensation.

But from the year 2015-16, after recovery of ₹ 184.27 crore only, NOIDA stopped charging the additional compensation expenses in its cost without any reason on record. Thus, ₹ 736.43 crore was under-recovered, resulting in loss to NOIDA.

In reply, NOIDA stated (September 2020) that the additional compensation component was included in the costing until 2014-15. Thereafter, land is being acquired through mutual consent due to which new rates were applied which was approved by the Board. As per the decision of the Board, ₹ 920.70 crore was to be recovered proportionately from future schemes. NOIDA has made a plan to recover ₹ 276.21 crore from upcoming Group Housing schemes in sectors 145 and 146. Efforts have been made by NOIDA for recovery of amount of additional compensation. The matter will be reviewed further and intimated to Audit.

In reply NOIDA had accepted the fact that ₹ 920.70 crore was to be recovered and from 2015-16 this element has been removed from costing. Despite the orders of the CEO (March 2016) directing recovery of ₹ 198.63 crore from forthcoming schemes and ₹ 722.07 crore from areas which are to be brought under planned development, this element was excluded from costing. Recovery remains pending and NOIDA had intimated the plan for recovery of only ₹ 276.21 crore with assurance to review the matter.

Non recovery of payments for abadi plots due to non-framing of policy

NOIDA has distributed enhanced compensation in lieu of *abadi* plot amounting to ₹ 477.31 crore and had yet not formulated the policy for recovery of this cost.

4.9.3 In pursuance of the High Court judgement in case of Gajraj Singh vs. State of U.P. and others, 2011 it was directed that all the petitioners shall be entitled for allotment of developed *abadi* plot to the extent of 10 *per cent* of their acquired land subject to a maximum of 2,500 square meter.

The Court however, left it open to NOIDA in cases where allotment of *abadi* plots to the extent of six *per cent* or eight *per cent* had already been made either to make allotment of the balance area or to compensate the landowners by payment of an amount equivalent to the balance area as per the average rate of allotment made of developed residential plots. NOIDA was also allowed to take a decision as to whether the benefit of additional compensation and allotment of *abadi* plot to the extent of 10 *per cent* be also given to (a) those land holders whose earlier writ petition challenging the notifications have been dismissed upholding the notifications; and (b) those land holders who have not come to the Court, relating to the notifications which were subject matter of challenge in writ petitions mentioned.

The 191st Board meeting of NOIDA (21 December 2016) in compliance with the above order, approved monetary compensation for litigating petitioners against 10 *per cent* residential plot by giving remaining amount at the rate of ₹ 1,100 per sqm owing to non-availability of residential land. NOIDA in compliance of the above has distributed enhanced compensation to the eligible petitioners amounting to ₹ 477.31 crore to landowners of 12 villages.

A policy for recovery of the above amount from allottees was yet to be formulated according to the Board decision for payment. Thus, it is evident that NOIDA has distributed ₹ 477.31 crore to petitioners without formulating the recovery policy till date, resulting in loss of sum involved with remote chances of any recovery.

In reply, NOIDA stated (August 2020) that the Board has decided (December 2016) that the financial burden borne would be recovered from the allottees. Further, NOIDA had distributed ₹ 541 crore and allotted 27,580 sqm land (worth ₹ 60.68 crore) which is to be recovered from the allottees. For recovery of this amount a letter was issued by the ACEO to GM (Planning) on 30 April 2020. It was also stated that recovery of the amount of pending cases would be informed after completion of the process. The process of distribution of amount in respect of *abadi* plot is still going on due to which amount to be recovered from the allottees could not be calculated.

Thus, NOIDA has agreed to the audit observation and also initiated steps for recovery in this matter. This aspect will be verified during future audit of NOIDA.

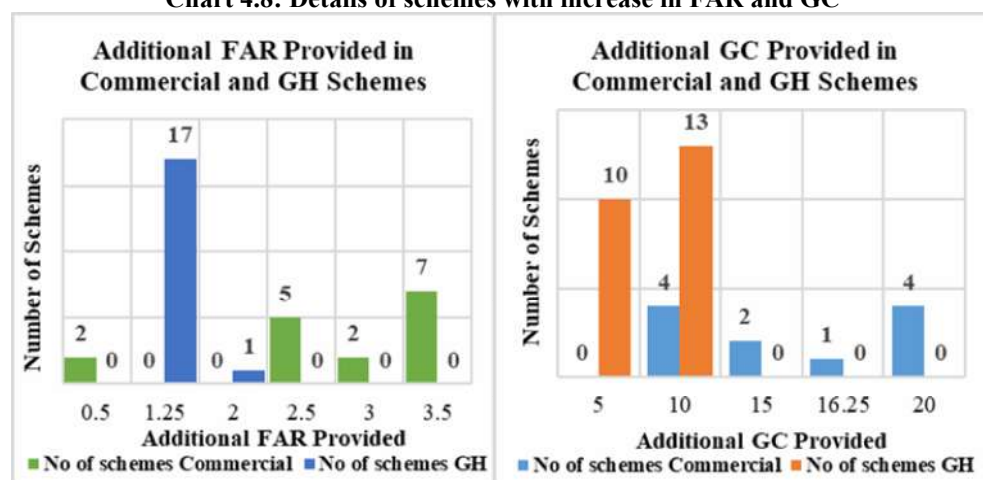
Excess allowance of FAR and GC resulting in lower fixation of Reserve Price

Benefits of extra development norms allowed were not included in the reserve price fixed in 75 Commercial and Group Housing plots which resulted in loss of potential revenue amounting to ₹ 13,968.49 crore.

4.10 FAR is the quotient of total covered area (plinth area) on all floors divided by the total area of plot. Higher FAR means more covered area is allowed to be constructed on a given area of the plot and *vice versa*. GC is the ground area of the plot which can be covered for construction. It is the area other than open space. Higher GC means more ground area can be covered on a given area of plot. Thus, higher FAR and GC allow the allottee to construct more covered area. Therefore, with the allowance of increased FAR and GC, the sale price should accordingly be revised upwards. Audit noticed that NOIDA did not consider FAR and GC while determining the sale price. In this context it is pertinent to mention that the Development Authorities (DAs) under Housing and Urban Planning Department in U.P. followed the practice of factoring in the extra FAR allowed in pricing of their properties.

Audit analysed the cases of excess FAR and GC with respect to base FAR and GC applicable for the year 2005-06 as the audit period is from 2005-06. NOIDA provided increased FAR and GC to the allottees of 23 Group Housing schemes and 11 Commercial Builder Plots schemes wherein allotments were made with higher FAR and GC as detailed in **Appendix 4.3** and depicted in **Chart 4.8**.

Chart 4.8: Details of schemes with increase in FAR and GC



Source: Information compiled by Audit.

Thus, FAR of 50 to 350 per cent and GC of five to 20 per cent were allowed in Group Housing and Commercial Builder plots in the schemes launched

during the period May 2006 to August 2016 without corresponding increase in rates for additional FAR and GC allowed.

Audit noticed that NOIDA, on its own volition, irregularly allowed higher FAR and GC to the allottees under Commercial category by including them in the brochure for allotment even prior to their notification by the GoUP. In eight out of nine plots in Scheme 2010-11/Commercial Builder Plot-VI, NOIDA provided higher FAR and GC than that approved by Government by adding a statement ‘**subject to the approval of State Government**’. The excess FAR of 100 *per cent* to 150 *per cent* and GC of 10 to 15 *per cent* were allowed in the said scheme launched in March 2011 with the approval of the CEO. Even the *post facto* approval of the scheme was not obtained from the Board.

Further, Audit observed that in 14 cases out of 20 plots in five²¹ schemes, when NOIDA allowed higher GC and FAR than the prevailing building regulations, it charged a corresponding value as per the formulae of purchasable FAR as given in the Building Regulations.

The sale price as worked out by Audit for each category after considering the input costs and FAR/GC were compared with the sale price/bid price (where higher than the sale price) at which the allotments were made by NOIDA. The amount of short recovery from the allotments made under various categories due to non-consideration of FAR/GC and fixation of sale price on the lower side worked out to ₹ 13,968.49 crore as brought out in **Table 4.10**.

Table 4.10: Loss due to non-consideration of FAR and GC in fixation of sale price

Sl. No.	Category	Period		No. of Allotments	Difference (₹ in crore)
		From	To		
1	Group Housing	May 2006	August 2016	55	4,546.35
2	Commercial Plots	February 2008	February 2014	20	9,422.14
Total				75	13,968.49

Source: Information compiled by Audit.

Thus, it is evident from the above that due to non-consideration of FAR and GC in fixation of sale price, NOIDA suffered loss of ₹ 13,968.49 crore in respect of 75 allotments under different categories during the period 2006-07 to 2016-17 for Commercial and Group Housing as detailed in **Appendix 4.4** and **Appendix 4.5** respectively.

The excess allowance of FAR and GC over and above what the Building Regulations allowed for is yet another case of the Authority causing undue enrichment of the allottees overlooking its own interests.

In reply, NOIDA stated (September 2020/January 2021) that as per Section 7 of Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976, the Authority was empowered to decide such terms for allotment, auction or sale by other means, as it deemed fit. Except for Commercial and Group Housing plots, NOIDA was making allotments in other categories at subsidised rates, with deductions ranging from 25 *per cent* to 75 *per cent*. These deductions are being compensated from Commercial and Group Housing plots. The schemes for Commercial and Group Housing plots are prepared according to market

²¹ 2008-09 (Commercial Builder Plot-III), 2009-10 (Commercial Builder Plot-I) and 2010-11 (Commercial Builder Plot-I, III and IV).

conditions to make them attractive as NOIDA also competes with other DAs in the area. Reserve price is minimum price and allotment was done on highest bid which yields market price.

NOIDA further stated that reserve price of Commercial land was not determined on the basis of FAR. It stated that to promote works like I.T., Hospitals, etc, additional FAR is allowed at lower rates. It is noted that Audit has calculated loss taking 1.5 FAR as base while at that time admissible FAR was 3 to 4 which was increased upto 5 and the Board had the power to determine the FAR as per the prevalent Building Regulations. In case of increase of FAR in commercial schemes, higher FAR was granted by fixing reserve price as per the principle for purchasable FAR. In view of this, NOIDA has agreed that in future it will be fair to determine the reserve price on the basis of FAR *i.e.* higher the FAR, higher the reserve price.

Though NOIDA has accepted the audit contention of raising rates with increase in FAR and has also charged for excess FAR in certain cases, NOIDA also stated that the Board is empowered to determine the development norms as per Building Regulations. In this connection it may be mentioned that the Building Regulations are enforceable only with the prior approval of Government, as evident from a perusal of Section 9(2) of the UPIAD Act, 1976 which states that '*the Authority may by notification and with prior approval of the State Government make regulations to regulate the erection of buildings*'. This practice of taking prior approval was in vogue in case of other DAs as well as IDAs. It has been observed by Audit that there exists instances when FAR and GC have been reckoned by NOIDA while working out the sale price. The above cases involving a loss of ₹ 13,968.49 crore to NOIDA needs to be investigated and action taken against those responsible.

Injudicious reduction in rates for office allotments

4.11 The Board of NOIDA, in its 154th Board meeting (18 September 2008), approved a proposal to remove the existing two bid system for allotment of office plots and authorised the Chief Executive Officer to formulate the conditions and rules for the forthcoming scheme for allotment of office plots. The CEO formed a committee headed by the Dy. CEO for deciding the terms and conditions for implementation of the scheme for office spaces. It was decided that the plots for office use were to be sold on interview basis at the rate of ₹ 7,800²² per sqm (at par with the rates of plot for other institutional activity) instead of ₹ 14,400 per sqm (as approved by the Board earlier) as office use is also covered under Institutional activity. Although the committee took note that NOIDA was already an attractive destination for setting up offices, yet it proposed the rate reduction on the grounds that markets were going through a phase of economic recession and the demand was also on the lower side. These changes were approved by the CEO of NOIDA on 06 October 2008.

Accordingly, an Open Ended Scheme- III (2008-09) for allotment of office plots was launched by NOIDA during the period 11 October 2008 to 09 April 2010. Under the scheme a total of 233 applications for allotment of land were received and allotments were made to 134 applicants on the basis of interviews conducted by Plot Allotment Committee headed by the Dy. CEO.

²² ₹ 21,600 for phase I in Sector 1, 16A and 24.

Audit noticed that though the justification given for rate reduction was recession in the market, however, the above justification was not acceptable as the rate reduction was provided in only one sub-category (office plots) of institutional use and not in other categories. Also, office use did not fall under the promotional category of the Government. The justification provided by the committee regarding economic recession and market slowdown, was not valid as it was seen that during the period 2005-06 to 2017-18, a total of 203 allotments covering 4,37,101 sqm of area for office uses were made in which 134 allotments covering an area of 2,41,072 sqm were made in this scheme (OES-III 2008-09) only. Thus, 66.01 *per cent* of the total allotment by numbers covering 55.15 *per cent* area were done only in one scheme during the years 2008 to 2010. This indicates that the decision by NOIDA for reducing the rates of office plot from ₹ 14,400 per sqm to ₹ 7,800 per sqm was injudicious, selective and without basis.

On account of the injudicious decision, NOIDA suffered a loss of ₹ 161.75 crore as land premium on allotment of 134 office plots. Details of the cases are in **Appendix-4.6**.

No reply was furnished by NOIDA on this para.

Loss to exchequer due to under levy of Stamp Duty

4.12 Provisions of GoUP notification no. SR-5-2756/11-2008-500 (165)-2007 dated 30.06.2008 provide that on every transfer of property of more than ₹ 1000, stamp duty was applicable at the rate of ₹ 50 on every ₹ 1,000 or part thereof *i.e.* at the rate of five *per cent* of value of property. Audit observed that due to under recovery of rates, NOIDA not only lost potential revenue amounting to ₹ 16,245.44 crore (as discussed in **Paragraph 4.7.1, 4.8.8, 4.10 and 4.11**) but it also resulted in short realisation of stamp duty amounting to ₹ 812.27 crore on the allotments which was a loss of income to the Government exchequer.

No reply was furnished by NOIDA on this para.

Conclusion

NOIDA did not prepare any guidelines for pricing of the properties due to which there was no streamlined method of pricing. The method of pricing was not found to be consistent across the years and prices were fixed arbitrarily without consideration of all input costs. Benefits of additional FAR/GC were allowed in many cases without corresponding increase in rates. Further, no mechanism was developed to ensure recovery of the costs which could not be factored in the sale prices of the properties. Lower fixation of sale price not only resulted in loss of revenue to NOIDA but also resulted in loss of stamp duty to the State exchequer.

Recommendations		
Recommendation Number	Recommendation	Response of the Government
6	Guidelines should be prepared by NOIDA, with advice of professional costing experts, so as to ensure that all costs incurred toward acquisition, development of land and other expenses are factored.	Accepted
7	NOIDA should develop a mechanism to ensure that the sale prices are fixed in strict compliance of the recommendation and any unwarranted deviation causing loss to NOIDA should not be allowed.	Accepted

CHAPTER–V

Allotment of Properties

Chapter-V

Allotment of Properties

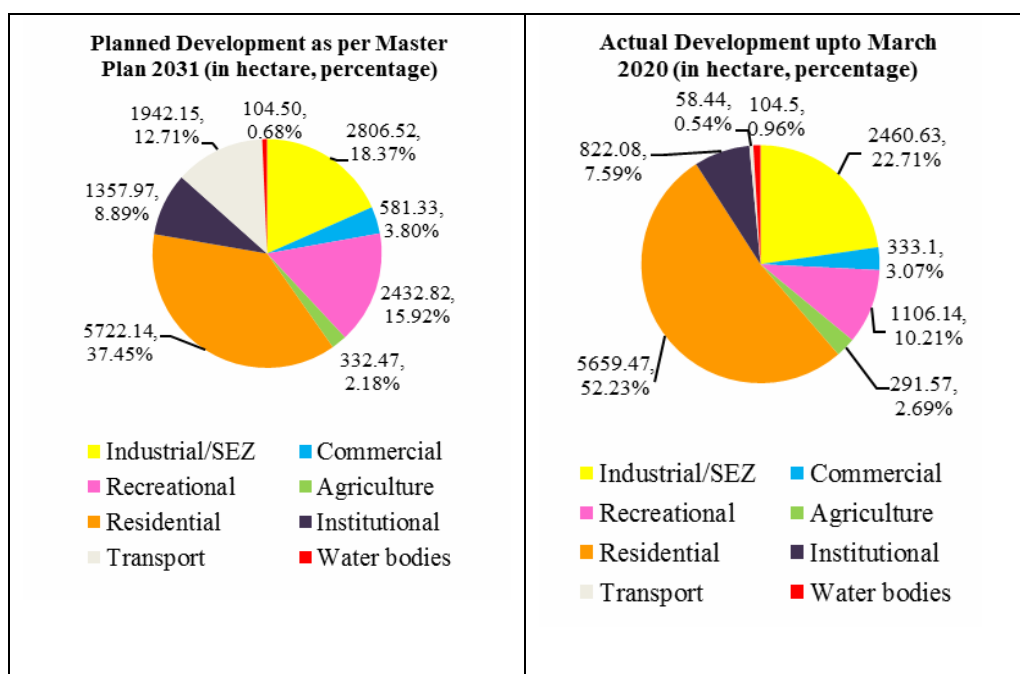
5. General

Introduction

1. The main objective of New Okhla Industrial Development Authority (NOIDA) is to develop industrial areas. Development of residential, commercial and institutional areas is subservient to the main objective of industrialisation.

The planned development (15,279.90 hectare) as per MP-2031 and corresponding actual development (10,835.93 hectare) upto March 2020 is as given in **Chart 5.1**:

Chart 5.1: Planned development and actual development



Source: MP of NOIDA and Information furnished by NOIDA.

The property wings of NOIDA, comprising Group Housing wing, Commercial wing, Institutional wing and Industry wing, deal with the allotment of various categories of properties and post-allotment follow up. The Planning wing of NOIDA is responsible for approval of building plan and maps of the allotted plots and ensuring the construction of buildings as per the approved building plans and maps.

The allotment schemes brought out by NOIDA's Property wings are advertised through respective scheme brochures which lay down the terms and conditions regarding eligibility of applicants, allotment process, completion schedule, payment terms and other matters relating to allotment. The applications received by NOIDA for allotment under various schemes are screened by a Plot Allotment Committee (PAC) constituted by CEO, NOIDA for each scheme. On the basis of recommendations made by PAC, the allotment is formally approved by CEO, NOIDA.

In NOIDA, certain categories of properties viz., Group Housing, Commercial, and Sports city are allotted on bid basis, while others viz., Institutional, Farm House and Industrial plots are allotted based on interviews by PAC. The

process adopted for allotment through bid/interview basis is detailed in the succeeding paragraphs.

Process of allotment on bid basis

Group Housing, Commercial and Sports City plots are allotted to the highest bidder against fixed reserve prices. The stages involved in from launching of the scheme till follow-up and post-allotment compliances in respect of allotments made through inviting bids is depicted in **Chart 5.2**.

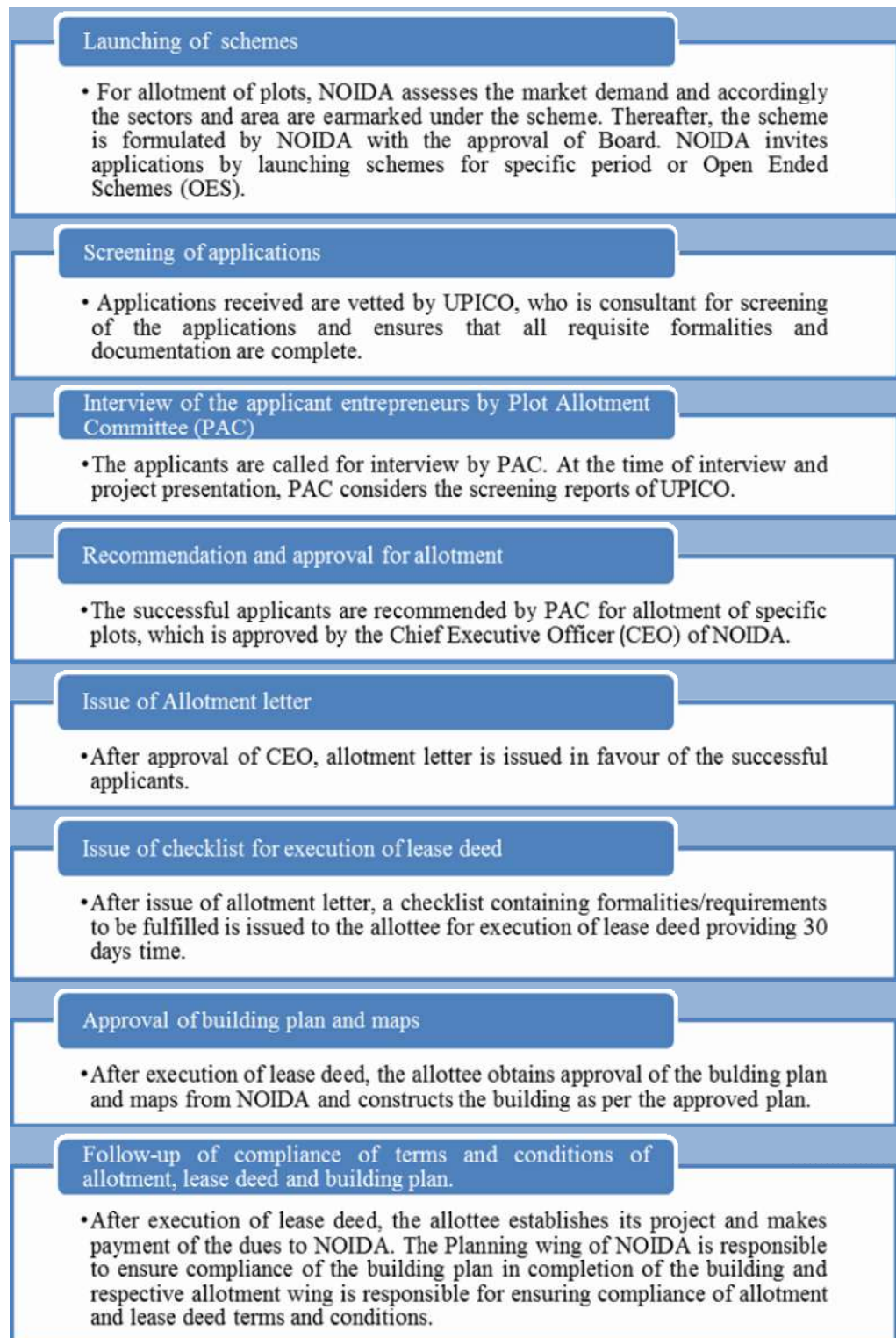
Chart 5.2: Process of allotment on bid basis and post-allotment follow-up

Finalising terms and conditions of the brochure
<ul style="list-style-type: none">• Finalisation of the terms and conditions of the brochures for launch of scheme which includes the technical and financial eligibility for submission of bids, allotment process, completion schedule, payment terms, sub-lease, cancellation etc.
Launching of the scheme
<ul style="list-style-type: none">• Bids are invited under two bid system (except for smaller commercial properties which were allotted on single stage tender) viz. technical bid and financial bid against the reserve price fixed by NOIDA.
Bid evaluation
<ul style="list-style-type: none">• Bids are evaluated by U.P. Industrial Consultants Limited (UPICO) against prescribed technical and financial parameters such as net worth, solvency, turnover and past work and submits its report to PAC.
Recommendation and approval for allotment
<ul style="list-style-type: none">• Financial bids of those bidders who qualify in the technical bid are opened. The bidder quoting the highest bid against the reserve price is recommended by the PAC for allotment of specific plot, which is approved by the CEO of NOIDA.
Issue of Reservation cum acceptance and Allotment letter
<ul style="list-style-type: none">• In case of Group Housing properties - after approval by CEO, reservation cum acceptance letter is issued for deposit of reservation money within 30 days. On receipt of reservation money, NOIDA issues allotment letter in favour of the applicants for deposit of allotment money within the prescribed time and remaining amount to be deposited in instalments.• In case of Commercial Properties - NOIDA issues allotment letter in favour of the applicant for deposit of allotment money within the prescribed time and remaining amount to be deposited in installments.
Execution of lease deed
<ul style="list-style-type: none">• On receipt of prescribed allotment money, lease deed is executed within the prescribed time. Consequent to the execution of lease deed, physical possession of land is given.
Approval of building plan and maps
<ul style="list-style-type: none">• After execution of lease deed, the allottee obtains approval of the building plan and maps and constructs the building as per the approved plan.
Completion of project
<ul style="list-style-type: none">• The project is required to be completed within the period as prescribed in the scheme brochure, failure of which attracts penalty.• On completion of the project (phase wise/ full project), occupancy (phase-wise)/ completion certificates are issued and permission is given for sub-lease of units to the ultimate buyers.

(Source: Allotment files of NOIDA)

Process of allotment on interview basis

Institutional, Farm House and Industrial plots are allotted on fixed land rates to applicants who are successful in the interview except for industrial plots below 4,000 sqm in size, which are allotted through lottery. The stages involved from launching of the scheme till its follow-up and post allotment compliances in respect of allotments made through interview is depicted in **Chart 5.3**.

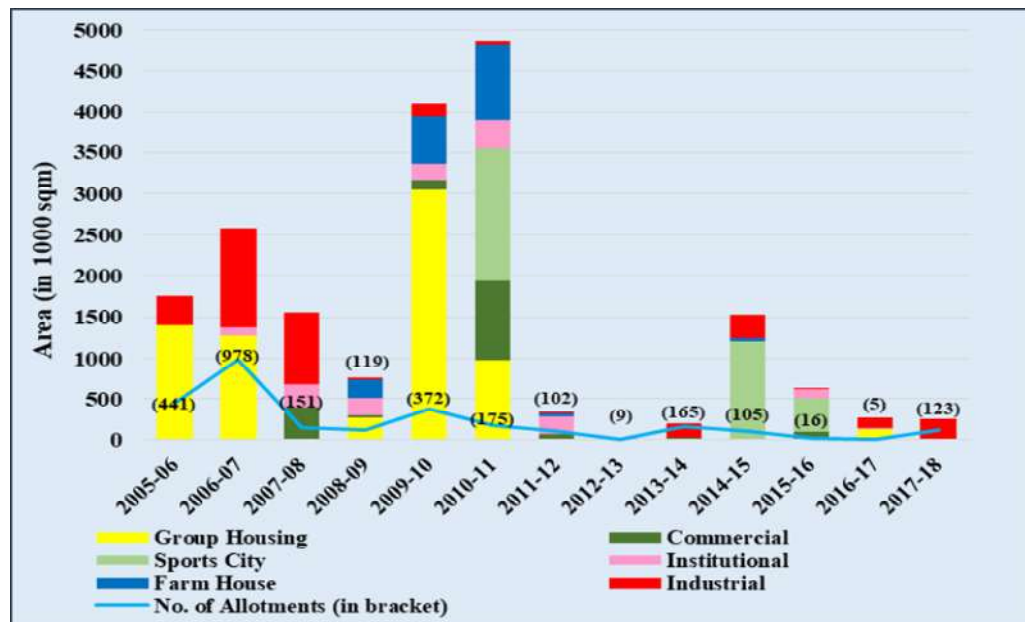
Chart 5.3: Process of allotment on interview basis and post-allotment follow-up

(Source: Allotment files of NOIDA)

Status of allotments

2. During the period 2005-06 to 2017-18, NOIDA allotted 2,761 properties measuring 188.34 lakh sqm under various categories¹ (excluding residential allotment). The status of allotment of properties under the aforesaid categories during the period 2005-06 to 2017-18 is depicted in **Chart 5.4**.

Chart 5.4: Allotments of plots during the period 2005-06 to 2017-18



(Source: As per data provided by NOIDA)

From the chart above it is evident that:

- Out of total allotment of 188.34 lakh sqm, allotment for industries constituted only 18.38 per cent (34.62 lakh sqm) only while remaining 81.62 per cent was for others i.e. Group Housing: 37.72 per cent (71.03 lakh sqm), Commercial: 8.94 per cent (16.84 lakh sqm), Sports City: 17.07 per cent (32.14 lakh sqm), Institutional: 8.14 per cent (15.33 lakh sqm) and Farm Houses: 9.75 per cent (18.37 lakh sqm);
- The highest allotment in terms of area was made only in two years (2009-11) with an allotment of an area of 89.54 lakh sqm. This translated to 47.54 per cent of total allotment in area during the period 2005-06 to 2017-18;
- Most of the allotment of Group Housing category viz., 98.22 per cent in terms of area took place by 2010-11 only;
- Sports City allotments were at their maximum in the financial year 2010-11;
- The industrial allotments were concentrated during the period 2005-06 to 2007-08, accounting for 70.14 per cent of total industrial allotments in the period; and
- Institutional allotments in terms of area were largely during the period 2006-07 to 2011-12.

¹ Group Housing, Commercial, Sports city, Institutional, Farm House and Industrial categories.

Contents of this Chapter

3. This Chapter contains four sections. These sections deal with allotment of properties under the following categories:

- Chapter 5.1: Allotment of Group Housing Plots;
- Chapter 5.2: Allotment of Commercial Properties (including Sports City plots);
- Chapter 5.3: Allotment of Institutional Properties (including Farm House plots); and
- Chapter 5.4: Allotment of Industrial Properties.

Common irregularities in allotment of properties

4. Audit noted serious irregularities in the process of allotment and post allotment compliances in all allotment categories during test check. These have been discussed in detail in chapters 5.1 to 5.4. A number of irregularities of similar nature were observed across categories of allotment. While these are discussed in detail in individual chapters on allotment, some of the issues having a common thread across various categories are highlighted in the succeeding paragraphs.

- i. **Terms and conditions of allotment:** As stated above, the terms and conditions of allotment are laid down in the respective scheme brochure. The scheme brochure being a significant document should have been approved by the Board before launch of the scheme. Further, the changes to terms and conditions of allotment should have been approved by the Board. However, it was observed that most of the schemes in Group Housing and Commercial categories were not approved by the Board before their launch which indicated that the Board was not kept apprised of the changes in terms and conditions of allotment before launching the scheme.

Further the terms and conditions of allotment as outlined in the brochure in a number of categories showed how certain covenants were excessively diluted and criteria were often contradictory or deficient rendering them to misuse/misrepresentation. Such instances were observed in the brochures relating to Group Housing and Commercial categories.

- ii. **Evaluation of bids by NOIDA:** Allotments were made to companies in a number of cases which failed to even fulfil the technical eligibility criteria of the bidding process in the Group Housing and Commercial categories. In such cases the financial bids ought not to have been opened as per standard public procurement principles, let alone allotment being considered/made. Similarly, in Institutional category, companies which were not even incorporated on the date of application were made allotments.
- iii. **Role of Plot Allotment Committee (PAC):** Instances were noticed in Institutional and Industrial categories where PAC which was tasked to examine the cases and make recommendations for allotment, flagrantly ignored laid down parameters and even proposed allotments in cases where the consultant appointed for scrutiny of applications had given a

negative report. Instances of misrepresentation and wilful concealment of facts by the PAC were also noticed in allotments made under Institutional category.

- iv. **Transfer of plots:** Post allotment of plots, there was non-compliance of the terms and conditions for allotment, along with subsequent permission to transfer, exit of key members from the project in the Group Housing and Commercial categories; in most cases where large outstandings were due to NOIDA. In a number of cases across all categories, Change in Shareholding (CIS) charges were not levied.
- v. **Sub-division of plots:** The allotted plots were sub-divided by allottees without any basis and NOIDA has recognised these sub-allottees, resulting in trading of land rather than its development and further resulting in non-completion of projects in Group Housing and Commercial categories. In fact, the extent of subdivision of plots in the Commercial category (Sports City) was so pronounced that the very objective of creating sports infrastructure like golf course and cricket stadium has been rendered impossible.
- vi. **Allocation of land:** In all categories, instances of allotments without ensuring availability of encumbrance-free land were noticed. In absence of an Enforcement wing, NOIDA failed to stop commercial activities on industrial and IT plots.
- vii. **Payment related issues:** There was absence of verification of payments made by allottees in the Industrial category. Allotments were made in spite of pending dues in the Group Housing and Commercial categories. Instances of irregular rescheduling of dues were also noticed in Commercial and Institutional categories. NOIDA showed lack of vigil by allowing defaults of payments by allottees.
- viii. **Grant of mortgage permission:** Permission to mortgage the plots was given to allottees of Group Housing and Commercial categories, in spite of non-clearance of NOIDA’s dues resulting in spiralling of pending dues. On this issue, Hon’ble Supreme Court observed² that “*Conditional permission to the mortgage was issued without payment of the premium lease money etc. so as to perpetuate the fraud being done by the promoters*”.

As a result, the public at large is saddled with incomplete projects, wherein they have invested their lives’ savings and NOIDA is burdened with huge outstandings.

The ensuing chapters bring out the position of development of allotted properties, the reasons behind it and the response of Government and NOIDA thereto.

² Writ petition (C) 940/2017 Bikram Chatterji and others Vs. Union of India.

CHAPTER–V (5.1)
Allotment of Group Housing Plots

CHAPTER-V

Allotment of Properties

5.1 Allotment of Group Housing Plots

Introduction

5.1.1 As per NOIDA Building Regulations, 2010 ‘Group Housing’ means a premise of size not less than 2,000 sqm comprising of either residential flats or a cluster of flats and independent houses/villas with basic amenities like parking, park, convenience shop, public utilities, etc.

Process of Allotment

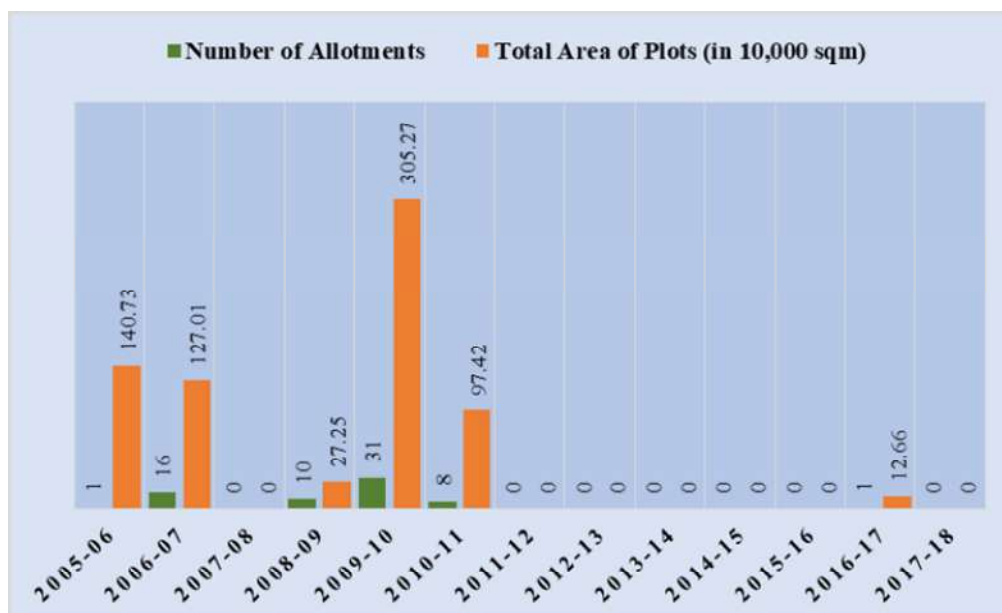
5.1.2 The allotment of Group Housing plots was made by NOIDA through close-ended schemes, wherein the number and size of plots available for allotment were specified in the scheme and these schemes were open for a specified period during which bids were accepted. The allotment of plots was made by the procedure elaborated in **Chart 5.1 of Chapter 5**.

Group Housing wing of NOIDA deals with allotment of plots and follow-up of the post allotment compliances. The Planning wing of NOIDA is responsible for monitoring the compliance of the building completion and the Finance wing is responsible for financial matters related to allotments.

Status of allotments of Group Housing plots in NOIDA

5.1.3 The year-wise allotment of plots by NOIDA under the Group Housing category during the period 2005-06 to 2017-18 is shown in **Chart 5.1.1**.

Chart 5.1.1: Year-wise details of allotments against Group Housing Schemes



Source: Information compiled by Audit.

As evident from the above chart, 42.98 per cent allotment by area and 46.27 per cent allotment by number were made during 2009-10. During the audit period (2005-2018), NOIDA brought out 28 schemes, out of which allotments were made in 24 schemes.

The overall position of the scheme-wise allotments under this category and the status of completion, in terms of issue of occupancy certificate (OC) for the plots/sub-divided plots is depicted in **Table 5.1.1**.

Table 5.1.1: Year wise schemes for Group Housing Plots

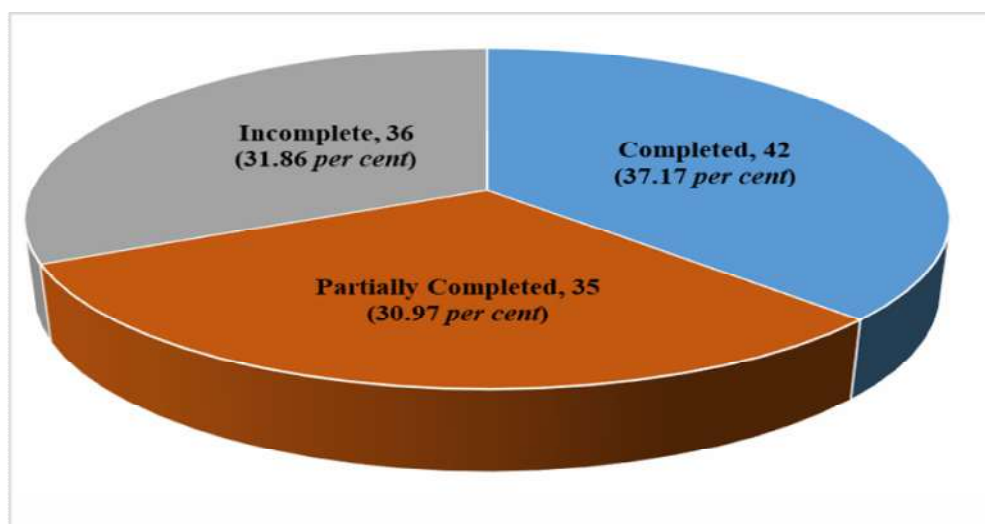
Sl. No.	Year	Scheme details	No. of plots		Allotted area (in sqm)	Premium (₹ in crore)	Status as on 31 March 2020	No. of flats sanctioned/ approved	No. of flats for which OC issued
			allotted	sub-divided					
1	2005-06	GH-2006 (Express City 96, 97 &98)	1	1	14,07,328	1,622.84	OC not issued	897	0
2	2006-07	GH-2006 (2)	1	1	37,700	75.81	Completed	737	737
3		GH-2006 (3)	2	2	1,30,924.65	185.33	Completed-1, OC not issued-1	2,424	1,257
4		GH-2006 (4)	2	2	2,19,020.12	411.21	Partially completed-2	4,330	3,514
5		GH-2006 (6)	6	6	75,839.56	196.91	Completed-3, Partially completed-1, OC not issued-2	1,167	659
6		GH-2006 (7)	1	1	54,169	98.05	OC not issued	892	0
7		GH-2007 (1)	2	2	2,47,279.27	427.28	OC not issued-2	4,065	0
8		GH-2007 (2)	2	2	5,05,144	881.47	OC not issued-2	3,784	0
9		2008-09	GH-2008 (I)	7	7	72,420.84	213.39	Completed-6, OC not issued-1	1,775
10	GH-2008 (II)		2	2	80,087	168.18	Partially completed-1, OC not issued-1	1,655	366
11	GH-2008 (III)		1	1	1,20,009	252.02	Partially completed	3,146	2,618
12	2009-10	GH-2009 (II)	3	3	2,45,669.75	509.55	Completed-1, Partially completed-1, OC not issued-1	7,750	6,005
13		GH-2009 (III)	3	3	1,54,915	366.58	Completed-1, Partially completed-2	5,063	3,040
14		GH-2009(V)	1	12	5,99,999.54	1,013.15	Completed-3, Partially completed-6, OC not issued-3	9,077	5,469
15		GH-2009 (VI)	4	4	3,36,306	726.14	Completed-1, Partially completed-3	9,673	4,184
16		GH-2009 (VII)	3	3	2,00,779.67	412.56	Partially completed-3	5,933	4,410
17		GH-2009 (VIII)	7	14	6,04,747.48	1,253.21	Completed-11, OC not issued-3	16,440	8,861
18		GH-2010 (I)	7	17	7,05,866.84	1,481.89	Completed-6, Partially completed-6, OC not issued-5	15,528	11,847

Sl. No.	Year	Scheme details	No. of plots		Allotted area (in sqm)	Premium (₹ in crore)	Status as on 31 March 2020	No. of flats sanctioned/ approved	No. of flats for which OC issued
			allotted	sub-divided					
19		GH-2010 (II)	3	7	2,04,395.50	424.14	Completed-4, Partially completed-1, OC not issued-2	6,047	4,137
20	2010-11	GH-2010 (III)	3	8	5,59,011.16	1,319.00	Completed-2, Partially completed-6	18,754	10,880
21		GH-2010 (IV)	2	5	1,18,225.53	321.55	Completed-1, Partially completed-1, OC not issued-3	3,030	737
22		GH-2010 (V)	1	4	96,742	228.69	OC not issued-4	968	0
23		GH-2011 (I)	2	3	2,00,247.28	471.78	Completed-1, Partially completed-1, OC not issued-1	6,870	2,522
24	2016-17	GH-2016-17	1	3	1,26,600	990.00	OC not issued-3	Map not approved	0
		Grand Total	67	113	71,03,427.19	14,050.73	Completed-42, Partially completed-35, OC not issued-36	1,30,005	72,697

Source: Information compiled by Audit.

Thus, in these 24 schemes, 67 plots (area 71.03 lakh sqm) were allotted for premium of ₹ 14,050.73 crore. The allottees, in turn, sub-divided these plots into 113 properties with the approval of NOIDA against which the dues of NOIDA pending for receipt as on 31 March 2020 were ₹ 18,633.21 crore for 96 plots. The status (as on 31 March 2020) of projects completed (OC issued for all the towers), partially completed (OC issued for some towers) and lying incomplete (OC not issued for any tower) is shown in **Chart 5.1.2**.

Chart 5.1.2: Status of completion of Group Housing projects



Source: Information compiled by Audit.

From the above table, it is evident that of the total projects, only 37.17 per cent have been completed, 30.97 per cent were partially completed and 31.86 per cent remained incomplete as of 31 March 2020. Completion of a project denotes an approval of completion of construction from Planning wing after checking compliances with all stipulated requirements. Status of completion of the flats sanctioned by NOIDA on these 113 plots is detailed in **Table 5.1.2.**

Table 5.1.2: Status of completion of flats of Group Housing Scheme as on 31 March 2020

Sl. No.	Description	No. of flats
1	No of flats sanctioned	1,30,005
2	No of flats where Occupancy Certificates issued	72,697
3	No of flats where permission granted for sub-lease deed	43,438
4	No of flats where sub-lease deed done	42,221

Source: Information furnished by NOIDA.

From the above table, it is evident that out of total flats sanctioned (1,30,005), OC for only 55.92 per cent flats (72,697) were issued by NOIDA upto 31 March 2020 which indicates that the builders had completed these flats. Out of these completed flats, permission for sub-lease was granted for only 59.75 per cent (43,438) of the flats on account of default in dues by the builders. It is also evident from the above table that in spite of majority of allotments being done upto 2010-11, 44.08 per cent of the flats (57,308) were still pending completion even after passage of more than eight years.

In view of the large pendency in delivery of flats, the issues related to plight of home buyers due to delayed delivery/non-delivery of flats were discussed at various forums. In this regard, the Hon’ble Supreme Court delivered a judgement in July 2019 in the case of Bikram Chatterjee and others vs. Union of India and others¹ on the issues related to Amrapali Builders. The facts of the case and observations of the Hon’ble Supreme Court are as under:

In 2011, in Noida and Greater Noida various real estate projects for housing were started. In the various projects, the Amrapali Group of Companies proposed to construct approximately 42,000 flats. Under these schemes, it was assured that the delivery of possession shall be made in 36 months. Several revised dates of possession were fixed unilaterally, but they failed to deliver the flats. Further, the Builder did not pay the amount to the Authorities and also to banks. The dues of Noida alone stood at ₹ 2,191.38 crore as on 30 April 2019.

The Hon’ble Supreme Court observed that in Noida alone, more than 70 per cent of the projects have not been completed which were initiated way back in the year 2008-09 and were supposed to be completed within three years. In the instant case the Hon’ble Supreme Court held that the matter projects the issue of larger public interest and adjudged that:

“Once the Noida and Greater Noida Authorities knew very well that there were defaults, they could not have allotted further land to the Amrapali group without insisting for payment of its dues. Secondly, it was not open to the Authorities to permit the sub-leases of plot of land executed by builders, thereby allowing the leaseholder to earn a huge amount without making payment of the amount due to them. The officials of the Authorities have acted

¹ Writ petition (C) 940/2017.

in clear breach of public trust. They have permitted the defaulting leaseholders to earn the amount by sub-leasing its land of which dues had not been cleared. Thus, apparently, the officials of the Authorities acted clearly in collusion with the builders and overlooked the interest of the Authorities and home buyers while permitting the sub-leases of plot of land to be granted. It passes comprehension how the officials of the Authorities could have permitted such sub-leases in the factual scenario of the case when even the basic obligation to raise the construction was not being fulfilled by the builders and they were not paying the dues of premium, lease money etc. The action of the officials of the Authorities has the effect of causing unjust enrichment of builder from the land held by the concerned Authorities. It was wholly an illegal exercise permitted”.

“They have violated every condition, but still, Authorities were bent upon to condone everything. This reflects absolute dereliction of duty cast upon the Authorities.”

“The Noida and Greater Noida Authorities and the Bankers have permitted diversion of funds of home-buyers and the possession of other assets by Amrapali Group.”

“The Authorities have to be vigilant in such cases and not to tolerate the default. They have to blame themselves for their inaction and have to wait for the realization of dues by sale of other properties and as against guarantors etc.”

“It is apparent from the report of the forensic audit submitted by Forensic Auditors that there is a serious kind of fraud played upon the buyers in active connivance with the officials of the Noida and Greater Noida Authorities and that of the banks.”

“The NOIDA and Greater Noida Authorities were grossly negligent in reviewing and monitoring the progress of the project and in collusion with leaseholders failed to take action concerning non-payment of dues and illegally permitted the group to Sub-lease the land without payment of dues.”

After considering the facts of the case, the Hon’ble Court decided, in context of dues of NOIDA, that the premium and other dues payable under the lease deeds to Authorities, cannot be recovered from the home buyers or the projects in question and may be recovered from the assets created from the money diverted.

The landmark judgement in the above case has brought into sharp focus the issues plaguing the real estate sector and has also established a course to deal with these issues. Audit observed that similar issues of non-completion and huge pending dues of NOIDA existed in a number of allotments made by NOIDA. The reasons behind the same are discussed in the succeeding sections.

Scope of audit

5.1.4 Of the 113 allotments, Audit analysed 46 cases on a sample basis. Audit also sourced information from the Registrar of Companies (RoC) with a view to analyse the ownership and shareholding of allottee companies and the transfer of plots through transfer of shares.

Audit Findings

5.1.5 The audit findings, as a result of examination of sample cases, are discussed in the ensuing paragraphs. These audit findings have been grouped as under:

- Systemic deficiencies (as discussed in Paragraphs 5.1.6 to 5.1.6.9).
- Irregularities in screening of applications and allotments (as discussed in Paragraphs 5.1.7 to 5.1.7.5).
- Adverse impact of sub-divisions and transfers (as discussed in Paragraphs 5.1.8 to 5.1.8.5).
- Post allotment discrepancies relating to land allocations (as discussed in Paragraphs 5.1.9 to 5.1.9.2).
- Failure of Finance wing in Group Housing allotments (as discussed in Paragraphs 5.1.10 to 5.1.10.4).

Systemic deficiencies

5.1.6 Prior to launching a scheme NOIDA prepares the scheme brochure, which *inter alia* prescribes the criteria for technical and financial eligibility for submission of bids and all the terms and conditions for allotment, payment and project implementation. Audit noticed the following deficiencies in the brochure conditions:

Non-approval of the terms and conditions by the Board before launch of the scheme

In 82 per cent of the schemes the Board was not kept apprised of the changes in terms and conditions of allotment before launching the scheme.

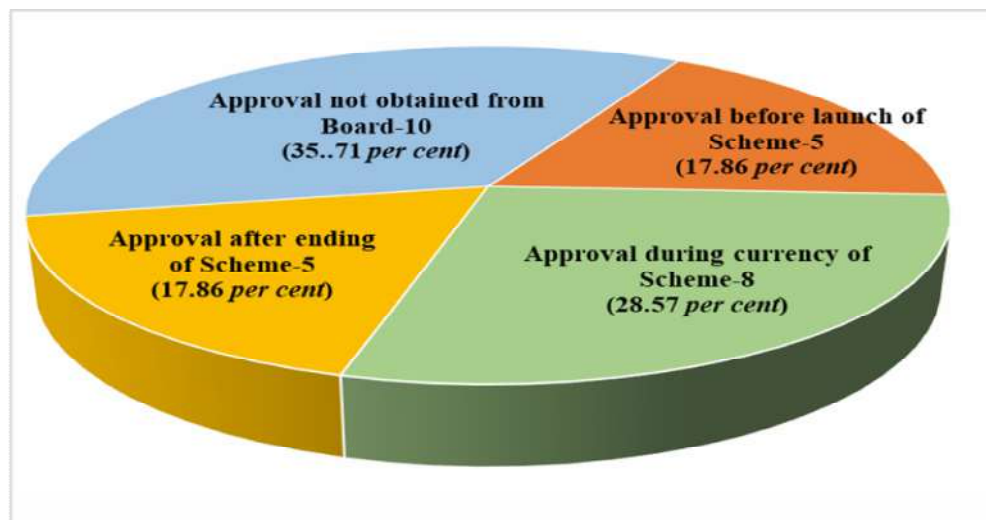
5.1.6.1 The Board of NOIDA is its highest decision making body. Matters of significant importance need to be put up before the Board for consideration and approval. Section 6(2)(f) of the Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976 provides that allocation and transfer, either by way of sale or lease or otherwise of plots of land for industrial, commercial or residential purposes is one of the functions of NOIDA. In the context of allotment, the scheme brochure is a significant document which governs the process of bidding, allotment and execution of the project. The brochure specifies the terms and conditions of allotment, as decided by NOIDA. The allottee builders are expected to bid as per the brochure terms and conditions. Therefore, this document can be equated to invitation to offer which becomes the basis of agreement between the allottee builder and NOIDA for execution of the project in future. Further the terms and conditions of the brochure also form the basis of subsequent agreement between the allottee and the home buyers². In view of the underlying importance, the brochure of the schemes should have been approved by the Board before the launch of the scheme. Therefore, the changes to terms and conditions of allotment should have been approved by the Board.

The actual position of approval of these schemes by the Board and the period of launch are given in **Appendix-5.1.1**. Scrutiny of records revealed that

² The State Consumer Disputes Redressal Commission, UT Chandigarh in the case of Neha Ahluwalia vs. M/s Omaxe Chandigarh Extension held (25.11.2019) that it is a settled law that brochure is a part of contract. The National Consumer Disputes Redressal Commission in the case of Brig. (Retd.) Kamal Sood vs. M/s DLF Universal Limited also observed (20.04.2007) that it is a settled law that brochure is part of the promise on which the contract is based.

although the brochures of all the schemes were approved by the Chief Executive Officer (CEO), only in five of the 28 schemes during the period 2005-06 to 2017-18, approval of the Board was obtained by the Group Housing wing before launch of the scheme. The overall status of approval is depicted in **Chart 5.1.3**.

Chart 5.1.3: Approval of Group Housing Schemes by the Board



Source: Information compiled by Audit.

From the above pie-chart it is evident that 82 per cent of the schemes were not submitted to the Board for approval before launch. Out of the above, in case of five brochures where *post facto* approval of the Board was obtained, the period of delay ranged from two days to three months from the scheme launch date. In 10 schemes, the brochures were not submitted to the Board even for *post facto* approval.

The fact that 82 per cent of the schemes were not approved by the Board before their launch indicated that the Board was not kept apprised of the changes in terms and conditions of allotment before launching the scheme. Clauses like opening of escrow account and provision of bank guarantee equal to one instalment etc. were removed with the CEO's approval in supersession of the Board's earlier approval (discussed in **Paragraphs 5.1.6.6 and 5.1.6.7**). The Board did not exercise powers with regard to deciding the terms and conditions of allotment included in scheme brochures. Audit observed that laying down the terms and conditions of the scheme and allotment thereagainst constitutes the most essential aspect of the functions performed by the Board of NOIDA. Non-consideration of the above entails a control failure on part of the Board.

In its reply, NOIDA stated (August 2020) that UPIAD Act, 1976 has empowered NOIDA to sell, lease and transfer land. In the 85th Board meeting held in February 1996, the Board authorised the CEO to determine, to change and to relax the terms and conditions of schemes and to give approval for schemes and allotments. It was stated that from time to time, NOIDA Board authorises the CEO for above work. Thus, obtaining approval of the Board before launching of the schemes was not required.

NOIDA has not disputed the facts of non-approval of schemes by the Board as pointed out by Audit. While the Board has authorised the CEO for approval of

schemes, it is notable that changes in the terms and conditions of the schemes including those which were against the interest of NOIDA and were a departure from past ‘good practices’ were also authorised by the CEO in the cases pointed out by Audit (**Paragraphs 5.1.6.6 and 5.1.6.7**). A case in point is the removal of the clause for escrow account and bank guarantee without approval of the Board. Delegation of the power of the Board to the CEO, as the instant cases bring out, has clearly not been in public interest. Further, in reply to this issue in **Paragraph 5.2.6.1** of Commercial Chapter, NOIDA has further stated that the CEO forwards those matters to the Board for approval/post facto approval in which change in terms and conditions of the scheme or policy matter is involved. Hence, it is apparent that all terms and conditions and changes thereto should have been approved by the Board. However, in the cases pointed out in the paragraph, prior approval of the Board was not taken.

Allotment by relaxing financial qualification criteria

5.1.6.2 The terms and conditions laid down in the brochure *inter alia* provide the financial eligibility criteria to be satisfied by the applicants. These criteria were in terms of monetary limits for minimum net worth, minimum solvency and minimum turnover from real estate activities during the last three accounting years. Analysis of records revealed that NOIDA varied the criteria during different time periods as given in **Table 5.1.3**.

Table 5.1.3: Financial qualification criteria fixed

(₹ in crore)						
Year	Scheme no.	Plot size (in sqm)	Net worth (range)	Solvency (range)	Total turnover	Approval status/by
2006-07	GH-2006(2)	Below 40,000	20	12.50	150	C.E.O
	GH-2006(3)	40,000-80,000	30	20	225	C.E.O
	GH-2006(4)	Above 80,000	50	40	300	C.E.O
	GH-2006(6)	Below 40,000	20	20	150	C.E.O
	GH-2006(7)	40,000-80,000	50	50	225	C.E.O
	GH-2007(1)	Above 80,000 and upto 2,00,000	100	100	600	C.E.O
	GH-2007(2)	Above 2,00,000	150	150	900	C.E.O
2008-09	GH-2008(I)	Below 40,000	2.5	1	30	Board
	GH-2008(II)	40,000-80,000	7.5	2	90	Board
	GH-2008(III)	Above 80,000	50	10	300	Board
2009-11	GH-2009(II) to GH-2011(I)	For all sizes of plots (50,000 and above) ³	75	10	200	Board
2016-17	2016-17 (Group Housing I)	Single plot of 1,26,600	100	20	100	Board

Source: Information compiled by Audit.

NOIDA put at stake its own interests and also those of the ultimate buyers by reducing the financial eligibility criteria sharply citing recession/slowdown and offered plots of larger sizes on the other hand.

From the above table it is evident that from 2006-07 to 2008-09, the financial eligibility criteria were sharply reduced and varied depending on the size of plots under consideration. However, during the period 2009-11, when maximum allotments were made, NOIDA fixed the stipulated requirements as ₹ 75 crore, ₹ 10 crore and ₹ 200 crore for minimum net worth, minimum solvency and minimum total turnover respectively for plots of all available sizes ranging from 50,008 sqm to 2,43,287.40 sqm.

³ Does not include Eco-city plot as it included mixed land uses.

Audit observed that keeping a fixed norm for financial eligibility enabled the builders to garner larger size plots. Since the criterion had been delinked from plot size, a plot valuing ₹ 496.31 crore⁴ was available for allotment to a builder with net worth of ₹ 75 crore, which was highly imprudent. During the period 2009-10 and 2010-11, through 12 schemes, 39 plots of total area of 40.27 lakh sqm for a total premium of ₹ 8,528.24 crore were allotted, which represented 58.21 *per cent* of total allotments during 2005-06 to 2017-18. Out of these 39 allotments, 11 allotments were of plot sizes larger than one lakh sqm wherein the value (land premium) of plot was more than ₹ 200 crore and none of the 39 plots was allotted at a premium of less than ₹ 102 crore, yet NOIDA fixed qualification criteria of only ₹ 75 crore for net worth, which was itself insufficient and not commensurate with the value of the plot sought for.

Thus, NOIDA fixed the financial eligibility criteria upto 2008-09 on the basis of the size of the plot allotted. Thereafter, during 2009-11, by making it static, irrespective of the size of the plot, NOIDA watered down the criteria for larger plots. In doing so, NOIDA has put at stake its own interests and also of the ultimate buyers as builders could now garner larger plots involving bigger projects without having commensurate net worth. The allotments made and the status of projects is depicted in **Table 5.1.1**.

In its reply, NOIDA stated (August 2020) that in the 125th Board meeting (April 2005), the Board authorised the CEO to determine terms and conditions for allotment of properties. In view of prevailing economic conditions, a consultant (UPICO) was engaged to decide terms and conditions and technical/financial parameters of the schemes. On the recommendation of the consultant, the CEO approved the terms and conditions of the brochure which was *post facto* approved by the Board (December 2008). The main reason for providing relaxations in the financial eligibility was global economic slowdown and to revive the real estate sector. Further relaxations from 2009 onwards were given in view of UP Government's orders (G.Os.) of 2009, which have been subsequently adopted by the Board.

The reply is not acceptable in view of the fact that on the one hand NOIDA fixed the eligibility criteria on the lower side citing recession/slowdown and on the other hand offered plots of larger sizes. Further, the G.Os of 2009 did not provide any covenant regarding reducing the financial eligibility and as such, the relaxations were granted beyond the relief mentioned in G.Os. By authorising the CEO to approve the terms and conditions of schemes the Board has abdicated its responsibility of ensuring the interest both of NOIDA and the prospective buyers. As a result of dilution of the financial eligibility criteria for larger plots, builders with less financial capability were able to garner larger plots which was one of the reasons for non-completion of a large number of housing projects resulting in distress to home-buyers of such incomplete projects.

Deficiency in eligibility conditions resulting in misuse

5.1.6.3 The eligibility conditions in the brochure provided that the tenderer can bid for a maximum of two plots out of all plots offered in a scheme or all concurrent schemes taken together. However, in that case net worth of the applicant should exceed aggregate of net worth required for each plot applied

⁴ Plot no. 01/76 of area 2,43,287.40 sqm at reserve price of ₹ 20,400 per sqm.

for by the applicant taken together. During 2006-07, 2008-09, 2009-10 and 2010-11, NOIDA launched nine, three, nine and four schemes, respectively.

Audit noticed that the stipulation laid down by NOIDA was in respect of a single scheme at a time or schemes launched simultaneously⁵ taken together, whereas NOIDA launched multiple schemes during these years. The scheme-based criteria coupled with launch of multiple schemes enabled the builders to bid for more than two plots in a year as detailed in **Table 5.1.4**.

Table 5.1.4: Multiple bids by builders in a single year in different schemes

(₹ in crore)

Sl. No.	Name of Builder	Participated as	Allotment Year	Scheme Number	Total no. of bids submitted in Schemes	Total number of plots allotted	Net worth required for the plots allotted	Net worth of allottee	Aggregate of net worth utilised in multiple allotments	Value of plots allotted
1	Supertech Ltd.	Company/ Consortium	2009-10	GH-2009(II), GH-2009(VII), GH-2009(VIII), GH-2010(I), GH-2010(II)	7	4	300.00	183.46	270.49	497.58
2	Ultra Home Construction Pvt. Ltd.	Consortium	2009-10	GH-2009(II), GH-2009(III), GH-2009(VI), GH-2009(VIII), GH-2010(I), GH-2010(II)	7	4	300.00	68.89	157.72	857.51
3	Gaursons India Limited	Company/ Consortium	2009-10	GH-2009(III), GH-2009(VI), GH-2009(VII), GH-2009(VIII), GH-2010(II)	6	5	375.00	73.01	146.48	564.59
4	Gulshan Homz Pvt Ltd	Consortium	2009-10	GH-2009(III), GH-2009(VIII), GH-2010(II)	3	3	225.00	15.47	32.60	357.40

Source: Information compiled by Audit.

The rationale behind the condition laid down in the brochure was that the capability of the promoter in terms of net worth should be commensurate with the aggregate value of projects assumed.

However, by limiting the scope of evaluation only to schemes launched simultaneously, when NOIDA had launched multiple schemes during the respective years, NOIDA surreptitiously enabled the builders to apply and obtain multiple plots on the back of insufficient net worth. Of the 24 subdivided plots in the above cases, in eight cases completion was pending causing distress to homebuyers. This position of non-completion of projects is evidence that NOIDA has created conditions for bypassing its own stipulations by allowing financially ineligible bidders to garner more plots on the back of insufficient net worth thereby extending undue favours to them.

In its reply, NOIDA stated (August 2020) that the schemes pointed out by Audit were separate and there were no restrictions on bidders to bid in more than one scheme according to their financial capabilities.

The reply is not acceptable as the spirit behind the stipulated eligibility conditions has been breached by creating the possibility of non-eligible parties

⁵ Schemes 2, 3, 4 of 2006, schemes 6 and 7 of 2006 and schemes 01 and 02 of 2007.

getting allotments. NOIDA failed to implement its own financial eligibility condition on aggregate basis for all schemes launched in the same financial year. Thus, launch of multiple schemes in a year and keeping conditions specific to one scheme/simultaneously launched schemes only created a deficiency in evaluation.

In the exit conference (September 2020), the Additional Chief Secretary, Infrastructure and Industrial Development Department (IIDD) stated that guidelines would be strengthened for evaluation of applicants of future schemes.

Contradictory eligibility criteria

5.1.6.4 The eligibility conditions in the schemes' brochures {2009(VIII) and thereafter) provided that if a company wants to apply through a subsidiary company, then it should have minimum of 51 *per cent* shareholding in the subsidiary company. It was further provided that in this case the applicant would be the subsidiary company who has to qualify the minimum requirements of net worth, solvency and turnover. However, in case the tenderer/consortium member is a company, then the qualifications of its holding company or subsidiary companies shall also be considered as the qualifications of the applying company/consortium member.

This condition was employed by the builders in the following cases to garner allotments as detailed in **Table 5.1.5**.

Table 5.1.5: Allotment to subsidiary companies using credentials of holding company

Sl. No.	Name of Subsidiary company	Plot Number	Applied as	Name of Holding Company	Holding Company considered for	Value of Plot (₹ in crore)
1	Mahagun Real Estate Pvt Ltd	GH-02 Sector 78	Company	Mahagun India Pvt. Ltd.	Net worth, Turnover, Experience	205.09
2	Red Fort India Real Estate Jahangir II (Horizon Crest India Real Estate)	GH-03 Sector 100	Consortium member	Red Fort India Real Estate Fund I, LP	Net worth	252.02
3	Horizon Crest India Real Estate	GH-05 Sector 110	Consortium member	Red Fort India Real Estate Fund I, LP	Net worth	372.55
4	Horizon Crest India Real Estate	GH-01 Sector 107	Consortium member	Red Fort India Real Estate Fund I, LP	Net worth	403.20
	Pebbles Infosoftech Pvt. Ltd.	GH-01 Sector 107	Consortium member	Three C Universal Developers Pvt. Ltd	Turnover	
Total						1,232.86

Source: Information compiled by Audit.

NOIDA provided contradictory conditions in the schemes’ brochures, which permitted the subsidiary companies, who were ineligible, to bid on the back of credentials of their holding companies.

As seen from the table above, the applicants whose net worth was deficient utilised the credentials of their respective holding company to get allotment of four plots worth ₹ 1,232.86 crore.

It is apparent that the conditions stated in the brochure were contradictory in the sense that though the applicant (subsidiary) was required to qualify by itself on the other hand, it could utilise the credentials of its holding/subsidiary company. The permission to bid on the back of credentials of the holding or subsidiary company, without their actual participation, enabled bidders, who were as such ineligible, to garner plots beyond their net worth. This was also imprudent on the part of NOIDA as the actual allottee lacked the capability to execute the project.

In its reply, NOIDA accepted (September 2020) the observation and proposed necessary correction in terms and conditions in future schemes.

The compliance of the audit observation will be reviewed in the next audit.

Injudicious modifications in terms and conditions in scheme brochures

5.1.6.5 Audit observed that in addition to the shortcomings in the brochure conditions discussed above, NOIDA additionally diluted the existing stipulations in the brochures to further facilitate the builders. The major deviations and relaxations in the schemes launched by NOIDA are discussed in the subsequent paragraphs.

Non-compliance and removal of clause for opening escrow account

NOIDA incorporated escrow account condition in Express City scheme in March 2006 but excluded the condition from the brochure of subsequent schemes. NOIDA therefore imperilled its own interests as well as those of home buyers by failing to impose the requirement of escrow account.

5.1.6.6 Clause 8.5 of the brochure for Express City scheme (March 2006) provided that the developer was to open an escrow account in a nationalised bank wherein all inflows and realisations from sale/sub-lease of the plot, buildings and facilities would be deposited. The funds accumulated in this account would be used for the purpose of development of this project. The account was to be operational till the developer had met his entire obligation of payments to NOIDA. In order to safeguard the interest of NOIDA as regards to the payment of dues by the developer and also ensuring the application of funds collected by the developer from the ultimate buyers/dwellers on the concerned projects, the provision of escrow account was a reliable mechanism. In this regard, Audit observed non-compliance with the provision of escrow account in the instant case as also removal of the clause in subsequent schemes launched from May 2006 onwards.

- **Removal of clause:** Audit observed that NOIDA expressly excluded the escrow account condition in all the brochures from May 2006 onwards. Scrutiny of records revealed that the fact of removal of escrow account clause from the brochure conditions was approved by the CEO but not submitted for approval of the Board. In fact, the subsequent nine brochures were not even put up to the Board for approval and from then onwards the clause has not been included. It is notable that even after the enactment of the Real Estate (Regulation and Development) Act, 2016 which similarly requires the provision for a separate account under Section 4 (2) (I) (D), the provision for escrow account was not being re-introduced in the schemes.

As of March 2020, 85 of the 113 allottee builders were in default in payment of instalments of the premium of the allotted plots. By excluding the clause of escrow account, it could not be ensured that the builders applied the funds

collected by them on the concerned projects. This has also, therefore, resulted in non-completion of the projects. By failing to impose the requirement of escrow account, NOIDA has imperilled its own interests as well as those of home buyers.

- **Non-compliance of condition:** In the allotment of Express City plot admeasuring 14,07,328 sqm to Unitech Limited made on 26 June 2006, when the condition for opening of escrow account was applicable as per brochure, such an account was never opened by the builder and the clause was not implemented by NOIDA resulting in mounting dues of ₹ 4,646.98 crore against this allotment as on 31 March 2020.

The Government may like to examine the circumstances in which a good practice of opening an escrow account which would have gone a long way in protecting the interests of the home buyers, was omitted from the brochure and fix responsibility in the matter.

In its reply, NOIDA accepted (August 2020) the audit observation and informed that in the 198th Board meeting (January 2020) it was decided to open escrow accounts for different projects to ensure recovery of dues. However, no response has been received on how this condition was omitted in 2006 and whether responsibility has been fixed in the matter.

Removal of clause for obtaining bank guarantee

5.1.6.7 Clause 8.4 of the brochure for Express City Scheme (March 2006) provided that the allottee shall furnish a bank guarantee of a nationalised bank equivalent to one instalment along with interest on or before the execution of lease deed and renewable till the total outstanding dues are cleared.

Audit noticed that NOIDA, with the approval of the CEO, excluded the bank guarantee condition in the brochures from May 2006 onwards. Scrutiny of records revealed that the fact of removal of bank guarantee clause from the brochure conditions was not submitted for consideration of the Board of NOIDA as the subsequent brochure was not put up to the Board for approval and from thereafter the clause has not been included. This bank guarantee clause was meant to safeguard the interests of NOIDA against defaults by builders/allottees but NOIDA had subsequently failed to impose this condition resulting in spiralling dues of NOIDA.

In its reply, NOIDA stated (August 2020) that it was necessary to provide relaxation in financial criteria to revive the real estate sector from global economic recession.

The reply is not acceptable in view of the fact that there was no evidence of global economic recession during 2006 when the said clause was removed from the brochure. The reply also does not address the issue of removal of the clause without obtaining approval of the Board.

Moreover, in the exit conference (September 2020) the Government accepted the audit observation and agreed to re-introduce and enforce the provision for bank guarantee.

Reduction of allotment money

5.1.6.8 In the schemes launched during 2006-07 by NOIDA, the provisions in the brochure required that lease deed of the plot can be done only after a

NOIDA reduced the allotment money during 2008 and 2009 to 10 per cent citing the ground of global economic recession. The benefit given was beyond the GoUP order (2009). This unwarranted act of NOIDA resulted in undue favour to the builders on the one hand and increased NOIDA’s outstanding dues on the other hand due to deferment of ₹ 2,664.96 crore.

minimum payment of 40 *per cent* of the land premium, which was reduced to 20 *per cent* from 2008-09. In the 161st Board Meeting (28 May 2009), a decision was taken to further reduce the amount to be deposited by the allottee upto lease deed to 10 *per cent* of the land premium applicable from schemes launched thereafter.

Audit noticed that the reduction of allotment money was made in 2008 and 2009 citing the ground of global economic recession. Though GoUP had already specified in its order (06 January 2009) the necessary economic measures taken to counter recession on the recommendation of the high-level committee, NOIDA unilaterally undertook to provide further relief in 2009. This reduction diminished the financial commitment of the allottee and resulted in builders garnering more allotments as the builders enjoyed greater leverage to obtain bigger plots and to take loans from banks on the back of deposit of smaller amount of down-payment. Scrutiny of NOIDA’s scheme files revealed that schemes were formulated with remarks that inspite of economic slowdown, builders are demanding larger plots. This unwarranted act of NOIDA resulted in undue favour to the builders on the one hand and increased NOIDA’s outstanding dues on the other hand due to deferment (20 *per cent* in respect of plots allotted in 2008 and 30 *per cent* in respect of plots allotted during 2009 to 2011) of premium amounting to ₹ 2,664.96 crore upto a ten year period⁶ in 49 cases. This has adversely impacted the liquidity of NOIDA as builders have defaulted in the payments, adding to the position of non-recovery. As on date (31 March 2020) the overdue amount against the builders who were extended this facility was ₹ 9,864.87 crore.

It is pertinent to mention here that with respect to the sharp reduction in allotment money resulting in deferment of receipts involving huge financial sums, the Hon’ble Supreme Court observed⁷ that *“the land was allotted at throw away prices of 10 per cent, the allotment premium has not been paid and in an illegal manner plots have been allotted on huge amount by builders is another fraud in collusion with Authorities.”*

In its reply, NOIDA stated (August 2020) that GoUP in January 2009 and October 2009 had taken several steps *viz.* reshedulement of instalments with two-year moratorium, sub-division of big plots (above 40,000 sqm) etc. Further, money to be deposited till lease deed was relaxed to 10 *per cent* as decided in the 161st Board Meeting (28 May 2009) in view of the economic conditions. It was stated that during 2009-10 to 2010-11, 81 plots were allotted, out of which, 29 projects were issued occupancy certificate while 24 got partial occupancy certificate. Further, the relief provided was examined by Hon’ble Lokayukt and after the inquiry, the Hon’ble Lokayukt has observed that the decisions were taken in view of economic slowdown.

The reply is not acceptable as the GoUP had already addressed the problem faced by the existing allottees. Further, relaxations were given beyond Government orders. NOIDA instead of allotting smaller plots, allotted bigger plots from 50,008 sqm to 6,00,000 sqm. during the period on demand from the builders and allowed the builders to garner more plots at an initial deposit of 10 *per cent*. Moreover, citing default by the allottees and huge increase in

⁶ Eight-year repayment term and two-year moratorium.

⁷ Writ petition (C) 940/2017 Bikram Chatterjee and others vs. Union of India.

outstanding dues due to allotment of plots after taking only 10 *per cent* allotment money, the Board in its 192nd meeting dated 2 June 2017 again increased the allotment money to 40 *per cent* of the land premium which confirms that the reduction in allotment money benefitted the allottee builders at the cost of NOIDA.

Relaxation of conditions for consortiums

NOIDA diluted the eligibility criteria for allotment which reduced the onus on the allottees to complete the project and also compromised the position of home buyers.

5.1.6.9 The Uttar Pradesh Procurement Manual (Procurement of Goods) defines consortium as an association of several persons, or firms or companies. NOIDA allowed two or more entities to come together and bid as a consortium for allotment of plots. Under this system, the members could submit a Memorandum of Agreement (MOA) conveying their intent to jointly apply for the scheme and in case the plot is allotted to them, to form a Special Purpose Company (SPC). Members of the consortium were to specify one Lead Member who alone shall be authorised to correspond with NOIDA.

Audit noticed that NOIDA kept relaxing the eligibility conditions for consortium bidding as shown in **Table 5.1.6**.

Table 5.1.6: Amendment to clause regarding Lead Member's shareholding and tenure

Condition	Schemes of 2006 and 2007	Schemes of 2008, 2009 and schemes 2010(I), 2010 (II)	Scheme 2010 (III) and thereafter	
Lead Member's shareholding	Lead Member should be single largest shareholder having at least 51 <i>per cent</i> share in the consortium	Lead Member should be single largest shareholder having at least 26 <i>per cent</i> share in the consortium.	Lead Member should be single largest shareholder having at least 30 <i>per cent</i> share in the consortium.	
Condition	Schemes of 2006, 2007 and 2008	Schemes 2009 (II, III, IV, V, VI, VII)	Scheme 2009 (VIII) and 2010 (I and II)	Scheme 2010 (III) and thereafter
Tenure of Lead Member's shareholding	The shareholding of the Lead Member in the consortium shall remain unchanged till the completion of the project on obtaining the functional certificate from NOIDA.	The shareholding of the Lead Member in the consortium shall remain unchanged till the completion of at least one phase of the project is obtained from NOIDA.	The shareholding of the Lead Member in the consortium shall remain at least 26 <i>per cent</i> till the temporary occupancy/completion certificate of at least one phase of the project is obtained from NOIDA.	The shareholding of the Lead Member in the consortium shall remain at least 30 <i>per cent</i> till the temporary occupancy/completion certificate of at least one phase of the project is obtained from NOIDA.

Source: Information compiled by Audit.

It is evident from the above Table that reduction in Lead Member's holding from 51 *per cent* in schemes launched during 2006 and 2007 to 26/30 *per cent* in schemes launched during 2009 and 2010 reduced the stake and commitment of the Lead Member in executing the project. The tenure of shareholding was also revised from completion of project to completion of only first phase,

which made possible the exit of the Lead Member after part execution of the project as given in **Table 5.1.6**.

Table 5.1.7: Relaxing stipulation regarding Relevant Member’s shareholding

Condition	Schemes 2009 (II, III, IV, V, VI, VII, VIII) and 2010 (I, II)	Scheme 2010 (III) and thereafter
Relevant Member’s Shareholding	Each member of the consortium with equity stake of at least 10 <i>per cent</i> will be considered as the "Relevant Member".	Each member of the consortium with equity stake of at least 5 <i>per cent</i> will be considered as the "Relevant Member".

Source: Information compiled by Audit.

Thus, the easing of the above requirement has allowed entities with lower stakes to join the consortium. With these reductions, NOIDA has eased norms for entry to the consortium and lowered the commitment of the members as given in **Table 5.1.7**.

Table 5.1.8: Dilution of condition for determining onus of qualification

Condition	Schemes of 2006 and 2007	Schemes of 2008 and 2009 (II to VII)	Scheme 2009 (VIII) and thereafter
Onus for qualification	The Lead Member should singly qualify the minimum requirement of net worth, solvency, turnover and experience.	The Lead Member and the Relevant Members should jointly qualify the minimum requirement of net worth, solvency, turnover and experience.	The Lead Member and the Relevant Members should jointly qualify the minimum requirement of net worth, solvency, turnover and experience. In case the tenderer is a consortium, then the qualifications of the holding company(ies) of the Lead Member and the Relevant Members or their subsidiary companies shall also be considered as the qualifications of the tenderer.

Source: Information compiled by Audit.

As is evident from the above Table, the distribution of responsibility to qualify the criteria has allowed otherwise ineligible members to come together and qualify instead of attracting stronger players for executing the projects.

Table 5.1.9: Relaxing the responsibility for implementation of the project

Condition	Schemes of 2006, 2007, 2008 and 2009 (I to VII)	Scheme 2009 (VIII) and thereafter
Responsibility for implementation of the project	In case of a consortium, the members shall submit a MOA conveying their intent to jointly apply for the scheme(s), and in case the plot is allotted to them, the MOA shall clearly define the role and responsibility of each member of the consortium, particularly with regard to arranging debt and equity for the project and its implementation. The MOA should state that all members shall be jointly and <i>severally</i> responsible for the successful implementation of the project. MOA should be submitted in original duly notarised and registered with appropriate authority.	In case of a consortium, the members shall submit a MOA conveying their intent to jointly apply for the scheme(s), and in case the plot is allotted to them, the MOA shall clearly define the role and responsibility of each member in the consortium, particularly with regard to arranging debt and equity for the project and its implementation. MOA should be submitted in original duly notarised and registered with appropriate authority.

Source: Information compiled by Audit.

The clause for fixing responsibility of members for successful implementation of the project was removed from the terms and conditions, which has caused non-completion of a large number of projects as given in **Table 5.1.9**

From a perusal of the above, it can be observed that NOIDA, with the passage of time and significantly in 2009-10, kept on diluting the conditions with successive brochures. Audit observed that for successful execution of a project, the consortium consisting of different companies was required to work in unison but NOIDA's relaxations of conditions had served to weaken the consortiums. The onus on the allottee to complete the project stood reduced with the above-stated changes. The weakening of these conditions affected the commitment of the allottee builders to the projects which has contributed to non-completion of projects. With the reduction in builders' responsibility to complete the project, NOIDA has also compromised the position of the home buyers. The specific instances of benefits accruing to builders are discussed in **Paragraphs 5.1.8.2 to 5.1.8.4**.

In its reply, NOIDA stated (August 2020) that relaxations in conditions for consortium were made in view of economic slowdown and to revive the real estate sector. Demand for land was low in 2008. The decision regarding capabilities and shareholding of the Lead Member and the Relevant Members was taken in view of prevailing economic conditions and was appropriate in terms of purpose and principle. It is a normal procedure to add eligibility of holding company and subsidiary company. NOIDA further stated that assigning responsibility of each member was a better option than giving joint responsibility.

The reply of NOIDA is not acceptable as these changes have helped the members to exit from the project and reduce their commitment rather than helping them tide over economic slowdown. Reduction in shareholding of Lead Member from 51 *per cent* to 26 *per cent*, allowance of Relevant Member with less shareholding and removal of joint responsibility for the entire project resulted in non-implementation of the projects.

Irregularities in screening of applications and allotment

5.1.7 The process of tender for Group Housing plots in NOIDA entailed two-stage bidding with technical bid and financial bid being called for. The technical bid consisted of technical eligibility criteria requiring experience of work done in terms of number and size of projects executed and financial eligibility criteria specified requirement in terms of minimum net worth, solvency and turnover. The details submitted by applicants were then required to be evaluated by the Plot Allotment Committee (PAC)⁸. The brochure provided that the financial bids of only technically qualified bidders shall be opened. Thus, the bids of those applicants who did not qualify the technical eligibility criteria were not to be opened.

Audit noticed violations committed at the stage of screening of the applications and allotments. These are discussed in the following paragraphs:

⁸ Consisting of Officer on Special Duty (OSD), AGM (GHP), Finance Controller, Chief Project Engineer, Chief Architect Planner, Chief Legal Advisor and Administrative Officer.

Allotment to entities that did not meet even technical eligibility criteria

5.1.7.1 The financial eligibility condition laid down in various brochures (2009 to 2011) for allotment of plots required minimum total turnover of ₹ 200 crore from real estate activities for the last three accounting years. Real estate activities were stated as real estate development and construction activities and excluded merely trading in real estate. Non-fulfilment of any of the parameters either in the technical eligibility criteria or in the financial eligibility criteria implies that the bidder is not technically qualified and therefore ineligible. In all such cases, the next stage *viz.* opening of the financial bid is not warranted, let alone the bidder being considered for allotment.

Audit noticed that in the following two cases allotments were made to entities which did not possess turnover in relevant fields of business (real estate activities), which was an essential qualification for the bidder. The details are in **Table 5.1.10**.

Table 5.1.10: Allowance of turnover from other than real estate activities

Sl. No.	Plot No, Name of Allottee, Area of Plot	Premium of Plots (₹ in crore) and date of allotment (in bracket)	Name of Consortium constituents	Turnover in the last three years as mentioned in the tender document (₹ in crore)	Details of turnover not to be allowed (₹ in crore)	Actual turnover in the last three years (₹ in crore)	Remarks
1	GH-02 Sector 143 Logix City Developers Private Limited (100080.98 sqm)	235.69 (08.04.2011)	Logix Soft-tel Pvt. Ltd. (Lead Member)	32.00	25.10	6.90	Income from rent
			Logix Realty Developers Pvt. Ltd.	NIL	NIL	NIL	--
			V C Solutions Pvt. Ltd.	103.89	5.97	97.92	Fees and services
			IT Enfraservices Pvt. Ltd.	94.92	94.92	0.00	Rental income and other business receipts
			Noida Cyber Park Pvt. Ltd.	40.66	40.66	0.00	Income from rentals, service and maintenance charges and other income
			Lakshmi Constructions	15.53	0.24	15.29	Sale of scrap
			Total	287.00	166.89	120.11	
2	GH-01 Sector 143 Logix Infratech Pvt Limited	235.88 (17.08.2011)	Logix Soft Tel Pvt. Ltd. (Lead Member)	32.00	25.10	6.90	Income from rent
			V C Solutions Pvt. Ltd.	103.89	5.97	97.92	Fees and services

Sl. No.	Plot No, Name of Allottee, Area of Plot	Premium of Plots (₹ in crore) and date of allotment (in bracket)	Name of Consortium constituents	Turnover in the last three years as mentioned in the tender document (₹ in crore)	Details of turnover not to be allowed (₹ in crore)	Actual turnover in the last three years (₹ in crore)	Remarks
	(100112.19 sqm)		IT Enfraservices Pvt. Ltd.	94.92	94.92	0.00	Rental income and other business receipt
			Noida Cyber Park Pvt. Ltd.	40.66	40.66	0.00	Income from rentals, service and maintenance charges and other income
			Total	271.47	166.65	104.82	

Source: Information compiled by Audit.

In two cases allotments were made to entities which did not possess required turnover in relevant fields of business. These entities should have been disqualified at the technical bid stage.

During examination of the above cases, Audit noticed that allotments worth ₹ 471.57 crore for 2,00,193.17 sqm land were made during the period from April 2011 to August 2011 to consortiums which did not meet the essential qualification required for prospective bidders. In the above cases, the relevant turnover ranged between 52.41 *per cent* to 60 *per cent* of the specified required turnover. These entities should have been disqualified at the technical bid stage itself but they were allotted plots granting undue favour to them.

In its reply, NOIDA stated (September 2020) that the technical evaluation of the bids was done by UPICO. NOIDA's staff did not have technical skill required to examine net worth and relevant turnover of the applicant companies. NOIDA had to rely on the report of UPICO who was the expert consultant in this field and NOIDA accepted the list of technically qualified bidders as given by UPICO. It was stated that on the lines of the audit observation, assessment of total turnover in future schemes would be based on real estate activities as provided in the scheme brochure. NOIDA further stated that Government may consider fixing responsibility of members of PAC.

In the Exit Conference (September 2020) the Government also agreed to take action against those found responsible for omission, if any, after due process of enquiry.

The Government should consider fixing responsibility as agreed to in the Exit Conference and take action against all the officers in PAC, who failed to disqualify entities which did not even meet the technical evaluation criteria and yet were made allotments.

Leveraging of net worth for multiple allotments

5.1.7.2 The financial eligibility criterion of net worth is used to evaluate the applicant's ability to execute the project and for assessing their payment capability, Audit analysed the multiple allotments made to an entity to assess the robustness of the evaluation procedure (**Appendix-5.1.2**). The discrepancies observed are detailed in **Table 5.1.11**.

Table 5.1.11: Leveraging of net worth for multiple allotments

Sl. No.	Name of Company	No. of plots allotted	Year of allotment	Premium (₹ in crore)	Year of which net worth taken	Net worth of the Company (₹ in crore)	Aggregate of net worth utilised in multiple allotments (₹ in crore)	Status as on 31 March 2020
1.	Gaursons India Limited	4	2009-10	462.21	2008-09	73.01	146.48	Sub-divided plots-5, Completed-5
2.	Ultra Home Construction Pvt. Ltd.	3	2009-10	747.89	2008-09	68.89	157.72	Sub-divided plots-6, Completed-3, Partially completed-1, OC not issued-2
3.	Supertech Ltd.	4	2009-10	497.75	2008-09	183.46	270.49	Sub-divided plots-7, Completed-3, Partially completed-1, OC not issued-3
4.	Gulshan Homz Pvt. Ltd.	3	2009-10	357.40	2008-09	15.47	32.60	Sub-divided plots-6, Completed-5, Partially completed-1
5.	Agarwal Associates (Promoters) Pvt. Ltd.	2	2009-10	300.49	2008-09	47.83	84.43	Sub-divided plots-6, Completed-3, Partially completed-3
6.	Ajnara India Limited	2	2009-10	228.39	2008-09	55.90	111.80	Sub-divided plots-3, Completed-3
7.	Prateek Buildtech (India) Pvt. Ltd.	2	2009-10	233.69	2008-09	5.39	10.78	Completed-2
8.	Bihari JI Ispat Udyog Limited	2	2009-10	274.45	2008-09	31.31	31.86	Sub-divided plots-3, Completed-1, OC not issued-2
9.	Amrapali Homes Projects Pvt. Ltd.	2	2009-10	309.61	2008-09	16.26	32.52	Sub-divided plots-3, Completed-1, Partially completed-1, OC not issued-1
10.	Unitech Limited	2	2007-08	881.47	2005-06	224.53	300.00	OC not issued
Total				4,293.35		722.05	1,178.68	

Source: Information compiled by Audit.

Analysis of the table reveals that the applicants, individually as well as with consortiums, used their net worth upto a maximum of 2.29 times (Sl. No. 2) to garner more allotments from NOIDA. From the table, it is apparent that NOIDA evaluated net worth of the applicants case-wise but failed to evaluate the utilisation of net worth in aggregate as the allottees obtained more than one

NOIDA allowed applicants to use their net worth upto a maximum of 2.29 times to garner more allotments from NOIDA, which has resulted in distress to home buyers as 22,653 flats could not be completed.

allotment by leveraging their net worth multiple times. Though the previous allotments were known to NOIDA, PAC did not take cognisance of it and permitted prospective applicant companies to leverage their net worth for multiple allotments. Ultimately, this resulted in distress to home buyers as 22,653 flats out of 54,987 flats sanctioned in the above projects have not been completed till date (31 March 2020) as detailed in **Appendix-5.1.2.**

In its reply, NOIDA stated (September 2020) that the audit objection is factually correct. It stated that it would be appropriate to link net worth, solvency, and turnover of applicants with the previous allotments made to them.

In the Exit Conference (September 2020), the Government also directed strengthening the guidelines for evaluation of applicants of future schemes.

Absence of fair competition in allotment of plots

5.1.7.3 The Competition Act, 2002 defines⁹ “bid rigging” as “any agreement, between enterprises or persons engaged in identical or similar production or trading of goods or provision of services, which has the effect of eliminating or reducing competition for bids or adversely affecting or manipulating the process for bidding.”

Bid rigging takes place when bidders collude and keep the bid amount at a pre-determined level. Such pre-determination is by way of intentional manipulation by the members of the bidding group. One form of bid rigging is bid rotation in which all conspirators submit bids but take turns to be the highest/lowest bidder. A strict bid rotation pattern defies the law of chance and suggests that collusion is taking place.

NOIDA allots the Group Housing plots by inviting bids. While making the allotments, it should ensure that there exists fair competition between the participating bidders. A total of 67 allotments were made to builders during the period 2005-06 to 2016-17 and thereafter no allotments were made so far (March 2020). Of these, 49 allotments (73 per cent) were made during the period 2008-09 to 2010-11. In 42 out of 49 allotments, only two bids were received of which in 15 pairs of applicants (15 plots) the participating bidders were the same or of the same group.

Out of the above mentioned 15 cases where a pair of bidders competed amongst themselves, in nine cases of mutual accommodation, one allotment was made to each bidder as given in **Appendix-5.1.3** while in the remaining six cases the allotments were made to one bidder.

Audit noticed that the bid prices in the above 15 cases were very close to the reserve price fixed by NOIDA as these bids ranged between nil to 5.19 per cent higher than the reserve price.

In view of only two bids submitted by a pair of bidders for the plots and their bid prices being only marginally higher than the reserve price, collusion between the participating bidders cannot be ruled out, more so in those cases where alternate allotments were made to each of the participating bidders. Thus, in 15 allotments of plots valuing ₹ 2,611.36 crore, bid rigging and collusion between the bidders cannot be ruled out.

⁹ Advocacy series 3, Competition Act, 2002 ‘Provisions relating to Bid Rigging’ published by Competition Commission of India.

In its reply, NOIDA stated (August 2020) that it was a coincidence that in spite of wide publicity and economic slowdown, only those builders submitted their bids who found the scheme practically implementable and kept trying for allotment of different plots. The financial bids were evaluated by UPICO according to terms and conditions of the scheme and the allotments were also approved by the Board.

The reply is not acceptable in view of the fact that in the 15 cases mentioned above, a pair of bidders competed amongst themselves, where in nine cases one allotment was made to each of the bidders while in the remaining six cases, the allotments were made to one bidder. The above situation, viewed at a macro level, presents a very possible case of bid rigging by builders and the same being permitted by NOIDA. The reply of NOIDA is not acceptable in view of the fact that bid rotation was found in the above cases followed with minimal variations from the reserve price. Further, the bid rotation observed in these allotments was also questionable as per Competition Act, 2002.

The Government may consider having the matter investigated by the authority so competent.

Rigging of competition through use of group companies as competitors

NOIDA allowed two related group companies to participate in bid. Thus, the tender process was compromised through the use of group companies.

5.1.7.4 Audit noticed that two bidders i.e. Assotech Limited and Supertech Limited, participated as lead members of consortium/company for the plots (i) GH-3, Sector 137 measuring 51,000 sqm under Scheme GH-2009 (VII), (ii) plot GH-4, Sector 78 measuring 61,430 sqm under Scheme GH-2010 (I) and (iii) GH-01, Sector 74 measuring 2,49,410 sqm under Scheme GH-2010 (III).

Members of the consortium with Assotech Limited included Surya Merchants Limited, who had shareholding in the consortium. Audit noticed that Surya Merchants Limited was a group company of Supertech group. Thus, the tender process was compromised through use of group companies and was not fair. The technical report submitted by UPICO and the approval given by PAC failed to point out this fact in spite of it being clearly evident from the documents submitted by the bidder. The technical bidding of both the bidders should have been cancelled and retendering should have been undertaken by NOIDA.

Audit is of the view that the sanctity of the bidding and evaluation process was questionable. The fact of inaction on part of NOIDA in spite of repeated contraventions in the above three cases and low mark up on reserve price in the bids received as detailed in **Appendix 5.1.3** (Sl. No. 11, 12 and 13) also suggests that the integrity of the bidding process had been compromised.

In its reply, NOIDA stated (August 2020) that there were no restrictions in the brochure to prevent one company from being part of two separate consortiums. The competent authority on the recommendations of PAC accepted the bids after being technically evaluated by UPICO. NOIDA further stated that the point raised by Audit is worth considering and emulating and will be considered during future allotments.

The compliances of assurance given by NOIDA will be reviewed in next audit.

Despite being provisioned in the brochure; NOIDA did not cancel the plots in spite of delay in deposit of allotment money.

Non-cancellation of plots in spite of delay in deposit of allotment money

5.1.7.5 As per condition (G.2) of the scheme brochure¹⁰, the successful bidder was required to pay 10 *per cent* of the total premium of the plot as reservation money and thereafter the formal allotment letter was to be issued. The allottee was required to pay 30 *per cent* of the total premium of the plot as allotment money within 60 days from the date of issuance of such allotment letter. The brochure further provided that extension of time for depositing the reservation money and the allotment money shall not be allowed under any circumstances.

Audit observed that in contravention of the above condition, in two Group Housing allotments¹¹ under the above scheme, the allottees deposited the allotment money after five months and 49 months of the extended date¹² (02 March 2008) but NOIDA failed to take any action on the allottees, thereby condoning the delay. Further, NOIDA also failed to recover interest for the period of delay for which demand of ₹ 6.44 crore was raised in the first case¹³.

Audit observed that the relaxation given by NOIDA in case of both the plots mentioned above in deposit of allotment money was irregular as per the brochure conditions and allotment of plot should have been cancelled and the amount equivalent to registration money of ₹ 40 crore (₹ 20 crore in each plot) should have been forfeited as provided in clause 7 of Section G of brochure which states that in case of default, the allotment offer will be considered as cancelled without any further notice and the amount equivalent to registration money shall be forfeited. No interest will be paid on such amounts. This indicates that NOIDA failed to take action on transgressions even at initial stages and has granted undue favour to allottees at the expense of NOIDA.

In its reply, NOIDA stated (September 2020) that in view of elections, orders were issued for not taking any further action on the allotments made during 22 February 2007 to 13 May 2007. A committee constituted in the matter decided that the allottee should deposit the money within 30 days after the issue of the consent letter of NOIDA.

The reply is not acceptable as the period of abeyance due to elections lasted till January 2008 and an office order was issued on 31 January 2008 in which 30 days' time (up to 02 March 2008) was given to the allottees to deposit the allotment money during which the allottees did not deposit the same. Thus, NOIDA failed to adhere to the brochure condition which did not allow any extension for depositing the allotment money under any circumstances. Even after expiry of the said period on 02 March 2008, NOIDA neither cancelled the allotment nor forfeited the registration money of ₹ 40 crore, thereby showing special favour to the allottees.

Adverse impact of subdivisions and transfers

5.1.8 NOIDA, from its schemes of 2009-10 onwards started allowing sub-division of the allotted plots to the members of the successful

¹⁰ Scheme GH-2007(I) launched during 22.01.2007 to 06.02.2007.

¹¹ GH-01, Sector 115 measuring 1,13,529.27 sqm allotted to Ambience Projects & Infrastructure Limited at a premium of ₹ 199.24 crore on 18.04.2007 and GH-01, sector 118 measuring 1,33,750 sqm allotted to IVRCL Infrastructure & Projects Limited at a premium of ₹ 228.04 crore on 18.04.2007.

¹² Extension was allowed as the allottee was issued show-cause notice for some irregularities found in the allotment.

¹³ In the second case, due interest was paid by the allottee.

consortiums. This facility of sub-division was extended from the nascent stage by allowing sub-division of the plot just after approval of allotment and before execution of lease deed. Thus, a group of companies could come together as a consortium, qualify the already insufficient financial criteria (as discussed in **Paragraph 5.1.6.2**) on joint credentials (even of subsidiary or holding companies) and form an SPC for executing the project. Once the formal allotment was made, these companies could then sub-divide the plot and have separate lease deeds for each part, which effectively was the end of the association as each sub-divided part had a separate payment schedule. Further, NOIDA allowed transfer of sub-divided plots to third parties which further weakened the commitment of the builders to complete the projects. As a result, the 67 allotments made by NOIDA from 2005-06 to 2016-17 have been sub-divided into 113 properties.

Audit observed the following major discrepancies in this regard:

Sub-division without basis

The facility of sub-dividing the plots was given by GoUP as a part of recession relief measures upto March 2011 for existing allottees. But NOIDA allowed the facility for prospective allottees without paying any heed to the capability of the builders to execute the project on the sub-divided portions.

5.1.8.1 GoUP issued an order (October 2009)¹⁴ as a one-time measure of allowing transfer of plots above 40,000 sqm by paying two *per cent* transfer charges.

The terms and conditions laid down in the brochures¹⁵ provided that without obtaining the completion certificate, the allottee/lessee shall have the option to divide the allotted plot and to sub-lease the same with the prior approval of NOIDA on payment of transfer charges at the prescribed rate.

Though this facility was given by GoUP as a part of recession relief measures upto March 2011 and only for existing allottees facing financial problems, NOIDA incorporated the same as a part of its brochure for prospective allottees from November 2009 onwards till the present (March 2020). The facility thus introduced did not have any restrictions and as such gave a *carte blanche* to the builders to sub-divide the plots in a manner they deemed fit and NOIDA accepted the sub-divisions without paying any heed to the capability of the builders to execute the projects on the sub-divided portions.

It was observed that in 12 cases the allotted plots had been sub-divided into 32 plots (**Appendix-5.1.4**). On lines of the financial criteria laid down by NOIDA for assessment of builders’ capability, Audit evaluated the sub-divisions carried out by taking the net worth of the builder as the basis for judging the capability of the builder with respect to the size of the plot sub-divided. The year-wise position of sub-divisions is shown in **Table 5.1.12**.

Table 5.1.12: Sub-division of the plots without basis

Year of Sub-lease	No. of plots	No. of sub-divisions	No. of cases where sub-lessee received plot valuing more than net worth	Percentage of plot value to net worth
2009-10	1	2	1	53-346
2010-11	9	25	19	29-1399
2011-12	2	5	4	42-794
Total	12	32	24	

Source: Information compiled by Audit.

Of these 32 plots, in only eight cases the value of plot was commensurate to the net worth of the sub-lessee and in 24 cases the value of the sub-divided

¹⁴ GO number 1470/77-4-09-142 N/08 dated 25 October 2009.

¹⁵ GH -2009 (VII) and thereafter.

plot exceeded the net worth of the sub-lessee. It was observed that in these 24 cases the sub-lessee obtained plots ranging from 1.16 to 14 times of their net worth. In eight of these cases, the net worth of the sub-lessee was less than ₹ one crore and yet they were permitted sub-lease of plots worth ₹ 501.62 crore in aggregate.

It is thus, evident that NOIDA's decision to allow sub-division without any regulatory mechanism in place served effectively as a backdoor entry for transfer of valuable property into the hands of ineligible builders. NOIDA has embedded a one-time concession, based on the decision of GoUP, as a permanent feature by incorporating it in its brochures commencing from November 2009 and according the benefit not only to the existing allottees encountering difficulties but to all prospective allottees.

In its reply, NOIDA accepted (August 2020) the audit contention that financial eligibility of the sub-lessee should be in proportion to the sub-divided plot. This, it was stated, will be ensured in future.

In the Exit Conference (September 2020) Government accepted the audit observation and stated that detailed guidelines had been issued by Government in respect of sub-division of plots which would be adopted by NOIDA.

The implementation of the guidelines by NOIDA will be reviewed by Audit in due course.

Allowing exit of key member after qualification

NOIDA allowed key members to exit leaving the land/project to companies/members who were incapable of qualifying the allotment.

5.1.8.2 The terms and conditions specified in the brochures by NOIDA permitted the allotment to be made in favour of a consortium. By using consortium-based bidding, an association of companies/firms is able to pool resources to bid as a single entity, which has greater capability.

Audit noticed that in practice, the members who contributed most in fulfilling the allotment qualifications, exited the project once the allotment was finalised leaving the land/project to companies who by themselves were incapable of qualifying for allotment. The instances noticed by Audit are detailed in **Table 5.1.13**.

Table 5.1.13: Exit of key member of the consortium after allotment

Sl. No.	Plot number	Name of SPC and date of allotment (in bracket)	Name of exiting member	Share in consortium (in per cent)	Total net worth of consortium (₹ in crore) ¹⁶	Net worth of exiting member (₹ in crore)	Percentage net worth of exiting member	Exit date
1	GH-01 Sector 120	Prateek Realtors India Private Limited (10 Dec 2009)	Gaursons India Limited	11	78.4	73.01	93.12	22-02-2011
2	GH-04 Sector 45	Megitech Infradevelopers Pvt Ltd (08 February 2010)	Jakson Limited	10	190.46	180.7	94.88	27-05-2010

¹⁶ Total net worth required was ₹ 75.00 crore in respect of allotments at Sl. No. 1 to 10 and ₹ 250.00 crore in case of Sl. No.11.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Plot number	Name of SPC and date of allotment (in bracket)	Name of exiting member	Share in consortium (in per cent)	Total net worth of consortium (₹ in crore) ¹⁶	Net worth of exiting member (₹ in crore)	Percentage net worth of exiting member	Exit date
3	GH-02 Sector 77	Express Builders and Promoters Pvt. Ltd. (31 March 2010)	Agarwal Associates (Promoters) Ltd.	10	88.81	47.83	53.86	19-09-2011
			Sunglow Builders Pvt. Ltd.	10		14.25	16.05	30-09-2011
			Gulshan Homz Pvt. Ltd.	10		15.47	17.42	28-07-2011
4	GH-5 Sector 78	Sunshine Infrawell Pvt. Ltd. (16 March 2010)	Param Dairy Ltd	10	75.95	52.14	68.65	29-09-2010
5	GH-3 Sector 143	Kindle Infraheights Pvt Ltd (29 April 2011)	Meriton Infotech Pvt. Ltd.	5	91.55	26.57	29.02	30-09-2014
			Sutlej Agro Products Ltd.	5		50.08	54.70	30-09-2014
6	GH-01 Sector 137	Imperial Housing Ventures Pvt Ltd (14 Jan 2010)	Ashok Lalwani	10	105	40	38.10	27-12-2010
			Dilip Kumar Lalwani	10		65	61.90	27-12-2010
7	GH-03 Sector 77	Perfect Propbuild Pvt Ltd (31 March 2010)	Supertech Ltd	10	183.46	183.46	100.00	30-03-2013
8	GH-05 Sector 137	Panchsheel Exotica Housing Pvt. Ltd. (12 March 2010)	Supertech Ltd	10	196.51	183.46	93.36	26-04-2014
9	GH-01 Sector 143	Logix Infratech Pvt Ltd (17 Aug 2010)	NOIDA Cyber Park Pvt Ltd	10	207.44	74.32	35.83	31-03-2011
			IT Enfraservices Pvt Ltd	10		67.59	32.58	31-03-2011
10	GH-02 Sector 143	Logix City Developers Pvt Ltd (08 April 2011)	NOIDA Cyber Park Pvt Ltd	5	207.44	74.32	35.83	13-06-2011
			IT Enfraservices Pvt Ltd	5		67.59	32.58	13-06-2011
11	Sec 75 Eco City	AIMS Max Gardenia Developers Pvt. Ltd.(09 June 2010)	AMR Constructions Ltd	10	337.55	278.05	82.37	31-03-2015

Source: Information compiled by Audit.

It may be seen from the above table that out of 11 cases, in five cases the member exited in less than a year of allotment and in two cases in less than two years. From analysis of the above table, it is evident that after facilitating allotment of plots, key members who contributed majority of net worth ranging from 68 per cent to 100 per cent exited from the consortium. It was observed that the share of none of these members in the respective consortium exceeded 11 per cent. It is evident that these members joined the consortium only for facilitating allotment by lending their credentials (profile) and thereafter exited the SPC.

Thus, builders came together for a transitory period and helped otherwise ineligible entities to qualify for allotment and after the formal allotment was in place exited the consortium. The exit of key members of the consortium in a matter of merely a few months after allotment in multiple cases, indicate a lack of regulatory control by NOIDA. This resulted in distress to home buyers as 10,769 flats out of 27,370 flats sanctioned in six of the above projects have not been completed till date (31 March 2020) as detailed in **Appendix 5.1.5**.

In its reply, NOIDA stated (September 2020) that the exit of consortium members was as per the provisions of the brochure. However, this point, it was stated, is noted for future schemes. A revision is being proposed in the brochure conditions allowing no exit to any consortium member till completion of the project.

The reply also confirms the practice of consortium members exiting as early as within a year, which by implication suggests that the original allottees were not committed to the construction of Group Housing units. As it can be seen that the projects have not been completed and prospective buyers have faced distress due to investment of their life savings in these incomplete projects. It shows complete lack of financial prudence on behalf of NOIDA and non taking into account interest of prospective buyers.

Transfers through Change in Shareholding

NOIDA abolished charges for change in shareholding which facilitated the allottee company to transfer the plot without any charges to parties who otherwise may not have been qualified for the allotment.

5.1.8.3. NOIDA imposed charges for Change in Shareholding (CIS) of allottees in proportion to changes in shareholding. The Board in its 152nd meeting (July 2008) allowed transfer of upto 49 *per cent* of share capital of the allottee on payment of applicable transfer charges. It also allowed introduction of new members in the consortium on payment of CIS charges. However, NOIDA issued an office order on 27 October 2010 abolishing the CIS charges and the requirement of deed for registering changes in shareholding. The order stated that the changes in shareholding could not be considered as transfer of property of a company. This order was ostensibly based on GoUP order (11 October 2010)¹⁷.

Audit noticed that though the GoUP order did not address the CIS charges levied by NOIDA but NOIDA still went ahead and abolished the provision of CIS charges quoting the GoUP order. NOIDA's order allowed the allottees to transfer ownership of companies holding allotted plots without payment of any charges to NOIDA. This order facilitated the allottee company to transfer the plot in favour of another set of shareholders, without any charges, who otherwise may not have been qualified for the allotment of plot. The said order of GoUP was rescinded on 04 February 2020 to stop tax evasion through this route. Audit observed that on the one hand, NOIDA provided allotment to SPC constituted specifically for the purpose of allotment of a particular plot and on the other hand allowed unrestricted transfer of title of plots through changes in shareholding.

A Group Housing plot GH-03, Sector 143 measuring 1,00,166.30 sqm was allotted to a consortium having Silverado Estates Private Limited as Lead Member and five Relevant Members under the scheme GH 2011-(I) launched by NOIDA during March 2011 at a bid price of ₹ 23,570 per sqm against

¹⁷ This G.O was regarding execution of sale deed and payment of stamp duty in pursuance of change of company's name/change in shareholding.

reserve price of ₹ 22,440 per sqm. An allotment letter was issued on 08 June 2011 for a premium of ₹ 236.09 crore. On 06 July 2011, NOIDA granted permission for sub-division of the plot as detailed in **Table 5.1.14**.

Table 5.1.14: Sub-division of plot GH-03 Sector 143

Plot no.	Area (In sqm)	Total Premium (₹ in crore)	Name of sub-allottee
GH 3 A, Sector 143	50,166.30	118.24	Three C Estates Private Limited (Incorporated on 30.12.2010 before launch of tender), an SPC of Silverado Estates Pvt. Ltd. (Lead Member of the consortium) and Flair Realcon Pvt. Ltd.
GH 3 B, Sector 143	50,000	117.85	Kindle Infra Heights Private Limited (SPC of Moon Light Sports Private Limited, Sara Buildcon Private Limited, Meriton Infotech Pvt. Ltd. and Sutlej Agro Products Limited)

Source: Information furnished by NOIDA.

Audit observed that four out of the six consortium member companies were incorporated during 2010-11. The financial credentials related to turnover and technical experience were fulfilled by the holding company of the Lead Member i.e. Three C Universal Developers Pvt. Ltd. as all the six consortium members did not have any turnover and technical experience from real estate activities. Out of six companies in the consortium, five companies, other than Sutlej Agro Products Limited, had common directors/shareholders.

Further, another company viz. Gulshan Homes and Infrastructure Pvt. Ltd. informed NOIDA (on 14 March 2012 and on 23 April 2012) regarding change in directorship and name of SPC from Three C Estates Pvt. Ltd. to Gulshan Homes and Infrastructure Pvt. Ltd. Audit noticed that all the directors of the existing companies resigned and a new set of directors were appointed. NOIDA noted (13 August 2012) the changed name of SPC and its directors in its records despite no provision for change of name of SPC. It was also informed that there was no change in the shareholding pattern of the SPC.

Audit further noticed that after change in the name of the SPC the name and share of the consortium members remained the same up to 31 March 2018. Due to this, *prima-facie* it appeared that the plot was not transferred to the other company, but on cross verification by Audit with the records held by the RoC, it emerged that shareholding of Silverado Estates Pvt. Ltd. and Flair Realcon Pvt. Ltd. was changed on 14 March 2012. This is detailed in **Table 5.1.15**.

Table 5.1.15: Transfer of plot through 100 per cent change in shareholding

Plot no. & Sector	Name of consortium constituents	Shareholders	30 September 2011	14 March 2012
GH-3A, Sector 143	Silverado Estates Pvt. Ltd.,	Three C Universal Developers Pvt. Ltd.	9999	NIL
		Surpreet Singh Suri	01	NIL
		Gulshan Nagpal	NIL	5000
		Ritu Nagpal	NIL	5000
	Flair Realcon Pvt. Ltd.	Three C Infratech Pvt. Ltd.	9999	NIL
		Deepak Khurana	01	NIL
		Deepak Kapor	NIL	7000
	Rajesh Nagpal	NIL	3000	

Source: Information compiled by Audit.

Audit observed that the shareholding of the consortium members of the SPC was changed 100 *per cent* on 14 March 2012. The SPC while informing NOIDA stated that there is no change in the SPC's shareholding pattern. It thus, misrepresented to NOIDA the fact that the whole plot was transferred to Gulshan Homes and Infrastructure Pvt. Ltd. by Three C Estates Private Limited (a Three C group company), the erstwhile SPC, by change in shareholding of consortium members. The Group Housing Wing of NOIDA also failed to bring out this fact.

Evidently, the plot was taken not for implementation of the project but for trading. When 100 *per cent* shareholding of the consortium members was changed, the ownership of the plot also changed. In cases where an SPC is created for the purpose of obtaining allotment of a single plot, the change of shareholding is attributable to the sole purpose of transfer of plot.

Similarly, in 12 other cases, the shareholding of allottee companies was changed as detailed in **Table 5.1.16**.

Table 5.1.16: Change in shareholding of SPC after allotment

SI. No.	Plot No.	Allottee name and date of allotment (in bracket)	Shareholding change percentage	Charges leviable @ 5 per cent (2 per cent upto 31 March 2011) (₹ in crore)	Date of change of shareholding
1.	GH-1/B Sector 168	Opulent Infra Developers (subsidiary of Three C Universal Pvt. Ltd.) (17 Aug 2010)	100	0.94	01.03.2011
			99.603	2.35	30.09.2015
			99.5	2.35	28.03.2016
2.	GH-1/E Sector 168	Capital Infra Projects Pvt. Ltd. (17 Aug 2010)	50	0.94	03.01.2011
			100	1.89	24.03.2011
3.	GH-1/C Sector 168	Sun World Residency Pvt. Ltd. (17 Aug 2010)	75	3.56	01.11.2011
4.	GH-01, Sector 118	IVR Prime Developers (Avadi) Private Limited (18 April 2007)	100	11.40	26.04.2012
5.	GH-02, Sector 119	IVRCL Aranya Projects Private Limited (04 Oct 2006)	99	5.17	26.02.2016
6.	GH-05, Sector 121	IV County Private Limited (03 Oct 2006)	95	6.76	14.06.2014
7.	GH-01/A, Sector 76	Amrapali Silicon City (03 March 2010)	10.22	1.88	17.09.2012
8.	GH-05/B, Sector 78	Sunshine Infrawell Private Limited (16 March 2010)	33.35	0.29	20.09.2010 & 29.01.2011
			20	0.44	22.03.2013
9.	GH-02/C, Sector 77	Civitech Developers Private Limited (31 March 2010)	31.25	0.66	28.07.2011
10.	GH-1, Sector 137	Imperial Housing Ventures Private Limited (14 Jan 2010)	42.50	2.10	31.03.2010
			25	1.24	24.03.2011
11.	Sec 75	Aims Max Gardenia Developers Private Limited (09 June 2010)	30	9.56	31-03-2015
			57	18.16	31-03-2017
12.	GH-01 Sector 46	Gardenia Aims Developers Private Limited (03 Sep 2009)	29.91	2.26	29-09-2012
Total				71.95	

Source: Information compiled by Audit.

Thus, it is evident from the table above that the control of the allottee companies had changed with the change in shareholding and concurrently the plots were also transferred to third parties. It was also observed that nine of these allotments were made during the period 2009-10 to 2010-11. The changes in shareholding commenced from periods as short as three months from date of allotment, with the transfer in shareholding ranging from 10 *per cent* to 100 *per cent*. CIS charges amounting to ₹ 71.95 crore were also not levied on the transfer resulting in loss of revenue to NOIDA.

In its reply, NOIDA stated (September 2020) that in view of Government orders of October 2010, an order was issued providing that charges for changes in shareholding will not be levied and prior approval of NOIDA would not be required for upto 100 *per cent* change in shareholding. It was further stated that the above Government order has been rescinded (February 2020) by the Government which has been adopted by the Board (August 2020). Hence, provision for charges on change in shareholding has been made.

The reply is not acceptable as the Government orders dated 11 October 2010 was regarding non-levy of stamp duty and nothing was mentioned in the order about CIS charges. The contention of Audit is further reconfirmed by the fact that GoUP had rescinded the order in February 2020 stating that this resulted in decrease of revenue of the Government. Further, the decision of NOIDA regarding allowance of transfer of plot through change in shareholding without intimation to NOIDA was beyond the GoUP order and also against the interests of NOIDA as it resulted in transfer of plots and non-implementation of several projects.

Irregular transfer of plots

In contravention to the brochure condition and Board decision, allottees misused the entire mechanism of implementation through subsidiary to effect transfer of plots to third parties.

5.1.8.4 The Board of NOIDA approved (July 2008) a proposal regarding change in prevailing rules with the purpose of ensuring completion of projects in a time-bound manner. It was decided that implementation of the whole project was to be done in the ownership of original allottees. Original allottees had to retain a minimum of 51 *per cent* share in the company till the completion of the project. Further, it was decided that if an allottee having plot area of 1,00,000 sqm or more wants to develop the project in phases, the allottee has to submit Detailed Project Report (DPR) for this purpose. After written approval from NOIDA, the allottee could develop the project through its subsidiary company in which the allottee has not less than 90 *per cent* share. The allottee company had the right to sub-lease the portion of land allotted to subsidiary companies for development in phases as per DPR approved by NOIDA.

Clause T (Transfer of plots) of the brochure provided that the transfer of allotted group-housing plot as a whole will not be allowed under any circumstances.

IVRCL Limited (erstwhile IVRCL Infrastructure & Projects Limited) was allotted three Group Housing plots under the schemes launched during 2006-07. The allottee requested implementation of the project through its subsidiaries. NOIDA granted permission to the allottee to transfer its development rights to the subsidiaries of the allottee. However, Audit observed that in reality, transfer of plots was effected through change of shareholding of subsidiaries as detailed in **Table 5.1.17**.

Table 5.1.17: Transfer of plots through subsidiaries

Sl. No.	Plot no. & Sector	Actual area of plot	Detail of subsidiary	Date of request to implement through subsidiary	Date of approval given by NOIDA	Status	Remarks
1	GH-01, Sector 118	1,33,750 sqm	IVR Prime Developers (Avadi) Private Limited	03.04.2012	16.04.2012	Transferred to Supertech Limited and Ajnara India Limited on 25.4.2012	Lease deed of the plot executed on 19.04.2012 and possession was taken on 25.04.2012
2	GH-02, Sector 119	72,594 sqm	IVRCL Aranya Projects Private Limited (incorporated on 21.02.2012)	24.08.2012	29.08.2012	Transferred to Unnati Fortune Holding Ltd on 26.02.2016.	Transferred inspite of dues of ₹ 18.19 crore at the time of transfer
3	GH-05, Sector 121	99,820 sqm	IV County Private Limited (incorporated on 17.02.2012)	07.03.2012 & 17.07.2012	29.08.2012	Sub-lease deed was executed with the subsidiary on 31.01.2014. Transferred to ABA Builders Limited on 14.6.2014. Allottee informed NOIDA on 5.11.2015.	-

Source: Information compiled by Audit.

From the table above it is evident that all these plots were transferred to third parties after getting permission for implementation through subsidiary.

Audit observed that there were several anomalies in the approval given.

- A proposal for the above plot GH-05, Sector 121 was submitted in the 177th Board meeting on 25 July 2012 for execution of the project through the allottee's subsidiary, in which the Board decided to postpone the proposal. Instead of waiting for the Board decision, OSD, Group Housing at his level without any authority to do so, granted (August 2011) permission in case of the above plot and another plot No. GH-02, Sector 119. Thereafter, *post facto* approval of the Board was obtained in its 178th Board meeting on 11 January 2013. No approval for plot number GH 01, Sector 118 was taken from the Board.
- Permission for implementation of the project through subsidiaries of the allottee was given without submission of DPR.
- As per the condition of the brochure there was no provision to transfer the entire land to the subsidiary companies and only a portion of land (phase) was to be allowed for sub-lease, but NOIDA granted permission for transfer of the entire plot which was against the provision of the brochure and Board decision of July 2008, which were later transferred to the other companies. There were outstanding dues of ₹ 380.87 crore (March 2020) of NOIDA against two (GH-01, Sector 118 and GH-02, Sector 119) of three properties.

Thus, it is evident that the entire mechanism of implementation through subsidiary was misused by the allottee to effect transfer of plots to third parties, while NOIDA permitted transgressions of laid down conditions and the Board even approved the transfer *post-facto* thereby regularising these transgressions.

In its reply, NOIDA stated (September 2020) that in case of plot no. GH-01, Sector 118, the CEO was competent for approval in respect of transfer of land to subsidiaries. Approval was given with the condition that the responsibility to pay liability/dues of IVRCL Limited pertaining to the project will be of their subsidiary. NOIDA had not granted any permission for transfer of plot to Supertech Limited and Ajnara India Limited as well as to Unnati Fortune Holding Limited. It was further stated that in case of plot no. GH-05, Sector 121, NOIDA had recorded the transfer of shareholding of IVRCL Limited to ABA Builders Limited as per policy.

The reply is not acceptable in terms of the brochure condition which did not allow the transfer of the whole land and in view of the fact that 51 *per cent* shareholding was to be with the original allottee till completion of the project. NOIDA could not exercise any control over the subsidiaries whose control was subsequently transferred. Also, transfer of plots to subsidiaries were approved without submission of DPR which was in supersession of the policy provisions laid down by the Board. Further, the reply of NOIDA addresses only the part of the audit observation regarding permission for transfer of shareholding to third parties which was given only for GH-05 Sector 121. In fact, the shareholding of all three subsidiaries was taken over by other parties and control of property was effectively transferred.

Irregular sub-lease of plots

5.1.8.5 The standard lease agreements approved by NOIDA provide that the lessee/sub-lessee shall have the right to sub-lease the developed plot(s) and built up space as per the layout and building plans approved by NOIDA at its own price. No transfer charges shall be applicable in case of first sub-lease of the developed plot(s) and/or built up space including the built up space on the sub-divided plot(s) as described above within two years after the date of completion. However, for subsequent sales, the transfer charges¹⁸ as prevalent at the time of transfer or as decided by NOIDA shall be payable.

NOIDA, by an office order (15 June 2009), accorded permission for implementation of the project in phases through the developers. In this regard, sub-lease permission was granted to the developers for the portion of land taken for the development in a phase after total payment of premium of that portion of land. As per provision of the above office order, the lessee was not entitled to complete transaction for sale, transfer, assign or otherwise part with possession of the whole or any part of the building constructed thereon before making payment of land premium as per the schedule specified in the lease deed of the plot.

Audit observed that the following transfers took place in Sector 75 in pursuance of the above order as detailed in **Table 5.1.18**.

¹⁸ At the rate of five *per cent*.

Table 5.1.18: Non-levy of transfer charges

Sl. No.	Plot No.	Area allotted (sqm)	Name of the Sub-Allottee	Date of Allotment	Date of Sub-lease Deed	Transfer charges (₹ In crore)
1	GH-04 (ECO CITY)	20,000	M/S J.M. Infratech Pvt. Ltd.	21.12.2011	02.01.2012	1.58
2	GH-02 (ECO CITY)	20,000	M/S Aims Promoters Pvt. Ltd.	02.01.2012	02.01.2012	1.58
3	GH-03 (ECO CITY)	20,000	M/S Aims Rg Angel Promoters Pvt. Ltd.	02.01.2012	02.01.2012	1.58
4	GH-09 (ECO CITY)	20,000	M/S Gardenia India Ltd.	02.01.2012	15.02.2012	1.58
5	GH-10 (ECO CITY)	20,000	M/S Futec Shelters Pvt Ltd.	02.01.2012	13.01.2012	1.58
6	GH-05 (ECO CITY)	15,771.23	M/S Indosam Infra Pvt. Ltd.	21.02.2012	23.02.2012	1.24
7	GH-12A (ECO CITY)	20,000	M/S Apex Dream Homes Pvt. Ltd.	18.03.2013	22.03.2013	1.58
8	GH-16 (ECO CITY)	20,000	M/S Valuent Infradevelopers Pvt. Ltd.	18.03.2013	18.03.2013	1.58
9	GH-17 (ECO CITY)	20,000	M/S Maxblis Construction Pvt. Ltd.	18.03.2013	20.03.2013	1.58
10	GH-14 (ECO CITY)	20,000	M/S E-Homes Infrastructure Pvt. Ltd.	22.03.2013	20.03.2013	1.58
Total						15.46

Source: Information compiled by Audit.

Audit observed that in above cases the allottee sub-leased the plot without depositing the up-to-date dues. The dues against the allottee/sub-allottees were ₹ 124.70 crore and ₹ 208.40 crore as of December 2011 and March 2013 respectively, but in spite of the pending dues, NOIDA permitted sub-leases of the plots. On this issue, the Hon'ble Supreme Court has also observed¹⁹ that *"The Noida and Greater Noida Authorities were grossly negligent in reviewing and monitoring the progress of the projects and in collusion with leaseholders failed to take action concerning non-payment of dues and illegally permitted the group to sub-lease the land without payment of dues"*.

In further violation of its own rules, NOIDA also failed to levy transfer charges amounting to ₹ 15.46 crore on the plots sub-leased, thereby causing a loss to NOIDA.

From the above, it can be concluded that the above system of transfer and sub-division, instead of helping in implementation of the projects, helped the allottees to transfer land to third parties. Since land is a valuable and finite resource and transfers were between business entities, there is a certainty of transfers being made at a substantial profit, which should have accrued to NOIDA in the first place. It has also made a mockery of the selection procedure put in place by NOIDA and has resulted in encouraging trading of land rather than its development with the consequence that home buyers are saddled with unfinished projects.

¹⁹ writ petition (C) 940/2017.

In its reply, NOIDA accepted (September 2020) that the sub-lease deeds were executed inspite of dues after taking undertakings from the sub-allottees. In respect of terms and conditions regarding provision of transfer charges, NOIDA stated that it is necessary to bring more clarity so that provisions of sub-lease of land and sub-lease of flats are clearly distinguishable.

Though NOIDA has accepted allowing of sub-lease deed of sub-divided plots without depositing the dues, the same was not in line with its order (June 2009). Transfer charges were to be levied by NOIDA in case of sub-lease of land, which were not recovered, resulting in loss of revenue.

Post-allotment discrepancies relating to land allocation

5.1.9 After allotment by the Group Housing Wing, the possession of land is handed over to the allottee by the respective works circle²⁰ in whose jurisdiction the plot falls. The Works Circle is also tasked with developmental work on the acquired land. The Planning wing prepares the site plan, on the basis of which the plots are demarcated. The Planning wing also approves the layout plan/map of each plot and ensures that construction is carried out as per prevailing Building Bye-laws. The discrepancies observed in the above procedure are discussed hereunder:

Allotment without land availability

5.1.9.1 As per the terms of the brochures of schemes, allotted land will be handed over to the lessee after execution and registration of lease deed. Possession of part of the land shall not be allowed. Further, it was provided that if due to any *force majeure* or such circumstances beyond NOIDA’s control, NOIDA is unable to make allotment or facilitate the lessee to undertake the activities in pursuance of the executed lease deed, the deposits depending on the stages of payments will be refunded along with simple interest at four *per cent* per annum, if the delay in refund is more than one year from such date. In case NOIDA is not able to give possession of the land in any circumstances, deposited money will be refunded to the allottee with simple interest.

A Group housing plot no. GH-01, Sector 115 measuring 1,52,240 sqm was allotted to Ambience Projects & Infrastructure Limited under the Scheme GH-2007(01). Allotment letter was issued on 18 April 2007 for a total premium of ₹ 267.18 crore. Lease deed was executed on 18 July 2018 for 1,13,529.27 sqm land.

Audit noticed that the land was partially available for allotment at the time of launching of the scheme on account of compensation dispute with the local farmers. The allottee demanded (June 2008 to June 2017) to execute the lease deed and reschedule the payment schedule from NOIDA.

Audit observed that NOIDA, though not in a position to give possession of the entire land, did not cancel the allotment of the plot. During January 2008 to June 2015, NOIDA failed to get exact information about availability of the land from its own wings *i.e.* from Works Circle, Land Wing and Legal Wing. NOIDA could not investigate the difference in land availability of 1,45,658 sqm as per revenue records and the land available of 1,13,529.27 sqm as per

NOIDA could not provide land to the allottees as the allotments were made without availability of land. Despite being provision for refund of money deposited in the brochure within a year, NOIDA did not take any action. As a result possession was given after four to ten years at an initial allotment rate. Due to inaction, NOIDA suffered losses to the tune of ₹ 869.76 crore in three cases.

²⁰ Works Circle is a unit of Engineering wing which carries out development works in a designated area.

the dimension plan submitted. In the meanwhile, the allottee repeatedly requested to execute the lease deed and get possession of the available land and asked to provide dimension map of the available land. The Project Engineer submitted (16 June 2015) the dimension map of 1,13,529.27 sqm land. In February 2017, the allottee was informed about availability of 1,13,529.27 sqm land and the same was handed over to the allottee in July 2018 after more than 10 years of the allotment. As for the period from date of allotment (18 April 2007) to date of handing over of land, the allottee was neither given encumbrance free possession of land nor was money refunded (₹ 106.87 crore), NOIDA had to grant Zero period²¹ for this duration. It was further observed that the plot should have been cancelled in March 2008 and re-auctioned in 2018 at the prevailing rates. In 2018 the value of the available land had risen to ₹ 543.69 crore. Thus, due to inaction from the Group Housing Wing, NOIDA suffered losses to the tune of ₹ 344.45 crore²².

Similar losses were suffered by NOIDA in two other cases as shown in **Table 5.1.19**.

Table 5.1.19: Loss due to allotment of plots without availability of land

Sl. No.	Plot no. & sector	Name of allottee	Date of allotment	Area of plot in the brochure (in sqm)	Allotment rate (₹ per sqm)	Area of plot as per lease deed (₹ per sqm)	Date of lease deed	Rate at the time of lease deed (₹ per sqm)	Loss to NOIDA (₹ in crore)
1	GH-03, Sector 144	Unitech Limited	14.03.2011	1,00,400	23,640	96,741.50	16.07.2015	66,610	415.70
2	GH-01, Sector 118	IVRCL Infrastructure & Projects Limited	18.04.2007	1,33,750	17,050	1,33,750.00	19.04.2012	25,245	109.61
Total									525.31

Source: Information compiled by Audit.

Thus, NOIDA proposed allotment of land which they did not possess and resultantly had to provide zero period to the allottees. It also failed to cancel allotment of the plots which resulted in non-realisation of potential revenue to the tune of ₹ 869.76 crore (₹ 344.45 crore + ₹ 525.31 crore) which could have been realised had these three allotments been made from unencumbered land.

In its reply, NOIDA accepted (September 2020) that in all the three cases allotment of land without its availability had been against the interest of NOIDA for which responsibility will be fixed after investigation. It was stated that in future, land availability will be ensured at the time of allotment.

The compliance of reply of NOIDA will be reviewed in next audit.

Loss due to non-levy of stamp duty on Purchasable Floor Area Ratio (FAR)

5.1.9.2 As per GoUP order²³ (16 November 2015), stamp duty at the applicable rate was leviable on the amount realised for additional FAR granted to an allottee. The Government order asked Infrastructure and Industrial

²¹ Zero period is the period for which NOIDA does not charge interest on the outstanding premium.

²² {1,13,529.27 sqm*(₹ 47,890-₹ 17,550)}

²³ G.O. no-26/2015/1324/94 stamp registration-2-2015-700(349)/15.

Development Department to direct all authorities in the State to get supplementary deed for the amount of additional FAR registered after depositing the requisite stamp duty.

In this context, NOIDA allowed additional FAR to allottees on purchasable basis as per Noida Building Bye-laws 2010. Audit observed that in 18 cases purchasable FAR worth ₹ 540.68 crore (**Appendix 5.1.6**) was granted to allottees on which stamp duty was not levied. Non-imposition of stamp duty resulted in loss to the Government exchequer to the extent of ₹ 27.03 crore²⁴.

In reply, NOIDA stated (August 2020) that grant of additional FAR does not result in increase in immovable property hence no sale deed is registered and no stamp duty is got deposited.

The reply of NOIDA is not acceptable as the Government order clearly states that the consideration received for additional FAR amounts to increase in the value of the land, hence a supplementary lease deed should be registered after depositing stamp duty.

Failure of the Finance Wing in Group Housing Allotments

5.1.10 The Finance Wing of NOIDA deals with all financial and accounting matters and offers its comments and suggestions on all matters having financial implication. Finance Controller (FC) is the head of the Finance Wing who is assisted by Accounts Officers and other staff. Being the head of the Finance Wing, the FC is responsible for safe custody of the receipts of NOIDA.

The banks authorised by the Finance Wing for collection of instalments/other dues have a separate account for each scheme. The banks send the bank statement of each scheme account along with challans of all deposits received against the scheme to the Finance Wing.

Audit noticed that deposits made by the allottees were not being reconciled with the challans and bank statements by the Finance Wing. It was further observed that only a few challans in original were found in the files checked by audit. Therefore, accuracy and correctness of the deposit amounts shown in the MIS system against the allottees could not be ensured in audit due to non-reconciliation by NOIDA.

In its reply, NOIDA stated (August 2020) that necessary modification is being made in view of the audit observation.

Case study

Irregular appropriation of amount deposited against surrender of plot GH-02, Sector 143

Surrender clause in the brochure for Group Housing Scheme GH- 2010(IV) provided that:

- i. in case of surrender after the deposit of reservation money, but before the date of deposit of the allotment money, 100 *per cent* of the registration money shall be forfeited and any deposit over and above the registration money may be refunded without any interest.

²⁴ Five *per cent* of ₹ 540.68 crore.

ii. in case of surrender after the deposit of the allotment money but before the execution of the lease deed, full amount of the registration money and any deposit over and above the registration money shall be forfeited.

Under the scheme, plot no. GH-02, Sector 143 measuring 2,00,247.28 sqm was allotted to Unitech Ltd. on 13 October 2010 at a premium of ₹ 472.98 crore.

As per the conditions of the brochure, the successful bidder was to pay five *per cent* of the total premium of the plot as reservation money i.e. ₹ 23.65 crore after adjusting registration money of ₹ 10 crore deposited at the time of submission of tender within 30 days from the date of issuance of acceptance letter. The allottee, on issue of the formal allotment letter was required to pay a further five *per cent* i.e. ₹ 23.65 crore as allotment money within 60 days from the date of issuance of such allotment letter *i.e* by 11 December 2010.

The allottee deposited reservation money of ₹ 13.65 crore on 11 October 2010. The allottee applied on 25 February 2011 for surrender of the plot confirming that he has not paid allotment money. NOIDA on such confirmation accepted the surrender application of the allottee on 08 March 2011 and refunded ₹ 13.65 crore to the allottee after forfeiting ₹ 10 crore registration money as full and final payment.

Audit observed that in addition to the reservation money (₹ 23.65 crore deposited on 11 October 2010), the allottee deposited ₹ 23.65 crore on 11 December 2010 as allotment money in HDFC Bank. However, the allottee on 13 December 2010 requested the bank to credit the amount deposited in the name of Plot no. GH-01, Sector-117, which was previously allotted to them during April 2007. On such request from the allottee, HDFC Bank certified that payment may be considered for Plot no. GH-01, Sector-117 against instalment. Subsequently, in reference to HDFC Bank's letter dated 13 December 2010, NOIDA's FC sought a clarification from the bank on 01 April 2011 regarding the payment status. The bank informed that the amount was deposited on 11 December 2010 by showing the plot no. GH-02 Sector-143 which was credited against property GH-01, Sector-117 towards instalment on the request of the allottee on 13 December 2010 by correction made in the challans. The above facts show that ₹ 23.65 crore was deposited by the allottee for the surrendered plot.

Audit further noticed that a total amount deposited by the allottee *i.e.* ₹ 47.30 crore (reservation money ₹ 23.65 crore and allotment money ₹ 23.65 crore) should have been forfeited, but NOIDA forfeited only the registration money of ₹ 10 crore. NOIDA, on the request of the allottee and his statement that he has not deposited the allotment money and without confirming the facts from the bank refunded ₹ 13.65 crore to the allottee, which resulted in short forfeiture of ₹ 37.30 crore and undue favour to the allottee to the extent of ₹ 37.30 crore along with interest of ₹ 13.51 crore (calculated on the refunded amount of ₹ 13.65 crore at the rate of 11 *per cent* simple interest for the period 1 April 2011 to 31 March 2020). In addition to that the amount of ₹ 23.65 crore which was to be forfeited was adjusted from the dues against Plot no. GH-01, Sector 117 (₹ 22.11 crore towards the dues against the first instalment due on 30 November 2010 and ₹ 1.54 crore towards the dues against the IInd instalment due on 30 May 2011), which resulted in loss of ₹ 23.65 crore. Thus, NOIDA incurred a total loss of

₹ 120.42 (Principal ₹ 60.95 crore and interest ₹ 59.47 crore²⁵ thereon).

The FC sanctioned the refund without verifying the amount deposited by the allottee as allotment money and thereafter, in spite of getting verification from the bank and having full knowledge of the appropriation carried out by NOIDA through altering the challan at the behest of the allottee, failed to recover the payment from other properties allotted, thereby becoming complicit in the loss to NOIDA.

In its reply, NOIDA stated (August 2020) that ₹ 13.65 crore was refunded to the allottee after forfeiting ₹ 10 crore on the basis of application dated 25 February 2011 for surrender of the plot, in which the allottee mentioned that no allotment money was deposited against the surrendered plot. NOIDA further stated that although the money was deposited for the surrendered plot but after deposit, the money was transferred to the credit of another plot by the bank.

Thus, NOIDA accepted the fact that money was deposited against the surrendered plot by the allottee. As per the brochure condition, date of surrender was to be the date on which such application is actually received in NOIDA. The allottee applied for surrender on 25 February 2011, i.e. after the deposit of allotment money for the surrendered plot. Hence, allowing of appropriation of ₹ 23.65 crore and refund of ₹ 13.65 crore was both irregular. The undue benefit to the allottee was further compounded by adjusting the amount of ₹ 23.65 crore against the other plot. The above indicates lack of due diligence on the part of the officials²⁶ and disregard of rules to grant undue favours.

Dues pending after lapse of term

5.1.10.1 As per the terms and conditions of the brochure regarding payment, the premium for allotted plot is payable in equal instalments in eight years after a moratorium period of two years, that is, over a ten-year period from the date of allotment, the entire payment should be made by the allottee.

Audit observed that in 65 out of 76 cases (**Appendix-5.1.7**) where allotments had been made before 01 April 2010 (ten years prior to 31 March 2020), there were amounts outstanding against the allottees. Against the allotment value of ₹ 9,302.22 crore, the outstanding amount was ₹ 14,817.89 crore (as on 31 March 2020). Thus, NOIDA had failed to take action against the builders even after lapse of the tenure for payment and in the meanwhile, the outstanding amount has increased substantially.

In its reply, NOIDA stated (September 2020) that it is facing legal difficulty in recovery of dues and cancellation of lease deed due to creation of third party rights in favour of buyers. Recovery certificates for dues of ₹ 1,722.55 crore have been issued to the defaulters.

From the reply, it is evident that due to lack of pursuance, the recovery of dues has now become marred by legal hurdles which has consequently adversely affected the finances of NOIDA. In this regard the Hon'ble Supreme Court has

²⁵ Interest at the rate of 11 *per cent* per annum amounting to ₹13.51 crore on ₹13.65 crore for the period 01 April 2011 to 31 March 2020. Interest at the rate of 11 *per cent* per annum amounting to ₹45.96 crore on ₹47.30 crore for the period 01 June 2011 to 31 March 2020.

²⁶ FC and AGM (GH).

also taken a dim view of the defaults and the inaction thereon by NOIDA against the defaulting builders in the case of Bikram Chatterjee and others vs. Union of India and others, as detailed in **Paragraph 5.1.3**.

Allotments made in spite of pending dues

NOIDA continued to make allotments despite knowing that the allottees had been defaulting in making payments. As a result, the dues of NOIDA have spiralled to ₹ 9,828.49 crore in the allotment to two groups.

5.1.10.2 In the context of recovery of arrears, the UPIAD Act, 1976 provides that where any transferee makes any default in the payment of any consideration and money or instalment thereof or any other amount due, on account of the transfer of any site or building by NOIDA or any rent due to NOIDA in respect of any lease, or where any transferee or occupier makes any default in payment of any fee or tax levied under this Act, the CEO may direct that in addition to the amount of arrears, further sum not exceeding that amount shall be recovered from the transferee or occupier, as the case may be, by way of penalty.

As discussed earlier in **Paragraph 5.1.3**, only 37.17 per cent of the total projects have been completed till date (31 March 2020) and the dues of NOIDA against all allottees stood at ₹ 18,633.21 crore. Audit analysed the position of allotments made *vis-à-vis* the position of dues pending and observed that NOIDA continued making allotments in spite of pending dues as brought out in three of the six test-checked cases as detailed in **Table 5.1.20**.

Table 5.1.20: Allotments to Ultra Home Construction Private Limited and Amrapali Homes Projects Private Limited (Amrapali Group Companies)

Sl. No	Date of allotment	Plot no. & Sector	Premium (₹ in crore)	Date of approval of technical bid	Total dues at the time of technical bid	Dues as on 31.03.2020 (₹ in crore)	Remarks
1	14.02.2007	GH-01, Sector 119	98.05	16.01.2007	NIL	164.31	There were no dues against earlier allotted plots at the time of technical bid.
2	19.06.2009	GH-01, Sector 45	84.00	18.12.2008	NIL	215.12	
3	29.06.2009	GH-03, Sector 45	107.46	26.06.2009	NIL	311.12	
4	10.12.2009	GH-03, Sector 120	143.61	01.12.2009	9.51	436.85	Dues at the time of technical bid were related to plot GH-01, Sector 119.
5	03.03.2010	GH-01, Sector 76	496.82	02.02.2010	19.63	893.90	
6	03.03.2010	GH-02, Sector 76	166.10	02.02.2010	19.63	296.75	
Total						2,318.05	

Source: Information compiled by Audit.

Similarly, it was observed that allotments were made in the following manner to Unitech Group as detailed in **Table 5.1.21**.

Table 5.1.21: Allotments to Unitech Limited and Unitech Group

Sl. No	Date of allotment	Plot no. & Sector	Premium (₹ in crore)	Date of approval of technical bid	Total dues at the time of technical bid (₹ in crore)	Dues as on 31.03.2020 (₹ in crore)	Remarks
1	26.06.2006	Sector 96, 97 & 98	1621.24	22.05.2006	NIL	4,646.98	-
2	8.04.2007	GH-01, Sector 113	378.04	09.02.2007	NIL	1,176.12	Allottee did not pay a single instalment since allotment.
3	18.04.2007	GH-01, Sector 117	503.43	09.02.2007	NIL	1,459.79	Allottee did not pay instalment after December 2010.
4	14.03.2011	GH-03, Sector 144	228.69	04.11.2010	1434.70	227.55	Dues against allotments at S. No. 2 and 3 above were ₹ 703.91 crore at the time of present allotment but the dues were rescheduled on 30.11.2010.

Sl. No	Date of allotment	Plot no. & Sector	Premium (₹ in crore)	Date of approval of technical bid	Total dues at the time of technical bid (₹ in crore)	Dues as on 31.03.2020 (₹ in crore)	Remarks
							Plot was sub-divided and GH-3C & 3D was transferred to sub-allottee. Allottee did not pay any amount for land retained by him.
Total						7,510.44	

Source: Information compiled by Audit.

From the above tables, it is evident that NOIDA continued to make allotments despite knowing that the allottees had been defaulting in making payments. As a result, the dues of NOIDA have spiralled to ₹ 9,828.49 crore in the above cases as of 31 March 2020.

While the Act has prescribed penal measures for defaulters, the officials of NOIDA failed to take appropriate action. These cases serve to affirm the observation of the Hon’ble Supreme Court²⁷ regarding the dereliction of duty by the officials of NOIDA and of their connivance with the defaulters.

In its reply, NOIDA stated (September 2020) that action is being taken at the level of Government against the allotment of properties to Amrapali Group. Responsibility shall be fixed after investigation in respect to allotment made to UNITECH inspite of pending dues. Government also reiterated (September 2020) its resolve to take action against those found responsible for omissions, if any, after due process of inquiry.

The reply confirms the lack of mechanism for subsequent allotment to allottees who were, as in the instant cases, in huge default in payment of dues of earlier allotment as well as omission by officials of NOIDA in reporting the pendency of dues. In view of the facts of the case, the huge amounts involved and the pronouncement of the Hon’ble Supreme Court it is imperative that responsibility should be fixed against the delinquent officials.

Grant of mortgage permission with outstanding dues

5.1.10.3 The Policies and Procedures for Residential Property Management 2002 of NOIDA provided that mortgage permission would be granted only on the basis of clearance of up-to-date dues. In the following cases audit observed that mortgage permission was granted to the allottee in spite of outstanding dues as detailed in **Table 5.1.22**.

Table 5.1.22: Irregular permission for mortgage of plots

Sl. No.	Plot number	Name of allottee and date of allotment in bracket	Date of permission	Plot area (in sqm)	Premium (₹ in crore)	Dues as on 31 March 2020 (₹ in crore)	Remark
1.	GH-05 Sector 110	Three C Universal Developers Pvt. Ltd. (10 December 2009)	14.08.2012	1,64,120	372.55	632.04	Mortgage permission was granted despite pending dues of lease rent ₹ 1.43 crore
2.	GH-05B Sector 137	Panchsheel Exotica Developers Pvt Ltd (12 March 2010)	13.12.2011	22,565.77	46.15	112.91	Mortgage permission was granted despite pending dues of ₹ 2.60 crore

²⁷ Writ petition (C) 940/2017 Bikram Chatterjee and others vs. Union of India.

Sl. No.	Plot number	Name of allottee and date of allotment in bracket	Date of permission	Plot area (in sqm)	Premium (₹ in crore)	Dues as on 31 March 2020 (₹ in crore)	Remark
3.	GH-03, Sector 100	Three C Universal Developers Pvt. Ltd.	13.12.2010	1,20,009	252.02	305.86	Mortgage permission of this plot was granted for project of another plot GH-05, Sector 110 with the allottee. Dues of GH-03 Sector 100 and of GH-05 Sector 110 as on 13.12.2010 were ₹ 1.33 crore and ₹ 0.98 crore respectively.
4.	GH-01, Sector 119	Amrapali Patel Platinum	24.12.2009	54,169	98.05	164.31	Mortgage permission was granted despite pending dues of ₹ 9.50 crore
				3,60,863.77	768.77	1,215.12	

Source: Information compiled by Audit.

From the table above it is evident that the permission given by NOIDA was without considering the outstanding dues. This has imperilled the recovery of NOIDA's dues as well as those of lending institutions. Against the allotted value of ₹ 768.77 crore, the dues have swelled to ₹ 1,215.12 crore as of 31 March 2020. Similar lapses have been viewed gravely by the Hon'ble Supreme Court in its judgement²⁸, dated 23 July 2019 wherein it was stated that:

“In the instant case dues of the Noida/Greater Noida authorities have been collected from the allottees by the promoters but the authorities have permitted diversion of said amount by not taking any action in view of the chronic default right from the beginning. Though they knew that the promoter had booked the flats, even the permission to grant sub-lease of the plot had been granted in totally illegal manner without payment of dues of premium and lease rent etc. Conditional permission to the mortgage was issued without payment of the premium lease money etc. so as to perpetuate the fraud being done by the promoters.”

In the above cases, NOIDA itself permitted violation of the laid down conditions to facilitate the allottees against the interest of NOIDA and granted the mortgage permission.

In its reply, NOIDA stated (September 2020) that in the case of GH-05, Sector 110, up-to-date payment was taken before giving permission. However, no reply was furnished by NOIDA in respect of pending dues of Panchsheel Exotica Developers Pvt. Ltd. (Sl. No. 2). In respect of observation on Amrapali Patel Platinum (Sl. No. 4), it was stated that permission was accorded in anticipation of grant of zero period to the allottee. Further, NOIDA accepted the contention of the Audit and stated that NOIDA will make appropriate changes in its mortgage policy in view of the

²⁸ Writ petition (C) 940/2017 Bikram Chatterjee and others vs. Union of India.

analysis/comments made by the Hon’ble Supreme Court and Audit to avoid any misuse.

The reply of NOIDA that there were no pending dues against GH-05, Sector 110 is in variance with its own dues sheet showing dues of ₹ 1.43 crore. In the last case it has been accepted that permission was accorded in anticipation of approval of zero period which was also irregular.

Undue favour by making an exception to the prevalent costing method

5.1.10.4 A scheme GH-2009 (V) ECO City in Sector 75 for area measuring 6,00,000 sqm was launched during 24 December 2009 to 18 January 2010 at a reserve price of ₹ 15,700 per sqm.

NOIDA allotted the sector without availability of entire land and allotted balance land at the initial allotment rate and suffered loss of ₹ 483.55 crore.

Clause N of the brochure regarding possession provided that NOIDA had earmarked 6,00,000 sqm of land for the Eco City out of which approximately 3,96,763 sqm of the land had already been acquired and was in possession of NOIDA that should be made available to the lessee. The allotment of balance land would be done as soon as the same is acquired and physical possession taken, for which reservation letter would be issued along with the allotment letter for the already acquired land. Allotment letter(s) of the area(s) contiguous to the already acquired and allotted land shall be issued as and when the balance land (in full or part) is acquired and available for handing over possession to the successful bidder.

Further, in case of allotment of any additional land, the payment of the premium of the additional land shall be made in lump sum within 30 days from the date of communication of the said additional land.

The Group Housing plot was allotted to AIMS Max Gardenia under the scheme at quoted price of ₹ 15,762 per sqm. Allotment letter was issued on 09 June 2009 for the area available of 3,30,474.67 sqm, lease deed of which was executed on 16 June 2010.

As per the condition of the brochure, 6,00,000 sqm land was earmarked to the allottee and was to be provided as and when acquired by NOIDA. The details of the land provided by NOIDA to the allottee are detailed in **Table 5.1.23**.

Table 5.1.23: Allotment of land in Eco City, Sector 75

Sl. No.	Area of the land allotted (in sqm)	Date of allotment	Date of lease deed
1.	3,30,474.67	09.06.2010	16.06.2010
2.	23,916.00	25.01.2011	31.01.2011
3.	2,09,668.87	23.11.2011	01.12.2011
4.	35,940.46	08.12.2016	08.12.2016

Source: Information compiled by Audit.

Audit observed that at the time of initiation of the scheme (July 2009), Sector 75 was classified under residential category and out of 6,23,860 sqm land in the said Sector, only 2,51,160 sqm was under NOIDA’s possession and the rest of the land was yet to be acquired. The scheme for allotment was proposed as NOIDA anticipated encroachment on the land. On this basis, the CEO appointed a committee²⁹ on 10 July 2009 for preparation of scheme terms and conditions. The Committee recommended³⁰ that as the land is not

²⁹ The Committee was headed by OSD and Chief Legal Advisor, Financial Controller, Sr. Project Engineer (I), Sr. Town Planner and Member Secretary, AGM (GHP) were its members.

³⁰ Approval of the CEO was taken on 13 July 2009.

fully acquired, the allotment of land could be made on the basis of possession acquired from time to time. The land was to be used in the manner depicted in **Table 5.1.24**.

Table 5.1.24: Permissible usage of land in Eco City, Sector 75

Permissible usage (in per cent)	
Institutional & Facilities	Minimum 05
Parks, Open spaces	Minimum 15
Roads & Public Parking	Minimum 20
Commercial	Maximum 10
Residential (Group Housing)	Maximum 50

Source: Information furnished by NOIDA.

It was observed that as per Sector 75 layout submitted by the Senior Town Planner (STP), available land was 5,40,000 sqm residential land and 60,000 sqm commercial land. The reserve price was fixed at ₹ 15,700 per sqm as per calculation done by the Finance wing and approved by the CEO on 11 September 2009. At the time of approval of the brochure, it was reiterated that since the land was not fully acquired, the allotment/possession would be made on the basis of possession acquired.

In the above process, Audit observed the following irregularities:

- In spite of above decision to allot land based on possession, NOIDA allotted the entire Sector without even obtaining possession. As per the brochure conditions 6,00,000 sqm land in the sector was reserved for allotment to the allottee, to be handed over as and when land was available with NOIDA. With the above condition for reservation of land, NOIDA fixed the price of the unacquired land also at the initial allotment rate of ₹ 15,762 per sqm though it allotted the balance land in the years 2010-11, 2011-12 and 2016-17, which constituted an undue benefit to the allottee.
- Further, the STP of NOIDA reported that the land use of the Sector was 90 per cent residential and 10 per cent commercial. Accordingly, the pricing of the Sector should have been done on the basis of land use. But NOIDA, on the recommendation of the Committee, decided to fix the reserve price of the plot in a unique manner. There was no such provision prevalent in NOIDA and in NOIDA Building Bye laws for development of the plot as ECO City at an individually calculated rate instead of reserve price fixed for the Group Housing category as a whole. There was no justification on record for giving deduction for internal development charges, which further reduced the rates. NOIDA prepared the Sector costing afresh in the following manner as detailed in **Table 5.1.25**.

Table 5.1.25: Calculation of reserve price for Eco City, Sector 75

Category of Land (Weightage based on prevailing category rate)	Effective rate of NOIDA during 2009-10 (per sqm)
Institutional (Five per cent)	390
Commercial (10 per cent)	5,500
Group Housing (50 per cent)	10,200
Park, Open Spaces (35 per cent)	962.5
Less: Cost of Internal Development	(1,355.67)
Final costing	15,696.83
Rate fixed	15,700

Source: Information furnished by NOIDA.

Audit observed that the method of costing was against prevailing norms and also contrary to the expert advice of the Senior Town Planner. This was designed to benefit the allottee at the cost of NOIDA since in no other case has the above method has been adopted. Taking prevailing rates for Group Housing as on the date of allotment, the premium of the plot is as detailed in **Table 5.1.26**.

Table 5.1.26: Premium to be charged for land in Eco City, Sector 75

Year	Area (in sqm)	Rate per sqm	Premium (₹ in crore)
2009-10	3,30,474.67	20400	674.17
2010-11	23,916.00	22440	53.67
2011-12	2,09,668.87	25245	529.31
2016-17	35,940.46	47890	172.12
Total			1,429.27

Source: Information compiled by Audit.

Thus, by carrying out a unique costing, NOIDA allotted land worth ₹ 1,429.27 crore at ₹ 945.72 crore and suffered loss of ₹ 483.55 crore, thereby also extending undue favour to the allottee.

Audit further observed that the allottee subsequently subdivided the plot into 11 parts in favour of 10 parties besides itself, as discussed in **Paragraph 5.1.8.5**. It clearly brings out the fact that the experiment of NOIDA to allot the entire Sector, without even actual possession, was faulty. Since land is a valuable and finite resource and transfers were between business entities, there is a certainty of transfers being made at a substantial profit, which should have accrued to NOIDA in the first place.

In its reply, NOIDA stated (August 2020) that the Board is competent to determine the methodology for development of any Sector. Sector 75 was allotted with the aim of developing it as a mini township and it is not mandatory to develop it on lines of existing schemes. Development Authorities can experiment with their schemes from time to time. It was not appropriate to take reserve price of the developed land for group housing in respect of undeveloped land. Further, it was stated that reservation of land to the allottee was necessary for development as only 60 *per cent* land was available at the time of allotment. Land rates were frozen to avoid uncertainty in receipt and outstanding at the time of allotment. Land use of Sector 75 was institutional, commercial, park and open areas along with group housing. In this process, NOIDA received instalment, lease rent and interest thereon on the balance land also. The losses pointed out by Audit did not actually accrue and there were no procedural lapses in allotment.

The reply of NOIDA is not acceptable as the loss pointed out by Audit was in terms of prospective revenue which NOIDA failed to collect due to its flawed pricing experiment. Though the CEO had decided to allot land on the basis of possession acquired from time to time, the scheme was brought for the entire area which effectively fixed the rates for unacquired land also. The stated purpose of the scheme was to avoid encroachment of land, hence only acquired land should have been kept within the purview of the scheme to avoid encroachment. The fact that after grant of possession of land, the allottee itself sub-leased it to 10 other entities clearly brings out that the experiment of NOIDA to allot the entire sector, without even actual possession, was ill-considered. Thus, the experiment of NOIDA was designed to benefit the

allottee at the expense of NOIDA's revenue and was clearly not in public interest.

Conclusion

The allotments made by NOIDA to the Group Housing allottees during the period covered by audit is one marked by utter disregard for the conditions for allotment, allocation of plots to a number of ineligible allottees, along with subsequent permission to transfer, mortgage or exit from the project; in many cases where large outstandings were due to NOIDA. More than 40 per cent of total allotments during the audit period were made between 2009 to 2011.

The brochure forms the foundation of NOIDA's agreement with the allottee. Dilution of the conditions in brochure by the CEO without prior approval of the Board shows a complete lack of financial prudence and abdication of duty by the Board of NOIDA as public trustee towards the prospective buyers of housing units who have consequently faced financial distress over the years. The extra mileage given to allottees of plots and subsequent relaxation of conditions without any proper justification is questionable and cannot be overlooked.

Allotments in a number of cases essentially were of temporary and transitory nature. Entities without financial capacity were left to execute the projects. In addition to this, huge outstanding dues of over ₹ 18,000 crore of NOIDA were pending against Group Housing allottees as on 31 March 2020. Only 37.17 per cent of the Group Housing projects sanctioned during the audit period had been completed. In 24 schemes in which allotments were made during 2005 to 2018, 1,30,005 flats were sanctioned for construction against which only 72,697 flats were completed as on 31 March 2020. As a result, the home buyers are saddled with incomplete projects wherein they have invested their life savings. Instead of monitoring and regulating the allottees, the conditions were watered down in successive brochures to the detriment of NOIDA and to the benefit of the allottee builders.

NOIDA, in spite of being aware of the deteriorating position, failed to act against the builders and also failed to take action against its own officials for their dereliction of duty and their role in permitting/abetting the continuing infractions. In this regard, the observations of Hon'ble Supreme Court in the case of Bikram Chatterjee and others vs. Union of India and others on the issues related to Amrapali Builders, sums up the state of affairs:

“The NOIDA and Greater Noida Authorities were grossly negligent in reviewing and monitoring the progress of the projects and in collusion with leaseholders failed to take action concerning non-payment of dues and illegally permitted the group to sub-lease the land without payment of dues. Bogus allotments of flats were made. There were other irregularities galore.

The Authorities and Bankers have violated the doctrine of public trust and their officials, unfortunately, acted in collusion with builders.”

Recommendations		
Recommendation Number	Recommendation	Response of the Government
8	Government may consider investigating the nexus between officials of NOIDA and builders and also take action against officials responsible for/involved in abetting irregularities in allotment and post allotment transfer that was detrimental to the interest of the Authority, Government and the home buyers.	Accepted. GoUP directed NOIDA to investigate the cases pointed out by Audit and send suitable recommendation for action, if any fault was found in this regard.
9	NOIDA should ensure effective monitoring of huge pendency of dues together with its recovery from wilful defaulters.	Accepted
10	The regulations/orders with respect to mortgage, mutation and exit from projects should be reviewed/revised to minimise discretion at the hands of the officials.	Accepted

CHAPTER–V (5.2)

Allotment of Commercial Properties

CHAPTER-V

Allotment of Properties

5.2 Allotment of Commercial Properties

Introduction

5.2.1 The NOIDA (Preparation and Finalisation of Plan) Regulations, 1991 provides that ‘Commercial Use’ means the use of any land or building or part thereof for carrying on any trade, business or profession, sale of goods of any type whatsoever and includes private hospitals, nursing homes, hostels, hotels, restaurants, boarding houses not attached to any educational institution, consultant offices in any field, cottage and service industries.

The allotment of commercial properties of NOIDA and other matters incidental to the management of commercial properties are governed by the Policies & Procedures for Commercial Property Management, 2004 of NOIDA. These rules define three types of commercial properties sold by NOIDA *i.e.* built-up shops, actual users’ plots and builders’ plots. Commercial wing of NOIDA deals with allotment of commercial plots and follow-up of the post allotment compliances. The Planning wing of NOIDA is responsible for monitoring the observance of the building completion.

Allotment Procedure

5.2.2 The allotment of commercial properties was made by NOIDA through closed ended schemes¹. The number and size of plots available for allotment were specified in the scheme and these schemes were open for a specified period during which bids were accepted. The allotment of properties was made by following the procedure given in **Chart 5.2** of **Chapter 5**.

Status of allotments of commercial plots in NOIDA

5.2.3 During the period 2005-2018, NOIDA made 320 allotments in the commercial category through 41 closed ended schemes. An overview of total commercial allotments by NOIDA is depicted in **Table 5.2.1**.

Table 5.2.1: Status of allotments of commercial property by NOIDA

Sl. No.	Type of property	No. of schemes	No. of schemes in which allotment was made	Plot size range (sqm)	No. of allotments	Allotted area (sqm)	Premium (₹ in crore)
1.	Commercial Builders Plots	23	12	782.42 to 6,14,000	40	15,89,988	19,005
2.	Small Commercial plots	7	5	15 to 1,963.88	68	9,646	371
3.	Sports City	5	4	52,686.84 to 12,00,000	5	32,83,187	5,598
4.	Nirmit Parisampattiya (Built shops, halls and other constructed assets)	3	3	2.92 to 185.25	165	3,438	50

¹ Scheme with a defined time window for making applications.

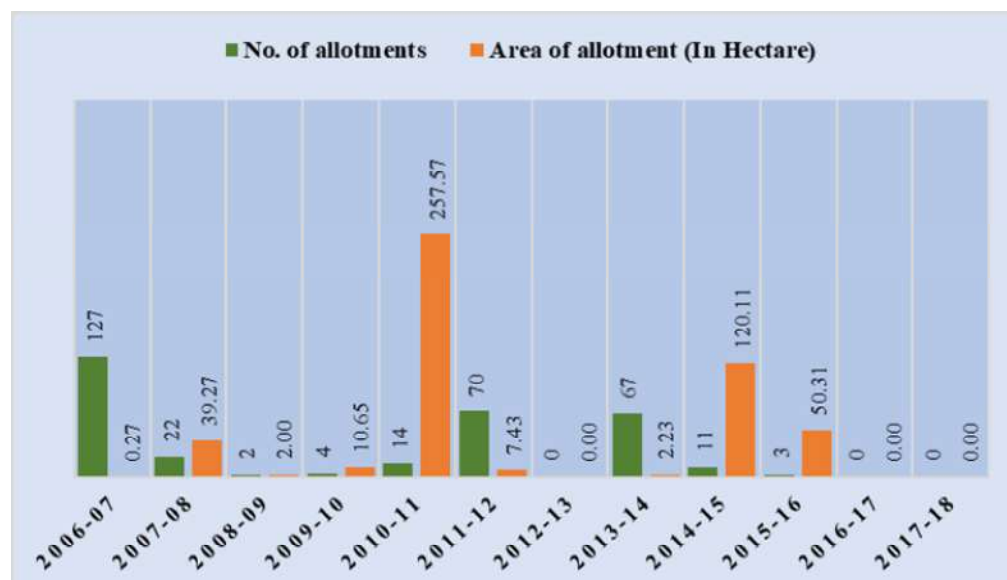
Sl. No.	Type of property	No. of schemes	No. of schemes in which allotment was made	Plot size range (sqm)	No. of allotments	Allotted area (sqm)	Premium (₹ in crore)
5.	Bankers Plot	1	1	102.86 to 450	42	12,181	240
6.	Petrol Pump Plot	1	0	NA	0	0	0
7.	Shopping Mall Plot	1	0	NA	0	0	0
Grand Total		41	25		320	48,98,440	25,264

Source: Information furnished by NOIDA.

From the above table it is evident that 67.03 per cent of land was allocated for Sports City (five allotments) and 32.46 per cent for builder plots (40 allotments). Further, 275 allotments made in all other categories were allocated 0.51 per cent of total area allotted in commercial category.

Position of year-wise number of plots allotted and its aggregate area during the period from 2005-06 to 2017-18 has been depicted in **Chart 5.2.1**.

Chart 5.2.1: Details of Year wise allotments of Commercial properties



Source: Information furnished by NOIDA.

From the graph above it is apparent that 52.60 per cent of area was allotted in the year 2010-11, which comprised of 9,95,496.80 sqm of builder plots and 15,80,200 sqm of sports city plots.

Scope of Audit

5.2.4 NOIDA allotted 320 commercial plots measuring aggregate area of 48,98,440.47 sqm during the period covered by the Performance Audit i.e. 2005-06 to 2017-18. Out of these 320 allotment cases, Audit selected a sample of 46 cases involving area of 48,05,156.36 sqm and premium of ₹ 23,501.39 crore and analysed 39 cases² involving ₹ 21,494.08 crore. These consisted of

² Files of seven cases could not be analysed due to production of records at the end of the Audit (27-28 November 2019).

five³ Sports City plots for ₹ 5,597.92 crore, 19 Commercial Builders plots for ₹ 15,764.21 crore, nine Bankers plots for ₹ 54.73 crore and six small commercial plots for ₹ 64.80 crore. Besides conducting physical verification of some of the sites, Audit also sourced information from the Registrar of Companies (RoC) with a view to analyse the ownership and shareholding of allottee companies, the transfer of plots through transfer of shares and to find out the objectives of allottee companies.

Audit Findings

5.2.5 This section deals with allotments of all commercial properties except Sports City. The section on Sports City is appended separately under Chapter V (5.2). The audit findings, as a result of examination of sample cases *vis-a-vis* the result of physical verification wherever carried out, are discussed in ensuing paragraphs. These audit findings have been grouped as under:

- Scheme related deficiencies (discussed in Paragraphs 5.2.6 to 5.2.6.1).
- Preponderance of allotment to select groups and undue favour thereto (discussed in Paragraphs 5.2.7 to 5.2.7.4).
- Allotment related observations (discussed in Paragraphs 5.2.8 to 5.2.8.4).
- Discrepancies related to allocation of land (discussed in Paragraphs 5.2.9 to 5.2.9.2).
- Discrepancies in payment related issues (discussed in Paragraphs 5.2.10 to 5.2.10.3).

Scheme related deficiencies

5.2.6 Audit observed the following deficiency in the formulation of Schemes and their implementation by NOIDA:

Non-approval of the terms and conditions by the Board before launch of the scheme

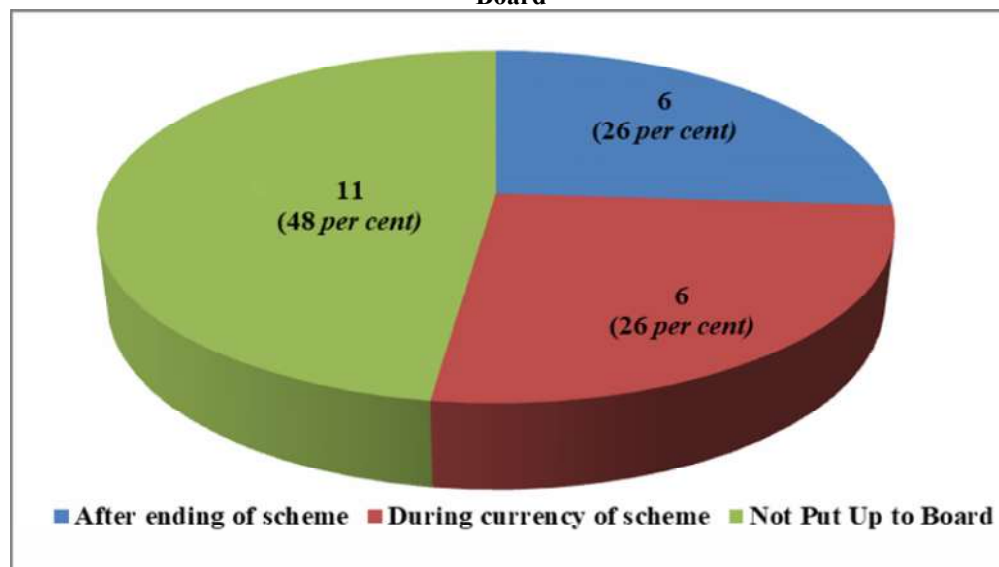
5.2.6.1 As discussed in **Paragraph 5.1.6.1**, the scheme brochure is a significant document in the context of allotment which governs the process of bidding, allotment and execution of the project. The brochure specifies the terms and conditions of the allotment which also form the basis of subsequent agreement between the allottee and the home buyers. In view of the underlying importance, the brochures of the schemes should have been approved by the Board before the launch of the schemes. Therefore, the changes to terms and conditions of allotment should have been approved by the Board.

Scrutiny of records revealed that the brochures of the schemes of all 23 commercial builders plot schemes launched during the period 2007-08 to 2017-18 were approved by the CEO. The status of approval of these schemes by the Board are given in **Appendix-5.2.1** and summarised in **Chart 5.2.2**.

11 out of 23 commercial builders' plot schemes launched during 2007-08 to 2017-18 were not put up to Board for approval.

³ Additional land 52,686.84 sqm {Plot No. 150/SC-01 (Part)} was allotted to M/s Logix Infra Developers Pvt. Ltd. on 28-Feb-2014 which is shown as a separate plot in the master data of NOIDA.

Chart 5.2.2: Details of approval of commercial builders scheme by the Board



Source: Information compiled by Audit.

From the above pie-chart it is evident that not a single scheme was submitted to the Board for approval prior to its launch. In 12 schemes, out of the 23 schemes, *post facto* approval of brochures was obtained with a delay ranging from four days to 17 months from their launch date. In 11 schemes, the brochures were not even submitted to the Board for approval. The fact that no scheme was approved before its launch indicated that the Board was not kept apprised of the changes to the terms and conditions. Audit observed that laying down the terms and conditions of the scheme and allotment thereagainst constitutes the most essential aspect of the functions performed by the Board of NOIDA. Non-consideration of the above entails a control failure on the part of the Board.

In its reply, NOIDA stated (August 2020) that the CEO of NOIDA was delegated full authority to take decisions as per UPIAD Act, 1976. The CEO can approve the terms and conditions recommended by the Committee. The CEO forwards only those matters to board for approval/*post facto* approval in which change in terms and conditions of the scheme or policy matter is involved. These schemes were approved by the CEO and *post facto* approval was obtained in those cases which were ordered by the CEO to be put up to the Board.

As evident from the reply, the changes to terms and conditions were to be submitted for the Board’s approval, yet these were submitted *post-facto*. The CEO submitted 12 out of 23 schemes for the Board’s approval, but this was done *post facto*. Further, schemes were not submitted for the Board’s consideration which implies that the Board was kept oblivious of the schemes. Since the said schemes involved NOIDA’s primary function and allotments of substantial value, the consideration and approval of the Board should have been obtained prior to launch of the schemes.

Audit noticed that the CEO exercised the delegated power in a manner that was against the interests of NOIDA, as discussed in succeeding paragraphs. This also brings out the fact that the CEOs exercised unbridled powers and at times, bypassed the Board by failing to apprise the Board of the schemes as well as by changing the terms and conditions without the Board’s approval

even to the detriment of the Authority as in case of reduction of lease rent as discussed in **Paragraph 5.2.10.1**.

Preponderance of allotment to selected groups and undue favours thereto

Out of 48.98 lakh sqm of commercial area allotted during the period under audit, 79.83 per cent was allotted to three groups viz. Wave, Logix and Three C groups which have overdues of ₹ 14,958.45 crore as of 31 March 2020.

5.2.7 Analysis of the allotment data revealed that out of the total area of 48,98,440 sqm allotted in commercial category during the period under audit, 79.83 per cent comprising 39,10,376 sqm area was allotted to three groups viz. Wave, Logix and Three C groups. The preponderance of allotment to these groups and the benefits extended against these allotments are detailed in **Table 5.2.2**.

Table 5.2.2: Details of allotments to Wave, Logix and Three C Group

Particulars	Wave	Logix	Three C
Area Allotted (in sqm):	6,63,104	10,76,238	21,71,034
Builders Plots	6,63,104	1,68,250	1,38,286
Sports City Plots	-	9,07,988	20,32,748
Number of plots:	4	6	6
Builders Plots	4	4	4
Sports City Plots	-	2	2
Cases of allotments inspite of inadequate turnover	-	4	-
Exit from Group/Consortium	1	2	2
Plot Transfer	-	3	5
Granting Re-schedulement	-	2	1
Grant of Mortgage Permission	1	1	1
Period of allotment	August 2008 to June 2010	March 2010 to March 2011	March 2010 to October 2014
Dues as on 31 March 2020	₹ 4,424.70 crore	₹ 5,839.96 crore	₹ 4,693.78 crore
Builders Plots	₹ 4,424.70 crore	₹ 4,365.88 crore	₹ 2,879.96 crore
Sports City Plots	-	₹ 1,474.08 crore	₹ 1,813.82 crore

Source: Information compiled by Audit.

Against allotments of ₹ 15,694.73 crore, the overdues of NOIDA against the above allotments stood at ₹ 14,958.45 crore as of 31 March 2020. Audit analysed the above allotments and found that:

- NOIDA had not prescribed any criteria to assess the capability of the promoters of the allottee companies/group of companies to complete the projects within the prescribed time, while making multiple allotment of plots to the same group. As a result, 12 projects of the 16⁴ allotted plots could not be completed so far (November 2020) despite lapse of the prescribed period.
- Apart from non-completion of projects by the allottees, in 14 of the 16 cases the dues of NOIDA have also accumulated to ₹ 14,958.45 crore as on 31 March 2020.

In its reply, NOIDA stated (August 2020) that it had not given preference in allotment to any group and allotted the land to those who were technically eligible and quoted highest financial bid. Notices have been issued to those allottees who did not pay the dues in a timely manner. Cancellation process is being initiated after issuing final notice in those cases where third party rights have not been created. Recovery notices are being issued for recovery of dues in those cases where third party rights have been created.

⁴ Including one allotment of plot 18/L-5 which was cancelled.

Government of Uttar Pradesh (GoUP), during the exit meeting held on 30 September 2020, assured that NOIDA would build in proper safeguards in future schemes/brochures to avoid allotment to the same entities who were not financially capable to complete multiple projects. While NOIDA has stated that recovery proceedings have been initiated, no concrete action has been taken/intimated even though six to 10 years have elapsed and projects remain incomplete with overdues spiraling. The fact remains that in absence of inbuilt safeguards NOIDA made multiple allotments to the same groups and failed to monitor execution of projects.

Some of the issues related to allotment to these three groups are discussed in **Paragraphs 5.2.7.1 to 5.2.7.4.**

Execution of lease deed in favour of consortium member instead of in favour of Special Purpose Company (SPC) and facilitating stamp duty evasion

5.2.7.1 The terms and conditions of the brochure⁵ provided that the lease deed was required to be done in the name of the SPC constituted. Under this scheme a commercial plot no C-1/44 (42,150 sqm) was allotted (26 March 2010) to a consortium (M/s Madhaviata Granite (India) Ltd. Consortium) consisting of Three C Universal Developers Pvt. Ltd. and Madhaviata Granite (India) Ltd. After the allotment, the lease deed was executed (31 March 2010) in favour of one of the consortium constituents, viz. Madhaviata Granite (India) Ltd. upon request (March 2010) of the allottee.

Thereafter, the allottee requested (October 2011) NOIDA to execute the legal documents/lease deed in favour of SPC (M/s Kingswood Hotels Private Limited) formed by the consortium members. On the allottee's request, NOIDA approved (15 February 2012) the constitution of the SPC. The allottee thereafter requested NOIDA (15 February 2012) for transfer of the plot in favour of SPC without fee and execute correction in the earlier lease deed. In this regard legal opinion was sought by NOIDA⁶ wherein it was opined that there was no provision under law to amend the registered deed in favour of any person or company without payment of stamp duty. The standing committee⁷ of NOIDA (December 2013) decided that the lease deed was not as per the terms and conditions of the brochure and recommended to cancel the earlier lease deed and execute a lease deed in favour of SPC levying complete stamp duty⁸. Accordingly, NOIDA issued (January 2014) a notice to the allottee for executing a lease deed in favour of SPC. In view of no response from the allottee, the matter was again referred (January 2015) to the Standing Committee which recommended for a final notice to the allottee for execution of lease deed within 30 days after settling all dues. Subsequently, the CEO instructed to issue cancellation notice on 24 April 2015. Again, a letter was sent to the allottee on 30 April 2015 mentioning that if the lease deed is not executed within 30 days then action will be taken as per terms and conditions of the brochure without giving any chance and the plot will be

The allottee was extended every possible favour in contravention of the rules and regulations and neither the plot was cancelled nor the allotment money was forfeited despite non payment of dues amounting to ₹ 1,105.06 crore as on 31 March 2020.

⁵ Clause C.8.d and C.8.e of scheme no. 2009-10/Builder plots I.

⁶ From Stamp & Registration Department and legal opinion.

⁷ The committee consisted of Deputy General Manager (Commercial), Chief Architect and Town Planner, Finance Controller, Administrative Officer, Chief Legal Advisor and OSD (M)

⁸ Approx. ₹ 21.43 crore worked out at the rate of five per cent on ₹ 428.67 crore premium of the plot.

cancelled, amount will be forfeited and possession will be taken back. The allottee again did not comply with the instructions of the letter within 30 days. However, the allottee requested (June 2015) to execute the correction in the lease deed. NOIDA, in contravention of legal opinion, allowed the correction in the lease deed at the allottee's risk and a correction document was executed by NOIDA on 15 July 2015. However, the allottee informed (21 July 2015) that the sub registrar was not registering the correction document without levy of stamp duty.

Scrutiny of records revealed that the request was made because the allottee was unable to raise funds from the financial institution on the grounds that the lease deed was against the terms and conditions of the brochure, requiring deed in favour of SPC. Audit observed that the correction deed was also executed without considering the issue of stamp duty and in disregard of the opinion of the standing committee. Even though the allottee continuously defaulted, neither were the dues recovered nor was the plot cancelled. The allottee, Madhavalata Granite (India) Ltd., was extended every possible favour in contravention of the rules and regulations and allowed inordinate time extension of more than eight years, so that the stamp duty of ₹ 21.43 crore due to the Government could be avoided by the allottee, even as the payment of NOIDA's dues from the allottee have spiraled to ₹ 1,105.06 crore as of 31 March 2020.

Thus, NOIDA, in order to facilitate the allottee to avoid payment of stamp duty, kept condoning the non-payment and also failed to take punitive action against the allottee, thereby granting it an undue favour. It is pertinent to mention here that the Hon'ble Supreme Court has observed in the case of Amrapali Builders that⁹ *"They (the builders) have violated every condition, but still, the Authorities were bent upon to condone everything. This reflects absolute dereliction of duty cast upon the Authorities."*

In its reply, NOIDA accepted the fact that the lease deed was executed against the terms and conditions and stated (September 2020) that the matter was examined by the Additional Chief Executive Officer (ACEO) of NOIDA who concluded that cancellation of the plot and forfeiture of allotment money would be done as soon as after no objection certificate from CBI, who had the original file with them, was received¹⁰.

Audit noted that NOIDA cancelled (November 2020) the allotment of this plot to the allottee, Madhavalata Granite (India) Ltd. The fact confirms grant of undue favour to the allottee Madhavalata Granite (India) Ltd. The Government may consider fixing responsibility of concerned officials of NOIDA for their role in the matter.

Undue favour in allotment and in ensuring compliance of conditions

5.2.7.2 A commercial plot (no. CC-01 Sector 25A & 32 measuring 6,18,952.75 sqm) was allotted on 11 March 2011 to Wave Infratech Private Limited (consortium) at a total premium amount of ₹ 6,569.98 crore.

On the basis of records made available, Audit observed that the allottee was granted undue benefits as discussed in the following paragraphs.

⁹ Bikram Chatarjii & others Vs Union of India and others, writ petition (C) 940/2017.

¹⁰ Documents seen by Audit from shadow file.

Special dispensation was made as for contiguous allotment, two sectors were merged and the two parks and green belt was included in the plot area besides non-compliance of post allotment conditions.

- Two unique conditions, one for constructing an underpass below the MP Road no. 2, and another for construction of a parking for 2,500 vehicles exclusively for the use of the Metro station, were included in the lease deed to support the connection between areas of two adjoining sectors. However, these two conditions were not complied with, defeating the very purpose of providing non-contiguous plots of two different sectors separated by a road for the proposed City Centre.
- The plot was created by merging the area of two sectors (25-A and sector 32) between which MP Road no. 2 was passing through. Further, two parks and an area of green belt were also included in the parcel of land from which the plot was carved out. As the land was not contiguous, merging land belonging to two different sectors separated by a road was highly irregular.
- Wave Infratech failed to execute the project and it had surrendered (December 2016) a part of the land under the Project Settlement Policy (PSP) of the government and out of 6,18,952.75 sqm land initially allotted, 1,64,821.13 sqm land was allotted to the allottee. Audit further noted that NOIDA had cancelled (February 2021) allotment of 1,08,421.13 sqm land due to non-payment of dues.

The instant case points to an allotment made by NOIDA in disregard of all established procedures. Special dispensation was made as for contiguous allotment, two sectors were merged and the two parks and green belt was included in plot area. The compliance of post allotment conditions was also not ensured by NOIDA. The above facts clearly point to undue favour being granted to the allottee.

In its reply, NOIDA stated (August 2020) that some special provisions were made in the scheme due to location of the land to make the plot practically feasible.

The reply confirms the audit contention that special dispensation was provided to the selected allottee in supersession of established rules.

Allotment of plot without removing encumbrances and inaction on restoration application resulting in grant of PSP benefit to the allottee

5.2.7.3 Clause Y-3 of the brochure conditions provides that if due to any “*Force Majeure*” or any circumstances beyond NOIDA’s control, NOIDA is unable to make allotment or hand over the possession of the allotted plot, the entire earnest money and/or deposits, as the case may be, will be refunded without interest, as per the prevailing policies of NOIDA.

The plot was allotted without removing encumbrances resulting into loss of ₹ 13.12 crore.

- A scheme no 2008-09 (commercial builder plot III) for allotment of a sub-judice plot no. L-2A/18 was launched from 22 November 2008 to 12 December 2008. On the basis of highest financial bid opened on 19 December 2008, a Wave group company, M/s Flora & Fauna Housing and Land Development Private Limited, was shortlisted. The allotment letter was issued on 19 May 2010 after the existing petition on the plot was withdrawn by the previous allottee¹¹. The allotment rate was based on the quoted rates of 2008-09. Thus, NOIDA showed undue haste by inclusion of a property which

¹¹ The plot was earlier allotted to M/s GSR Granite Private Limited which was cancelled due to pending dues. M/s GSR Granite Private Limited agreed to re-allot the plot at the condition that the final decision of the Hon’ble Supreme Court of India would be binding.

was under litigation. Moreover, it did not exercise its power as per clause Y-3 of brochure for returning the allotment money as mentioned above. Thus, the allotment in 2010-11 at the rates of 2008-09 resulted in loss to NOIDA amounting to ₹ 13.12 crore¹².

In its reply, NOIDA accepted the audit contention that the plot should be allotted when it is encumbrance free and stated (September 2020) that the ACEO further examined the matter and recommended that in future, only those plots will be included in the schemes which will be found encumbrance free after physical verification.

The facts confirm that NOIDA suffered loss by not complying with the brochure condition for which no responsibility was fixed.

- In December 2016, the GoUP introduced a Project Settlement Policy (PSP) to facilitate the builders by providing an option of partial surrender of the plot for those allottees who had started the project but were unable to execute it. In such cases 15 *per cent* of deposited premium was to be forfeited and proportionate land for remaining 85 *per cent* amount of the premium would be allotted and treated fully paid up at the original allotment rate; in case any builder required additional land if third party rights were created in the plot, additional land would be allotted at presently prevailing rate.

Audit observed that on account of pending overdues amounting to ₹ 91.99 crore, the allotment of the above plot (L-2A/18, M/s Flora & Fauna Housing and Land Development Private Limited), was cancelled by NOIDA on 24 July 2015. The allottee applied (22 October 2015) for restoration of the plot, but no action was taken by NOIDA on this application. In this regard, the Policies and Procedure for Commercial Property Management (Manual) issued by NOIDA (October 2004) provides that rejection/acceptance of restoration request will be taken within a month at the level of Chief Executive Officer or any other officer authorised by him.

Thereafter, the allottee applied for partial surrender of the plot in January 2017 under PSP. NOIDA on 28 June 2018 sanctioned PSP with the direction to get the restoration charges deposited. The allottee surrendered 2,536 sqm of land and 3,525 sqm of land was considered for re-allotment and fully paid. Thereafter, NOIDA approved allotment of 10,798.80 sqm land in order to meet third party (rights) obligation at the rate ₹ 1,86,000 per sqm.

Audit observed that the PSP was available to existing allottees only and not to the allottees of cancelled plots. However, on account of NOIDA's failure to decide on the restoration application within prescribed time limit of one month as per Manual, the allottee was granted PSP facility.

In its reply, NOIDA stated (August 2020) that PSP was introduced by the Government as an Exit Policy cum Relief Package on the proposal of NOIDA. The allottee of the plot had requested for relief as per clause 4 (c) of PSP which allowed partial surrender of the plot for those allottees who had started the project but were unable to execute it. It was also stated that the matter was put up in the standing committee and the committee had recommended for acceptance of the application of partial surrender considering the comments of Finance wing, Planning wing, Work circle and Legal wing. NOIDA further

¹² When compared to the allotment of plot in same sector and same allottee in June 2010.

stated that since third party rights were created on this plot and though the plot stood cancelled, it was necessary to complete the project and hand over the flats to buyers. Thus, it was necessary to restore this plot for this purpose so that the builder could get rights to complete the project on this plot.

The reply is not acceptable as the allottee had failed to deposit the dues and the plot was cancelled on 24 July 2015. The PSP was available to existing allottees only and not to the cancelled plot allottees. However, NOIDA’s failure to decide on the restoration application within the prescribed time limit of one month led to grant of PSP benefit the allottee.

Based on above audit observation in sampled case, it is recommended that NOIDA should review all such cases wherein indecision by NOIDA on restoration application has resulted in benefit of PSP scheme to allottees of cancelled plots.

Non cancellation of allotment inspite of non-deposit of any installment

The plot was not cancelled and allotment money amounting to ₹ 55.63 crore was not forfeited despite non deposit of any instalment for more than nine years. After being pointed in Audit, NOIDA cancelled the plot and forfeited the deposit.

5.2.7.4 As per the provision of the brochure, the allotment money has to be deposited within 90 days of allotment and further extension of maximum 120 days at penal interest of 14 *per cent* was allowable. The brochure also provides that the lease deed has to be executed within 180 days of allotment failing which penalty of five *per cent* per annum of the total premium was leviable. Further, in case the plot is surrendered after 30 days from the date of allotment the total deposited amount or 30 *per cent* of total premium, whichever is less, will be forfeited and the remaining amount will be refunded without interest.

A commercial plot (CC-04 in sector 32 measuring 50,000 sqm) was allotted to M/s Logix Buildwell Private Limited on 28 March 2011 at a total premium amount of ₹ 556.25 crore. The allottee was given extension (31 January 2012) for depositing allotment money in view of the Board’s decision (175th meeting on 25 November 2011) and an undertaking was to be given by the allottee for timely payment in future. The allottee did not give the undertaking and demanded to issue checklist¹³ for lease deed despite not depositing any moratorium installments. As a result, the lease deed was not executed.

Despite non-deposit of the dues and non-execution of the lease deed, the allottee was given multiple chances for regularisation. No action was taken for cancellation of the plot and forfeiture of the allotment money. When a proposal was put up to the CEO (28 February 2018) to cancel the plot and forfeit the entire deposited amount, the CEO, NOIDA directed (6 March 2018) to inform the allottee regarding the clause of the brochure for surrender of the plot. Subsequently, the allottee applied (September 2017) for surrender of the plot and asked for refund of entire deposited allotment money for which no decision was taken.

Audit observed that NOIDA did not forfeit allotment money amounting to ₹ 55.63 crore and no action for surrender/cancellation of the plot was taken (September 2020). As a result, land worth ₹ 795 crore¹⁴ remained with the allottee. On the contrary, it was observed that while a notice was issued to the allottee for encroachment of green belt and NOIDA land of approx. 20,000 sqm, no further action or realisation of penalty was found in the records

¹³ It is a list of documents/formalities required before execution of lease deed.

¹⁴ At the applicable rate of ₹ 1.59 lakh per sqm for B category sectors for the year 2019-20.

furnished to Audit. Thus, undue favour was allowed to the allottee at each and every juncture and instead of cancelling/surrendering the plot and forfeiting the total deposited amount, no action was taken till September 2020, i.e., even after lapse of more than nine years. NOIDA had failed to take action in spite of contravention of laid down terms and conditions of the brochure and the decision of the Board.

In its reply NOIDA stated (September 2020) that Hon'ble High Court had stayed (January 2013) for creation of third party rights and the case was still pending. However, the cancellation of plot would be done soon as per rule.

The reply is not acceptable, as the Hon'ble High Court in its order had stated that third party rights would not be created by the respondent and it had not stayed for recovery of dues or cancellation of plot. Further, as recommended (March 2018) by Legal wing, there was no legal implication for cancellation. Audit further noted that NOIDA cancelled (March 2021) the allotment of this plot and forfeited the amount deposited by the allottee. Thus, due to inaction on the part of NOIDA and undue favour extended to the allottee, land worth ₹ 795 crore remained with the allottee for more than nine years and there was no development on the property.

Allotment related observations

5.2.8 The shortcomings observed in the allotments made under Commercial category *vis-à-vis* the terms and conditions laid down are discussed hereunder:

Allotment to entities not fulfilling the laid down criteria

5.2.8.1 The process of auction for Commercial plots in NOIDA entailed two stage bidding with technical bid and financial bid being called for. The technical bid consisted of technical eligibility criteria which were in terms of size of projects executed by bidders and the financial eligibility criteria which provided the required minimum net-worth, solvency and turnover to be satisfied. The brochure provided that the financial bids of only technically qualified bidders shall be opened. Thus, the bids of those applicants who did not qualify the technical eligibility criteria should not be opened.

Audit observed that in the following cases, the bidders failed to satisfy the laid down norms but NOIDA failed to evaluate the submitted records and allotted the plots despite evident shortcomings.

Allotments made to entities that were prima facie ineligible

5.2.8.2 The condition laid down in various brochures for allotment of commercial builders' plots required minimum total turnover of ₹ 200 crore from real estate activities for the last three accounting years. Real estate development and construction activities were stated to include land development/housing/colonising jobs of *bona fide* allotted land/commercial/IT/ITES projects development (excluding merely trading in real estate). Thus, non-fulfilment of this criteria renders the bidders ineligible. However, in contravention of the above stipulations, Audit observed that in the following three test-checked cases allotments were made to entities which did not possess turnover from real estate activities as detailed in **Table 5.2.3**.

Allotments worth ₹ 1,680.93 crore for 1,43,250 sqm land were made to consortiums that *prima facie* failed to meet technical eligibility criteria.

Table 5.2.3: Details of entities that were ineligible due to lack of required minimum turnover from real estate activities

Sl. No.	Plot No., Allottee Name, Area, Date of Allotment	Premium (₹ in crore)	Name of Consortium Constituents	Turnover claimed in technical bid (₹ in crore)	Turnover (activity) as per balance sheets of bidders	Actual Turnover from real estate activities (₹ in crore)
1.	A-1/124, M/s Logix Realtech Private Limited (Consortium) 64,550 sqm, 21 December 2010	841.41	M/s IT Enfraseservices Private Limited (five per cent)	94.92	Rental receipts, other business receipts	0
			M/s V.C. Solutions Private Limited (25 per cent)	103.89	Fees and services, construction and supervision charges, sales	0
			M/s Logix Soft Tel Private Limited (40 per cent)	32	Rent, business receipts	0
			M/s NOIDA Cyber Park Private Ltd (five per cent)	40.82	Rental, service and maintenance charges and other income	0
			M/s Logix Buildcon Private Limited (25 per cent)	0	NIL	0
2.	C-03/105, M/s Logix Estate Private Limited (Consortium), 28,700 sqm, 23 June 2010	283.27	M/s IT Entraservices Private Limited (10 per cent)	94.92	Rental receipts, other business receipts	0
			M/s V.C. Solutions Private Limited (10 per cent)	107.02	Fees and services, construction and supervision charges, sales	0
			M/s Logix Soft Tel Private Limited (45 per cent)	32	Rent, business receipts	0
			M/s NOIDA Cyber Park Pvt. Ltd (10 per cent)	40.70	Rental, service and maintenance charges and other income	0
			M/s Logix Realtors Private Limited (25 per cent)	0	NIL	0
3.	CC-04/32, M/s Logix Buildwell Private Limited (Consortium), 50,000 sqm, 28 March 2011	556.25	IT Enfraseservices Private Limited (five per cent)	94.92	Rental receipts, other business receipts	0
			M/s V C Solutions Private Limited (25 per cent)	103.89	Fees and services, construction supervision charges, sales	0

Sl. No.	Plot No., Allottee Name, Area, Date of Allotment	Premium (₹ in crore)	Name of Consortium Constituents	Turnover claimed in technical bid (₹ in crore)	Turnover (activity) as per balance sheets of bidders	Actual Turnover from real estate activities (₹ in crore)
			Logix Soft Tel Private Limited (35 per cent)	32	Rent, business receipts	0
			Noida Cyber Park Private Limited (five per cent)	40.66	Rental, service and maintenance charges and other income	0
			Lakshmi Constructions (five per cent)	15.53	Contract receipts and scrap sales	0
			Logix Developers & Infrastructure Private Limited (25 per cent)	0	Not submitted	0

Source: Information compiled by Audit.

As evident from **Table 5.2.3**, NOIDA allotted 1,43,250 sqm land worth ₹ 1,680.93 crore to three consortiums which were not eligible for allotment of land. With no turnover from real estate activities, these entities should have been disqualified at the technical bid stage itself but on account of undue favour in evaluation, they were allotted plots. It is notable that the applications including technical bids were vetted by UPICO and thereafter bids were evaluated by the Plot Allotment Committee, but both failed to evaluate the records submitted in the bid and proceeded to allot plots to applicants not fulfilling the criteria, which clearly shows grant of undue favour. The case in question points to lack of due diligence by the PAC tasked with the responsibility of recommending allotment of valuable assets.

In its reply, NOIDA accepted the audit contention and stated (September 2020) that the Internal Committee of NOIDA examined the matter and found that as per the terms and conditions of the brochure, experience of real estate and construction activities was essential. UPICO was responsible for preparation of terms and conditions of allotment, evaluation of technical bids, opening of bids etc. and NOIDA was dependent on UPICO in these matters. Officials of NOIDA had made allotment on the basis of trust placed on UPICO report. Experience of real estate activities was necessary and its absence is a serious flaw. From examination of documents, no supporting documents were found in support of real estate activities. After obtaining clarification from the allottee, responsibility will be fixed in the matter.

From the reply it is evident that the allotments were made to ineligible entities. NOIDA has accepted the audit contention and assured to fix responsibility in the matter. Further, it is pertinent to point out that the technical bids of rejected bidders were not submitted for audit scrutiny. The Government should, in view of the facts and acceptance of the audit findings, take action against the concerned delinquent official (s).

Exit of relevant member after allotment

5.2.8.3 The terms and conditions specified in the brochures by NOIDA permitted the allotment to be made in favour of a consortium. By using consortium-based bidding, an association of companies is able to pool resources to bid as a single entity, which has greater capability. However, the

Exit of key members, who helped to satisfy the technical eligibility criteria, from consortiums resulted in ownership of properties in hands of otherwise ineligible members.

stipulations regarding tenure, roles and responsibilities of consortium members were slack and NOIDA kept on relaxing these conditions (as discussed in detail in Paragraph 5.1.6.9). Audit observed that in practice, the companies misused the consortium mechanism.

Case study

Exit of member who helped to satisfy the criteria of net worth

In an allotment made (21 December 2010), under scheme no 2010-11 (commercial builders plot IV) to a consortium led by M/s Vistar Constructions Private Limited (Plot no C-01/98), as per the eligibility criteria laid down in the brochure, minimum net worth required for bidding for the plot was ₹ 80 crore. It was noticed that the net worth of the consortium constituents was as follows:

Name of Constituent	Share percentage	Net worth (₹ in crore)
M/s Vistar Constructions Private Limited	55	3.09
Three C Universal Developers Private Limited	25	14.90
M/s Advance e-Graphics Camp Logics Solution Private Limited	15	Not submitted
M/s Jakson Limited	5	251.84

Thus, the consortium qualified the criteria of net-worth predominantly on the basis of the credentials of M/s Jakson Ltd. However, it was observed that later M/s Jakson Limited exited (8 January 2012) the project within 13 months of the allotment and their shareholding was taken over by M/s Three C Universal Developers Private Limited. As such, the member who contributed most in fulfilling the allotment qualifications, exited the project once the allotment was finalised leaving the land/project to companies who by themselves were incapable of qualifying.

Similarly, in three other cases listed below the members who contributed most in fulfilling the allotment qualifications, exited the project once the allotment was finalised and handed over the land/project to companies who by themselves were incapable of qualifying as detailed in Table 5.2.4.

Table 5.2.4: Details of exit of relevant member after allotment

Sl. No.	Plot No. and Allottee	Date of allotment	Consortium Member	Share percentage of consortium members (per cent)	Criteria fulfilled by the consortium members	Eligibility criteria	Date of exit	Remark	
1.	C-1/44, Madhavilata Granite (India) Ltd. (Consortium)	26.03.2010	Madhavilata Granite (India) Ltd.	90	Not claimed	Turnover of ₹ 200 crore from real estate activities	Not exited		
			Three C Universal Developers Private Limited	10	₹ 333.35 crore				31.03.2010
2.	C-171/15, AIMS Sanya Developers (Consortium)	29.11.2011	AIMS Sanya Developers Private Limited	55	Not claimed	Turnover of ₹ 200 crore from real estate activities	Not exited		
			Seven R Hotels Private Limited	40	Not claimed				Not exited
			ABA Builders Private Limited	5	₹ 399.05 crore				

Sl. No.	Plot No. and Allottee	Date of allotment	Consortium Member	Share percentage of consortium members (per cent)	Criteria fulfilled by the consortium members	Eligibility criteria	Date of exit	Remark
3.	A-1/124 Logix Realtech Private Limited (Consortium)	21.12.2010	IT Enfraseservices Private Limited	5	₹ 0.06 crore sqft.	Aggregate construction of minimum 10 lakh sqft. from minimum 2 real estate projects.	11.04.2011	Exited the project even before execution of the lease deed.
			V.C. solutions Private Limited	25	-		Not exited	
			Logix Soft Tel Private Limited	40	-		Not exited	
			NOIDA Cyber Park Pvt. Ltd	5	₹ 0.14 crore sqft.		11.04.2011	Exited the project even before execution of the lease deed.
			Logix Buildcon Private Limited	25	-		Not exited	

Source: Information compiled by Audit.

From the above table it is evident that the company on whose credentials the consortium qualified the eligibility criteria subsequently exited the project within a short period after allotment, ranging from five days to four months for the companies for which information was made available. Thus, the ownership of the land allotted was passed to constituents who by themselves were incapable of qualifying. This also enabled otherwise ineligible companies to garner a large area of land measuring 1,54,136 sqm. It is also evident that the share of none of these exiting members in the respective consortium exceeded 10 per cent. From the above analysis, it is evident that these members joined the consortium only for facilitating allotment by lending their credentials (profile) and thereafter exited the SPC. From the above table, it can be concluded that this system of profile lending was widely prevalent in NOIDA.

In the above four cases of allotment it was observed that none of the plots could be made functional even after lapse of more than eight years of allotment as detailed in **Table 5.2.5**.

Table 5.2.5: Status of exit of relevant member after allotment

Sl. No.	Plot No.	Name of the Allottee	Status of project	Area (in sqm)	Allotment premium (₹ in crore)	Outstanding dues (₹ in crore)
1	C-01/98	M/s Vistar constructions Private Limited	Map not sanctioned	22,136	219.70	572.62
2	C-1/44	Madhavalata Granite (India) Ltd.	Map not sanctioned	42,150	428.67	1,105.06
3	C-171/15	AIMS Sanya Developers	Map sanctioned in January 2019	25,300	382.03	404.27
4	A-1/124	Logix Realtech Private Limited	Map not sanctioned	64,550	841.41	1,658.85
Total				154,136	1871.81	3,740.80

Source: Information compiled by Audit.

From the above, it may be seen that as on date, all the above projects are lying incomplete¹⁵ which has adversely impacted the interest of the buyers and NOIDA, as dues against allotment value of ₹ 1,871.81 crore are ₹ 3,740.80 crore (with interest and lease rent).

In all the above cases, it is evident that NOIDA failed to lay down any condition for a minimum period for which the group of companies should associate for completion of the project jointly as a consortium. This enabled the bidders to form a consortium for the purpose of qualifying the criteria and exit once the formal approval was in place, paying no heed to the execution of the project while NOIDA remained a mute spectator to the exits.

In its reply, NOIDA accepted the audit contention and stated (September 2020) that Internal Committee of NOIDA examined the matter and found that there would be no relevance of technical eligibility criteria if the relevant member¹⁶, whose credentials were used, exited the project after allotment. Hence, the brochure was deficient to this extent. Action against UPICO is being recommended for deficiencies in the allotment process. Further, in future schemes, a clause regarding restrictions on exit of relevant member, whose credentials were used for qualifying technical eligibility, will be introduced in the brochure.

In view of the audit findings and acceptance by NOIDA, the Government should issue suitable guidelines/directions to all Authorities to ensure that such loopholes are plugged.

Transfer of plot through change in shareholding

5.2.8.4 As per the provision of clause I of the Policy and Procedure for Commercial Property Management (October 2004), the charges for Change in Shareholding (CIS) will be 10 *per cent* on 100 *per cent* change in shareholding and for less than 100 *per cent* change, CIS charges would be proportionate to the change of shareholding on *pro-rata* basis. Further, NOIDA issued an office order on 27 October 2010 which stated that in respect of plots allotted to companies no CIS charges would be recovered as “change in shareholding does not constitute the change in ownership of a company” and the same was also incorporated in the brochure of the schemes. Audit noticed that the above order of not considering the change of shareholding as change of ownership is against the basic principles of a company limited by shares. Audit observed that on the one hand, NOIDA provided allotment to SPCs, constituted specifically for purpose of allotment of a particular plot, and on the other hand it adjudged that change in shareholding did not constitute change in ownership.

NOIDA not only facilitated the allottee company to sell/transfer the plot in favour of another set of shareholders who may not have otherwise qualified for the plot allotment but it also suffered loss of revenue amounting to ₹ 83.49 crore due to transfer of plot through change in shareholding without levying the CIS charges.

¹⁵ As on September/November 2020.

¹⁶ Relevant member denotes members of consortium other than lead member, who was the majority shareholder. Relevant members have minority stake in the consortium.

Case Study**Change in ownership pursuant to change in shareholding**

As per C.7.d of the scheme brochure {2010-11 (Commercial Builder Plot-IV)} ‘The members shall submit a registered/notarised Memorandum of Agreement (MOA) conveying their intent to jointly apply for the scheme, and in case the plot is allotted to them, to form Special Purpose Company (ies), hereinafter called SPCs, that will subsequently carry out all its responsibilities as the allottee. The registered MOA must specify the equity shareholding of each member of the Consortium in the proposed SPCs. Commercial plot no. A-1 in sector 124 measuring 64,550 sqm was allotted to M/s Logix Realtech Private Limited (Consortium) on 21 December 2010. Consortium members as per the MoU submitted were M/s Logix Soft Tel Private Limited (40 *per cent*), M/s V.C. Solutions Private Limited (25 *per cent*), M/s Logix Buildcon Private Limited (25 *per cent*), M/s IT Enfraservices Private Limited (five *per cent*) and M/s NOIDA Cyber Park Pvt. Ltd (five *per cent*).

The allottee requested (April 2011) to subdivide the plot and execute lease deed in the name of two SPCs. The first SPC was M/s Logix Realtech Pvt. Ltd (shareholding of M/s Logix Soft Tel Private Limited 50 *per cent*, M/s V.C. Solutions Private Limited 25 *per cent* and M/s Logix Buildcon Private Limited 25 *per cent*) and the second SPC was M/s Logix Buildcon Private Limited (shareholding of M/s Logix Soft Tel Private Limited (99.99 *per cent*) and Shri Shakti Nath (0.01 *per cent*).

M/s IT Enfraservices Private Limited and M/s NOIDA Cyber Park Private Limited, whose credentials were used for technical qualification, were removed from the SPCs formed for execution of lease deed of sub-divided parts. Thus, the shareholding in SPC mentioned in the MoU was not maintained at the time of lease agreement against the provision of the brochure. Further, resolution of all the relevant members for subdivision of the plot was also not submitted by the allottee.

The allottee (M/s Logix Real Tech Pvt. Ltd of subdivided plot A-1/A sector 124) changed its name to ATS Heights Pvt Ltd. It requested (21 March 2016) to change the same in the documents of NOIDA and NOIDA accorded the same without any transfer charges. Audit noticed that the address of the company, 50 *per cent* shareholding and 50 *per cent* directors were also changed with the name of the company. Thus, ownership of the company was changed but no transfer charges were levied by NOIDA resulting in undue benefit to the allottee amounting to ₹ 30.20 crore.

In its reply, NOIDA (September 2020) accepted the audit observation and stated that constitution of SPC with new members was incorrect. Responsibility will be fixed in this regard. Further action in the matter is awaited.

Similarly, audit observed that the shareholding was changed in the following cases as depicted in **Table 5.2.6**.

Table 5.2.6: Details of change in shareholding and shareholding charges

Sl. No.	Plot No.	Allottee name	Shareholding change (in <i>per cent</i>)	Charges Leviable (₹ in crore)	Remarks
1	C-01/98	M/s Vistar Construction (P) Ltd.	7.50	1.65	First change in shareholding on 8.01.2012
			70	15.38	Subsequently, controlling interest and entire directorship was changed on 21.09.2013
2	A-1/124	M/s Logix Realtech Private Limited	24	20.19	Change in shareholding before lease deed and sub-division of plot

Sl. No.	Plot No.	Allottee name	Shareholding change (in per cent)	Charges Leviable (₹ in crore)	Remarks
3	C-171/15	M/s AIMS Sanya Developers	5	1.91	Change in shareholding before lease deed
4	1/94	M/s B.P.T.P. Limited	100 (of Sub-divided plot)	7.38	100 per cent shareholding of subsidiary having a subdivided plot (28,328.07 sqm) changed.
5	C-3/105	M/s Logix Estate Private Limited	100 (Sub-division of plot)	2.37	Transfer charges were not levied for transfer of sub divided plot (12,000 sqm) to a subsidiary company.
6	C-1/16B	M/s Vistar Construction Private Limited	100 (of subdivided plot)	4.41	100 per cent shareholding of subsidiary having a subdivided plot (3,352 sqm) changed.
Total				53.29	

Source: Information compiled by Audit.

Thus, through this order (27 October 2010) NOIDA not only facilitated the allottee company to sell/transfer the plot in favour of another set of shareholders who may not have otherwise qualified for the plot allotment but it also suffered loss of revenue amounting to ₹ 83.49 crore on this head. Since the allotment was made in favour of SPC, who were constituted for executing a specific project, the sale of stake through change in shareholding, in effect constituted transfer of rights in the allotted plots.

The above cases point to the fact that NOIDA facilitated back-door entry to entities not satisfying the qualification criteria. It failed to ensure strict implementation of conditions that were put in place to safeguard the development of prime commercial land. Further, in the Government order dated 11 October 2010 regarding non levy of stamp duty, nothing was mentioned about CIS charges. The contention of audit is further reconfirmed by the fact that the GoUP had rescinded the order in February 2020, stating that this resulted in decrease in revenue of the Government. In this connection, the Companies Act, 1956 provides that shares are movable property which are the proportionate interest of shareholders in the ownership of the Company.

In its reply, NOIDA stated (September 2020) that the Government Order (February 2020) was being proposed for adoption of the Board in which it will also be proposed that all cases of CIS with reference to G.O. be identified for recovery.

The facts confirm that NOIDA had suffered loss due to not exercising due diligence in issuing the order for abolishing the CIS charges.

Discrepancies related to allocation of land

5.2.9 After allotment by the Commercial wing, the possession of land is handed over to the allottee by the respective Works Circle¹⁷ in whose jurisdiction the plot falls. The Works Circle is also tasked with the developmental work on the acquired land. The Planning wing headed by the Chief Architect and Town Planner (CATP) prepares the site plan on the basis of which the plots are demarcated. Planning wing also approves the layout plan/map of each plot and ensures that construction is carried out as per prevailing Building bye-laws. The discrepancies observed in the above procedure are discussed hereunder:

Avoidable loss due to delay in handing possession

5.2.9.1 Clause Y-3 of the brochure provided that if due to any “*Force Majeure*” or any circumstances beyond NOIDA’s control, NOIDA is unable to make allotment or hand over the possession of the allotted plot, the entire earnest money and/or the deposits, as the case may be, will be refunded without interest, as per the prevailing policies of NOIDA. Where the possession of land is not handed over due to delay on the part of NOIDA, NOIDA granted zero period¹⁸ to the allottee.

The plot C-171/1 was sub-divided in favour of M/s AIMS Sanya Developers Private Limited on 29 November 2011. The physical possession of the plot could not be handed over to the allottee as some sheds of NOIDA’s Works Circle were constructed on the plot. Audit observed that the process of auction of the materials and demolition of godown/sheds was unduly delayed at various levels and the land was finally handed over to the allottee (7 August 2013) after 21 months from allotment of the plot. On account of the delay in handing over the plot, the Board in its 179th meeting approved zero period from 29 November 2011 to date of actual possession in favour of the allottee. Thus, due to lackadaisical approach of NOIDA/officials of work circle, NOIDA had to bear loss of interest for the period. This resulted in loss of interest to NOIDA amounting to ₹ 47.28 crore¹⁹ on account of grant of zero period due to avoidable delay by NOIDA.

In its reply, NOIDA accepted the audit contention and stated (September 2020) that the ACEO further examined the matter and recommended that in future, only those plots will be included in the schemes which will be found encumbrance free after physical verification.

While accepting the audit contention in reply, the Management has not proposed appropriate action against the defaulting officials.²⁰

- The allottee requested for sub-division of the plot and executed the lease deed in favour of M/s AIMS Sanya Developers Pvt. Ltd. (60% plot area) and M/s Seven R Hotels Pvt. Ltd. (40% plot area). The plot was accordingly sub-divided and lease deed was executed. Further, there was a special clause in the brochure for this plot whereby separate parking facilities of 400 cars for the

¹⁷ Works Circle is a unit of Engineering wing which carries out development works in a designated area.

¹⁸ Zero period is the period for which NOIDA does not charge interest on the outstanding premium.

¹⁹ Interest charged in allotment letter for first three installments upto 29 May 2013.

²⁰ NOIDA cancelled (August 2020) the allotment due to non payment of dues.

The plot was allotted without removing sheds on the plot which resulted in delay in handing over the possession of the plot and NOIDA had to grant zero period to the allottee which resulted in loss of revenue amounting to ₹ 47.28 crore.

DMRC metro station was to be created at the cost of the allottee. The allottee of the subdivided plot (M/s Seven R Hotels Pvt. Ltd.), instead of construction of the parking, made several requests to change the place or relax the clause but NOIDA did not allow this which resulted in avoidable delay due to which even the map for the plot (in which parking area falls) was approved in January 2019 i.e. after seven years and moreover the extended time of construction also elapsed in May 2019. Thus, the purpose of special condition in the brochure was defeated and the public could not get the benefit of the plot.

Scrutiny of records revealed that NOIDA was obligated to provide alternate space and arrangement of parking to the DMRC in November 2013 at its own cost by terminating the existing parking contract at an alternate site till construction of the parking which also constituted an undue benefit to the allottee. In the instant case it is evident that the only steps taken by NOIDA were in favour of the allottee. The allotment was not cancelled inspite of non-execution of the stipulated work and an inordinate amount of time was allowed. Thus, interest of NOIDA was overlooked.

In its reply, NOIDA stated (September 2020) that as per clause of the lease deed (25 May 2012) parking was to be constructed by the allottee of the subdivided plot 171/2, sector- C and the map of the plot was approved on 10 January 2019 which was valid for five years. The allottee had also been granted extension up to 28 May 2019 after payment of the requisite fees and construction was being done on the said plot.

The reply confirms that the map of the plot was approved after almost seven years and valid time extension was also elapsed 18 months ago. However, the parking facility was not yet constructed and NOIDA had to bear the cost of parking for seven years by providing an alternate site free of cost and foregoing revenue of the alternate site.

Additional ground coverage allowed in map approval

5.2.9.2 Audit observed that ground coverage (GC) allowed in the brochure was area within set back²¹ line. Accordingly, the allottee of plot no. L2A/18 (plot area 16,859.80 sqm), ground coverage (GC) of 7,799.01 sqm was allowable to M/s Flora & Fauna Housing and Land Development Private Limited, which comes to 46.25 *per cent*. This was clearly spelt out in the map approval file of the allottee, while approving (October 2011) the map with ground coverage of 7,543 sqm proposed by the allottee. Subsequently, GC was increased (September 2013) to 55.62 *per cent* when the revised map was approved by NOIDA without any justification for increase in GC.

In its reply, NOIDA stated (August 2020) that revised map of the plot was approved on 27 September 2013 as per the architectural control drawings and no additional benefit was granted to the allottee.

The reply is not acceptable as the map of the plot was initially approved on 25 October 2011 in which area allowable for ground coverage as per brochure was 7,799.01 sqm. Thus, Planning wing extended an undue benefit to the allottee in the above case for an amount of ₹ 9.98 crore during the approval of revised map by allowing extra GC.

²¹ A specified line parallel to the plot boundaries beyond which no construction is to be undertaken and the space is to be left vacant.

Discrepancies in payment related issues

5.2.10 Finance wing of NOIDA deals with all financial and accounting matters and offers its comments and suggestions on all matters having financial implication. Finance Controller (FC) is the head of the Finance wing who is assisted by Accounts Officers and other staff. The shortcomings observed in payment related issues are discussed hereunder:

Incorrect fixation of lease rent

5.2.10.1 Clause G (1) of The Policies & Procedures for Commercial Property Management, 2004 (Rules) provides that ‘the ground/lease rent shall be charged @ 2.5% of the total premium of the plot for the first 10 years from the stipulated date of execution of lease deed’. However, in respect of builder plots²², the ground rent/lease rent was chargeable at the rate ₹ one per sqm per year for the first three years from the stipulated date of execution of lease deed and 2.5 *per cent* per annum for the rest of the seven years of the first ten year period.

The Government Order (25 October 2009), to counter the challenges of the economic recession, *inter-alia* provided relief to allottees of commercial properties by reducing the lease rent to one *per cent per annum* from 2.5 *per cent* of premium in respect of properties allotted up to 31 March 2010 (further increased upto 31 March 2011) and authorised the Board of NOIDA to take further decision in this regard. NOIDA adopted this G.O. in the 165th Board meeting (6 November 2009) and decided to take lease rent in commercial properties as applicable for group housing plots. Lease rent charged on group housing plots was one *per cent* of the plot premium for the first 10 years of the lease period.

Scrutiny of records revealed that NOIDA allotted 17 commercial builders/sports city plots during 2009-10 and 2010-11 through seven schemes. The scheme brochures provided for payment of yearly lease rent in the following manner:

- At the rate of ₹ one per sqm per year for the first three years from the date of execution of lease deed;
- Thereafter at the rate of one *per cent* of the total premium of the plot for next seven years of first ten years;
- After ten years, lease rent may be increased at the rate of 50 *per cent* which will be applicable for next ten years and this process will continue in future.

Audit observed that the provision in the brochure for lease rent at the rate of ₹ one per sqm per year for the first three years from the date of execution of lease deed was in contravention to the G.O. as well as the decision of the Board in the 165th meeting. The short recovery of lease rent in 17 cases is detailed in **Table 5.2.7**.

Table 5.2.7: Details of incorrect fixation of lease rent

Year	No. of cases	Short Recovery of lease rent (₹ in crore)
2009-10	4	33.98
2010-11	13	395.94
Total	17	429.92

Source: Information compiled by Audit.

²² One of the categories out of three specified categories under the Policies and Procedure for Commercial Property Management, 2004.

In 17 allotments, scheme brochure allowed benefits which were beyond the G.O. and cherry-picked between two sets of orders for the benefit of the allottees which resulted in loss of revenue amounting to ₹ 429.92 crore.

Thus, from the above it is evident that NOIDA extended undue financial benefit during the period from 2009-10 to 2010-11 to the extent of ₹ 429.92 crore (**Appendix-5.2.2**).

Audit observed that the prevailing lease rent of ₹ one per sqm in Builder Plot category was already significantly lower than one *per cent* of premium, which ranged between ₹ 75,600 to ₹ 2,23,250 per sqm. However, the fact of lower lease rent prevailing was neither submitted to nor considered by the Board. It is evident to Audit that the scheme brochure allowed benefits which were beyond the G.O. and at the same time it gave benefits as per the Policies & Procedures for Commercial Property Management, 2004. NOIDA thus, cherry-picked between two sets of orders for the benefit of the allottees and overlooking its own interest.

In reply, NOIDA stated (September 2020) that the ACEO examined the matter and found that lease rent at the rate of ₹ one per sqm for the first three years was taken as per the Policies and Procedures, 2004 of Commercial wing. As per the Government Order, 2.5 *per cent* lease rent was reduced to one *per cent*. The matter will be reviewed and lease rent of ₹ one per sqm on large builder plots will be reconsidered.

From the facts above and also the reply of NOIDA, it is evident that the fixing of lease rent on the lower side lacked due diligence. The Board was not apprised of the existing condition and even the Board’s directions were not followed. Further, while accepting the audit contention partially, the Management has not proposed any concrete action to make good the financial losses by recovery from the allottees or the defaulting official(s) of NOIDA.

Irregular grant of reschedulement facility

NOIDA permitted repeated reschedulements in spite of non-payment, in seven cases during the period 2013-18, and failed to effect its own recovery which stands at ₹ 4,257.58 crore after nine years of allotment.

5.2.10.2 In the context of recovery of arrears, the UPIAD Act, 1976 provides that where any transferee makes any default in payment of any consideration and money or instalment thereof or any other amount due on account of the transfer of any site or building by NOIDA or any rent due to NOIDA in respect of any lease, or where any transferee or occupier makes any default in the payment of any fee or tax levied under this Act, the Chief Executive Officer may direct that in addition to the amount of arrears, a further sum not exceeding that amount shall be recovered from the transferee or occupier, as the case may be, by way of penalty.

NOIDA, in its 179th Board meeting (27 May 2013), introduced a facility of reschedulement of dues for allottees who had defaulted in payment of dues. As per this facility the balance amount due was to be capitalised after calculating applicable penal interest in the dues and such capitalised amount shall be re-scheduled in such a way that the payment plan shall not be more than two times that of the original payment plan and in no case, it will exceed more than 10 years from the original allotment date. This reschedulement facility was to be provided only once. The Finance wing under the Finance Controller was responsible for sanction of reschedulement, which was finally approved by the CEO. Audit observed that the benefit of reschedulement facility granted was irregular in the seven cases given in **Table 5.2.8**.

Table 5.2.8: Details of rescheduling facility to allottees

Sl. No.	Plot No.	Name of the allottee/ suballottee/ Date of Allotment/ Dues as on 31.03.2020	Date of reschedule ment	Audit Observation	Reply of NOIDA	Further remarks of Audit
1	A-1/B/124	M/s Logix Buildcon Ltd. 21 December 2010 Dues: ₹ 657.38 crore	05 November 2015	Rescheduling was given by NOIDA inspite of specific Board direction (25 November 2011) for the allottee that he will pay all the dues timely and will have no right to seek relaxation. An earlier request (06 June 2013) was rejected but rescheduling was allowed subsequently, on the another application of allottee (18 December 2013).	Rescheduling was given with the approval of the CEO in compliance of policy of rescheduling approved by the Board. The Board decided to grant the rescheduling facility to those allottees also whose dues were rescheduled earlier but they did not make payment.	Board had specifically directed (25 November 2011) that the allottee will have no right to seek relaxations in future which effectively forbade grant of reschedulings to this entity. On this ground, rescheduling had been denied on previous occasion (17 October 2013).
2	A-1/A/124	M/s Logix Realtech Ltd. aka ATS Heights Private Limited, 21 December 2010 Dues: ₹ 1,001.47 crore	06 November 2015	First Rescheduling was given by NOIDA inspite of specific Board direction (25 November 2011) for the allottee that he will pay all the dues timely and will have no right to seek relaxation. An earlier request (06 June 2013) was rejected but rescheduling was allowed subsequently on the another application of allottee (17 December 2013).	Dues were rescheduled on 06 November 2011 with the approval of the CEO. The allottee again requested for rescheduling on 26 February 2016 and presented the challan of amount deposited and amount was rescheduled on 16 March 2016. The dues were again rescheduled on 14 October 2017 and 15 per cent amount was to be deposited and the allottee deposited 10 per cent amount. Dues were again rescheduled on 02 February 2018 with approval of the CEO and Board. Therefore, rescheduling was approved by the Board.	Board had specifically directed (25 November 2011) that the allottee will have no right to seek relaxations in future which effectively forbade grant of reschedulings to this entity. On this ground, rescheduling had been denied on previous occasion (17 October 2013). The third and fourth reschedulings were given to ATS Heights Private Limited even without compliance of conditions as indicated in Audit observation column in respect of second rescheduling.
			17 February 2016	First rescheduling was given on the condition that allottee will pay 10 per cent of rescheduled amount immediately and remaining as per schedule otherwise plot will be cancelled but allottee did not deposit the 10 per cent of first rescheduled amount.		
			17 November 2017	Allottee deposited 10 per cent of rescheduled amount unilaterally against the required 15 per cent due to which FC disallowed the rescheduling amount but the CEO sanctioned the rescheduling.		
			02 February 2018	Fourth rescheduling was done at the rate of 11 per cent interest instead of at the rate of 14 per cent interest resulting undue favour to allottee amounting to ₹ 53.46 crore.		

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Plot No.	Name of the allottee/ suballottee/ Date of Allotment/ Dues as on 31.03.2020	Date of reschedule ment	Audit Observation	Reply of NOIDA	Further remarks of Audit
3	C-3/A/105	M/s Logix Developers Private Limited 23 June 2010 Dues: ₹ 250.47 crore	31 January 2014	First reschedule ment given	Dues were rescheduled on 31 January 2014 with the approval of the CEO which was also approved by the Board. The Board decided in its 185 th meeting (25 May 2015) that final chance of reschedule ment of the dues should be given instead of cancellation of the plot. Therefore, dues were rescheduled with approval of the CEO for recovery of the dues.	The reschedule ment given was irregular as it was mentioned that earlier no reschedule ment was given, which was a misrepresentation of the facts.
			10 November 2015	Second reschedule ment was given by NOIDA inspite of non-payment of ₹ 63.84 crore after first reschedule ment.		
			05 May 2016	It was mentioned that earlier no reschedule ment was given, which was a misrepresentation of the facts by the Finance wing.		
4	C-3/B/105	M/s Logix Estate Private Limited 23 June 2010 Dues: ₹ 496.91 crore	17 October 2013	First reschedule ment given.	Dues were rescheduled on 31 January 2014 with the approval of the CEO which was also approved by the Board. The Board decided in its 185 th meeting (25.05.2015) that final chance of reschedule ment of the dues should be given instead of cancellation of the plot. Therefore, dues were rescheduled with approval of the CEO for recovery of the dues.	The third reschedule ment given was irregular as during reschedule ment dated 31 January 2014 it was mentioned that it was final chance of reschedule ment of dues, however, again reschedule ment was given (06 November 2015).
			31 January 2014	Second reschedule ment was given by NOIDA inspite of non-payment of ₹ 99.38 crore after first reschedule ment.		
			06 November 2015	Third reschedule ment was given by NOIDA inspite of non-payment of ₹ 191.67 crore after second reschedule ment.		
5	C-171/15	M/s AIMS Sanya Developers 29 November 2011 Dues: ₹ 404.27 crore	25 March 2015	The allottee was earlier (17 July 2014) denied reschedule ment of dues as he had availed the benefit of zero period and the reschedule ment application (12 March 2014) was rejected but later on first reschedule ment was given.	Subdivided part of the plot (171/1, sector 15) had been cancelled and second subdivided part (171/2, sector 15) is depositing the dues timely.	The reply is self-explanatory that due to non-deposit of dues after reschedule ment, NOIDA had to cancel the plot (August 2020).
			09 January 2018	Second reschedule ment was given by NOIDA inspite of non-payment of ₹ 241.48 crore after first reschedule ment. It was mentioned that earlier no reschedule ment was given, which was misrepresentation of the facts by the Finance wing.		
			24 April 2019	Third reschedule ment was given by NOIDA inspite of non-payment of ₹ 321.12 crore after second reschedule ment.		

Sl. No.	Plot No.	Name of the allottee/ suballottee/ Date of Allotment/ Dues as on 31.03.2020	Date of reschedule ment	Audit Observation	Reply of NOIDA	Further remarks of Audit
6	C-01B/98	M/s Vistar Construction (P) Ltd. (Sub-divided to M/s Granite Hills Properties Limited) 21 December 2010 Dues: ₹ 572.62 crore	24 November 2014	Reschedule ment was not allowable to allottees who had given affidavit of payment of dues but still had outstanding dues.	Various letters had been issued to the allottee for deposition of the rescheduled amount and the amount was deposited on 23 January 2017. Reschedule ments were given in the interest of the builder/buyer as per the reschedule ment policy time to time approved by the Board.	NOIDA allowed a last chance in the 185 th Board meeting (25 May 2015) to those allottees who had earlier availed the facility of reschedule ment and despite that the allottee failed to deposit the dues timely. Yet fourth reschedule ment was again sanctioned.
			03 November 2015	NOIDA allowed a last chance in the 185 th Board meeting (25 May 2015) to those allottees who had earlier availed the facility of reschedule ment and despite that the allottee failed to deposit the dues timely. Yet second reschedule ment was again sanctioned.		
			13 May 2016	It was mentioned that earlier no reschedule ment was given, which was misrepresentation of the facts by the Finance wing and third reschedule ment was sanctioned		
			29 November 2016	Fourth reschedule ment sanctioned by NOIDA inspite of non-payment of ₹ 130.03 crore since third reschedule ment.		
7	C-01/16B	M/s Vistar Construction (P) Ltd. (Sub-divided to M/s Boulevard Project Private Limited) 16 June 2010 Dues: ₹ 874.46 crore	24 December 2013	First reschedule ment given.	Reschedule ment was given on 14 December 2013 and ₹ 7 crore was deposited. Second reschedule mnt was given 30 July 2015 by the CEO. This facility was given in pursuance of Board decision as final chance of reschedule ment of dues instead of cancellation. Various letters were issued to the allottee demanding the amount and the allottee deposited ₹ 46.92 crore on 21 November 2015. Fourth reschedule ment was approved by the CEO on 02 May 2016 and demand notice was issued to the allottee. Therefore, the main purpose of granting reschedule ment was to recover the dues.	NOIDA allowed a last chance in the 185 th Board meeting (25 May 2015) to those allottees who had earlier availed the facility of reschedule ment and despite that the allottee failed to deposit the dues timely. Yet reschedule ment was again sanctioned. Further, despite giving four reschedule ments, dues amounting to ₹ 874.46 crore is outstanding which defeats the very purpose of the reschedule ment as quoted by NOIDA.
			31 July 2015	Second reschedule ment was given by NOIDA inspite of non-payment of ₹ 243.80 crore after first reschedule ment.		
			01 December 2015	Third reschedule ment given inspite of non-payment of ₹ 243.80 crore after second reschedule ment.		
			24 June 2016	Fourth reschedule ment sanctioned inspite of non-payment of ₹ 101.46 crore since last/third reschedule ment.		

Source: Information compiled by Audit.

Audit noticed that out of the above cases, allottees at Sl. No. 5 and 7 failed to deposit any amount after the initial allotment money. From the above table, it can be observed that in spite of defaults, reschedulements were granted on multiple occasions, which was in contravention of NOIDA’s own policy. As on date, the dues of these allottees have accumulated to ₹ 4,257.58 crore against allotment value of ₹ 2,383.91 crore after lapse of more than nine years.

The facility of reschedulement was introduced to provide relief to the allottees but the Finance wing implemented it in a manner which paid scant regard to the norms of prudence and propriety. By permitting repeated reschedulements inspite of non-payment, NOIDA has failed to effect its own recovery which stands at ₹ 4,257.58 crore in the seven cases above as per information furnished to Audit. Further, NOIDA has also failed to take any action as per the provisions of the UPIAD Act, 1976 despite repeated defaults. The cases bring out another instance of gross dereliction of duty cast upon concerned officials of NOIDA.

The above also exemplifies the violation of Public Trust Doctrine, reiterated by Hon’ble Supreme Court²³, wherein it was stated that:

Power vested by the State in a Public Authority should be viewed as a trust coupled with duty to be exercised in larger public and social interest. Power is to be exercised strictly adhering to the statutory provisions and fact-situation of a case. "Public Authorities cannot play fast and loose with the powers vested in them". A decision taken in an arbitrary manner contradicts the principle of legitimate expectation. An Authority is under a legal obligation to exercise the power reasonably and in good faith to effectuate the purpose for which power stood conferred. In this context, "in good faith" means "for legitimate reasons". It must be exercised bona fide for the purpose and for none other.

The Government may consider fixing responsibility for the gross negligence on the part of the officials, who in the words of the Hon’ble Supreme Court²⁴, “were bent upon to condone everything”.

Grant of mortgage permission with outstanding dues

5.2.10.3 As per the Policies and Procedure for Commercial Property Management (Manual) issued by NOIDA (October 2004), allottee of commercial plots can mortgage the property after making full and final payment and upto date lease rent. The terms and conditions of the brochures provided that mortgage permission shall be granted in favour of a scheduled bank/Government organisation/financial institutions approved by the RBI for the purpose of raising resources for construction on the allotted plot. The lessee/sub-lessee(s) should have obtained valid extension of time for construction and should have cleared up-to-date dues of the plot premium and lease rent. In the following cases Audit observed that mortgage permission was granted to the allottee in-spite of outstanding dues as given in **Table 5.2.9**.

In violation of manual and terms of the brochures, mortgage permissions were granted in four cases without deposit of up to date dues.

²³ In the case of Bikram Chatterjee & others vs Union of India and others, writ petition (C) 940/2017.

²⁴ In the case of Bikram Chatterjee & others vs Union of India and others, writ petition (C) 940/2017.

Table 5.2.9: Details of mortgage permission to allottees

Sl. No.	Plot No.	Name of Allottee	Name of entity in whose favour mortgage permission was given	Mortgage permission date	Remark
1	C 01/98	Vistar Construction Private Limited	M/s Granite Hills Properties Pvt. Ltd. and M/s Three C Commercial Complex Pvt. Ltd.	11 November 2011	₹ 5.44 crore of moratorium amount was pending.
2	L-2A/18	Flora & Fauna Housing and Land Development Private Limited	M/s Wave City Center Pvt. Ltd.	1 July 2013	Lease rent amounting to ₹ 0.5 lakh was pending.
3	02 B/94	B.P.T.P. Ltd.	M/s BPTP International Trade Center Ltd. \	14 October 2017	Lease rent amounting to ₹ 203.32 crore was pending as of January 2017.
4	A 1/124	Logix Realtech Private Limited	M/s ATS Heights Pvt. Ltd.	26 September 2017	Installment, interest and lease rent amounting to ₹ 381.33 crore was pending as of July 2017.

Source: Information compiled by Audit.

Out of the above cases, it was further observed that in case of Sl. No. 2, a reschedulement was given on 28 June 2013 which converted the overdue amount (₹ 79.16 crore) to future instalments, just prior to issue of permission and in case of Sl. No. 4 the allottee did not had a valid time extension.

In its reply, in respect of M/s Vistar Construction Private Limited and M/s B.P.T.P. Ltd., NOIDA stated (August 2020) that the No Objection Certificate (NOC) for mortgage permission was granted with the condition that the NOC would be valid only after payment of premium and lease rent outstanding against the plot. In the remaining two cases, NOIDA did not furnish a reply.

The reply is not tenable as there was no provision in the scheme brochures for providing conditional mortgage permission/NOC to the allottee without payment of outstanding dues. Further, NOIDA failed to develop any mechanism to ensure compliance of conditions included in the conditional NOC as outstanding dues against the abovementioned four allottees increased to ₹ 2,126.75 crore as on 31 March 2020 from ₹ 669.75 crore at the time of granting conditional NOCs.

As also discussed in **Paragraph 5.1.10.3**, similar lapses of NOIDA have been viewed gravely by the Hon'ble Supreme Court in its judgement²⁵ (23 July 2019) wherein it was stated that: "Conditional permission to the mortgage was issued without payment of the premium lease money, etc., so as to perpetuate the fraud being done by the promoters."

²⁵ Writ petition (C) 940/2017 Bikram Chatterjee and others vs. Union of India.

Conclusion

The saga of allotment in the Commercial Category is indeed one of preponderance of allotment to essentially three groups viz. Wave, Three C and Logix groups. Of the total allotments made during 2005-2018, 79.83 per cent of Commercial land was allotted to them. Examination by Audit reveals that these three entities violated terms and conditions with acquiescence of NOIDA’s officials. The systematic failure to take action therein despite repeated violations combined with the instances of non-payment involving outstanding dues of over ₹ 14,000 crore suggests that the prime objective of NOIDA appeared to be allocation of land to them and enable them to further benefit rather than for purposes of commercial development.

During the period 2010-2013, NOIDA’s failures in due diligence and lacunae in policies led to transfer of Commercial properties to ineligible entities. Allotments were made to entities which did not fulfil the technical eligibility criteria, exit of key members from consortiums resulted in ownership of properties in hands of otherwise ineligible members and properties were also transferred through changes of shareholding. These factors resulted in transfer of properties to entities which failed to execute the projects.

The multiple cases involving dereliction of duties by concerned officials calls for stringent action to be taken by the Government.

Recommendations

Recommendation Number	Recommendation	Response of the Government
11	NOIDA should review its policies which have resulted in preponderance of allotments in hands of selected allottees who are having huge dues against them.	Accepted. It was stated that NOIDA would build in proper safeguards in future schemes/brochures to avoid allotment to same entities who were not financially capable to complete multiple projects.
12	NOIDA should initiate disciplinary action against officials who have conferred repeated benefits to allottees in the commercial category, in supersession of NOIDA’s interest.	Accepted. It was stated that after the enquiry suitable action would be taken for omission/failure to adherence to conditions of brochures, if any fault is found.

CHAPTER–V (5.2)

Allotment of Sports City

CHAPTER-V

Allotment of Properties

5.2 Allotment of Commercial Properties

Allotment of Sports City

Introduction

5.2.11 A detailed proposal was submitted (16 August 2004) to the Board of NOIDA for organising the Commonwealth Games in NOIDA. The Board accorded in-principle approval to the proposal and directed that the requisite sporting infrastructure should be of international level specifications and advice may be taken for technical approval from sports bodies. However, no action was taken for execution of the above proposal.

The Board of NOIDA noted (25 June 2007) that existing sports facilities in NOIDA were not commensurate for holding international events. It approved international level sports complexes in Sectors 101, 102 and 104, with two indoor and two outdoor stadiums for games like badminton, table tennis, weightlifting, basketball, rugby, etc. with conference facilities, high speed internet and video conferencing facilities, guest houses, restaurants, utilities like uninterrupted power supply with back-up, dedicated telecom network, water supply, sanitation facilities, wide and efficient road network, public transport facilities and other services. It was envisioned that national and international events like 2009 National Games, 2010 Commonwealth Games, 2014 Asiad Games and 2020 Olympic Games (if allotted) could be organised here. In the 149th Board meeting (8 April 2008) it was decided that in view of Commonwealth Games, 2010 and for faster implementation of the project, the land use of the sectors 76, 78, 79, 101, 102, 104 and 107 may be changed to create a Sports City. Thus, the Board introduced the concept of Sports City in June 2007 with a view to hold marquee sports events on the back of international level infrastructure.

Thereafter, the work of preparation of the scheme and deciding on terms and conditions was awarded to M/s Grant Thornton (April 2008) whose report was discussed by the Board (11 August 2008) and after some modifications in land use pattern and methodology for fixing reserve price for the Sports City scheme, the Board approved (18 September 2008) the scheme for allotment of Sports City which was launched during 01 October 2008 to 04 November 2008 and extended twice up to 12 January 2009 as no offers were received. However, no offer was received even till the end of the extended date for the scheme. NOIDA decided (September 2010) for reduction of proposed area from 311 hectare to 150 hectare and to get the detailed project report of the scheme again from Grant Thornton. The firm submitted the proforma bid document and terms & conditions of the scheme on 14 December 2010 which was approved on the same day by NOIDA. Reserve price of ₹ 11,500 per sqm was fixed which was approved on 20 December 2010.

Subsequently, four schemes¹ for Sports City development were launched by NOIDA during the period 2010-11 to 2015-16 against which four allotments

¹ Scheme 2010-11 for the development of Sports City in NOIDA (Sector 101 and 104) was abandoned.

for 32,30,500 sqm or 798 acre² were proposed. Out of this, 70 per cent or 559 acres was reserved for sports. The sports facilities proposed in these four plots included three golf courses of nine holes each and an international cricket stadium along with tennis, swimming and other sports facilities.

A brief overview of the schemes and allotments made thereunder is given in **Table 5.2.10**.

Table 5.2.10: Overview of the schemes and allotments

Particulars	SC-01-01, Sector 78/79	SC-01, Sector 150	SC-02, Sector 150	SC-01, Sector 152	Total
Scheme number	2010-11 (SC II)	2010-11 (SC II)	2014-15 (Sports City)	2015-16 (International level Cricket Stadium- cum - Sports City)	
Scheme duration	3 March 2011 to 24 March 2011	3 March 2011 to 24 March 2011	7 June 2014 to 03 July 2014	8 June 2015 to 26 June 2015	
Date of allotment	04 May 2011	04 May 2011	10 September 2014	16 July 2015	
Proposed area for allotment (sqm)/ (acre)	7,27,500 (179.76)	8,00,000 (197.68)	12,00,000 (296.52)	5,03,000 (124.29)	32,30,500 (798.25)
Total allotted area (sqm)/ (acre)	7,03,001.80 (173.71)	907,987.81 (224.36)	13,29,745.92 (328.58)	4,03,457.45 (99.69)	33,44,193 (826.34)
Reserve price per sqm	₹ 11,500.00	₹ 11,500.00	₹ 18,865.00	₹ 26,200.00	
Allotted rate per sqm	₹ 12,075.00	₹ 12,050.00	₹ 19,400.00	₹ 26,650.00	
Total value of proposed area at reserve price (₹ in crore)	836.63	920.00	2,263.80	1,317.86	5,338.29
Total value of allotted area at allotment rate (₹ in crore)	848.87	1,094.13	2,579.71	1,075.21	5,597.92
Allottee consortium	Xanadu Estates Pvt. Ltd.	Logix Infra developers Pvt. Ltd.	Lotus Greens Constructions Pvt. Ltd.	ATS Homes Pvt. Ltd.	
Land uses (percentage)					
Recreational and sports	Not less than 70 per cent	Not less than 70 per cent	Not less than 70 per cent	Not less than 70 per cent	
Residential/ Group Housing	28 per cent	28 per cent	29.5 per cent	26 per cent	
Commercial	Not more than two per cent	Not more than two per cent	Not more than 0.5 per cent	Not more than four per cent	

² Taking one acre = 4,047 sqm approx.

Particulars	SC-01-01, Sector 78/79	SC-01, Sector 150	SC-02, Sector 150	SC-01, Sector 152	Total
Obligation of developers with respect to development of sports facilities	Golf Course (9 Hole), multipurpose playfield, tennis centre, swimming centre, indoor multipurpose sports hall, cricket academy, hospital/ senior living/ medicine centre, etc.	Golf Course (9 Hole), multipurpose playfield, tennis centre, swimming centre, Indoor multipurpose sports Hall, cricket academy, hospital/ senior living/ medicine centre, etc.	Golf Course (9 Hole), multipurpose playfield, tennis centre, swimming centre, indoor multipurpose sports hall, cricket academy, hospital/ senior living/ medicine centre, etc..	International level cricket stadium	

Source: Information furnished by NOIDA.

Audit Findings

5.2.12 Audit analysed the schemes brought out by NOIDA, the allotments made thereunder and issues faced after the allotment, besides conducting physical verification of some of the sites. The findings of Audit have been classified in the following sections:

- Deficiencies in planning and policy formulation (discussed in Paragraphs 5.2.13 to 5.2.13.7).
- Deficiencies in screening and allotment (discussed in Paragraphs 5.2.14 to 5.2.14.7).
- Irregularities in transfers and sub-division of plots (discussed in Paragraphs 5.2.15 to 5.2.15.5).
- Planning and layout related deficiencies (discussed in Paragraphs 5.2.16 to 5.2.16.3).
- Envisaged vs actual allotment in Sports City (discussed in Paragraphs 5.2.17 to 5.2.17.6).

Deficiencies in planning and policy formulation

5.2.13 The Board of NOIDA envisioned the concept of Sports City in 2007 and the allotments were made under schemes from 2010-11 onwards. The deficiencies observed in planning and policy formulation are discussed in the succeeding paras:

Scheme launched without approvals

5.2.13.1 Regional Plan (RP)-2021 provides for a category of recreational land use under urbanisable area for which NOIDA prepared its Master Plan (MP). The MP provided for sports complex use under recreational land use (in which the scheme was launched). At the time of launch of the scheme during 2008, there was no category in MP-2021 under which Sports City could be launched. NOIDA had the primary mandate for the development of an industrial township. Development of sports was not included in any of the functions mandated to NOIDA under the UPIAD Act, 1976.

The Concept of Sports City was included in MP-2031, which remains unapproved by NCRPB.

The RP-2021 provided a separate land use for recreational use within the urbanisable area along with separate categories for residential and commercial uses. In the sports cities, residential and commercial land use was allowed within the recreational zone. The scheme of Sports City required land use changes of substantial magnitude as well as changes to MP-2021, but no approval/clearance from the National Capital Region Planning Board (NCRPB) was obtained even though the scheme was against the broad land use suggested under the RP-2021.

NOIDA included the concept of Sports City in MP-2031. In this, NOIDA included a separate category of land use as ‘Sports City’ to be developed as an integrated mini-township in which minimum 70 *per cent* of the total area would be utilised for sports activities, institutional and other facilities, open spaces and other recreational activities. It also gave power to the Board to determine the land use pattern, permissible activities, planning norms and other regulations as required time to time for the development of the sports city projects. Since the MP-2031 has not been approved by NCRPB, the scheme of land use in Sports City also remains unapproved by NCRPB.

In its reply, NOIDA stated (August 2020) that there is no requirement for seeking approval of NCRPB for MP of urban areas. Approval of NCRPB is required only when an MP is prepared for undertaking urbanisation in areas, other than proposed urbanisable areas in Regional and Sub Regional Plans. It was stated that land use for 346 hectare land was laid down in the 149th Board meeting on 08 April 2008 and due approval was obtained from GoUP. It was further stated that in the RP-2021 for proposed urbanisable area, various land use categories have been specified but there were no restrictions for the activities allowed in these categories. These are specified in the MP itself. Hence, it was not mandatory to get Sports City scheme approved from NCRPB under NCRPB Act, 1985.

The contention of NOIDA that approval of NCRPB was not required, is not tenable in view of Hon’ble Allahabad High Court’s judgments which stated:

‘... land uses cannot be changed except with the tacit permission and close scrutiny of the National Capital Region Planning Board. Whatever development is permissible must be strictly monitored under the National Capital Region Plan Act, 1985 by the authorities named and constituted under it’³.

‘... One stipulation is inescapable that unless the National Capital Region Planning Board gives the green signal nothing can go ahead. The necessary implication of this is also that at every stage in reference to the plans, aforesaid, constituent State a part of the National Capital Region Plan has to keep a close consultation with, the federal agency which is the Board’⁴.

Further, Section 11(1) of Plan Regulations, 1991, which were applicable at the time of launch of the scheme, forbade the Authority from making such amendments in the Plan which effected important alterations in the character of the Plan and which related to the extent of land use. Since the introduction of the concept of Sports City involved extensive changes to the extent of land

³ Judgement dated 18 December 1998 in the Civil Misc. Petition No. 13899 of 1998.

⁴ Judgment dated 01 October 1996 in the Civil Misc. Writ Petition No. 26737 of 1993.

use, it was not permissible to effect such changes through MP and approval of NCRPB should have been taken.

Further, it is notable that the No Objection Certificate (NOC) from Government on MP 2031, which included the concept of Sports City, was received in September 2011, i.e., two years after the launch of the Sports City scheme (October 2008). In view of the above, it is evident that the scheme was launched by NOIDA without requisite approvals.

The scheme of Sports City was launched without formal approval of the GoUP.

5.2.13.2 The first scheme of Sports City was launched in 2008 and eventually allotments were made against the subsequent schemes from May 2011. It was observed that NOIDA did not obtain approval of GoUP before launch or allotment. NOIDA included the concept of Sports City in the MP-2031 which was approved by the Board in August 2010, and by the GoUP in September 2011. However, NOIDA, without obtaining formal approval of the State Government to the MP, allotted the land for Sports City in March 2011 itself. Thus, there was no formal approval, even of the State Government, in place, when NOIDA launched the scheme. The scheme was launched in an area marked as recreational green although relevant changes in Building Regulations were notified by the State Government in May 2011.

In its reply, NOIDA stated (August 2020) that approval for land use for Sports City was duly taken from GoUP by the Authority in 2008. The Board, it was stated, has the power to prepare and dispose of plans for all types of properties under sections 6 and 7 of the U.P. Industrial Area Development (UPIAD) Act, 1976. The Chief Executive Officer (CEO) was delegated the power by the Board in the 85th meeting of the Board on 24 February 1996. The CEO, as per the reply, is competent to prepare terms and conditions of the schemes, fixing reserve prices and approving allotments and it is a common process in the Authority to launch schemes for disposal of properties in anticipation of approval of the Government.

The reply is not convincing as it focuses on powers of the CEO for preparation of schemes' terms and conditions. However, the issue being pointed out here is of much larger significance wherein a new land utilisation category was created by NOIDA without the approval of Government or NCRPB and which was not even included in its MP-2021. As discussed above, section 11 of Plan Regulations 1991 which was applicable at the time of launch of the Scheme also restricted significant amendments to the MP, hence the said changes were beyond the remit of NOIDA as such. Further, the reply of NOIDA that approval from GoUP was taken in 2008 is not correct, as the approval of GoUP for land use for Sports City was received in May 2011 through amendment of NOIDA Building Regulations.

Thus, the very initiation of Sports City schemes without approval was irregular.

Technical eligibility criteria not commensurate

The eligibility criteria of net worth and turnover recommended by consultant was reduced without proper justification.

5.2.13.3 The consultant (Grant Thornton) appointed for preparing the scheme and its terms and conditions recommended (December 2010) the eligibility criteria of net worth of ₹ 100 crore and minimum total turnover from real estate activities for the last three accounting years of ₹ 400 crore. Audit observed that NOIDA, at the time of launching the scheme (in sectors 78/79 and 150 during 2011), reduced the eligibility criteria of net worth and turnover

to ₹ 80 crore from ₹ 100 crore and ₹ 200 crore from ₹ 400 crore respectively for which no justification was available on record. It was further observed that the consultant had stated (December 2010) that the projected cost of development of sporting facilities was ₹ 410 crore, hence the reduction of criteria regarding minimum turnover to ₹ 200 crore from ₹ 400 crore was not justified. The laid-down financial eligibility criterion is given in **Table 5.2.11**.

Table 5.2.11: Financial eligibility criteria laid down

Particular	(₹ in crore)		
	SC-01-01/78-79 & SC-01/150	SC-02/150	SC-01/152
Minimum Net Worth	80	125	125
Minimum Solvency	15	30	30
Minimum Total Turnover	200	250	250
Earnest Money	10	20	50

Source: Information furnished by NOIDA.

Against these criteria, the value of land proposed to be allotted was as given in **Table 5.2.12**.

Table 5.2.12: Plot details

Particular	SC-01-01-78-79	SC-01/ 150	SC-02/ 150	SC-01/ 152
Proposed area (in sqm)	7,27,500	8,00,000	12,00,000	5,03,000
Reserve Price (in ₹ per sqm)	11,500.00	11,500.00	18,865.00	26,200.00
Value of land at reserve price (₹ in crore)	836.62	920	2,263.80	1,317.86

Source: Information furnished by NOIDA.

Considering the value of land (at reserve price) being allotted ranging from ₹ 836.62 crore to ₹ 2,263.80 crore, the financial eligibility criteria of minimum net worth ranging from ₹ 80 to ₹ 125 crore were grossly inadequate. In fact, the value of land proposed for allotment was 10 to 18 times of the net worth criteria. Further, even though the consultant had indicated the projected cost of sports infrastructure, NOIDA did not enhance its minimum qualification accordingly. In fact, the same qualification criteria were laid down as for other schemes of commercial builder plots, wherein the size of the plots was much smaller.

It is evident that NOIDA did not take due cognisance of the scale of projects and also showed willingness to allot plots to applicants whose financial strength was inadequate.

In its reply, NOIDA stated (August 2020) that it did not receive any application in the Sports City scheme launched by the Authority in 2008. Hence, relaxation was given in certain terms and conditions of the scheme and its size. Partial amendments were made in the turnover and net worth recommended by the consultant to make the scheme more attractive and practical. At that time, economic recession was in effect, hence it was a challenge for the Authority to add financial resources for development through sale/allotment of properties. Accordingly, eligibility of net worth of ₹ 80 crore and turnover of ₹ 200 crore was fixed after the approval of CEO. The same was also given *post facto* approval by the Board in the 172nd meeting held on 29 March 2011.

The reply is not convincing as the financial eligibility criteria were by no means commensurate with the value of land proposed for allotment as given in **Table 5.2.12**. Moreover, net worth required for plots of commercial categories

was also ₹ 80 crore while the size and value of land was much less than that of Sports City. The reasons advanced for relaxing financial eligibility criteria lack merit as the consultant was appointed for deciding terms and conditions after failure of the first scheme, hence the recommendations were given after analysis of earlier failures. Relaxation of net worth and turnover criteria to make the scheme more attractive was without basis and contrary to the consultant's recommendations as projects required further investments for development and hence applicants with sound financial status should have been roped in. Further, the span of economic recession, as per G.Os. in this regard was 2009 to 2011 and hence, citing recession as the reason for diluting the criteria is not justified.

Creation of world class infrastructure without specifications or accreditations

No Sports Authority or organisation was consulted to decide specifications of sports infrastructure. Also the brochures of the schemes did not include any technical specifications in respect of proposed sports facilities.

5.2.13.4 Although Sports cities were conceived for holding marquee sports events, neither the Sports Authority of India nor the respective sports administration bodies (like Board of Control for Cricket, Table Tennis Federation of India etc.) were consulted for deciding the requirements related to creation of sports infrastructure, or of developing the planned sports facilities, prior to launching the scheme. As a result, the schemes never laid down any parameters for the level of intended sports infrastructure.

Though the Board introduced the concept of Sports City in 2007 with a view to hold marquee sports events like Commonwealth Games, venue for Commonwealth Games and allocation of events in various stadia were already decided before submission/approval of this proposal. Further, the consultant had indicated a timeline of 0-3 years from possession of plot (1st phase), 3-5 years for 2nd phase and 5-8 years for 3rd phase. Hence, the envisioned infrastructure would have been completed by 2016. Thus, the reasons stated for developing sports city were not justified as the facility would not be available for either National Games 2009 or Commonwealth Games 2010. Further, though the report of the consultant laid down specifications for the desired sports infrastructure, these specifications were not included by NOIDA in any of its scheme brochures where allotments were made. In absence of laid down specifications, it was left for the allottees to decide the calibre of the infrastructure proposed.

In its reply NOIDA accepted (September 2020) that the consultant mentioned broad specifications for sports activities in its preliminary report which could have been included in the scheme brochure.

Further, NOIDA stated that it is true that neither was any consultation taken from institutions like SAI or BCCI nor were specifications laid down for sports infrastructure. The Authority is making efforts for reaching a consensus with the allottees for inviting the above-mentioned specialised institutions and deposit the tentative expenditure in a pool. Until the proportionate development of sports facilities is done, no approval will be given to housing and commercial projects of any allottee.

The fact of omission of specifications and accreditation has been accepted by NOIDA in its reply. The Government has also accepted the recommendation of audit and confirmed that when Sports City is taken up, then Government should lay down clear norms for development of Sports Cities in consultation with subject matter experts. In essence, the Sports City project was taken up as

any commercial or real estate venture without having any vision or plan to meet specific requirements of specialised nature.

Absence of criteria regarding sports infrastructure

No technical criteria regarding experience of developing sports infrastructure was included in the brochures which resulted in allotment of plots to entities not having necessary experience.

5.2.13.5 As per technical eligibility criteria specified in the scheme brochure, the bidder should have executed minimum two completed projects related to real estate development and construction activities of minimum of 10 lakh sqft in aggregate during the last five years.

Sports City plots were allotted to companies which did not have any experience in developing sports related infrastructure. In fact, NOIDA did not include any condition requiring the bidders to possess any prior experience in developing sports related infrastructure and facilities as technical criteria while inviting the bids. The sole criterion NOIDA relied upon while inviting bids and determining the eligibility of the bidders, was experience in developing real estate projects. There was no condition in the tender for submission of a Detailed Project Report (DPR) for undertaking a project of such magnitude. As a result, in absence of such critical eligibility conditions in the scheme brochure, the selected allottees lacked necessary experience in developing required sports related infrastructure. As on date (January 2021), no sports infrastructure has come up in the allotted plots.

In its reply, NOIDA accepted (September 2020) that till date sports facilities have not achieved the envisioned form. The way terms and conditions were included in the brochure and the way these were implemented, was faulty. Due attention will be given in future for determining the terms and conditions and their execution.

Perfunctory vetting of applications

The consultant was appointed without inviting competitive bids and the evaluation of bids in a single day raises doubts.

5.2.13.6 UPICO was appointed (September 2008) as consultant/evaluator of the technical bids without market survey or inviting competitive bids. It is pertinent to mention here that UPICO submitted its evaluation report on bids received for Sports City-II (2010-11) scheme on the same day (24 March 2011) on which the bids were forwarded to it by NOIDA, which raises doubts about the entire evaluation process.

In its reply, NOIDA stated (August 2020) that UPICO is an undertaking of GoUP and has specialisation in technical evaluation. Since only four bids were received in the scheme, it was not inappropriate/unreasonable in any manner for UPICO to evaluate these in a single day.

The reply of NOIDA fails to address the fact of appointment of the consultant without inviting competitive bids. Moreover, the deficiency in screening and evaluation of one of two bids (Plot No. SC-01, Sector 150), as discussed in the succeeding para, is itself an indication of undue haste shown in submission of the evaluation report.

Providing backdoor qualification to applicants

Backdoor entry was provided to applicants by including credentials of the holding/subsidiary company(s) as eligibility of the applicant.

5.2.13.7 The eligibility conditions in the schemes' brochure provided a condition that “If a company wants to apply through a subsidiary company, then it should have minimum of 51 *per cent* shareholding in the subsidiary company. It is clarified that in this case the applicant will be the subsidiary company who will have to qualify the minimum requirements of net worth, solvency and turnover. However, in case the tenderer/consortium member is a

company, then the qualifications of its holding company or subsidiary companies shall also be considered as the qualifications of the applying company/consortium member.”

Audit observed that this condition was employed by the applicants in all the three cases to garner allotments (as discussed case-wise in **Paragraph 5.2.14**). Audit concluded that the conditions stated in the brochure were contradictory in the sense that though the applicant (subsidiary) was required to qualify by itself, but on the other hand, it could utilise the credentials of its holding/subsidiary company. The permission to bid on the back of credentials of the holding or subsidiary company, without their actual participation, enabled bidders who were as such ineligible to garner plots beyond their net worth. This was also imprudent on the part of NOIDA as the actual allottee lacked the capability to execute the project.

NOIDA has accepted (August 2020) the audit observation and agreed to make necessary amendments in future schemes.

Deficiencies in screening and allotments

5.2.14 The process of tender for Sports City plots in Noida entailed a two stage bidding process with technical bid and financial bid being called for. The technical bid consisted of technical eligibility criteria requiring experience of work done and financial eligibility criteria was specified in terms of minimum net worth, solvency and turnover. The details submitted by applicants were then required to be evaluated by the Allotment Committee. The brochure provided that the financial bids of only technically qualified bidders shall be opened. Thus, the bids of those applicants who did not qualify the technical eligibility criteria were not to be opened. Audit noticed violations committed at various stages of screening of the applications and allotments. These are discussed plot-wise as below:

Plot No. SC-01, Sector 150

5.2.14.1 As per the terms and conditions provided in the scheme brochure, the applicant was required to qualify eligibility criteria of minimum ₹ 200 crore total turnover from real estate activities for the last three accounting years. Besides, the applicant should have completed two real estate development projects of 10 lakh sqft during the last five years. A certificate from the competent statutory authority was required for the completed projects.

Allotment of the plot was made to Logix Infradevelopers Pvt. Ltd. for 8,00,000 sqm (197.68 acre) valuing ₹ 920 crore in May 2011. The consortium submitted its bid on the last day (24 March 2011). Besides, one more bid was received for this plot. NOIDA sent both the technical bids (24 March 2011) to UPICO for evaluation and UPICO gave its report on the same date. Audit noticed that UPICO submitted its report without even exercising basic check of the documents. A case in point is that in the details submitted, turnover was stated as ₹ 287 crore whereas in UPICO’s report it was stated as ₹ 257 crore.

Scrutiny of the tender documents revealed that out of six members of the consortium, one member had nil turnover while the other companies did not have the minimum required turnover of ₹ 200 crore from real estate activities as shown in **Table 5.2.13**.

The allotment was made despite the fact that the applicant did not have required turnover from real estate activities. One certificate regarding construction experience was not from statutory authority as required.

Table 5.2.13: Details of turnover of the members of the consortium

Name of Consortium Members	Turnover in the last three years as mentioned in the tender documents (₹ in crore)	Turnover from real estate activities in the last three years (₹ in crore)	Inadmissible Turnover (₹ in crore)	Turnover (activity) as per balance sheet of sports city bidders
Logix Soft-tel Pvt Ltd	32.00	NIL	32.00	Income from rent and business receipts
Logix Builders & Promoters Pvt Ltd	NIL	NIL	NIL	Incorporated on 07 March 2011
V C Solutions Pvt Ltd	103.89	NIL	103.89	Fees and services, construction and supervision charges, sales
IT Enfraservices Pvt Ltd	94.92	NIL	94.92	Rental income and other business receipts
Noida Cyber Park Pvt Ltd	40.66	NIL	40.66	Income from rentals, service and maintenance charges and other income
Lakshmi Constructions	15.53	NIL	15.53	Contract receipts, sale of scrap
Total	287.00	NIL	287.00	

Source: Information furnished by NOIDA.

Thus, the consortium was not qualified as per the mandatory eligibility criteria set out in the scheme brochure.

Audit further noticed that the applicant submitted three certificates for real estate projects for 19,61,625 sqft, out of which only two certificates for 6,54,450 sqft were issued by the competent statutory authority (Delhi Development Authority). The third certificate for 13,07,175 sqft was issued by an architect and was not from the statutory authority as was the mandatory stipulation. Thus, the applicant failed to fulfill the criteria of certificate from competent authority for 10 lakh sqft.

The applicant, therefore, should have been disqualified at the technical bid stage. The question of even opening the financial bid, let alone being allotted the plot, did not arise. Thus, on account of due diligence not being exercised and undue favour shown in evaluation, an ineligible entity was awarded the plot. It is evident that evaluation of bids was an eyewash only and UPICO was also paid for this work.

In its reply, NOIDA stated (September 2020) that the evaluation of the technical bid was done by UPICO. Net worth of the applicant was shown as ₹ 257 crore by UPICO while the applicant showed it as ₹ 287 crore in the tender documents. This, it was stated, appears to be a typographical error. The turnover of the applicant was more than ₹ 200 crore as required in the scheme conditions.

The reply is not correct. The bidder was technically not qualified as per the mandatory eligibility criteria set out in the scheme brochure. The report of UPICO should have been reviewed meticulously by NOIDA before making allotment and any shortcomings should have been placed before PAC so as to evaluate the bid correctly. The Government should consider fixing responsibility in the matter as it has entailed selection of entities that were *prima facie* not eligible.

The plot was allotted on the credentials of holding company of one of the members of the consortium. The credentials of same company were used earlier for allotment of Sports City plot SC-01-01/ sector 78-79.

Plot No. SC-02 Sector 150

5.2.14.2 Allotment of the plot was made (September 2014) to Lotus Greens Constructions Pvt. Ltd. for 12,00,000 sqm (296.52 acre) valuing ₹ 2,263.80 crore. Experience criteria was submitted in case of projects developed by the holding company (Three C Universal Developers) of one of the members (Three C Infrastructure Limited) and NOIDA considered the consortium eligibility on that basis. Further, none of the members had any turnover since its inception (except for Crest Promoters) and eligibility was considered based on the credentials of Three C Universal Developers only. It is pertinent to mention here that plot no. SC-01 in sector 78/79 was also allotted (May 2011) on the credentials of Three C Universal Developers Pvt. Ltd. as holding company of one of the members (Xanadu Estates Pvt. Ltd.) valuing ₹ 836.62 crore at reserve price.

NOIDA allotted two plots on the basis of net worth of a company which was not an applicant (rather holding company), without due evaluation of present status of earlier allotment or the inherent capability of the allottees. Though the previous allotments were known to NOIDA, PAC did not take cognisance of it and permitted the prospective applicant companies to leverage their net worth for multiple allotments.

In its reply, NOIDA stated (September 2020) that the consortium was eligible as per laid down conditions and there was no condition in the brochure to assess applicants in two schemes together. However, NOIDA accepted that inclusion of provision regarding aggregating minimum eligibility allotment would be appropriate in future schemes.

Plot No. SC-01 Sector 152

5.2.14.3 As per the terms and condition of the brochure (Note (ii) of Essential Qualifications), turnover of the lead member and relevant members only was to be taken for eligibility. Allotment of the plot was made to ATS Homes Pvt. Ltd. for 5,03,000 sqm (124.29 acre) valuing ₹ 1,317.86 crore in July 2015. Audit scrutiny revealed that the successful bidder did not fulfil the eligibility criteria as turnover of one relevant member (ATS Infrastructure Limited) and its two subsidiary companies (ATS Estates Pvt. Limited and Gul Properties Pvt. Limited) was considered, which was tantamount to providing backdoor entry to the applicant on the basis of credentials of subsidiaries as pointed out in **Paragraph 5.2.13.7**.

Out of ten members of the consortium, eight members (including lead member) did not have any turnover during the period 2012-13 to 2014-15 and net worth of the lead member was negative. Further, two completed projects of the relevant member were shown for ₹ 308.67 crore which was not supported by its accounts and accounts for the year 2013-14 showed a negative turnover.

It is evident that the allotment was made to a consortium whose members did not fulfil the laid down conditions. This allotment similarly indicates that undue favours were granted while making allotment.

In its reply, NOIDA accepted the audit observation and stated (September 2020) that the brochure conditions were faulty and specified conditions have been violated. Action, it stated, is being taken.

Eight out of 10 consortium members did not have turnover, hence for eligibility turnover of two subsidiary companies of a member of the consortium was used.

Thus, the allotments for Sports City plots were clearly made to applicants who failed to qualify even the mandatory technical criteria as was prescribed. Their financial bids should not have been entertained at all, let alone been given allotments. Projects intended for international level sporting infrastructure involving huge tracts of land was thus handed over to ineligible entities. The Government may consider fixing responsibility and taking action against all the officers in the PAC, who failed to exercise due diligence required of them and did not disqualify entities which did not meet the mandatory evaluation criteria and yet were finally allotted plots involving huge tracts of land.

Violation of terms related to consortium arrangement

5.2.14.4 The Uttar Pradesh Procurement Manual (Procurement of Goods) 2016 defines consortium as ‘association of several persons, or firms or companies’. The terms and conditions laid down in the brochure provided the following in case of tendering by a consortium:

- Members of the consortium will have to specify one lead member who alone shall be authorised to correspond with NOIDA. Lead member should be the single largest shareholder having at least 30 *per cent* share in the consortium;
- The members shall submit a Memorandum of Agreement (MoA) conveying their intent to jointly apply for the scheme and in case the plot is allotted to them, the MoA shall clearly define the role and responsibility of each member in the consortium, particularly with regard to arranging debt and equity for the project and its implementation. MoA should be submitted in original, duly registered/notarised with the appropriate authority;
- The members shall submit a registered/notarised MoA conveying their intent to jointly apply for the scheme and in case the plot is allotted to them, to form Special Purpose Company (SPC) that will subsequently carry out all its responsibilities as the allottee. The MoA must specify the equity shareholding of each member of the consortium in the proposed SPC.

NOIDA allowed two or more companies to form a consortium and bid as a consortium for allotment of plots. Against the above conditions, Audit cross verified with the data obtained from Registrar of Companies (RoC) and observed the following instances of deviations from laid down conditions:

Plot No. SC-01 in Sector 78/79

5.2.14.5 Seven out of nine members⁵ of the consortium including lead member were subsidiary companies of one company (Three C Universal Developers Private Limited). Further, these seven companies in the consortium had been formed recently (apparently for the purpose of this project) and did not have any resources to pool for taking the plot as a consortium.

The role and responsibilities of each member in the consortium were not defined in the MoA entered into by the consortium members, which UPICO has also failed to point out during evaluation of documents.

Further, on the request of the allottee (October 2011) (consortium led by Xanadu Estates Pvt. Ltd.), an existing company (Three C Green Developers

An existing company was allowed to act as SPC against the condition of the brochure.

⁵ Except Meriton Infotech Pvt Ltd and Sutlej Agro Products Limited which did not have experience of real estate.

Pvt. Ltd.) was approved as SPC (October 2011) even though it was incorporated prior to allotment against the conditions laid down in brochure. Further, shareholding pattern of the SPC was not as per the pattern specified in MoA. Audit observed that the company was promoted by Three C Universal Developers Pvt. Ltd and at the time of its inclusion as SPC, shareholding of four members (Xanadu Estates-62.5 *per cent*, Meriton Infratech-18.5 *per cent* and Xanadu Infradevelopers and Suttlej Agro-9.5 *per cent* each) of the consortium was shown in the SPC as per certificate submitted by the allottee, against the nine companies which were part of the consortium.

Thus, the consortium that was allotted the plot suffered from irregularities, in spite of which allotment was made in their favour. The officers of NOIDA failed to observe/ignored these shortcomings while approving the name of the SPC and simply approved (October 2011) the request made by the allottee. Thus, the allottee was unduly facilitated from the initial stage itself by ignoring laid down terms and conditions and the shortcomings of the applicant consortium as discussed above were not analysed by NOIDA.

In its reply, NOIDA accepted (September 2020) the audit observation regarding violation of terms related to consortium agreement regarding not specifying role and responsibility of lead member and relevant members in MoA and approval of a SPC formed before the allotment. It further stated that action was being proposed against UPICO for the deficiencies in the allotment process.

While NOIDA has accepted the audit observation regarding violation of terms related to consortium agreement it is yet to fix responsibility on officials of NOIDA itself for approval of allotment to an existing SPC which did not have shareholding pattern as per the MoA.

Plot No. SC 01 in Sector 150

Members who qualified the consortium, exited after allotment and shareholding and ownership passed to third parties.

5.2.14.6 As per brochure conditions, in case the tenderers have formed a consortium, the members were to submit a registered/notarised MoA conveying their intent to jointly apply for the scheme and in case the plot is allotted to them, to form SPCs that will subsequently carry out all its responsibilities as the allottee. The MoA was to specify the equity shareholding of each member of the consortium in the proposed SPC.

Audit observed that a plot measuring 5,48,192 sqm was divided (January 2012) into two parts viz. SC-1/A measuring 2,69,430 sqm in favour of Logix Builders & Promoters Private Limited (relevant member) and SC-1/B measuring 2,78,762 sqm in favour of M/s Logix Infradevelopers Private Limited (SPC). The position of shareholding in the consortium and the SPC was as detailed in **Table 5.2.14**.

Table 5.2.14: Details of shareholding pattern in consortium

(in per cent)

Original Shareholding in the consortium – M/s Logix Infradevelopers Pvt. Ltd. (SPC)		Subdivided plot SC-1/A (Relevant Member: M/s Logix Builders & Promoters Private Limited)	Subdivided plot SC-1/B (SPC: M/s Logix Infradevelopers Private Limited)
Logix Soft Tel Private Limited	40	-	50
V. C. Solutions Private Limited	25	-	30
Logix Builders & Promoters Limited	20	-	20
IT Enfraseservices Private Limited	5	-	-
Noida Cyber Park Private Ltd.	5	-	-
Lakshmi Constructions	5	-	-
Meena Nath	-	50	-
Shakti Nath	-	50	-
Total	100	100	100

Source: Information furnished by NOIDA.

Thus the members⁶ on whose credentials for minimum turnover and completed projects related to real estate development and construction activities the plot was allotted, exited the consortium. Audit observed that the entire shareholding was vitiated in both the cases and the brochure conditions were clearly violated as five out of six members of the initial consortium were left out of SC-1/A and in case of SC-1/B, only three out of six members of the consortium were included as shareholders. Members who qualified the consortium exited after allotment and shareholding and ownership passed to third parties.

It is evident that the builders came together for a transitory period and helped otherwise ineligible entities to qualify for allotment and after formal allotment was in place, they exited the consortium. The change of composition of the consortium after allotment, as mentioned in **Table 5.2.14**, indicates that three members (M/s IT Enfraseservices Pvt. Limited, Noida Cyber Park Pvt. Limited and Lakshmi Constructions) had joined the consortium only for facilitating allotment by lending their credentials. All this is evidence of lack of regulatory control by NOIDA.

In its reply, NOIDA stated (September 2020) that the benefit of the deficiencies in the brochure was taken by the builder for which amendment in the brochure conditions was being proposed.

Plot No. SC 02 Sector 150

5.2.14.7 The brochure conditions entailed allotments to consortiums, wherein the role and responsibilities of each member in the consortium was to be defined in the MoA entered into by the consortium as per clause 8 (c) of the scheme brochure.

The plot was allotted to a consortium of seven members with Lotus Greens Constructions Pvt Ltd as the lead member. In spite of clearly laid down condition, no SPC was formed after the plot was allotted to the consortium, though the intention to form an SPC was indicated in the MoA. However, NOIDA, instead of raising objections, facilitated the lead member to act as the allottee. It is pertinent to mention here that there was no shareholding of any

Instead of formation of SPC, the lead member of the consortium was allowed to act as allottee.

⁶ IT Enfraseservices Private Limited, NOIDA Cyber Park Private Ltd. and Lakshmi Constructions.

of the members of the consortium in Lotus Greens Constructions Pvt. Ltd rather the entire shareholding was with Lotus Greens LLP. This not only resulted in non-compliance of MOA but also in undue favour as the plots were further subdivided in the name of subsidiaries of Lotus Greens Constructions Pvt. Ltd. Thus, the ownership of the plot was vested with the lead member only, whilst the relevant member⁷ who helped in qualifying the criteria were left out.

In its reply, NOIDA stated (September 2020) that in this regard further examination of the provisions of the brochure was got done from the Chartered Accountant. The suggestion of the Chartered Accountant, after examination by the Authority, would be put in the upcoming Board meeting for necessary amendments in the conditions of the brochure of the schemes to be launched in future.

Irregularities in transfer and subdivision of plots

5.2.15 On analysis of sub-divisions and transfers of plot by Audit and its further cross-verification with data obtained from the RoC, the following issues were observed:

Irregular sub-division of Sports City plots

The four Sports City plots were sub-divided into 81 parts with each sub-divided plot treated as a separate allottee.

5.2.15.1 As per the condition included in the scheme brochure of Sports City scheme, the lessee could develop/implement the project through its subsidiary companies in which the lessee/allottee was to have a minimum of 90 per cent equity shareholding. The condition further stated that the lessee/allottee who develops the project through its subsidiary company shall be entitled for sub-leasing the portion of allotted/leased land in favour of the subsidiary company and such transfer shall be without any transfer charges. However, on any subsequent transfer/sublease, transfer charges at the prevailing rate shall be payable. At the time of approval for implementation of project through subsidiaries, NOIDA specifically stated that 90 per cent equity shareholding in the subsidiaries shall be maintained throughout the project.

NOIDA allotted four Sports City plots and permitted the implementation through multiple companies as detailed in **Appendix 5.2.3** and shown in **Table 5.2.15**.

Table 5.2.15: Details of allotment and implementation through sub-division

Plot no./Sector	Original allottee consortium	No. of sub-divisions approved	No. of sub-divisions to relevant members/SPC	Area of the plots (sqm)
SC-01/Sector 78/79	Xanadu Estates Pvt. Ltd.	23	7	7,03,001.80
SC-01/Sector 150	Logix Infra Developers Pvt. Ltd.	24	2	9,07,987.81
SC-02/Sector 150	Lotus Greens Constructions Pvt. Ltd.	24 ⁸	8	13,29,745.92
SC-01/Sector 152	ATS Homes Pvt. Ltd.	10	10	4,03,457.45
Total		81	27	33,44,192.98

Source: Information furnished by NOIDA.

⁷ Three C Infrastructure Private Limited.

⁸ Out of 24 sub-divisions of plot, lease deeds were not executed in three cases (plots no. SC-02/C1, SC-02/M and SC-02/P) as on 20 July 2021.

Audit, on examination of these subdivisions and transfers, observed that:

- The certificate of RoC regarding subsidiary status of companies (in whose favour sublease was executed) was not taken at the time of approval for implementation through subsidiaries. The equity shareholding at the time of incorporation of the company and as per certificate of the Chartered Accountant submitted for subsidiary status were different and there is no document available on record which could show the period in which shareholding was changed.
- The Finance wing of NOIDA treated every single sub-divided plot as a separate allottee and issued a separate payment schedule for each one of them without taking any approval to this effect. Even in case of transferred plot, separate payment schedule was issued and the allottee was treated as original allottee and provided all the facilities. Hence, the level of commitment envisaged through the covenants in the brochure was weakened as each sub-lessee/transferee was responsible for his own part only.
- NOIDA approved (April 2014) sub-division of plot SC-01/C Sector 150 measuring 2,74,209 sqm into 12 parts and allowed sub-lease in favour of its subsidiaries. Out of 12 subsidiaries mentioned in the approval letter, six subsidiaries were not in existence at the time of approval of sub-division as detailed in **Table 5.2.16**.

Table 5.2.16: Details of subsidiaries not existing at the time of sub-division of plot

Name of subsidiary	Date of incorporation (as per data available on Ministry of Corporate Affairs website)
Educe Buildcon Pvt. Ltd.	05 June 2014
Explicit Estates Pvt. Ltd.	05 June 2014
Imperative Constructions Pvt. Ltd.	09 June 2014
Augur Realtors Pvt. Ltd.	06 June 2014
Arable Builders Pvt. Ltd.	13 June 2014
Hale Relators Pvt. Ltd.	05 June 2014

Source: Information furnished by NOIDA.

Also, no document was made available to Audit to show that these were the subsidiaries of the allottee. Thus, NOIDA extended undue favour in sub-dividing the plot for which no justification is available on record.

In its reply, NOIDA accepted the audit observation and stated (September 2020) that the certificate of RoC regarding subsidiary companies should have been available with the Authority, which was not the case. Separate allottees were undoubtedly treated as original allottee due to issuance of separate payment schedules which is against the concept of integrated sports facility. It was confirmed by NOIDA that the audit observation is correct as there is no document on record to show that the companies mentioned in the audit observation are subsidiary companies of the original allottee.

Though the audit observation has been accepted by NOIDA, responsibility needs to be fixed for laxity on the part of the concerned officials of NOIDA.

Part of plot SC-01/A Sector 150 was transferred in the name of a company which was not the subsidiary of the allottee and instead of transfer deed, sub-lease deed was executed.

Irregular transfer of Sports City plot (Plot no. SC-01 in Sector 150)

5.2.15.2 The General Terms and Conditions of the brochure provided that “without obtaining the completion certificate the lessee shall have the right to sub-divide the allotted plot into suitable smaller plots as per the planning norms of NOIDA only for the area available for residential and commercial use and to transfer the same to the interested parties”.

It was further provided that “the lessee/allottee who develops the project through its subsidiary company shall be entitled for sub leasing the portion of allotted/leased land/built-up area in favour of the subsidiaries companies and the first transfer by such subsidiary company of the said allotted/leased land/built-up area which is being developed or proposed to be developed by the subsidiary shall be without any transfer charges. However, for the subsequent transfer/sub-lease, transfer charges as per prevailing policy (at the time of transfer) of the lessor/NOIDA Authority shall be payable”.

From a perusal of above conditions, it is evident that the allottee could develop the project through subsidiaries and residential and commercial parts could be transferred to (other) interested parties, whether by the allottee or sub-lessee or subsidiary.

Plot no. SC-01 in Sector 150 allotted to Logix Infradevelopers Pvt. Ltd. (consortium) was sub-divided into 24 parts and sub-lease deeds were executed for the same in favour of various entities. Out of the sub-divided plots, one plot measuring 63,052.90 sqm (Plot no. SC-01/A Sector 150) was sub-divided in favour of Logix Builders & Promoters. Part of this plot (17,650 sqm) was transferred (September 2013) by Logix Builders & Promoters in favour of ACE Infra City Private Limited to develop Group Housing Project along with additional area of 5,400 sqm to be developed as green area. Audit noted that an undated transfer application of M/s Logix Builders & Promoters was processed by Commercial wing and Planning wing and approved by the CEO on the same day (27 August 2013) and the transfer charge was also deposited on the same date (27 August 2013). The sub-lease for the plot was executed on 10 September 2013. ACE Infra City Private Limited applied for sanction of map on the plot which was approved by NOIDA on 20 December 2013. Completion certificate was given for the plot on 28 February 2017.

In this connection Audit observed that:

(i) NOIDA irregularly approved (27 August 2013) the transfer of part of a sub-divided plot in favour of a company that was not a subsidiary company of the allottee and which was also to develop green area of 5400 sqm besides developing group housing (for FAR of 6 lakh sqft) whereas it was non-compliant of the above condition of the brochure. In fact, part of this plot was considered as part of golf course in the layout approved on 29 October 2013.

(ii) the transfer was also not as per ‘commercial policy and procedure’ which states that the lessee may transfer the plot after payment of up to date instalment, interest and lease rent. In this case, there were pending dues on the plot which was borne out from the transfer records.

(iii) although the plot was outrightly transferred to another entity but instead of transfer deed, sublease deed was executed and the transferee was treated as

an individual allottee. Further, as required by the Policies and Procedures for Commercial Property Management, no resolution of the Board of the transferor company was sought for by NOIDA along with the transfer application.

The transfer was also incorrect in view of the fact that as per approved layout, the project was to be implemented in an integrated manner and as per approved layout on 29 October 2013, sporting facility was to be developed on 5,400 sqm land whereas residential group housing was to be developed on 17,650 sqm. But neither this fact was mentioned in the transfer memorandum nor in the approval of map of the plot. Thus, NOIDA transferred part of the land incorrectly to a builder which amounted to undue favour as the plot was given to a company which was neither part of the consortium nor was a subsidiary of the allottee company. This amounted to undue favour to a builder to the extent of ₹ 81 crore (calculated on the basis of amount of stamp duty paid for the plot).

In its reply, NOIDA stated (September 2020) that as per terms and conditions, the allottee was permitted to develop the project through subsidiary companies in which 90 *per cent* of the shares were held by the allottee. However, the general terms and conditions also provided that the allottee could sub-divide the plot and transfer to interested parties the area available for commercial and residential use, with prior approval from NOIDA. Hence, the development of the project and transfer of residential land parcel are two distinct activities, for which the terms and conditions are clearly provided in the scheme. Accordingly, the transfer approved by the CEO was in order.

NOIDA further stated that the terms and conditions of transfer of plot for Sports City are different from the policy for commercial department. A part of the plot, after sub-division, was transferred in the name of M/s Ace Infracity Developers Pvt Ltd with charges levied. A transfer memorandum has also been issued to the allottee in this regard. After issuance of transfer memorandum, a copy of the registered transfer deed between the transferor and transferee, is to be presented in NOIDA. In this case, sub-lease deed has been executed in place of transfer deed which is wrong. Action is being taken.

From a perusal of NOIDA’s reply it is evident that the terms and conditions laid out in the scheme were lax and ambiguous. The Sports City was to be developed as a whole as per brochure but due to loopholes in General Terms and Conditions, portions of land were transferred to third parties and such transfers were even approved. Even though only Group Housing and Commercial portions could be transferred, earmarked green areas were also transferred. In reply NOIDA has attempted to separate development of project from specific land parcels, which are part of the project. From the instant case it is evident that NOIDA has acted at the behest of the allottees rather than in the interest of the overall project development.

Transfer of sub-divided parts of Sports City plots through change in shareholding of subsidiary companies

5.2.15.3 The general terms and conditions of the brochure of Sports City scheme-II *inter alia* provided that:

- Without obtaining the completion certificate the lessee shall have the right to sub-divide the allotted plot into suitable smaller plots as per planning

norms of NOIDA only for the area available for residential & commercial use and to transfer the same to interested parties.

- The lessee/allottee who develops the project through its subsidiary company shall be entitled for sub-leasing the portion of allotted/leased land/built up area in favour of the subsidiary companies and the first transfer by such subsidiary company, of the said allotted/leased land/built-up area which is being developed or proposed to be developed by the subsidiary, shall be without any transfer charges. However, for subsequent transfer/sub-lease, transfer charges as per prevailing policy (at the time of transfer) of the lessor/NOIDA Authority shall be payable.

The allottee of the Sports City plot in sector 78/79 (Xanadu Estates Private Limited) requested (11 October 2011) for sub-division and sub-lease in five parts in favour of its five relevant members and one part in favour of SPC (Three C Green Developers Private Limited). The proposal was approved by the CEO on 21 October 2011 as per details given in **Table 5.2.17**.

Table 5.2.17: Details of plot sub-divided

Plot No.	Name of company	Area in sqm
SC-01/A Sec 79	Sequel Buildcon Private Limited	1,00,000
SC-01/B Sec 79	Sequel Building Concepts Private Limited	48,000
SC-01/C Sec 79	Three C Green Developers Private Limited (SPC)	2,50,027.50
SC-01/D Sec 79	Kindle Developers Private Limited	1,00,000
SC-01/E Sec 79	Xanadu Realcon Private Limited	80,000
SC-01 Sec 78	Xanadu Infratech Private Limited	14,272.50

Source: Information furnished by NOIDA.

The respective lease deeds were executed on 24 October 2011 and possession was given on 11 November 2011. The sub-lessee of plot no. 01/A requested (28 August 2012) to divide the plot into two parts (01/A1 and 01/A2 each admeasuring 50,000 sqm) and sub-lease 01/A2 in favour of its 100 per cent subsidiary - Arena Superstructures Private Limited. The matter was considered by the standing committee in its meeting of 27 September 2012 which recommended that the main objective of Sports City is to develop all facilities in an integrated manner and sub-division can be approved for other activities. Audit noticed that in the noting prepared for the approval it was mentioned that as request for sub-division has also been received from other companies, therefore decision taken above was to be also applied in all those cases.

Audit observed that although the committee had approved sub-division for other activities, AGM (Commercial) construed it as approval for other sub-divisions and issued approval letters for further sub-division without any specific approval.

It was further observed that the plot no. SC-01/A1 and SC-01/C1 (along with additional land allotted later) were subsequently sub-divided into two and seven parts respectively and in this manner, the entire plot was sub-divided into 23 parts in favour of subsidiary companies of the allottee/SPC.

Thus, through repeated sub-divisions, the plot was initially sub-divided between six entities and eventually into 23 parts. This has led to provision for housing in each sub-divided plot as well as sub-division of sports area. The instant case shows how the permission accorded was misinterpreted to favour allottees, so as to promote development of housing instead of an integrated development along the envisioned theme. It is pertinent to mention here that

out of 23 sub-divided parts, none of the parts was with the lead member which is a violation of the condition which provided that shareholding of the lead member should be at least 30 *per cent* till completion of one phase.

In its reply, NOIDA stated (September 2020) that the five sub-lessees requested for sub-division of their respective plots in favour of subsidiaries which was approved by the CEO. All sub-divisions were done with the lead member holding 30 *per cent* shareholding. On further examination by the Additional Chief Executive Officer (ACEO), NOIDA it was stated that as per brochure, the project was to be executed through 100 *per cent* subsidiary company of the lead member and that the subsidiary companies changed their constitution in violation of the rules. It was further stated that transfer charges should have been levied for such transfer and action was being taken in this regard.

The audit observation has been accepted by NOIDA; further action by NOIDA needs to be initiated against the concerned officers.

Non-imposition of transfer charges in plot no. SC-01 in sector 78/79

NOIDA failed to impose transfer charges of ₹ 295.75 crore on transfer of sub-divided plots through Change-in-Shareholding.

5.2.15.4 As per terms and conditions of the brochure, transfer charges should have been recovered for any further sub-division as the plot was already sub-divided into five parts but no such charges were recovered and the plots were continuously sub-leased on allotted rates which also resulted in evasion of stamp duty.

Audit observed that in the case of the allottee of the Sports City plot in sector 78/79 this condition was misused by sub-leasing to companies which were subsidiary companies at the time of approval for sub-lease but later on 100 *per cent* shareholding was changed in these companies and as such they were no more the subsidiaries of the allottee/SPC.

This was further facilitated by office order (27 October 2010) through which NOIDA removed the requirement of obtaining approval for Change in Shareholding (CIS). The complete change of shareholding amounts to complete change of ownership and as such plots subdivided in favour of the subsidiary should have been treated as transfer. Audit observed that plots were sub-leased to companies/builders in the name of the subsidiary company at the allotment rate which in turn sold the land to parties through 100 *per cent* change in shareholding by taking advantage of the erroneous condition included by NOIDA. This resulted in plots valuing ₹ 4,041.44 crore transferred to builders in 20 cases of sub-division as detailed in **Appendix-5.2.4**.

By waiving the transfer charges, NOIDA failed to recover transfer charges of ₹ 295.75 crore⁹ at the rate of 10 *per cent* of the current rate which is detailed in **Table 5.2.18**.

Table 5.2.18: Details of transfer charges not recovered

Description	Particulars
Calculated rate for the year 2016-17 (₹ per sqm)	60,602.76
Total area transferred (sqm)	4,88,023
Transfer charges at value of land at 2016-17 rates (₹ in crore)	295.75

Source: Information compiled by Audit.

⁹ Worked out by Audit on basis of E category of group housing plot, in which this sector was categorised in 2016-17.

Further sub-leases were said to be done on the basis of cost sharing agreements between the companies but copy of none of the cost sharing agreements was available in the file produced before Audit. As ownership of all the companies have changed¹⁰ this should have been treated as transfer for which not only transfer charges should have been recovered by NOIDA but they also should claim unearned increase in market value of land (i.e. difference between premium paid and market value) as these plots appear to have been sold to other entities.

There was, thus, a loss of ₹ 295.75 crore to NOIDA in the instant case on account of permitting transfers without imposition of transfer charges.

In its reply, NOIDA accepted (September 2020) the audit observation and stated that provisions regarding subsidiary company should have been made mandatory in the brochure in such a way that the constitution of subsidiary company does not change. In view of the audit observation, action is being taken for recovery of transfer charges.

Non imposition of transfer charges in Plot No. SC-02, Sector 150

5.2.15.5 NOIDA approved (04 July 2016) the implementation of the project through 12 subsidiaries of Lotus Greens Constructions with the condition that 90 *per cent* shareholding of the lessee will remain in the subsidiary companies.

Audit noticed that NOIDA on the request of sub-lessee approved the change of name of the sub-lessee from Three C Infra Square Pvt Ltd to Samridhi Infra Square Pvt Ltd. (July 2015) in respect of plot no. 2/D (admeasuring 40,186.45 sqm) and from Three C Buildcon Pvt. Ltd. to Samridhi Buildmart Pvt Ltd (November 2015) in case of plot no. 2/E (admeasuring 32,519.22 sqm). Audit observed with the change of name the entire shareholding in both the subsidiary companies went in the hands of Samridhi Realty Homes Private Limited in violation of the conditions.

Similarly, merger of Crest Promoters Pvt. Ltd. to whom plot no 2/F & G was subleased was approved in favour of Ace Infra City Developers Pvt. Ltd. With this merger both plots admeasuring 1,18,065.25 sqm have been transferred in the hands of Ace Infra City Developers.

Further, 51 *per cent* shareholding of Land Kart Builders (to whom plot no. 2/A-1 admeasuring 83,970.00 sqm was subleased) was transferred to Tata Value Homes Limited.

Thus, total land of 2,33,595.62 sqm no longer remains either with the original allottee or its subsidiary companies but NOIDA in spite of the fact of change of shareholding did not consider it as a transfer. This not only resulted in undue favour to the extent of market value of this land, but by waiving the transfer charges, NOIDA failed to recover the transfer charges of ₹ 141.57 crore at the rate of 10 *per cent* of the current rate which has been worked out by Audit on the basis of E category of group housing plots in which this sector was categorised in 2016-17, as given in **Table 5.2.19**.

Table 5.2.19: Details of transfer charge not recovered

Description	Particulars
Calculated rate for the year 2016-17 (₹ per sqm)	60,602.76
Total area transferred (sqm)	2,33,595.62
Transfer charges at value of land at 2016-17 rates (₹ in crore)	141.57

Source: Information compiled by Audit.

¹⁰ As inclusion of Three C Green Developers as SPC was not correct as already pointed out by Audit.

NOIDA failed to impose transfer charges of ₹ 141.57 crore on transfer of sub-divided plots through Change-in-Shareholding.

Thus, Audit observed that NOIDA failed to check transfer of plots through sub-division and change in shareholding and also suffered loss of revenue to the tune of ₹ 141.57 crore due to non-imposition of transfer charges.

In its reply, NOIDA accepted the audit observation and stated (September 2020) that action is being taken for recovery of transfer charges. It also stated that in the scheme brochure the provision of subsidiary companies should be made in such a way that its constitution was not changed.

Thus, though NOIDA has accepted the audit observation, the fact remains that the control of the plot was transferred indirectly which hampered integrated development of project.

Planning and layout related deficiencies

5.2.16 The Planning wing of NOIDA headed by Chief Architect and Town Planner prepares the site plan on the basis of which the plots are demarcated. Planning wing also approves the layout plan/map of each plot and ensures that construction is carried out as per prevailing Building bye-laws. The discrepancies observed in the above procedure are discussed hereunder:

Allotment made without NOIDA possessing the entire land

5.2.16.1 For allotment of land, the proposed land should be in the possession of NOIDA and should be free from encumbrances. NOIDA launched the scheme without having the entire area under its possession and a major portion of the land was not even acquired at the time of allotment. NOIDA itself mentioned this fact in the scheme brochure which stated that the balance land would be given as soon as it was acquired.

Audit observed that NOIDA did not have possession of encumbrance-free land for proposed allotment and a major part of the land was not even acquired at the time of allotment. Against the proposed allotment covering an area of 7,27,500 sqm in Sectors 78/79, 8,00,000 sqm in SC-01/Sector 150, 12,00,000 sqm in SC-02/Sector 150 and 5,03,000 sqm for the international cricket stadium cum Sports City in Sector 152, NOIDA was having possession of only land measuring 5,92,300 sqm, 6,67,000 sqm, 3,00,000 sqm and 3,93,277 sqm respectively.

Audit further observed that even the land which was in possession of NOIDA, there were some portions which were not free from encumbrances. Due to its inability in providing the land in full to the allottees, the envisaged development has also been delayed, the responsibility for which lies with NOIDA.

NOIDA allotted four Sports City plots without having the possession of the entire land in each case.

<p>Photograph 5.2.1: Encroachments in Sector 150 where golf course is planned</p>	<p>Photograph 5.2.2: Encroachments in Sector 152 where cricket stadium is planned</p>
	
<p>Photograph 5.2.3: Encroachments in Sector 150 where golf course is planned</p>	<p>Photograph 5.2.4: Encroachments in Sector 152 where cricket stadium is planned</p>
	

A joint physical verification conducted by Audit along with NOIDA on 6 December 2019 brings out the present status of areas earmarked for sports infrastructure. The above photographs were taken during the joint verification.

In its reply, NOIDA accepted (August 2020) the audit observation. The availability of land, it stated, will be ensured in future schemes.

Discrepancies in approval of individual layouts

Plot No. SC-01 Sector 150

5.2.16.2 As per terms of allotment of plot no. SC-01 in Sector 150, the allottee was required to get the composite layout approved from NOIDA for execution of the Sports City project. The allottee applied for approval of layout (September 2012) on which objections were issued by NOIDA on 4 October 2012. NOIDA passed the layout on 16 November 2012. The allottee applied for revision of the layout on 7 August 2013 on which objections were raised on 16 August 2013. The allottee could not comply with the objections and the layout was passed on 29 October 2013 (incorporating sub-divided plots) after taking an affidavit from the allottee. After allotment of additional area, the

layout was again revised on 17 April 2014 and again on 23 April 2015. The layout was again revised on 4 March 2016 after allowing extra FAR on the plot on payment basis. Audit examination revealed the following:

- As per Clause 42 of the lease deed, an integrated layout for the entire allotted land was to be got approved from NOIDA for execution of the project in an integrated manner. Audit noticed that the first layout was approved for 5,48,191.84 sqm area in two parts: A (2,69,430 sqm) and B (2,78,761.84 sqm) on 29 October 2013 whereas possession of part C was still not given on the date the layout was approved. Thus, the condition of approval of integrated layout for the entire land was violated by NOIDA itself by approving the layout for part of the allotted land and undue favour was extended by approving the layout without clearing all the objections raised on the submitted layout.
- As per approved layout an underpass was to be constructed by the allottee to connect the parts of the plot which was divided by a Master Plan (MP) road. Audit observed that the underpass has not been constructed to date (August 2020) in spite of conditional approval of layout but no action was taken by NOIDA.

In its reply, NOIDA stated (August 2020) that the layout is processed as per rules of Planning wing. The approval of the layout is distinct from payment of dues, which is done by separate wings of the Authority. At the time of approval, there is a stipulation for adherence of the brochure’s terms and conditions, failing which the approval can be cancelled. As far as the question of integrated approval of entire proposed plot area is concerned, it stated that the layout was approved only for acquired land to avoid controversies related to encumbered land. As soon as land was acquired, the layout was revised and facilities were also distributed so as to avoid centralisation of facilities. The underpass, it confirmed, is yet to be constructed by the allottee which NOIDA is bound to ensure.

From a perusal of the reply, it is evident that the layout has been revised as per availability of land and accordingly facilities have also been proposed. However, due to this, the concept of integrated development has taken a back seat and development of the project has been delayed. No sports facility has been developed as yet. Further, with the sub-divisions effected on the available land, the possibility of having a nine hole golf course which was the integrated theme of this Sports City is effectively ruled out.

Plot No. SC-02 sector 150

5.2.16.3 The allottee applied (February 2015) for approval of layout for the plot on which objections were issued on 19 March 2015. After the removal of objections, the layout was approved by NOIDA on 16 April 2015. After the possession of more area, a revised layout was applied for on 7 December 2016 which was approved by NOIDA on 17 January 2017 for total area of 13,29,745.92 sqm (with 24 sub-divided parts).

Audit observed that:

- The layout was approved by including 24 sub-divided parts but at the time of approval of layout, sub-division in respect of sub-divided parts C-1, M and P was not approved and no lease deed was signed for these plots.

- The layout was approved without payment of up-to-date dues even though the existing orders stipulated that the map/layout should be approved only after payment of up-to-date dues.

In its reply, NOIDA stated (September 2020) that as per brochure conditions, layout can be approved before sub-lease. Further, in case dues are not cleared, the approved layout/map can be cancelled. In case any construction is initiated before issue of NOC, then action may be taken under Building Regulations. NOIDA further accepted that integrated development as per integrated layout plan which was to be approved for the whole plot, was obstructed due to granting approval for parts. At the time of passing the layout, the deficiencies pointed out by audit were present.

Envisaged vs. Actual allotment in Sports City

5.2.17 A perusal of the various Board deliberations in respect of Sports City (discussed in Paragraph 5.2.11) conveys that the intention was creation of an international level sporting infrastructure for holding marquee events like Commonwealth Games, Asian Games, etc. The purpose was to develop an area with a clear and defined focus on an integrated sports theme, with sporting facilities occupying the central role with necessary supporting infrastructure in the background. As per the brochures approved by the Board, the following facilities were to be created as detailed in Table 5.2.20.

Table 5.2.20: Facilities proposed

Facility	SC-1, Sector 78/ 79	SC-01, Sector 150	SC-02, Sector 150	SC-01, Sector 152
Golf Course (9 Hole)	✓	✓	✓	X
Multipurpose Playfield	✓	✓	✓	X
Tennis Centre	✓	✓	✓	X
Swimming Centre	✓	✓	✓	X
Pro-shops/food and beverage	✓	✓	✓	X
IT centre/Administration/Media Centre	✓	✓	✓	X
Indoor multipurpose Sports Hall including- - Gymnastics - Badminton - Table Tennis - Squash - Basketball - Volley Ball - Rock Climbing	✓	✓	✓	X
Cricket Academy	✓	✓	✓	X
Internal Roads and parks	✓	✓	✓	X
Hospital/ Senior Living/ Medicine Centre	✓	✓	✓	X
Circulation Spaces, carpeting, Utilities etc	✓	✓	✓	X
International level cricket stadium	X	X	X	✓

Source: Information furnished by NOIDA

Note – (✓) indicates facility proposed and (X) indicates facility not proposed

Thus, three golf courses each having a nine hole playing area, an international cricket stadium and facilities for tennis, swimming, multi-purpose sports hall and cricket academy was envisioned by the Board in the Sports City. Audit noted that in the scheme brochure for plots in sectors 101 and 104¹¹ the acreage earmarked for the nine-hole golf course was 65 acre. However, the

¹¹ Scheme 2010-11 for the development of Sports City in NOIDA (Sector 101 and 104) was abandoned.

stipulated acreage of 65 acre was not mentioned in subsequent schemes keeping the conditions vague.

Audit analysed the process of allotment and the progress made so far and observed as under:

Timelines with respect to Sports City

No sports facilities have been completed despite the fact that due date of completion is over by one to three years.

5.2.17.1 A perusal of the implementation timeframe specified in the brochures revealed that in case of allotments in SC 1 in Sectors 78/ 79, SC 01 in Sector 150 (allotted in May 2011) and SC 02 in Sector 150 (allotted in September 2014), the allottee was required to complete the project in phases within five years¹² from the date of execution of lease deed. In case of SC-01 in Sector 152 (allotted in July 2015), the allottee was required to complete the construction of the international cricket stadium in the first phase within three years from the date of execution of the lease deed. The timelines given are tabulated in **Table 5.2.21**.

Table 5.2.21: Showing timelines for completion of the facilities in the Sports City

Plot No./Sector	Date of execution of first lease deed	Due date for completion of sports facilities	Due date for completion of residential and commercial	Present status of completion (January 2021)
SC-01/Sector 78/79	October 2011	October 2016	October 2018	Except one plot, not even maps for plots with sports facilities have been approved.
SC-01/Sector 150	January 2012	January 2017	January 2019	In 22 out of 24 subdivided plots, sports activities not commenced.
SC-02/Sector 150	December 2014	December 2019	December 2021	No work for sports activities commenced in 3 subdivided plots whose maps are approved. Even map for plot with golf course has not been approved.
SC-01/Sector 152	December 2015	December 2018	December 2022	The construction of International cricket Stadium has not even commenced.

Source: Information compiled by Audit

It is apparent from a review of the above timelines that as on date (January 2021), the scheduled time of completion of sports facilities has lapsed in each of the cases.

As per approved layout, 45,959 dwelling units (DUs) were proposed for construction in the four plots but completion certificates have been issued for only 1,875 DUs till March 2021.

A joint physical verification conducted by Audit along with NOIDA on 6 December 2019 brings out the present undeveloped status of areas earmarked for sports infrastructure. The photographs taken as part of joint verification are as under:

¹² Residential and commercial development could be completed within seven years.

Photograph 5.2.5: Status of development and encroachment on site earmarked for cricket stadium in Sector 152.



Photograph 5.2.6: Status of site earmarked for development of cricket academy in Sector 150 vis-à-vis the status of residential project (in background).



The photographs above clearly bring out the fact that no envisioned sports facility has come up. On its part NOIDA has failed to show any plan on the anvil for creation of sports infrastructure even in the near future.

It is now over eight years since allotments have been made in case of Sports City in Sectors 78/79 and SC-01/150 and five years and four years in case of allotments made for SC-02/150 and SC-01/152 respectively. As on date (January 2021), the sporting infrastructure as envisaged in the original design of the brochure is yet to get implemented. As far as the golf courses in Sectors 78/79, 150 (SC-01 and SC-02) which were envisioned in the brochure, there is no possibility of these seeing the light of the day, since the plots have been sub-divided to a point that no such facility spanning the acreage required for a nine-hole golf course is now possible.

In its reply, NOIDA stated (September 2020) that the matter was examined by the ACEO and it was accepted that the scheme could not be executed effectively. NOIDA further confirmed that there was no clear plan for creation of sports facilities in the scheme and sub-divisions have been made in such a way that coordinating with various transferees/sub-lessees was not practical and no concrete policy for development of sports facilities was being reflected.

The actions of NOIDA with reference to the Sports City has essentially entailed approval for and development of residential/ group housing projects, with scant focus on the primary goal of creating a world class sporting infrastructure. Resultantly, no sports facility has been developed in these Sports City plots so far (December 2019) even after eight years of roll-out of the initial scheme. There is a clear case for responsibility to be fixed by the Government for the actions on part of NOIDA which has effectively sealed the possibility of creation of a Sports City of international standards, as was envisaged.

Unauthorised sub-division of sports area

The area of sports facilities has been sub-divided into 34 parts in the name of various entities against the theme of integrated development.

5.2.17.2 The scheme provided for land use of minimum 70 *per cent* for recreational/sporting use and the rest of the area was allowed for residential, commercial and recreational use. This translates into dedicating 559 acre out of the 798 acre proposed allotment in the four plots earmarked for the development of Sports City. The condition of the brochure also provided that ‘without obtaining completion certificate, the lessee shall have the right to sub-divide the allotted plot into suitable smaller plots as per planning norms of NOIDA only for the area available for residential and commercial use’.

NOIDA allotted Sports City plots and permitted the implementation through multiple entities as detailed in **Table 5.2.22**.

Table 5.2.22: Plot sub-division details

Plot No./Sector	Original allottee consortium	No. of subdivisions approved	Area of the plots in sqm (acre)
SC-01/Sector 78/79	Xanadu Estates Pvt. Ltd.	23	7,03,001.80 (173.71)
SC-01/Sector 150	Logix Infra Developers Pvt. Ltd.	24	9,07,987.81 (224.36)
SC-02/Sector 150	Lotus Greens Constructions Pvt. Ltd.	24	13,29,745.92 (328.58)
SC-01/Sector 152	ATS Homes Pvt. Ltd.	10	4,03,457.45 (99.69)
Total		81	33,44,193 (826.34)

Source: Information compiled by Audit.

Audit observed that in spite of the condition of sub-dividing the plots into smaller plots for area available for residential and commercial use only, NOIDA approved during the period 2012 to 2017 sub-division of the entire plot which was in violation of the underlying theme as well as the approved conditions of the brochure. As such, any sub-division should have been approved for only 30 *per cent* of land which was to be used for residential and commercial development. Thus, against the area of 10,03,257.9 sqm (247.90 acre) eligible for sub-division, the entire area of 33,44,193 sqm (826.34 acre) was sub-divided into 81 parts against the conditions of the scheme. The 559 acres of land earmarked for sport infrastructure was in effect sub-divided into 34 sub-divisions. Analysis of the impact of sub-divisions on the proposed development of sports facilities is shown in **Table 5.2.23**.

Table 5.2.23: Details of plot sub-division

Plot Number	Allotment Date	Total Area in sqm (acre)	Area for Sports (Recreational Facilities) in sqm (acre)	No. of Sub-Divisions	Division of Sports Facilities ¹³
SC-01 Sectors 78/79	04 May 2011	7,03,001.80 (173.71)	500683.01 (123.72)	23	2
SC-01 Sector 150	04 May 2011	9,07,987.81 (224.36)	641691.47 (158.56)	24	15
SC-02 Sector 150	10 Sep 2014	13,29,745.92 (328.58)	982675.61 (242.82)	24	7
SC-01 Sector 152	16 July 2015	4,03,457.45 (99.69)	318383.22 (78.67)	10	10
Total		33,44,193 (826.34)	24,43,432.31 (603.76)	81	34

Source: Information compiled by Audit.

The basis for approval accorded by NOIDA for sub-division of the land for sporting infrastructure into 34 sub-divisions is highly questionable going by the fact that in three of the four plots, a nine-hole golf course was envisaged. As noticed in the brochure of scheme 2010-11 (Sports City in Sectors 101 and 104), the average designated acreage of such a single nine-hole golf course was 65 acre. NOIDA had stipulated establishment of 65 acre golf course in the scheme for Sectors 101 and 104. However, this condition was removed from subsequent brochures, which has led to dilution of specifications and also allowed discretion to allottees to appropriate land to sports facilities. In case of SC 02/150 a golf course of 24 acre was proposed. As discussed in **Paragraph 5.2.13.4** and **5.2.13.5**, NOIDA envisaged creation of world class infrastructure without laying down criteria or specifications for the same. How 65 acre of land would then be available for development of a nine-hole golf course in each of the three plots is not clear to Audit.

The sub-division of the entire area of each plot into small fragments has not only shredded the plot, but along with it the development of sports infrastructure with supporting facilities. Effectively each plot as per the now approved layout is a concentration of group housing societies with some sports facility included therein.

In its reply, NOIDA accepted (September 2020) that due to sub-division of sports area, the concept of integrated development of sports facilities has been vitiated and now it is very difficult to develop sports facilities after so many sub-divisions. Instead of ensuring integrated development of sports area, division of each part in the manner of group housing and commercial properties has rendered the project unfeasible and sub-divisions, it stated, were carried out in a manner that appears to be an exercise for developing some sports facilities for group housing projects.

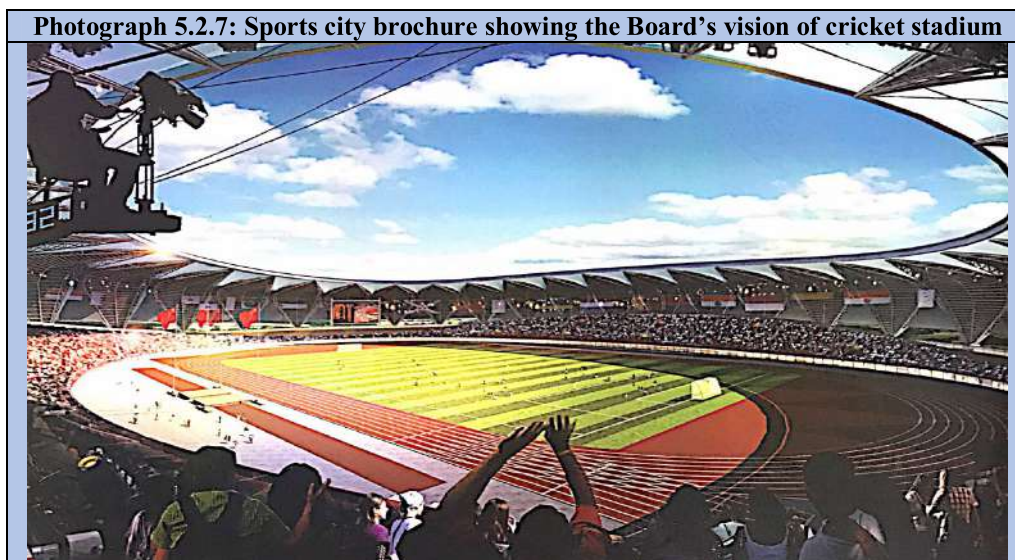
The audit observation has been accepted by NOIDA. The Government needs to consider fixing responsibility on the concerned officials.

Cricket stadium, Plot sub-division and status

5.2.17.3 In plot No. SC-01 sector 152, allotment for which was approved on 16 July 2015, of the total area of 5,03,000 sqm (128.30 acres) a minimum area of 1,41,645 sqm (35 acres) was envisaged for development of an international level cricket stadium-cum-Sports City.

¹³ As provided in Annexure to the Brochures for sports activities.

Area under encroachment was marked in the layout for International Cricket Stadium. The construction of the International Cricket Stadium is yet to commence while the group housing projects have made some progress.



Audit examination revealed the following:

- As pointed out in **Paragraph 5.2.17.2**, plot No. SC-01 Sector 152 was sub-divided into 10 parts and a total of 10 sub-divisions were effected in the area earmarked for sports. As per condition, a minimum of 35 acre area was to be kept for cricket stadium out of 70 *per cent* recreational use. The area required for the stadium works out to 1,41,645 sqm. Audit observed that the plot area earmarked for the cricket stadium (SC01/CS) measures 1,16,411.79 sqm (28.77 acre) only which is in violation of conditions. How the cricket stadium of required standard was to be constructed in a reduced area needs explanation.
- Condition no. 23 of approval given for map layout states that firstly international cricket stadium, institutional and other facilities will be developed and maps for these facilities will be approved and thereafter maps regarding other land uses will be approved. Thus, no map was to be entertained without establishment of sporting facility. Audit observed that in spite of the condition, maps for the three plots *viz.* SC-01/01, SC-01/08, SC-01/09 in Sector 152 were submitted by the allottee and NOIDA accorded approval as detailed in **Table 5.2.24**.

Table 5.2.24: Details of maps approved

Plot No.	Land use	Plot area leased (sqm)	Dwelling units approved	Date of approval
01/01	Group Housing	106852.08	1720	08.11.2016
01/08		39370.91	236	03.01.2017
01/09		27496.49	492	08.11.2016
Total		173719.48		

Source: Information compiled by Audit.

The approval of maps for group housing projects without even obtaining approval for maps for sporting infrastructure raises doubts on the intentions of NOIDA to develop Sports City with an international cricket stadium as envisioned. It is also pertinent to mention here that the total group housing area of the leased portion was 1,04,898.94 sqm (25.92 acre) but three group housing project maps approved by NOIDA notably have a total area of 1,73,719.48 sqm (42.93 acre). This further corroborates the violations done by NOIDA.

The sanction of maps was done for the group housing projects without adherence to the condition of residential development in proportion to sports and other facilities. In spite of condition of integrated development of the project, sub-divided parts were transferred to other entities for group housing projects.

The above fact and evidence on ground suggest that in the name of development of sports cities, action by NOIDA only focussed on residential development with no sporting infrastructure, let alone any of international standards being developed. The very intention of NOIDA with respect to the purpose of creation of sports cities as per the avowed objectives laid down in the Board resolutions appears doubtful.

As per terms and conditions of the brochure, the construction of the cricket stadium was to be completed within three years from the date of execution of lease deed (December 2015) i.e. by December 2018, but till date (January 2021) the construction has not even commenced.

In the sub-division of the plot, encroached and unacquired land was allocated for the cricket stadium by the allottee with the acquiescence of the Authority. As a result, the construction of the stadium has not even commenced.

The priority of development of cricket stadium, which was central to the theme of this plot, now stands sacrificed due to the above two reasons but other plots have made progress.

In its reply, NOIDA accepted (September 2020) that the cricket stadium which was to be completed in three years as per the terms and conditions of the brochure, has not been developed till now. It was further confirmed that despite the objective of the scheme for giving priority to development of sports facilities, sports area was provided on the encroached land.

The audit observation has been accepted by NOIDA. The Government needs to consider fixing responsibility on the concerned officials.

Precedence to housing over sports infrastructure

5.2.17.4 The brochure conditions envisaged an integrated development of the project and developing residential and commercial component in the project in proportion to the area earmarked for recreational use. The clause of brochure relating to implementation provided that “the lessee shall be required to

Sports facilities proposed in the four plots are yet to be completed while two group housing projects in sector 150 have been issued completion certificate against the theme of according priority to development of sports facilities.

complete the construction of minimum 15 *per cent* of the permissible area earmarked for sports, institutional and other facilities within a period of three years from the date of execution of lease deed and shall complete the project in phases within five years. However, the residential and commercial development/ construction may be completed in phases within seven years. Furthermore, the lessee has to develop residential and commercial component in the project in proportion to area earmarked for recreational uses”.

Scrutiny of the approved layout revealed that the layout has been approved for sub-divided plots with residential and commercial activity in almost every sub-divided part which was not as per the scheme conditions which provides for development of integrated Sports City in which minimum 70 *per cent* area is to be kept for recreational/sports facilities. In absence of phasing for developing sports and other facilities, approval of maps without such phasing and issue of completion certificate for some of the completed projects, housing projects have been given precedence by the builders.

Audit further noticed that NOIDA had violated the brochure condition as it also issued completion certificate on some part of the land in Sector 150 (Final completion for SC-01/A-5 and part completion for SC-01/A-1) for group housing project without ensuring any development of sports facilities. A joint physical verification conducted by Audit along with NOIDA on 6 December 2019 brings out instances of group housing projects in Sector 150 which have since received completion certificates. The photographs taken as part of joint verification are as under:

Photograph 5.2.9: Group Housing projects in Sector 150 where completion certificate has been given



Photograph 5.2.10: Group Housing projects in Sector 150 where completion certificate has been given



It is not clear to Audit how completion certificates for residential projects were given by NOIDA, without corresponding creation of infrastructure for sports, which was a part of the responsibility of the allottee as laid down in the brochure conditions. In contrast, the development of sports facility in sectors where completion certificate had been granted for group housing projects, was dismal. A joint physical verification conducted by Audit along with NOIDA on 6 December 2019 in respect of area designated for sports facility confirms the lack of any development. The photographs below indicate the position as of December 2019.

Photograph 5.2.11: Status of area for sports facility in Sector 150



Photograph 5.2.12: Status of area for sports facility in Sector 150



It is evident that NOIDA approved the layout as a collection of residential projects and facilitated residential developments in the whole of the Sports City plots without ensuring development of international level sports infrastructure/facilities fit for holding marquee events as envisioned. Although space for some sports facilities like tennis court and swimming pool has been marked in the plots, these are in the nature of similar facilities also being provided in normal residential/group housing projects. In absence of technical specifications for level of sports infrastructure envisioned, the facilities

developed will serve only the respective group housing societies and their use for hosting international sports events does not seem to be feasible.

In its reply, NOIDA accepted (September 2020) that development in residential areas has been given priority and sports areas have not been developed proportionately.

Undue Benefit to Allottees of Sports City Plots

NOIDA extended undue benefit of ₹ 8,643.61 crore to allottees in terms of reduced pricing and allowance of extra FAR and GC.

5.2.17.5 As discussed in the preceding paras, the allottees of the Sports City plots failed to develop the sporting infrastructure as envisaged by NOIDA defeating the whole concept of Sports City. Audit further analysed and noted that the developers did not take any initiative in developing the sporting infrastructure despite huge leverage given to them in pricing of the Sports City plots as discussed below:

(i) The reserve price for the Sports City plots were fixed by taking a weighted average of the rates for the three categories of land uses viz. group housing, commercial and recreational. In this fixation, the price for recreational land was calculated afresh by NOIDA considering only land acquisition cost, external development cost, maintenance cost and administrative cost at the rate of 9 *per cent* and the prevailing rates for commercial and group housing categories. The working for reserve price fixed by NOIDA has been detailed in **Table 5.2.25**.

Table 5.2.25: Working of fixation of reserve price

Particulars	SC-01/79 & SC-01/150 (in ₹ per sqm)	SC-02/150 (in ₹ per sqm)	SC-01/152 (in ₹ per sqm)
A. Land acquisition cost	1355.00	3108.00	5218.00
B. External development cost	1597.00	2143.00	2143.00
C. Maintenance cost	591.00	793.00	793.00
Administration cost on A+B+C @ 9 <i>per cent</i>	319.00	544.00	734.00
Total cost per sqm	3862.00	6588.00	8888.00
Keeping 70 <i>per cent</i> area saleable net cost per sqm for recreational facilities ¹⁴	5517.00	9411.00	12697.00
Cost of land for Sports City:	5517 x 70 <i>per cent</i> 3861.90	9411 x 70 <i>per cent</i> 6587.70	12697 x 70 <i>per cent</i> 8888.00
70 <i>per cent</i> for recreational	61000 x 2 <i>per cent</i> 1220.00	121000 x 0.5 <i>per cent</i> 605.00	159000 x 4 <i>per cent</i> 6369.00
2/0.5/4 <i>per cent</i> as for commercial land	22440 x 28 <i>per cent</i> 6283.20	35420 x 29.5 <i>per cent</i> 10448.90	41940 x 26 <i>per cent</i> 10904.00
28/29.5/26 <i>per cent</i> for group housing land	Total 11365.10	Total 17641.60	Total 26161
	Say 11500.00	Say 18000.00 Fixed at 18865.00	Say 26200

Source: Information compiled by Audit.

In this context, it is pertinent to mention that NOIDA priced its properties in a manner whereby all acquisition and development costs were being recovered through pricing of properties. However, the costs related to internal development, maintenance, future maintenance cost and interest cost were not considered before finalisation of rates for recreation land. Thus, the rates of

¹⁴ Considering higher saleable area whereas NOIDA adopted saleable area 55 *per cent* for all other allotments.

recreational land were kept on lower side. Even the costs incurred by NOIDA were not recovered on 70 per cent of land.

(ii) In order to incentivise the development of sports infrastructure by builders, the terms and conditions of the brochure provided a particular feature of fungible¹⁵ Floor Area Ratio (FAR) and Ground Coverage (GC), which allowed a total FAR of 1.5 (2010-11 scheme) and 2 (2014-15 & 2015-16 schemes) and GC of 30 per cent on the whole plot. In this connection, it is pertinent to mention that FAR of only 0.40 was allowable on recreational area (comprising 70 per cent of land usage) as per Building Regulations. This extra FAR was allowed without any charge. After utilising the FAR and GC on sports and recreational categories, the remaining FAR and GC was allowed to be used for group housing and commercial categories. Accordingly, the effective FAR and GC for group housing against the permitted FAR of 2.75 & 3.5 and GC 40 per cent as per prevailing Building Regulations ranged between 4.14 to 6 and 53 per cent to 55 per cent as detailed in **Table 5.2.26**.

Table 5.2.26: Details of FAR and GC allowed

Plot Number	FAR	GC (in per cent)
SC-01/79	4.14	55
SC-01/150	4.14	55
SC-02/150	5.76	53.56
SC-01/152	6.00	55.38

Source: Information compiled by Audit.

The permitted developmental norms for FAR and GC needs to be considered by NOIDA in the fixation of price as higher FAR and GC allows the allottee to construct more covered area. Therefore, the allowance of higher FAR and GC should be linked with commensurate prices.

(iii) The sale prices for recreational and group housing categories were recalculated by Audit considering the applicable input costs and saleable area as discussed in Chapter 4 – Pricing of Properties, and making provision for effective FAR and GC actually allowed to builders. The sale prices calculated after considering the effective FAR/ GC are given in **Appendix-5.2.5** in detail. **Table 5.2.27** summarises the undue benefit provided by NOIDA on these plots.

Table 5.2.27: Details of Undue Favour extended by NOIDA

Sl. No.	Scheme Number	Plot Number	Land use category	Total area allotted (sqm)	Undue Benefit (₹ in crore)
1	Sports City 2010-11	SC-01/150	Recreational	635591.47	349.95
			Commercial	18159.76	88.89
			Group housing	254236.48	484.12
2	Sports City 2010-11	SC-01/79	Recreational	492101.26	269.72
			Commercial	14060.00	68.79
			Group housing	196840.50	374.33
3	Sports City 2014-15	SC-02/150	Recreational	930822.13	1724.63
			Commercial	6648.73	67.55
			Group housing	392275.04	3638.47
4	Sports City 2015-16	SC-01/152	Recreational	282420.21	318.46
			Commercial	16138.30	213.59
			Group housing	104898.93	1045.11
Total				33,44,193	8,643.61

Source: Information compiled by Audit.

¹⁵ Transferable.

Thus, NOIDA had given an incentive of ₹ 8,643.61 crore in terms of reduced pricing and allowance of extra FAR and GC to the developers for development of sporting infrastructure. Audit noted that after considering the development of group housing projects and the absence of corresponding development of sports infrastructure, the above incentive is tantamount to undue benefit of ₹ 8,643.61 crore in respect of the four Sports City plots. Audit is of the opinion that NOIDA, while allowing the builders to pursue group housing projects, abdicated responsibility towards completion of sports infrastructure and also showed lack of foresight by permitting sub-division of plots.

In its reply, NOIDA accepted the finding of audit (September 2020) that FAR and GC were provided in Sports City plots in a distinct manner, which was incorrect. NOIDA further stated that due to keeping 70 per cent saleable area the prices fixed were low, which was inappropriate.

NOIDA has accepted the audit observation. The Government, in light of the huge loss caused to the Authority, needs to take exemplary action against all the officers responsible.

Defeat of avowed objective due to lack of public access

The area of the sports facilities has been proposed between housing societies restricting public access. The Golf Course in plot SC-01 sector 150 has been sub-divided in 13 parts having no congruency.

5.2.17.6 In *Noida Entrepreneurs Association v. Noida & Ors.*¹⁶, the Hon’ble Supreme Court has observed (May 2011):

“The State or the public authority which holds the property for the public or which has been assigned the duty of grant of largesse, etc. acts as a trustee and, therefore, has to act fairly and reasonably. Every holder of a public office by virtue of which he acts on behalf of the State or public body is ultimately accountable to the people in whom the sovereignty vests. As such, all powers so vested in him are meant to be exercised for public good and promoting the public interest. Every holder of a public office is a trustee.”

Thus, the world class sports infrastructure envisioned by the Board for holding national and international sports events was to be created for the public at large. It was to serve a public purpose and aid in overall development of Noida.

Perusal of the brochures indicates that NOIDA planned to roll out facilities like golf course (nine hole), multipurpose play field, indoor multipurpose sports hall, cricket academy, swimming center etc. By their very nature and in the context of creation of facilities including international sports infrastructure, they should have been available for the sporting public. Against this Audit observed:

(a) An analysis of the land parcel for development of a nine-hole golf course on plot SC-01 in Sector 150 revealed that the land parcel was sub-divided into 13 parts, splintered across the entire plot and having no congruency to play out any tournament, leave alone any international level tournament. Narrow stretches have instead been approved through sub-division by NOIDA which eventually were provided for playing golf between rows of villas and housing towers. These green stretches can at best be utilised by the inhabitants of the group housing societies only, with effectively no public access. This in itself is a travesty of what was intended to be a nine-hole golf course spanning 65 acre as per NOIDA’s own brochure.

¹⁶ 6 CC 508, 2011

A joint physical verification conducted by Audit along with NOIDA on 6 December 2019 brings out the development of a golf course amid residential projects in Sector 150. The photograph taken as part of joint verification is as under:



The above photograph clearly brings out that narrow stretches in between residential construction have been left for development of golf course, as against the conceptualization of 9 hole golf course in 65 acres.

(b) Indoor multipurpose hall and IT center have also been sub-divided into two plots each.

It is evident that the facilities intended have either not materialised at all or those created are in complete violation of the Board's vision. The existing development, as brought out, does not appear to be intended for the sporting public at large.

In its reply, NOIDA accepted (September 2020) that Sports City could not be developed as envisioned and that sports facilities have not been developed due to incorrect layout and impractical sub-divisions. It stated that the Authority would make fresh efforts in this regard. It was also confirmed that the project of golf course, which was to be completed by January 2017, has not been completed till now.

Conclusion

NOIDA had the primary mandate for the development of an industrial township. Development of sports was not included in any of the functions mandated to NOIDA under the Act. Besides, the RP-2021 did not mention creation of international sporting facilities in the notified area and approval was not obtained from GoUP or NCRPB for development of sports city before its launch. NOIDA also had no policy or guidelines for development of sports facilities and no development norms were available. The concept of Sports City was included in the MP-2031 after the launch of the first scheme of Sports City.

The scheme which was rolled out envisaged creation of Sports City infrastructure spanning over 559 acres of land within the 798 acres earmarked for the four plots for Sports City. Since the scheme brochure

for Sports City did not delineate any specification for level of sports infrastructure (golf course, cricket stadium, swimming centre, multipurpose play field, etc.) and prior experience for developers, the Sports City projects were relegated to any other commercial or real estate venture without vision. There was misuse of consortium clause to facilitate entry of non-eligible parties in the bidding process to the extent that most of the allotment has gone in favour of parties with no financial capabilities and has harmed NOIDA and prospective third party buyers. It was observed that NOIDA permitted large scale sub-divisions of the plot not only with respect to residential and commercial areas within the plot but also of the sports areas. Resultantly, 34 sub-divisions were permitted with respect to the earmarked sports areas alone. The splitting up and sub-divisions have rendered the setting up of nine-hole golf courses as envisaged in the brochure an impossibility. The international cricket stadium also has had to suffer reduction in size on account of sub-divisions permitted by NOIDA.

The actions of NOIDA with reference to the Sports City has essentially entailed approval for and development of residential/group housing projects, with scant focus on the primary goal of creating a world-class sporting infrastructure. Resultantly, no sports facility has been developed in these Sports City plots even after eight years of roll-out of the initial scheme.

In addition to the failure to create sports infrastructure, NOIDA granted undue benefits of over ₹ 9,000 crore to the allottees of Sports City plots, to the corresponding detriment of NOIDA. For the failures in meeting the stated objectives of creating a Sports City and the huge losses caused to NOIDA, the Government should consider taking exemplary action against the delinquent officers.

Recommendations		
Recomm- endation Number	Recommendation	Response of the Government
13	The Government should, in light of large scale departure and dilution from the originally planned sporting theme, review the raison d’etre of such a category at all.	Accepted Government stated that future Sports City schemes will be taken up after review of sports related projects.
14	If development of Sports City is to be taken up in earnest, then Government should lay down clear norms for development of Sports Cities in consultation with subject matter experts.	Accepted

CHAPTER–V (5.3)
Allotment of Institutional Properties

CHAPTER-V

Allotment of Properties

5.3 Allotment of Institutional Properties

Introduction

5.3.1 The NOIDA (Preparation and Finalisation of Plan) Regulations, 1991 defines “institutional use” under clause 2 (f) as use of any land/building or part thereof for carrying on activities like testing, research, demonstration etc., for the betterment of society and it includes educational institutions. These regulations lay down the principles for proper planning and development of the area under NOIDA and also for preparation of Master Plans by NOIDA.

The Policy and Procedures for Institutional Premises Management, 2000 and the Policy and Procedures for Institutional Property Management, 2009, of NOIDA, serve as guiding manuals for management of institutional properties.

Allotment procedure under Institutional category

5.3.2 The allotment of institutional properties was made by NOIDA through Open Ended Schemes (OES)¹. The Institutional wing of NOIDA deals with allotment of institutional plots and follow-up of the post allotment compliances. The Planning wing of NOIDA is responsible for monitoring the compliances of the building completion whereas Finance wing is responsible for maintaining financial records related to recovery of land premium and other revenue dues from allottees. The stages involved from launching of the scheme till follow-up of the post allotment compliances have been depicted in **Chart 5.3** in **Chapter 5**.

Status of allotments of Institutional plots in NOIDA

5.3.3 NOIDA has made allotment of 1,204 plots under the Institutional category since its inception. During the audit period 2005-2018, NOIDA brought out 13 schemes² in which 511 allotments were made under Institutional category. The overall position of allotments under this category is depicted in **Table 5.3.1**.

Table 5.3.1: Category-wise allotment of Institutional plots

Sl. No.	Category of Property	No. of Allotments	Allotted Area (in sqm)	Premium (₹ in crore)
1	Farm houses	159 ³	18,37,340	638.67
2	Office/Corporate office	203	4,37,100	400.43
3	Information Technology (IT) /IT Enabled Services (ITES)	80	5,66,411	350.14
4	Educational	20	3,83,996	238.57
5	Hospitals/Nursing Homes	12	1,33,417	250.15
6	Milk Dairy	35	1,801	0.98
7	Miscellaneous ⁴	02	10,404	12.35
Total		511	33,70,469	1,891.29

Source: Information furnished by NOIDA.

¹ Except for hospitals and nursing home plots.

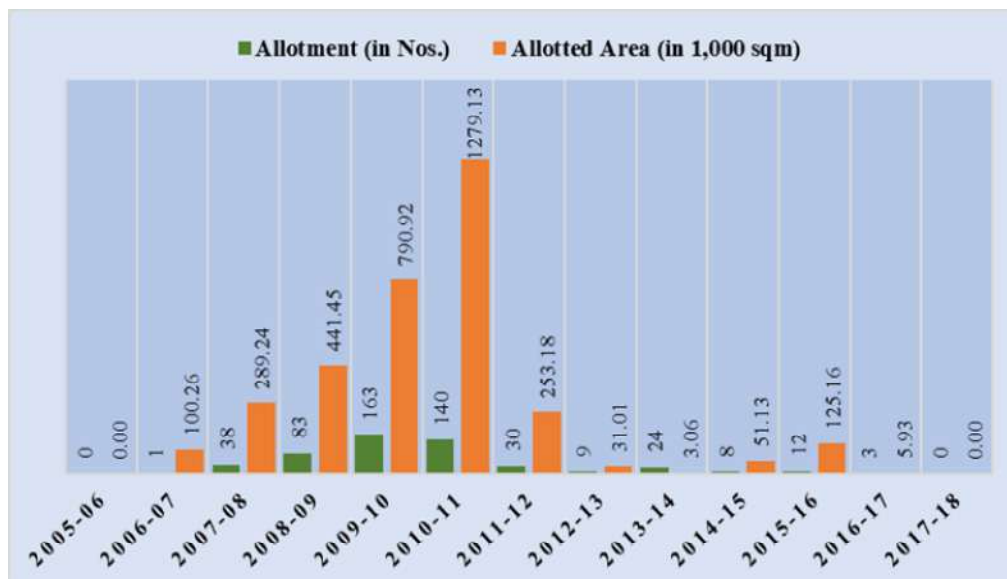
² OES-2008, OES-II/2008, OES-III/2008, OES-IV/2008-09, OES-V/2008-09, OES 2010 (FH), OES 2010-11, OES 2015(4), OES 2015-16, IT SEZ scheme, Direct allotment on fixed allotment rate, Scheme in compliance of Hon'ble High court order dated 18.10.2012, Nursing Home plot scheme 2012-13.

³ This includes two sub-divided plots.

⁴ This category includes one plot of Police Station and one plot meant for religious purpose.

Year-wise number of plots allotted and its aggregate area during the period from 2005 to 2018 has been depicted in **Chart 5.3.1**.

Chart 5.3.1: Year wise allotment of Institutional Plots



Source: Information furnished by NOIDA.

From the above data, it is evident that out of total allotments in 511 cases with aggregate area of 33,70,469 sqm, 386 allotments for 25,11,497 sqm area were made during the three years from 2008-09 to 2010-11 only, representing approximately 75 per cent of allotments by number of cases as well as by area allotted.

Scope of audit

5.3.4 Out of 511 allotments made in the Institutional category during 2005-2018, audit analysed 104 cases on sample basis, which included 51 cases of farm house allotments and 53 cases of other categories of Institutional allotments, besides conducting physical verification of two⁵ sites. Audit also sourced information from the Registrar of Companies (RoC) with a view to analyse the registration status, ownership and shareholding and the transfer of plots through transfer of shares of allottee companies.

Audit findings

5.3.5 The audit findings, as a result of examination of sample cases and physical verification, wherever carried out, are discussed in the ensuing paragraphs. These audit findings have been grouped as under:

- Deficiencies in system and procedures (Paragraph 5.3.6)
- Faulty design and implementation of schemes (Paragraphs 5.3.7 to 5.3.7.3)
- Allotments in contravention of prescribed terms and conditions (Paragraphs 5.3.8 to 5.3.8.3)
- Deficiencies in post-allotment compliances (Paragraphs 5.3.9 to 5.3.9.3)
- Map/layout related discrepancies (Paragraphs 5.3.10 to 5.3.10.3)
- Discrepancies related to terms of payments (Paragraphs 5.3.11 to 5.3.11.2).

⁵ Plot number C1, Sector 153 and plot number 01, Sector 143 B.

Deficiencies in systems and procedures

5.3.6 On analysis of the various schemes brought out by NOIDA, Audit observed the following shortcomings at the scheme formulation stage by the Institutional wing of NOIDA:

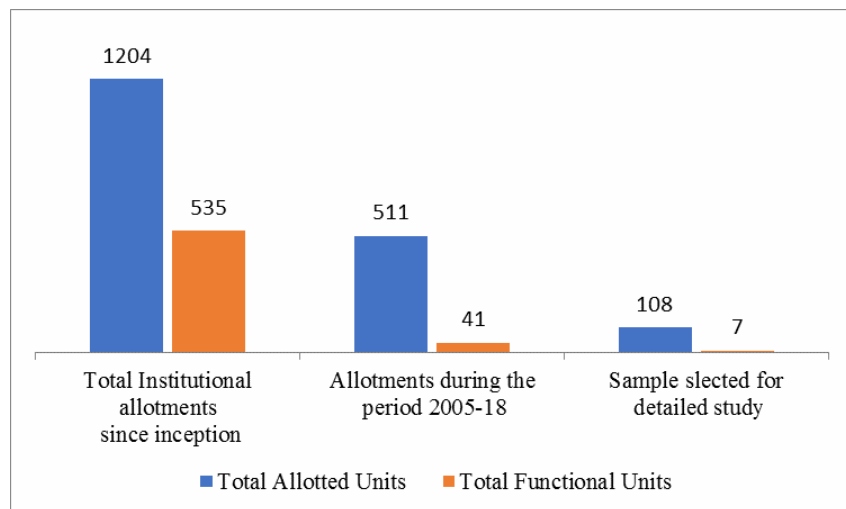
- Before bringing out any allotment scheme, no objective data was collected or discussed in the Board meetings in respect of assessment of demand for institutional plots.

In its reply, NOIDA stated (August 2020) that schemes were published in national and local newspapers, which is an effective medium for assessment of demand. This practice has been prevalent in NOIDA since inception.

The reply of NOIDA makes it evident that no assessment of demand was undertaken before launch of the schemes and its publication in newspapers.

- As per the conditions laid down in the scheme brochure, on completion of the specified percentage of the maximum permissible covered area, a certificate of functionality is issued to the allottee. Functionality denotes implementation of the project within the prescribed time from the date of execution of lease deed. However, Audit observed that NOIDA did not formulate any policy to enforce the functionality of the allotted plots which resulted in very low percentage of functional units. The position of functional units as of 31 March 2020 out of total units allotted by NOIDA (since inception) has been summarised in **Chart 5.3.2**.

Chart 5.3.2: Allotments and Functional units under Institutional category



Source: Information furnished by NOIDA.

In reply, NOIDA stated (August 2020) that in cases of plots remaining as non-functional units within due time, there are provisions for levy of extension charges and for impounding of deposited amount after cancellation.

The reply is not acceptable as despite obvious penal provisions regarding impounding of deposited amount after cancellation of plot, NOIDA did not enforce these penal provisions in cases where plots remained non-functional for a considerable period.

- The schemes brought out by NOIDA were OES. In such schemes there was no specified period for which the scheme was to run. Also, Audit noticed that the number and size of the plots did not remain firm throughout the scheme period. Scrutiny of records revealed that the schemes brought out by NOIDA during the audit period were oversubscribed. As a result, there was substantial scope for exercise of discretion by the Institutional wing of NOIDA.

In its reply, NOIDA stated (August 2020) that under the Institutional category, plots are planned according to the requirements of applicants which keep varying from time to time. This process allows NOIDA to dispose of its plots smoothly.

The reply is not acceptable as NOIDA failed to address the issue of not specifying the period of the scheme and availability of number and size of plots for allotment. As a result, there was scope for discretionary approval in the hands of the Plot Allotment Committee (PAC).

- The allotments were made after interview of applicants by PAC. However, PAC did not have any objective and transparent criteria for assessing the applications received. On the basis of application documents, UPICO’s report, proposal by the applicant and the interview, PAC adjudged the application as satisfactory or unsatisfactory, without detailing the basis of its judgement. Thus, the entire system of allotment lacked objectivity and transparency. Such a practice left a lot of scope for exercise of discretion by PAC which has been brought out in **Paragraphs 5.3.8.1 to 5.3.8.3**.

In its reply, NOIDA stated (August 2020) that as per the prevalent delegation of powers, the CEO has complete authority to decide on allotments. PAC is constituted by the CEO consisting of officers from various wings of NOIDA which evaluate the applications based on applicants’ position, capability for execution of projects, liquidity, financial management and applicants’ commitment to the project. The CEO, it stated, takes the final decision on allotments and PAC only makes recommendations.

The reply is not acceptable as it details the authorities and powers of the CEO of NOIDA with respect to allotment but does not address the audit observation regarding lack of objective and transparent criteria and consequent use of discretion in the allotments.

- UPICO was appointed as consultant/evaluator of the applications without obtaining quotations or inviting competitive bids.

In its reply, NOIDA stated (August 2020) that UPICO is a Government organisation and NOIDA has for many years involved UPICO for preparation of schemes, evaluation of applications and advising about scheme implementation. Their engagement without tender is a normal process.

The reply of NOIDA confirms that due process of inviting competitive bids was not followed in the instant case. Findings of audit in this and other chapters point to a number of shortcomings on the part of UPICO in its evaluation process, which together with infractions on the part of officials in NOIDA, has caused huge losses to NOIDA and undue and unjust gain to allottees.

Faulty design and implementation of schemes

5.3.7 Audit noticed that there were deficiencies both in formulation of schemes brought out under Institutional category in NOIDA as well as in their implementation, which led to financial losses to NOIDA. These are discussed below:

Loss due to allotment of Office/Corporate Office Plots under Institutional category

In contravention to NOIDA's prevailing regulations, it allotted 202 offices/corporate offices plots under Institutional category instead of Commercial category which resulted into a loss of ₹ 3,031.87 crore to NOIDA.

5.3.7.1 As discussed in **Paragraph 5.3.1**, Plan Regulations, 1991 define institutional use as “the use of any land/building or part thereof for carrying on activities like testing, research, demonstration etc., for the betterment of the society and it includes educational institutions”. These regulations lay down the principles for proper planning and development of the area under NOIDA and also for preparation of Master Plans by NOIDA.

Further, as per the definition of land use of premises/activities under the Master Plan 2031⁶, office/corporate office was defined as “A premise used for office of commercial establishment, profit making organisation and other institutions”. NOIDA had itself launched a scheme for allotment of office plots during February-March 2007 under Commercial Category. Thus, from a perusal of the above facts, it is evident that plots for corporate office ought to be categorised under commercial category.

Moreover, on comparing the allotment of offices in another development authority in the vicinity, Audit noted that allotment of office spaces is covered under commercial category in Delhi Development Authority (DDA) also. Further, as per the provisions of Section 8 of the Companies Act, 2013 (Section 25 of the erstwhile Companies Act, 1956)- “an association having objects to promote commerce, art, science, religion, charity or any other useful purpose and not having any profit motive can be registered as Non-Profit Company”.

It is also notable that initially, as per clause 10.2.1 of the scheme brochure of OES-III 2008, commercial offices were allowed as permissible activities under Institutional Category. However, immediately after the launch of the scheme, NOIDA withdrew (17 October 2008) the permissible use of commercial office in order to restrict the commercialisation of office plots classified under institutional allocation. A corrigendum in this regard was also published (20 October 2008) by NOIDA in newspapers. However, in spite of the corrigendum, NOIDA allotted plots to corporate offices in this scheme and a subsequent scheme (OES 2010).

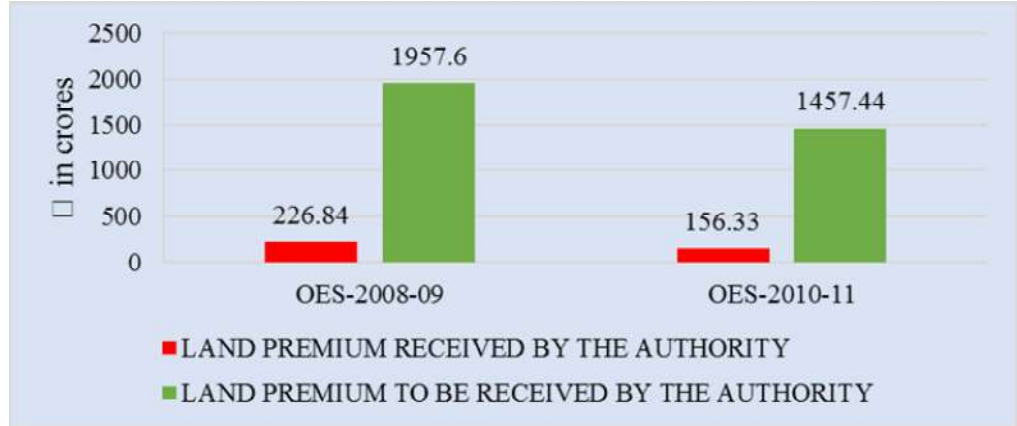
Thus, it is clear that as per NOIDA's own regulations in force, extant rules as well as those of a similar entity (DDA) within NCR, the allotment of land for corporate office/offices should have been categorised under commercial (activity) category. However, in blatant disregard of all of the above, NOIDA made allotment of 202 plots for offices/corporate offices under Institutional category in two OES (OES III-2008 and OES-2010). Audit observed that the rates for Institutional category allotments in these cases ranged from ₹ 7,800 per sqm to ₹ 22,464 per sqm, while the corresponding rates under Commercial category ranged from ₹ 61,000 per sqm to ₹ 99,000 per sqm. Hence, allotments of 4,25,100 sqm area made in two schemes (during the period 11

⁶ Chapter 7-3, para 4.2 (at S. No.56).

October 2008 to 28 August 2012) at lower rates applicable for Institutional category resulted in loss of ₹ 3,031.87 crore⁷ to NOIDA (**Appendix-5.3.1**).

The scheme-wise details of land premium received and to be received by NOIDA in both the schemes is depicted in **Chart 5.3.3**.

Chart 5.3.3: Loss to NOIDA in OES III-2008 and OES- 2010



Source: Information compiled by Audit.

In this respect, information obtained from the records of the RoC confirms that, out of 202 entities (to whom plots were allotted for corporate offices/offices), only 145 companies were found to be registered with the RoC and none of these 145 companies was registered as “Not for Profit Company” in the records of RoC. Further, these allotments were made on the basis of interviews which accorded vast discretion in allotments of plots.

Moreover, the orders of Government of Uttar Pradesh (GoUP) regarding stamp duty⁸ provide that on every transfer of property of more than ₹ 1,000, stamp duty was applicable at the rate of ₹ 50 on every ₹ 1,000 or part thereof *i.e.* at the rate of five *per cent* of value of property. Thus due to under recovery of rates, not only was NOIDA deprived of income amounting to ₹ 3,031.87 crore but it also resulted in short levy of stamp duty amounting to ₹ 151.59 crore on the allotments which was a loss of revenue to the Government exchequer.

In its reply, NOIDA stated (October 2020) that the schemes were brought in with practical approach and keeping in view the interest of the Authority. NOIDA is independent for making its rules/conditions for schemes. During the period 2008-11, the allotments were made to offices, IT/Information Technology Enabled Services (ITES) units, various schools and social establishments under Institutional category. All these allotments were in order with respect to Master Plans/Building regulations and Government orders. Further, as per the schemes’ brochures the allotments were not restricted for “Not for profit Company”.

The reply of NOIDA is not acceptable. During the period when allotment was made under the Institutional category, the applicable Regulations in force were unambiguous about the activities that could be covered by the category *viz.* testing, research, demonstration etc. for the betterment of the society and educational institutions. None of the cases highlighted by Audit in **Appendix 5.3.1** under any circumstances qualify to be categorised under

⁷ Including the loss of ₹ 161.75 crore pointed out in Paragraph number 4.11.

⁸ Notification no. SR-5-2756/11-2008-500 (165)-2007 dated 30 June 2008.

Institutional category. For wilful allotment made under Institutional category to corporate offices and the consequent loss of over ₹ 3,000 crore caused to NOIDA, the Government should take exemplary action against all the delinquent officers.

Loss due to allowing inadmissible rebates to IT/ITES plots

Due to incorrect application of GoUP Policy and continuation with it even after the withdrawal by GoUP, NOIDA incurred loss of ₹ 147.40 crore on 153 allotments made for the IT/ITES units.

5.3.7.2 As per clause 10.6 of the Uttar Pradesh Information Technology Policy-2004 (IT policy) of GoUP, 'every IT/Electronic unit having investment proposal of ₹ 50 crore and above was to be categorised as mega investment unit' and all the Development Authorities, Industrial Development Authorities and Uttar Pradesh Awas Evam Vikas Parishad were required to provide land to these mega investment units, at a minimum rebate of 25 per cent on the prevalent sector rate.

This IT policy was adopted by NOIDA Board in its 124th Board meeting held on 28 March 2005. Later, GoUP (October 2012) terminated the IT policy of providing land at 25 per cent rebate in Tier I cities (Noida and Greater Noida).

Audit observed that NOIDA, while fixing the concessional price of IT/ITES plots, did not consider the criteria for mega investment unit and applied a universal rebate of 25 per cent while calculating the sector rate of plots allotted for IT/ITES units irrespective of their proposed investment plan. Thus, due to incorrect application of GoUP Policy, ineligible applicants of IT/ITES plots also received rebate in the price of plots. During the period 2005-06 to 2011-12, NOIDA allotted 144 plots (under Industrial and Institutional category) consisting of total area of 5,50,001.93 sqm for the IT/ITES industry in which the proposed investment plan was less than ₹ 50 crore and suffered loss of ₹ 84.23 crore on allotment of these plots {**Appendix 5.3.2(a)**}.

Audit further observed that even after GoUP discontinued the rebate for Tier I cities in the Policy of 2012, NOIDA continued to provide the rebate to IT/ITES plots and during the period 2012-13 to 2015-2016. NOIDA allowed inadmissible rebate which resulted in loss of ₹ 63.17 crore on the sale of nine IT/ITES plots consisting area of 1,84,871.50 sqm {**Appendix 5.3.2(b)**}.

The scheme-wise details of the loss incurred by NOIDA due to allowing inadmissible rebate to IT/ITES plots are detailed in **Table 5.3.2**:

Table 5.3.2: Scheme wise details of loss incurred by NOIDA in sale of IT/ITES plots

Sl. No.	Name of scheme	Duration of Scheme	Number of allotments ineligible to get rebate	Area (in sqm)	Loss to NOIDA (₹ in crore)
1.	Noida/IP/2006-07/OES/01	08.09.2006 to 06.02.2007	33	2,04,400	25.55
2	Noida/IP/2007-08/OES/01	06.08.2007 to 16.08.2007	19	87,780	14.04
3	Institutional/OES/2008(I)	18.01.2008 to 11.02.2008	30	1,44,796	23.17
4	Institutional/OES/2008(II)	20.06.2008 to 10.10.2008	62	1,13,025	21.47
5	Noida/IP/2013-14/OES/01	15.09.2013 to 13.02.2014	01	1,00,000	29.90
6	Institutional/OES/2015-16	26.02.2015 to 30.12.2015	08	84,872	33.27
	Total		153	7,34,873	147.40

Source: Information compiled by Audit.

Hence, due to universal application of rebate for all IT/ITES units irrespective of the investment made by them and continuing with it even after October 2012, NOIDA provided undue favour to the allottees which resulted in loss to NOIDA of ₹ 147.40 crore on 153 allotments made for IT/ITES units.

In its reply, NOIDA stated (October 2020) that on the basis of IT Policy of GoUP, the Board decided to grant 25 *per cent* rebate on sector rate for promoting IT/ITES activities in the region, however, it was applicable to all IT/ITES units equally and not for only mega units. Further, this rebate was continued in succeeding years also.

The reply is not acceptable as IT Policy- 2004 of GoUP provides that this rebate was only applicable to mega units. But the decision taken by NOIDA Board was in supersession of GoUP policy and led to undue benefit to the allottees, NOIDA neither informed GoUP nor sought any special dispensation for this departure from GoUP policy. Moreover, the delegated powers to the Board of NOIDA need to be exercised in a fiduciary manner to safeguard the interests of NOIDA. This decision, on account of which NOIDA suffered a loss of ₹ 147.40 crore, was neither in compliance of GoUP orders nor in NOIDA’s interest.

The Government may consider making it mandatory for all Development Authorities to obtain specific approval of the Government before it can provide the special dispensation which is beyond laid down GoUP’s policies/orders.

5.3.7.3 The GoUP, with a view to develop Uttar Pradesh as a leading IT/ ITES investment destination, introduced the UP IT and Start-up Policy 2017-2022. This policy included a provision to provide reimbursement upto 25 *per cent* of the cost of land to IT/ITES units on purchase of land from State agencies at prevailing sector rates. This rebate was to be reimbursed from the State Budget.

As discussed in **Paragraph 5.3.7.2**, the NOIDA Board, in 124th Board meeting held on 28 March 2005, had already approved a rebate of 25 *per cent* in the allotment rates for IT/ITES plots. The rates declared by NOIDA for subsequent years have 25 *per cent* in-built rebate for IT/ITES plots.

On 11 June 2018, NOIDA allotted plot no. 01 measuring 302,670 sqm in Sector 157 to M/s Tata Consultancy Services at the land rate of ₹17,002.40 per sqm under a scheme for allotment of Industrial Plots-II (2017-18). The allottee requested (09 August 2018) GoUP and the CEO, NOIDA to provide a reduction of 30 *per cent* in the price of plot as the unit can be categorised under Mega Plus unit⁹. Considering the request of the allottee, GoUP provided (4 January 2019) a rebate of 25 *per cent* on the price of land as provided in the UP IT and Start up Policy 2017-2022 and directed NOIDA that amount of this rebate would be borne by NOIDA itself. Accordingly, the revised allotment letter (25 January 2019) considering 25 *per cent* rebate on land rate was issued to the allottee. NOIDA, at no point, drew the attention of GoUP to the in-built rebate in the sector rates of IT/ITES plots and an additional rebate of 25 *per cent* equivalent to ₹ 176.89 crore was provided to the allottee in respect of plot premium and one-time lease rent, which has been borne by NOIDA.

In its reply, NOIDA stated (August 2020) that the above allotment was made at the prevalent rate applicable at that time. The decision of granting rebate was taken at the level of the Government.

The reply is not tenable as the UP IT and Start-up Policy 2017-2022 provides that reimbursement up to 25 *per cent* of the cost of land shall be given to

⁹ Units having investment of more than ₹ 200 crore or employment of more than 5000 workers.

IT/ITES units on purchase of land from State agencies at prevailing sector rates. The rates for IT/ITES units in NOIDA were already discounted by 25 per cent as per NOIDA's own policy. Since 25 per cent additional rebate was provided by the GoUP, the Authority should seek reimbursement for it from the GoUP as per UP IT and Start-up Policy 2017-2022.

Allotments in contravention of prescribed terms and conditions

5.3.8 The discrepancies observed in allotment of Institutional category plots are discussed in the following paragraphs:

Discretionary allotments

5.3.8.1 Audit observed that NOIDA, by failing to lay down the criteria for evaluation of applications and to provide the basis of approval/disapproval by the PAC and the CEO, delegated vast amount of discretionary powers to PAC and the CEO. Audit analysed the allotments made and observed the following instances of misuse of delegated powers:

Case Study

NOIDA launched an OES for allotment of Institutional plots for educational, training, research, software, IT/IT enabled services etc. in 2005. Under this scheme the plots were allotted by the CEO on the recommendations of PAC headed by Additional CEO of NOIDA on interview basis.

Scrutiny of records revealed that M/s Vaani Vandana Educational & Welfare Society had submitted (February 2005) its application for allotment of 1000 sqm of institutional plot for establishment of play/primary school. PAC rejected (30 September 2005) the application as applied plot size was not available in the sector. Against the decision of PAC, an appeal was made by the applicant to the CEO for reconsideration of the case. The CEO of NOIDA accepted the appeal of the allottee and directed (July 2006) that a fresh application be submitted for the allotment. Here, it is pertinent to mention that there was no provision of appeal/reconsideration of the decision of PAC in the brochure. Thus the chance given to the allottee was totally based on the discretion of the CEO.

The allottee submitted a fresh application for allotment of plot on 04 September 2006 and in PAC meeting of 15 September 2006 the recommendation for allotment was made which was finally approved by the CEO and allotment letter was issued on the same day i.e. 15th September 2006. As per clause 1(C) of the brochure "Registration money equivalent to 10 per cent of total premium of plot area for which application was being submitted should be deposited in favour of NOIDA." But in contravention of the above condition, the allottee did not deposit the application form along with the required 10 per cent registration amount (deposited only ₹ 5.05 lakh instead of ₹ 11.52 lakh). Despite insufficient registration amount, the application was accepted by NOIDA and allotment made for a plot of 1,439.97 sqm land in Sector 22 of NOIDA. From the above it is evident that the established procedures were not followed in allotment of plot which resulted in discretionary allotment of plot costing ₹ 1.15 crore (1,439.97 sqm X ₹ 8,000). It was also observed that the ownership of the plot was subsequently transferred (September 2009) through 100 per cent change in shareholding. The grant of privilege is further evidenced by the ensuing development that at

the time of change in shareholding, the Standing Committee¹⁰ recommended (February 2011) levy of proportionate Change in Shareholding (CIS) charges, but NOIDA issued notice for recovery amounting to ₹ 5.32 lakh only instead of ₹ 39.92 lakh leviable as per extant provisions in this regard. The entire matter needs thorough investigation to establish why and how all procedures were dispensed with in the case and special privilege accorded to the beneficiary.

In its reply, NOIDA stated (October 2020) that the provision in the Office Order of 03 January 2005 states that “in a case where, the application was rejected by NOIDA, an appeal can be made to the CEO and after accepting the appeal a further chance can be given to the applicant”. Regarding under charge of registration amount, NOIDA accepted the audit observation and stated that after issuing show cause notice to the members of the committee, required action will be taken. With regard to CIS charges, it was stated that charges were recovered as per the office orders and orders of GoUP in this regard.

The reply is not acceptable. There was no provision of appeal in the scheme brochure of Institutional wing as well as other allotment wings of NOIDA. The instant case is a clear exception from the brochure provisions. The standing committee specifically stated that “it is a case of 100 *per cent* change in management and proportionate CIS may be recovered.” But despite recommendations of the standing committee the CIS amount due was not recovered. The reference to GoUP orders is incorrect as it was related to the transfer charges and not to CIS charges. With respect to the under recovery of registration charges NOIDA accepted the lapse and assured to take appropriate action. However, no action was taken till date (November 2020) in this regard. Further, the reply does not indicate what action against the concerned officer(s) is proposed for according special dispensation in the instant case.

Allotment to Companies which were not even incorporated

Against the terms and conditions of brochure, NOIDA made allotments to companies which were not even incorporated at the time of submission of applications.

5.3.8.2 NOIDA launched three OES¹¹ for allotment of various institutional plots during 2008. As per clause 1(b) of the OES brochure “the allotment of the land will be made only in favour of a charitable trust/society/duly registered partnership firm or company constituted and incorporated in India and registered with the competent authority”. Hence, it implies that only a registered applicant was eligible for making an application. Audit noticed that NOIDA itself has rejected four applications {one application under the Scheme OES (III) 2008 and three applications under the Scheme OES 2015(1)} of the allottee on the ground that these were not incorporated at the time of submission of application. Further clause 15 of the brochure provides that “if the allotment is found to be obtained by any misrepresentation, concealment, suppression of any material facts by the allottee, the allotment of plot will be cancelled and entire money deposited by the allottee shall be forfeited and legal action will be taken”.

Scrutiny of the records revealed that in four cases out of 53 sampled cases, land was allotted to companies which were not even incorporated at the time

¹⁰ This standing committee was NOIDA’s internal committee headed by Deputy Chief Executive Officer. The other members of the committee were Manager (Institutional), AGM (Institutional), Chief Town Planner, Finance Controller and Chief Financial Consultant.

¹¹ OES -2008, OES (II) 2008 and OES (III) 2008.

of submission of application. Further, NOIDA did not take any action¹² against the allottees in line with the provisions of the brochure as discussed in succeeding paras.

- **M/s Omega Info Projects Private Limited (Plot No. 12, Sector 126):** The Company submitted the application for allotment of IT/ITES plot measuring 3,000 sqm. under the Scheme OES-I on 24 January 2008 and as required in the application form, stated that the certificate of incorporation was enclosed. Audit noticed that the Company was not registered/incorporated on the date of application (24 January 2008) but it was incorporated on 18 February 2008 (as per the incorporation certificate issued by RoC). This fact was also highlighted by UPICO in their report. But PAC, in spite of the fact being specifically highlighted by UPICO in its report, while evaluating the application did not consider the above misrepresentation and concealment of facts by the applicant Company and recommended for allotment of plot no. 12 sector 126 to the Company at its discretion. The allotment of the plot was made on 28 March 2008. Audit further noticed that the allottee transferred the plot to another Company in December 2009 and thereafter it was further transferred in May 2015, which is indicative of the fact that allottee/transferees were trading in the plot.
- **Saburi Infotech (Plot No. C- 30/7/1, Sector 62):** The Company submitted its application for allotment of 4000 sqm of IT/ITES plot on 06 February 2008 under the company name of “Proposed Pvt. Ltd. Company” (as the name of the Company was not registered upto that date). The Company was incorporated on 05 March 2008, however PAC recommended the allotment of plot in favour of the Company against the terms of the brochure. The allotment letter for the plot was issued on 28 March 2008. This plot was also transferred to another company in January 2016 which is indicative of trading in the plot by the allottee.
- **Aarvak KPO Solutions Private Limited (Plot No. A-17, Sector 136):** The Company submitted the application for allotment of 1,000 sqm of land on 28 July 2008 under the scheme OES-II and clearly mentioned in the application that the proposed company (M/s Arvak KPO Solutions Private Limited) is under incorporation. The incorporation certificate was issued on 12 August 2008 and the plot was allotted on 09 September 2008. Audit further noticed that 100 *per cent* shareholding of the allottee Company was changed (March 2017) resulting in transfer of plot.
- **Hi Lead Infotech (P) Limited (Plot No. C-1, Sector 153):** Audit observed that the Company applied for a plot under the scheme for IT/ITES uses stating that the registration certificate of incorporation is enclosed with the application. However, actually at the time of application (05 August 2008) the Company was not registered, as the incorporation certificate of the Company was issued on 11 August 2008 by RoC. This fact was also highlighted by UPICO in its report. But in spite of UPICO observation, PAC recommended (09 September 2008) allotment of plot to the Company which was approved by the CEO on 09 September 2008. The allotment letter was issued to the Company on 12 September 2008 for the plot measuring 20,000 sqm at a premium of ₹ 12.27 crore.

¹² Except in case of Hi Lead Infotech (P) Ltd. where the allotment was cancelled on complaint. However, the allotment was reinstated by the Hon’ble High Court.

The above fact was highlighted through a complaint received in NOIDA (14 November 2013). NOIDA, after investigating the merits and facts of the case, issued a show cause notice to the Company and consequently cancelled the lease deed (23 February 2015) as allotment of land was obtained through misrepresentation of facts.

Subsequently, the Company filed (27 February 2015) a writ petition in the Hon’ble High Court, Allahabad against the above cancellation order. The Hon’ble High Court, Allahabad in its final judgement (29 November 2016) held that *“the screening committee had full opportunity to go through the application and detect misrepresentation, if any, but the said right was not exercised and when the project has gone too far by making large scale investment and third party rights have also been created, then if one fine morning NOIDA has woken to find out that wrong facts has been mentioned in the application form and thus inviting action by way of cancellation of sale deed cannot be approved”*. Accordingly, the order of NOIDA dated 23 February 2015 regarding the cancellation of lease deed was quashed and set aside.

Hence, due to non-judicious act of NOIDA an ineligible Company obtained land through misrepresentation and concealment of facts. The PAC, in spite of fact of non-incorporation being highlighted by UPICO, recommended the allotment which was approved by the CEO. This resulted in allotment of the plot to an ineligible applicant.

During the exit conference (9 October 2020) the Government and NOIDA accepted the audit contention that the companies should be incorporated at the time of submission of application. The Government also directed NOIDA to modify the condition for future schemes and make the process transparent with specific provisions in this regard. The compliance shall be reviewed in next audit.

- Further, as the plot was allotted for IT/ITES purposes only no other uses were permissible on this plot. However, during physical verification by the audit team along with officials of NOIDA on 6 December 2019 it was noticed that a plot allotted to Hi Lead Infotech (P) Limited was leased for commercial activities other than IT/ITES which is also depicted in the photograph below:



In its reply, NOIDA stated (August 2020) that commercial activities on IT/ITES plots is against the terms of allotment and lease deed. The process of issuing notice to the allottee in this regard is under process. However, NOIDA has not taken any action as yet (October 2020).

Thus, all the four cases brought out above indicate that there were serious acts of omission/commission on the part of PAC, a point that has also been highlighted by the Hon'ble High Court in its judgment in one case.

The Government may consider investigating the matter and fix responsibility on the concerned member(s) of PAC for their role in the matter.

Allotments in departure from prescribed procedure

Special dispensations accorded by PAC to enable rectification of the shortcomings in submitted applications together with concealment of the facts in the minutes of PAC resulted into allotment of plots to entirely ineligible applicants.

5.3.8.3 As per clause 1.6 of the scheme {OES 2015(01)} brochure the application along with the requisite documents were to be screened by a duly constituted sub-committee/screening committee. Incomplete application without requisite documents was not to be recommended for interview of the applicant. The terms of the brochure further provided that the applicant should have positive net worth/surplus investable funds. The statement of sources of funds and liquidity certificate from any nationalised bank were also required to be submitted with the application. Further, as per clause 17 of the scheme brochure, if the allotment is found to be obtained by any misrepresentation, concealment, suppression of any material facts by the allottee/lessee, the allotment of plot may be cancelled and legal action may be taken.

Audit observed that in all the 24 applications received in the scheme {OES 2015(01)}, the screening consultant, UPICO, had not recommended the cases for allotment, mentioning the shortcomings in the applications. However, NOIDA in contravention of terms and conditions of scheme brochure, communicated the deficiencies in the application form to the applicants and gave chance for submission of the requisite documents. A revised screening report was also taken from UPICO for 20 cases and other four applications were rejected as the constitution of applicant entity was not registered. Allotments were then recommended for 14 entities by the PAC. The discrepancies observed by Audit in four sampled cases are detailed below:

(i) M/s Saks Developers Private Limited (Plot No. A-92 Sector 153):

A plot measuring 9,860 sqm was allotted (29 March 2016) to M/s Saks Developers Private Limited for establishment of IT/ITES units under the scheme for a premium of ₹ 12.19 crore. Audit observed the following discrepancies in the allotment:

- The allottee did not submit liquidity certificate and statement of sources of fund at the time of submission of the application. Based on the scrutiny of the application, UPICO in its report dated 03 February 2016 also recommended the case as negative for allotment of plot.
- In the subsequent evaluation, UPICO recommended that 'based on documents submitted, net worth of the promoters is insufficient, but as per letter attached from the shareholders of the company that if land is allotted then they will raise capital, the case may be considered'.
- The project cost was ₹ 42.20 crore against which ₹ 12.20 crore was shown as promoters' equity and balance ₹ 30 crore was to be met from bank finance. However, as per Balance Sheet, the networth of the

applicant was ₹ 0.75 crore and further, documents of bank finance for only ₹ 9.25 crore were submitted by the applicant against ₹ 30 crore.

- Audit further noticed that the application for the allotment of land (08 June 2015) was made in the name of M/s Saks Developers Private Limited and in October 2015 the constitution of the allottee was changed from Limited Company to Limited Liability Partnership. In the meeting of PAC (March 2016) this fact was not disclosed by the allottee and the land was allotted to the applicant. However, before execution of the lease deed this fact was communicated (27 May 2016) by the allottee to NOIDA and it requested that the lease deed be done in favour of Saks Developers LLP.

Here, it is pertinent to mention that even after the above concealment of facts came to the knowledge of NOIDA, it did not initiate any action under aforementioned clause 17 of the brochure against the allottee and the lease deed was executed in favour of M/s Saks Developers Private Limited on 26 October 2016. Naturally, on the date of lease deed M/s Saks Developers Private Limited did not exist. Due to change in constitution, the bank guarantee against stamp duty exemption¹³, submitted in name of M/s Saks Developers Private Limited was also rendered void.

Audit noticed that UPICO, in its revised report dated 16 March 2016, had recommended the case for consideration despite stating that net worth of the promoters was insufficient. These vital points were not even recorded in the minutes of PAC and in spite of all the above shortcomings, PAC recommended (March 2016) the allotment of plot in favour of the allottee. This indicates undue favour by NOIDA as no action was taken against the applicant for the concealment of facts and its misrepresentation. Further, regarding concealment and misrepresentation of facts by the allottee in respect of LLP and bank guarantee, no action was taken by NOIDA till date (December 2020) even after the facts came to the notice of NOIDA at the time of execution of lease deed in October 2016.

(ii) M/s Best News Company Private Limited (Plot No. C-56A/18, Sector 62): A plot measuring 1,924.50 sqm was allotted (30 March 2016) to M/s Best News Company Private Limited (Company) for establishment of IT/ITES unit under the scheme for a premium of ₹ 2.38 crore. Audit observed the following discrepancies in the allotment:

- The required documents such as implementation schedule, cash flow and land use pattern were not submitted along with the application form. This fact was also highlighted by UPICO in its report dated 03 February 2016 and they recommended the case as negative for allotment of plot.
- In the subsequent evaluation, UPICO recommended that ‘based on documents submitted, net worth of the promoters is insufficient, but as per letter from the promoter that if allotted then he will pay 100 per cent amount within 15 days, hence the case may be considered’.
- Audit observed that as per the documents submitted by the Company, the total project cost was ₹ 21.15 crore out of which 74.94 per cent

¹³ Exemption of stamp duty was provided against Bank Guarantee to ensure the timely completion of the project as specified in the brochure and Government orders. If the construction was not completed within specified period, the exemption so provided stands cancelled and amount of stamp duty along with interest was to be deposited by the allottee.

(₹ 15.84 crore) was to be met from the promoters' equity only. But as per the Balance Sheet submitted by the Company the net worth of the Company was negative in both the years viz. 2012-13 and 2013-14. In fact, the Company was incorporated in the year 2011-12 and the promoters' equity was non-existent to meet the promoters' contribution in project cost.

- About the insufficiency of promoters' equity, the applicant stated that they were financially sound and would pay 100 *per cent* land premium within 15 days and hence requested to allot the plot which was of ₹ 2.38 crore only. Here, the applicant did not mention about the sources for the remaining amount required for project implementation from promoters' equity i.e. ₹ 13.46 crore (₹ 15.84 crore - ₹ 2.38 crore).

It is notable that none of these vital points which confirmed the lack of eligibility for allotment of the plot were even recorded in the minutes of PAC and brought to the notice of the CEO. PAC also concealed the fact of UPICO's initial report and stated that "UPICO in its screening report has also recommended about the consideration for allotment" and recommended for allotment of the plot. It is pertinent to point out that UPICO in its first report had recommended the case as negative and in the revised report dated 16 March 2016 recommended the case for consideration despite stating that the net worth of the promoters was insufficient.

(iii) SKS Educational and Social Trust (Plot No. SS, Sector 137): A plot measuring 14,709.19 sqm was allotted (30 March 2016) to M/s SKS Educational and Social Trust for the establishment of senior secondary school under the scheme for a premium of ₹ 30.99 crore. Audit observed the following discrepancies in the allotment:

- UPICO in its initial evaluation report dated 03 February 2016 did not clearly indicate if the case was positive or negative. In all other reports of UPICO, the conclusion were unambiguous, stating either "positive" or "negative". However, in this case, UPICO remarked that "project cost is not ascertainable and means of finance is not understandable" but the final remark was left blank which showed the failure of UPICO to evaluate and clearly state facts in its report.
- In the revised report dated 16 March 2016, UPICO recommended the case after adding the net worth of a member of the applicant Trust instead of considering the net worth of the applicant only.

It is notable that none of these vital points which confirmed the lack of eligibility for allotment of the plot were recorded in the minutes of PAC for bringing to the notice of the CEO when PAC recommended for allotment of plot.

(iv) Hillwood India Society (Plot No. NS-1, Sector 122): A plot measuring 1,926 sqm was allotted (01 April 2016) to M/s Hillwood India Society for establishment of Nursery school in Noida under the scheme at premium of ₹ 5.68 crore. Audit observed the following discrepancies in the allotment made:

- UPICO in its screening report dated 03 February 2016 recommended the case as 'negative' pointing out that promoters' equity was insufficient to meet the project.
- Further in the revised report dated 16 March 2016, UPICO recommended the case after adding the net worth of the associate societies of the applicant whereas in the initial report UPICO itself had not considered the net worth of these associate societies.

Audit observed that even though the brochure conditions provided for considering only applicant’s networth and UPICO’s report also brought out the issue, the PAC failed to exercise the requisite due diligence and recommended the allotment. The total project cost was ₹ 14.40 crore against which the networth of the applicant was only ₹ 3.05 crore and rest was sought to be made from associated societies. In the revised report dated 16 March 2016, UPICO recommended the case after adding the net worth of the associate societies of the applicant whereas in the initial report UPICO itself had not considered the net worth of these associate societies.

Audit observed that in all four cases discussed above, the PAC failed to bring to light the fact of UPICO’s initial report being negative/blank. It is notable that none of these vital points which confirmed the lack of eligibility for allotment of the plots were recorded in the minutes of PAC for bringing to the notice of the CEO when PAC recommended for allotment. Based on the recommendation of PAC, the allotments were approved by the CEO on 28 March 2016. Audit observed that in the above cases the recommendations of PAC were irregular and they misrepresented the facts which resulted in discretionary allotment of plots costing ₹ 51.24 crore.

In its reply, NOIDA stated (October 2020) that the chance for re-submission of records was provided to all the applicants under the schemes and as such there was no special dispensation. Audit had not considered the re-evaluation report of UPICO which recommended for consideration of the case for allotment. After considering all aspects, the PAC recommended for allotment which was approved by the CEO.

The reply is not acceptable in view of the brochure condition providing for rejection of incomplete applications. From a perusal of other schemes of Institutional wing as well as other allotment wings of NOIDA it is evident that no such practice of intimating deficiencies or giving chance for re-submission of documents and re-evaluation by UPICO was prevalent in NOIDA. This special dispensation was adopted only in this scheme out of the schemes examined in audit. The lack of due diligence by PAC, together with omission and concealment of key facts, indicates a serious breach of propriety on the part of PAC which is entrusted with fiduciary duties in allotment of land.

The instances brought out above point to serious contravention of rules and concealment of facts by PAC. The Government should consider taking exemplary action against the concerned members of PAC.

Deficiencies in post-allotment compliances

5.3.9 The deficiencies observed in post-allotment compliances in contravention of scheme guidelines are discussed in ensuing paras. A case study showing the chain of events in a particular allotment case is produced hereunder:

Case Study

Undue favour to M/s Anand Infoedge Pvt. Ltd.

A plot measuring 1,00,980 sqm (valued ₹ 49.98 crore) was allotted (March 2008) to M/s Anand Infoedge Private Limited (Company) under the OES-2008 for establishing IT/ITES projects in Sector 143 B Noida. The lease deed for the plot was executed on 21 August 2008 and possession of land was given on 29 August 2008.

From scrutiny of records, Audit noticed the following irregularities with regard to allotment, payment of dues and in map approval as detailed below:

1. Allotment: The Company was incorporated on 27 September 2007 and the promoters had no background in IT/ITES business. As per the brochure requirement, the applicant company did not submit the three years Balance Sheet, as there was none available at the time of application.

2. Failure to pay instalments: After depositing 30 *per cent* as allotment money, the allottee did not pay any instalment as per the terms of the lease deed. Subsequently, the overdue amount of the allottee was rescheduled (August 2011) but the allottee never paid the (rescheduled) instalments to NOIDA and its total dues stood at ₹ 159.98 crore as on 30 September 2020.

3. Map approval in spite of pending dues: As per orders of the CEO (29 January 2013), it was mandatory to obtain 'No Dues Certificate' from Accounts wing for the approval of maps.

In violation of this order, the CEO irregularly approved (January 2015) the revised building plan which provided the Company three months' period to clear its dues failing which the approval of map would automatically stand cancelled. However, the Company did not clear its dues till date (September 2020) and NOIDA did not take any enforcement action against the allottee. Hence, the approval of the revised building plan by NOIDA violating its own order also resulted in undue benefit to the allottee. The approved map also stood cancelled due to non-payment, yet the allottee has continued with the construction and NOIDA failed to take any action. A joint physical verification of the plot was conducted by the Audit team along with officials of NOIDA on 6 December 2019 to ascertain the present status of development. Photographs taken during joint physical verification and at two other points (May 2015 and January 2018) as obtained from Google Earth are depicted below.

Photograph 5.3.2: Position of construction in December 2019



Photograph 5.3.3: Image of May 2015 showing vacant area



Photograph 5.3.4: Image of January 2018 showing constructed building



It is evident from the foregoing that in spite of lapse of the validity of the sanctioned map, NOIDA has allowed the allottee to carry out construction unabatedly.

4. Use of land for non-permitted activity: Though the brochure condition allowed captive utilisation of 25 *per cent* space for residential, commercial and institutional purposes, it transpires from media and newspaper reports that the allottee has started selling commercial space and villas on the plot. NOIDA, instead of restraining the allottee, requested (20 June 2014) the State Government to allow sale of the space meant for use other than Institutional use which was not accepted (18 December 2014) by the Government. Thus, NOIDA, in spite of blatant violation of clauses of the lease deed, attempted to regularise the contraventions for the allottee.

It was observed that the project was launched in the name of Festival City and was to be of commercial nature. It was being promoted by Mist Sales Private Limited wherein 59 *per cent* area of allotted land was planned as commercial as evident from its RERA registration. NOIDA issued (30 November 2012) a public notice informing that as per approved drawing 10 *per cent* area can be used for residence of the staff only and therefore any sale/purchase of such residences will be illegal. It clearly indicates that NOIDA was aware of the use of the plots by the allottee for purposes other than those mentioned in the lease deed, yet it failed to take appropriate remedial action in spite of the blatant violation on the part of the allottee.

5. Examination of data received from ROC

On further analysis of facts with data obtained by Audit from RoC, it was observed that the shareholding of the applicant Company (50 *per cent* each of Kapil Raj Anand and Sarla Anand) was changed completely before the lease deed was executed (21 August 2008) in favour of M/s Pious Infrastructure Private Limited, M/s Ayam Anand Infotech Private Limited, M/s Magnum Garments Private Limited and M/s CHL Limited. Thereafter the shareholding was again changed (18 September 2012) and passed on in favour of M/s Grand Express Developers Private Limited (Grand Express). The Director of the Company was Shree Satinder Singh Bhasin and the Company has made investment in many related companies. Further, shareholding of Grand Express in the company was transferred to Bhasin Motors Limited and Bhasin Infotech and Infrastructure Private Limited. Hence, the shareholding of the Company changed three times before making it functional. However, NOIDA failed to impose the CIS charges of ₹ 35.96 crore. This constituted a further undue benefit to the allottee.

M/s Mist Avenue Private Limited, incorporated in October 2012, who was appointed as marketing/developing agent of the allottee after change in shareholding, started collecting money from the public on the premise of providing villas and commercial spaces on the plot. From a perusal of the Balance Sheets of Mist Avenue Private Limited, it was observed that ₹ 401.36 crore (approx.) was collected as booking amount from the prospective buyers for villas/commercial spaces etc. during the period 2012-13 to 2016-17.

Further, ₹ 322.22 crore was subsequently transferred to other companies of the Director *viz.* Bhasin Infotech and Infrastructure Private Limited, Grand Venice Developers Private Limited, Capital Scooters Private Limited, Grand Express Developers Private Limited, Bansidhar Ganga Prasad Private Limited, Bhasin Motors Limited, Bhasin Scooters Private Limited, Bhasin Cars Private Limited, Mist Homes Private Limited, Dhoomketu Builders And Developers Private Limited etc as loans to related parties. Thus, the intention of the allottee was very clear since the beginning as it never intended to establish IT/ITES business.

From the above, the following emerges:

- NOIDA extended undue favour to the allottee in allotment at every stage during land allocation, during payment and while permitting land use in contravention of rules. The allottee’s requests’ to NOIDA/Government to approve/condone such contraventions were also in evidence.

- The allottee intended to establish the project as a commercial space as evident from its applications filed before RERA.
- Money was being routed through sister concerns under the same management. Many litigations are pending in courts against the promoter, Shri Satinder Singh Bhasin, for non-refund of money which has also been widely reported in the media.

In its reply, NOIDA stated (October 2020) that the Company was incorporated on 27 September 2007 and thus the three-year balance sheet was not available. The allottee had total dues of ₹ 159.98 crore (as on 30 September 2020) and did not pay any amount since re-schedulement of its dues. The position of non-payment of dues after three months' time was required to be brought to the notice of the CEO and for this negligence action would be taken against the concerned officials. NOIDA had only sent the proposal to the State Government regarding change in Floor area ratio (FAR) and sale of space in market which was not accepted by GoUP. Besides all this, NOIDA had in its reply clearly stated that the allotment should have been cancelled when irregularities came to the notice of NOIDA but only show-cause notices were issued at that time.

The reply confirms that despite indicating that the allotment to M/s Anand Infoedge Private Limited should have been cancelled when irregularities came to the notice of NOIDA, no concrete action to cancel the allotment in accordance with the rules and regulations has yet been taken (October 2020). It is also not clear how a significant case of infraction has been allowed to continue for 12 years by NOIDA. This is a matter that needs to be thoroughly investigated.

Changes in Shareholding

NOIDA suffered a loss of ₹ 83.47 crore due to non-levy of Change in Shareholding charges besides facilitating transfer of plots by 11 allottees to another set of shareholders who otherwise may not have been qualified for the allotment.

5.3.9.1 As per the provision of clause B-3 (read with clause B-7) of the Policy and Procedure for Institutional Property Management (2009), the CIS charges will be 10 *per cent* on 100 *per cent* change in shareholding and for less than 100 *per cent* change, CIS charges would be proportionate to the change of shareholding on *pro-rata* basis. Further, if the change in shareholding occurs before the unit is declared functional by NOIDA, CIS charges will be 1.5 times of the normal CIS charges. Thereafter CIS charges will be increased at the rate of 50 *per cent* of the normal CIS charges for every subsequent change in shareholding.

Further, NOIDA issued an office order on 27 October 2010 abolishing the CIS charges and the requirement of deed for registering changes in shareholding. This order was based on GoUP order (11 October 2010) which stated that the changes in shareholding could not be considered as transfer of property of a company and consequently stamp duty on transfer was not leviable. Audit noticed that GoUP orders did not address the CIS charges levied by NOIDA but NOIDA abolished the provision of CIS charges on the pretext of GoUP orders. NOIDA's order allowed the allottees to transfer ownership of companies holding allotted plots without payment of any charges to NOIDA. Thus, through this order NOIDA not only suffered loss of revenue but it also facilitated the allottee company to transfer the plot in favour of another set of shareholders, without any charges, who otherwise may not have been qualified for the allotment of plot. The said order of GoUP was rescinded on 04 February 2020 to stop tax evasion through this route. Audit observed that NOIDA failed to levy CIS charges in 11 cases amounting to ₹ 83.47 crore (**Appendix-5.3.3**).

In its reply, NOIDA stated (August 2020) that the decision of NOIDA (27 October 2010) of not charging CIS charges from companies was based on GoUP order (11 October 2010). Moreover, Hon’ble High Court, Allahabad has also quashed (26 September 2003) the demand of CIS charges in a particular case.

The reply is not acceptable as the Government orders dated 11 October 2010 was regarding non-levy of stamp duty and nothing was mentioned in the order about CIS charges. The contention of the Audit is further reconfirmed by the fact that GoUP had rescinded the order in February 2020 stating that this resulted in decrease in revenue of the Government. Moreover, regarding order of the Hon’ble High Court (26 September 2003) quashing the demand of CIS charges, it is to state that the CIS charges were introduced subsequently through Policy and Procedures for Institutional Property Management in March 2009.

Transfer of plots without levying charges

5.3.9.2 As per clause 11 of the scheme (OES-2008) brochure the allottee can transfer the whole plot with the prior permission of NOIDA, subject to the condition that the plot is declared functional. The transfer charges are 10 *per cent* of the prevailing rate of allotment at the time of transfer of the plot. Later on, the condition of being functional was withdrawn vide Policy and Procedure for Institutional Property Management (2009). Thus, only permission was required in case of transfer after payment of transfer charges.

Audit noticed that an allottee (M/s Surya Jyoti Software Private Limited) transferred its plot (April 2013) vide a share purchase agreement¹⁴ without any permission from NOIDA for a total sale consideration of ₹ 44.81 crore to M/s Cosmic Construction Limited.

Audit further observed that though the matter was in the notice of NOIDA, it did not demand the transfer charges of ₹ 4.48 crore. This resulted in loss to NOIDA of ₹ 4.48 crore and by this action NOIDA also caused loss of stamp duty of ₹ 2.24 crore¹⁵ to the government exchequer. Further, in spite of breach of conditions of the brochure, the allotment was not cancelled.

In its reply, NOIDA stated (October 2020) that it had not permitted the transfer of plot and in the records of NOIDA the plot is still in the name of the allottee.

The reply is not acceptable as it is well established from the records of NOIDA that the plot was transferred for a consideration of ₹ 44.81 crore on 16 April 2013 and thus transfer charges were to be recovered accordingly.

Loss to Government exchequer due to inaction on the part of NOIDA

5.3.9.3 As per GoUP notifications (January 2005, December 2005 and August 2009) the lease deed of the land used for IT/ITES and educational institution purpose was exempted from payment of stamp duty. In such cases a bank guarantee was required to be obtained in respect of stamp duty from the allottee before the execution of lease deed and handing over of the land.

¹⁴ The agreement was subsequently cancelled (25 February 2016) by the allottee (approx three year after entering into agreement) on the ground of non-payment of total agreed consideration.

¹⁵ 5 *per cent* of ₹ 44.81 crore.

Further, as per provisions of clause 3 of GoUP notification (October 2009), if the allottees of IT/ITES plots failed in obtaining the building plan approved by NOIDA within a period of 42 months or complete the construction within seven years from the date of possession, the stamp duty so exempted would be required to be deposited along with interest through the respective agency in Government accounts by revoking the deposited bank guarantee.

Audit noticed non-compliance of above provisions in two cases as brought out in **Table 5.3.3**.

Table 5.3.3: Loss of Revenue due to non-compliance of provisions of exemption of stamp duty

Particular	Details of allottees	
	M/s Surya Jyoti Software Private Limited	M/s KRN Education Private Limited
Area of the plot (in sqm.)	20,002.40	20,340
Purpose of plot	IT/ITES	School
Value of plot (₹ in crore)	9.80	18.15
Amount of Bank Guarantee (BG) required (₹ in crore)	1.09	1.16
Date of allotment	28.03.2008	29.12.2010
Date of actual possession of total area by allottee	13.06.2011	12.01.2011
Scheduled date of completion of 100 per cent construction	13.06.2018 (within seven years of possession)	12.01. 2014 (within three years of possession as per brochure)
Actual date of completion of 100 per cent construction	Not completed (as of March 2020)	September 2014 (late by eight months)
Scheduled date of obtaining of BG	13.06.2011 (from date of possession)	12.01.2011
Actual date on which of BG was obtained	15.09.2014 (late by more than three years)	07.01.2011
Validity of BG (upto)	14.03.2018	07.06.2016
Scheduled date of validity of BG. (i.e. scheduled date of 100 per cent completion)	13.06.2018	12.01. 2014
Whether BG encashed	No	No

Source: Information compiled by Audit.

From the above, it is evident that in one case the BG was obtained late by three years and in both the cases BG was not encashed in spite of the default in completion of the projects. This has resulted in loss of revenue of ₹ 4.84 crore¹⁶ to the Government.

In its reply, in respect of M/s Surya Jyoti Software Private Limited, NOIDA accepted (August 2020) that due to mistake the BG was not taken at the time of lease deed. Further, action as per rules is in process for the lapsed BG. In respect of M/s KRN Education Private Limited, NOIDA stated (October 2020) that completion certificate was obtained by the allottee within the stipulated period in September 2014.

¹⁶ ₹ 2.25 crore towards stamp duty BG and ₹ 2.59 crore as interest for 10 years and three years respectively at the rate of 18 per cent.

The reply in respect of M/s KRN Education Private Limited is not acceptable as the scheme brochure clearly stipulated that the completion certificate was to be obtained by the allottee within a period of three years from the date of lease deed upto January 2014 (i.e. three years from January 2011). However, as per the condition of lease deed the period of completion was provided as seven years. Thus, the condition of the lease deed was in contravention of the of brochure conditions. In case of M/s Surya Jyoti software Private Limited, NOIDA has accepted the lapses in procedure but not taken any action in this regard. The responsibility needs to be fixed in this regard in above cases.

Map/Layout related discrepancies

5.3.10 After allotment by the Institutional wing, the possession of land is handed over to the allottee by the respective Works Circle of NOIDA in whose jurisdiction the plot falls. The Works Circle is also tasked with the developmental work on the acquired land. The Planning wing prepares the site plan on the basis of which the plots are demarcated. Planning wing also approves the layout plan/map of each plot and ensures that construction is carried out as per prevailing Building by-laws. The discrepancies observed in this regard are discussed below:

5.3.10.1 Allotment without acquisition/possession

Audit noticed that in three cases NOIDA allotted the plots without acquisition of land or having possession of the same as detailed in **Table 5.3.4**.

Table 5.3.4: Loss due to allotment of plots without acquisition/possession

In three cases NOIDA allotted plots without ensuring its acquisition/ possession resulting in loss of ₹ 282.51 crore.

Particulars	Name of allottees		
	V.C Infracon	M/s Surya Jyoti Software Private Limited	M/s Jam Vision Tech Private Limited
Area of the plot (in sqm)	1,20,000	20,002.40	20,000
Date of Allotment	07.06.2011	28.03.2008	28.03.2008
Date of execution of Lease deed	10.08.2011	27.06.2008	31.07.2015
Date of actual possession of part area	30.08.2011	November 2008	The site plan was changed and another plot was allotted to the allottee as the said plot was encroached
Area of land with NOIDA at the time of Allotment (in sqm)	38070	15000	
Area of remaining land (in sqm)	81930	5,002.40	
Date of handing over of remaining land	Till date (October 2020) not handed over	13.06.2011	31.07.2015
Reasons for partial/non transfer	Not acquired fully by NOIDA		Encroachment
Whether zero period ¹⁷ was allowed	No, as the complete land was not handed over till date	Yes	Yes
Loss incurred due to allowance of zero period (₹ in crore)	-	2.24 (including ₹ 1.04 crore as interest) ¹⁸	24.03

¹⁷ In the Zero Period allottees are provided the facility of interest waiver for the period possession is not given, and period of instalments increases for the period which was considered as Zero Period.

¹⁸ {(Premium amount ₹ 7.64 crore*32 months*11 per cent)/1,200}.

Particulars	Name of allottees		
	V.C Infracon	M/s Surya Jyoti Software Private Limited	M/s Jam Vision Tech Private Limited
Loss due to difference in land rate at the time of allotment and rate at the time of actual possession (₹ in crore)	240.60 ¹⁹ (on the basis of prevailing rate in 2017-18)	1.20 ²⁰	14.44
Total loss (₹ in crore)	240.60	3.44	38.47

Source: Information compiled by Audit.

From the above table, it is evident that NOIDA allotted plots without ensuring acquisition/possession of the same which has resulted in loss of ₹ 282.51 crore.

In its reply, NOIDA accepted (October 2020) the audit observation and stated that in future allotments will be made only of the completely acquired land where possession of NOIDA exists.

Though NOIDA has accepted the audit observation yet it is silent about the loss already incurred in these allotment cases. Moreover, NOIDA did not envisage any action against the defaulting officials in the above cases.

Undue benefit by allowing excess Floor area ratio (FAR)

Contrary to the provision of brochure, NOIDA allowed excess FAR of 2 instead of 1.5 which resulted into undue benefit of ₹ 29.63 crore to 16 allottees.

5.3.10.2 Clause 10.1 of the OES III/2008 scheme (launched on 11 October 2008) brochure provided that as per the prevailing provisions of Building Regulation²¹, total 1.5 FAR is permissible for corporate office plots. It was further provided in the brochure that the proposal to increase the total permissible FAR from 1.5 to 2 is under consideration of NOIDA. But only the total permissible FAR on the date of allotment shall be admissible to the allottee and no claim to enhance the FAR shall be entertained by NOIDA later on.

Audit noticed that the change in FAR from 1.5 to 2 was notified by GoUP on 04 July 2009 and hence the allotments made under the scheme before 04 July 2009 were entitled for prevailing FAR of 1.5 only. However, in contravention of the above conditions of the brochure, NOIDA permitted the enhanced FAR of 2 to all the allottees of the scheme irrespective of their date of allotment.

Audit noticed that out of 61 cases where the maps were approved by NOIDA, in 16 cases the date of allotment was before 04 July 2009 (date from which GoUP enhanced the permissible FAR). Hence, as per the brochure conditions only 1.5 FAR was permissible in these cases. However, increased FAR of 2 was given by NOIDA in these cases. Further, in all these cases NOIDA failed to charge the amount of purchasable FAR of ₹ 29.63 crore (**Appendix-5.3.4**) which amounted to financial benefit to the allottees.

Though the approval of GoUP had not been received, the brochure contained indication for enhanced FAR, once approved by GoUP. Such indicative covenants in the brochure are contrary to the principles of conservatism and result in speculation on the part of applicants. In such a case the scheme should not be launched or it should be launched as per the prevailing norms as

¹⁹ 1,20,000 sqm x (₹ 36,200 per sqm - ₹ 16,150 per sqm)

²⁰ Considering the allotment rate of ₹ 7,300 in the year 2011-12.

²¹ New Okhla Industrial Development Area Building Regulations and Directions, 2006.

on the date of notification of the scheme. From this it is clear that NOIDA passed on the future benefit to the allottees before it became due.

In its reply, NOIDA stated (August 2020) that at the time of launch of scheme (2008) Building Regulations 2006 were prevalent and FAR of 1.5 was applicable for office uses. In the 160th meeting (26 February 2009), the Board of NOIDA, approved the proposal to enhance the FAR from 1.5 to 2. This proposed enhanced FAR was approved by GoUP on 04 July 2009. Meanwhile, a public notice was issued (18 November 2008) by NOIDA stating that “all the allottees will get the FAR as decided by GoUP on the proposal of NOIDA” and accordingly FAR of 2 was given to all the allottees of the scheme.

The reply is not acceptable as the revision in FAR can only be effected after approval of the State Government. NOIDA had irregularly provided and allowed enhanced FAR before the approval of GoUP. Here, the provision of enhanced FAR was made even before its approval by the Board of NOIDA which resulted in undue benefit of ₹ 29.63 crore to allottees.

The basis for NOIDA making such provision of increase in FAR without the approval of the State Government needs to be reviewed by the State Government for necessary action.

Non levy of Map Approval Fees

5.3.10.3 As provided in clause 5 of the Building Regulation 2010, every person who intends to erect a building within the Industrial Development Area shall give an application in the designated form. Further, in case of any objection, the fees so paid shall not be refunded to the applicant but the applicant shall be allowed to resubmit the plan without any additional fees after complying with all objections within a period of sixty days from the date of receipt of the objection order. If the plan is submitted after sixty days, fresh plan fees shall be charged.

Audit noticed that the allottee (M/s Surya Jyoti Software Private Limited) had submitted the building plan on 19 January 2009 and objection was raised on 11 February 2009. But the allottee failed to comply with the directions of NOIDA within the stipulated time of sixty days and submitted the revised map on 31 May 2013 without payment of any fees. NOIDA considered the application and again raised objection on 18 June 2013 but for the second time also the plan was not submitted within sixty days. It was submitted on 31 October 2013. Thus, as per the rules NOIDA should have charged the plan fee twice. However, NOIDA failed to enforce the provisions of building regulation and did not charge the amount of ₹ 0.40 crore (FAR of 1,15,017 sqm * Building Permit Fee of ₹17 per sqm) being the amount of fees and *malwa*²² charges, which amounted to undue benefit to the allottee to that extent.

Similarly, in case of Anand Infoedge Private Limited, the allottee had submitted the building plan on 16 February 2012 but the application was not complete in all respects and hence, NOIDA had intimated to the allottee to resubmit the plan on 12 March 2012. The allottee failed to comply with the directions of NOIDA within the stipulated period of sixty days and submitted the revised plan only in October 2012. Thus, as per rules NOIDA should have charged the plan fee again. But NOIDA failed to enforce the provisions of

²² *Malwa* is the debris at construction site.

building regulations and did not charge the amount of ₹ 0.55 crore (3,20,077.50 sqm * ₹ 17) being the amount of fees and *malwa* charges. This amounts to undue benefit to the allottee to that extent.

In its reply, NOIDA stated (August 2020) that considering the audit observation, an office order was issued on 08 February 2019 regarding forfeiture of building permit fees in cases where the objections were complied after the specified period.

The reply is not acceptable as the office order was not effective retrospectively and due to slackness on the part of NOIDA, it lost revenue of ₹ 0.95 crore for which no responsibility was fixed.

Discrepancies related to terms of payments

5.3.11 The shortcomings observed in issues related to payment terms are discussed hereunder:

Allowing payment in instalments in contravention of GoUP policy

5.3.11.1 GoUP announced the UP Special Economic Zone (SEZ) Policy, 2006 to promote industries in the State. This Policy was adopted by the Board of NOIDA in the 137th meeting held on 01 September 2006 and accordingly a scheme was launched by NOIDA on 29 September 2006 for IT SEZ plots. As per clause 4.2 of the UP SEZ Policy 2006, NOIDA was required to obtain the entire premium of land upfront before execution of lease deed. This provision was again reiterated in the amended SEZ Policy of 2007 which provided that “the total cost of land shall be recovered upfront as lease premium before the execution of lease deed”.

There were a total of nine plots earmarked by NOIDA for the IT SEZ in the scheme. NOIDA received 20 applications which were examined by the PAC and allotment of nine plots were made.

Audit noticed that in contravention of the above clause of the IT SEZ Policy, NOIDA did not collect the entire land premium upfront and allowed lessees of these nine plots to deposit 30 *per cent* of the land premium at the time of allotment and the remaining balance 70 *per cent* land premium in 16 half-yearly instalments (eight years) with interest at the rate of 11 *per cent* as in case of other allotments.

Hence, in contravention of the UP SEZ Policy 2006, NOIDA provided undue benefit to the developers.

In its reply, NOIDA stated (August 2020) that NOIDA had sent a proposal to the Government regarding change in the terms and conditions of IT SEZ plot allotment and the Government stated that NOIDA could take a decision on the terms and conditions. Hence, this decision was taken in line with the Government directions.

The reply is not acceptable as the decision was taken in contravention to the policy of the Government of Uttar Pradesh.

Loss on Reschedulement of dues

5.3.11.2 In view of GoUP orders of 6 January 2009 and 25 October 2009²³ regarding policy of exemption due to recession, M/s Anand Infoedge Private Limited (allottee) applied for the re-schedulement of its dues on 16 December

²³ Regarding measures to deal with the economic recession.

2009 which was accepted by NOIDA on 30 August 2011. Audit noticed that the calculation of re-schedulement was not in consonance with the original lease deed. As per clause 1 of the lease deed, three *per cent* penal interest was to be imposed on the allottee for default in payment. Thus, interest at the rate of 14 *per cent* (11 *per cent* original rate plus 3 *per cent* penal interest) was required to be calculated on the overdue amount. However, NOIDA calculated interest at the rate of 11 *per cent* and extended undue benefit of ₹ 7.22 crore to the allottee.

Further, NOIDA started (31 May 2013) the policy of re-schedulement for the overdues of allottees. The policy of re-schedulement was valid upto the next six months only (i.e upto 28 November 2013). Also, it was ordered (20 September 2013) that no re-schedulement facility would be provided to the allottee who has been given zero period facility earlier. Accordingly, the re-schedulement benefit would only be applicable for allottees who had not been granted zero period earlier.

But in contravention of the above orders, NOIDA provided (November 2014) the facility of re-schedulement to an allottee (M/s Surya Jyoti Software Private Limited) after the zero period facility for the period 04 November 2008 to 06 June 2011 given to it earlier. Further, no amount was deposited by the allottee as per the re-schedulement plan. This re-schedulement of dues facilitated map approval of the allottee as it was granted no-dues certificate after re-schedulement (as the map would not have been approved without the no-dues certificate as per the CEO’s order of 2013).

In its reply, NOIDA stated (August 2020) that as per the directions of the CEO the matter is under examination of the committee and reply will be submitted in due course. However, no further reply has been received from NOIDA so far (March 2021).

Conclusion

The purpose of making allotments under Institutional category was to use any land/building or part thereof for carrying on activities like testing, research, demonstration etc. for the betterment of society and it includes educational institutions. However, the allotments made under the Institutional category were *ab-initio* improper.

Scrutiny of actual allotments made, a significant percentage of which were in the three years period from 2008-09 to 2010-11, revealed serious contravention of rules and orders and misrepresentation, wilful concealment of facts by PAC. It recommended allotments in a number of cases to entirely ineligible entities. This was further exacerbated by making allotments to entities of commercial nature like Private offices/Corporate offices under the Institutional category. This translated in substantial loss to NOIDA, given the differential in allotment price of plots under these categories. In the follow-up phase, post allotment, approval of maps and payment related issues, the respective wings of NOIDA granted undue favours in contravention of rules as well as terms and conditions.

As on date only eight *per cent* of the Institutional allotments made during the Audit period are functional and the large number of plots were also found to have been transferred defeating the very purpose of allotments under the category.

Recommendations		
Recommendation Number	Recommendation	Response of Government
15	The Government should clearly define the activities permitted under the Institutional category to avoid misinterpretation/misuse on account of vague definitions.	Accepted.
16	NOIDA should consider taking stringent action against officials, in particular those in the PAC, who in a number of cases concealed, misrepresented and suppressed material facts, thus, enabling entirely ineligible entities to get allotment of plots.	Accepted in principle. The Government stated that after receiving a factual report from NOIDA, it will examine and take necessary action if there was any malfeasance or misconduct.

CHAPTER–V (5.3)
Allotment of Farm House Plots

CHAPTER-V

Allotment of Properties

5.3 Allotment of Institutional Properties

Allotment of Farm House Plots

Introduction

5.3.12 The Government of Uttar Pradesh (GoUP) notified (2 January 1992) NOIDA (Agriculture Use Zone) Area Regulations, 1991 wherein the concept of farm house was formally defined for NOIDA. It provided that farm house means a plot of land in the area demarcated for agriculture use by NOIDA.

The Regional Plan (RP)-2021 zoning regulations permitted establishment of farm houses outside *abadi* (inhabited) area under Agriculture (Rural) Zone within Controlled/Development/Regulated Areas¹. In this context the SRP- 2021 provided that all activities in the controlled/development area will be permitted as per the provisions of Zoning Regulations of notified Master Plan. The activities permitted under agricultural use in NOIDA Master Plan 2021 were dairy farm, farm house, milk chilling centres, primary school, orchard, wireless centre, plant nursery, forest, rural centre. Thus, the hierarchy of planning structure permitted the above activities in agricultural areas which included farm houses and which were to be performed outside the inhabited areas.

NOIDA, in its 157th Board meeting (23 December 2008), approved a proposal for developing farm houses on the basis of the following justifications:

- NOIDA and GoUP had approved the land marked adjacent to the embankment of Yamuna and Hindon rivers as agriculture areas in the approved Master Plan 2021, keeping in consideration the environmental aspect. Due to the nearby planned and developed areas, prices of agriculture land were increasing continuously and unauthorised builders were trading the agriculture land. The aim of such developers was not to carry out agricultural activities but to promote unauthorised colonies and mark out small plots to sell to lower income group people.
- Unless this area underwent planned development, there was a possibility of unauthorised construction in agriculture area.

Implementation of the scheme

5.3.13 During the period covered in audit (2005-2018), NOIDA had launched two Open Ended Schemes (OES) for allotment of farm house plots in which 157 allotments were made as detailed in **Table 5.3.5**.

Table 5.3.5: OES for allotment of farm house plots

Sl. No.	Name of scheme	Duration	No. of applicants	No. of allottees	Area (in Sqm)
1.	OES-V (2008-09)	19 January 2009 to 12 April 2010	190	102	11,94,114
2.	OES 2010	15 September 2010 to 03 May 2011	115	55	6,43,226
	Total		157	157	18,37,340

Source: Information furnished by NOIDA.

¹ Denotes areas notified by GoUP in respect of NOIDA.

NOIDA constituted a Plot Allotment Committee (PAC)² for screening the applications and recommending allotment after interview.

Audit Findings

5.3.14 Audit evaluated the process of planning, development and allotment of farm house Plots during the period from 2005-18. Out of 157 allotments, 54 allotments were selected for detailed audit scrutiny through random sampling method. The audit findings have been discussed in succeeding paragraphs and are arranged in the following sections:

- Deficiencies in planning; (discussed in Paragraphs 5.3.15 to 5.3.15.6)
- Blatant violations in allotment of farm house plots; (discussed in Paragraph 5.3.16)
- Cases of allotment by misrepresentation, multiple applications and without availability (discussed in Paragraphs 5.3.17 to 5.3.17.3)
- Arbitrary allotment by PAC (discussed in Paragraphs 5.3.18 to 5.3.18.3)

Deficiencies in planning

5.3.15 Audit noticed that various deficiencies persisted in planning of scheme guidelines and framing the structure of the scheme for allotment of farm house plots. These are discussed issue-wise in the succeeding paragraphs.

Scheme in contravention of permitted activities under Master Plan

5.3.15.1 NOIDA (Preparation and Finalising of Plan) Regulations, 1991 (Plan Regulations, 1991) provide that ‘*Agricultural Use*’ means the use of any land or part thereof for farming, horticulture, piggery, fishery, poultry farming, sericulture and all legitimate uses incidental thereto. The activities permitted under agricultural use in NOIDA Master Plan (MP)-2021 were dairy farm, farm house, milk chilling centres, primary school, orchard, wireless centre, plant nursery, forest, rural centre. However, apart from the permitted activities under MP- 2021, additional activities viz. motels, parking facilities, public utilities and services and religious premises, sanitary land fill and bus queue shelter were also included in the scheme for allotment of farm house plots.

Audit observed that the scheme was approved and launched by the Board of NOIDA on land marked for agriculture use in the Master Plan for activities other than permitted activities viz. motels, open air theatre, public utilities etc. under farm house plots allotments. NOIDA had no powers to supersede the permitted uses on the land, as land use should be in accordance with permitted use in RP-2021 and MP. In this context, the RP-2021 provided for establishment of farm houses outside *abadi* areas, which was not followed in this case. But without any approval either from the National Capital Region Planning Board (NCRPB) (for establishing farm houses in *abadi* area) or from the State Government, NOIDA launched the scheme of farm house with uses which were not permitted.

NOIDA superseded the permitted uses on the land, as land use should be in accordance with permitted use in RP-2021 and MP. The RP-2021 provided for establishment of farm houses outside *abadi* areas, which was not followed in this case.

² PAC for OES 2008-09 comprised of OSD, Revenue Officer, Chief Legal Consultant, Finance Controller, Sr. Town Planner, Sr. Project Manager (I) and DGM (Institutional), and PAC for OES 2010 comprised of OSD, Administrative Officer, Chief Legal Consultant, Finance Controller, Chief Architect and Town Planner, Sr. Project Engineer (I) and DGM (Institutional).

With an amendment in the scheme³ (25 August 2009), the commercial uses were removed viz. motel, open air theatre etc. However, the permissible uses of land for developing swimming pools, playgrounds and parking facilities allowed as per the brochure were retained. These were neither permitted in the agricultural zone uses in the RP-2021 nor in GoUP notified NOIDA (Agricultural Use Zone) Area Regulations of 1991. These facts were neither considered by the Board nor intimated to the State Government and proposal for approval was sent in contravention of permitted activities. These activities were not agricultural in nature, yet retained in the farm house scheme being developed on agricultural land.

In its reply, NOIDA stated (October 2020) that the Board of NOIDA, in its 157th meeting (23 December 2008), approved a proposal for development of agricultural areas detailing the end uses and development norms (like FAR, ground coverage (GC), height of building, etc.). Based on NOIDA's proposal, GoUP approved (February 2009) amendment to Building Regulations whereby norms for farm houses were provided. There was no legal requirement for approval of the scheme from NCRPB. Further, activities like swimming pools, playgrounds and parking facilities are incidental to all kinds of properties. In the public notice permissible activities were allowed only for allottees and for family/social purposes only and no commercial activities were permitted in the farm houses.

The reply of NOIDA is not acceptable as activities like swimming pool, parking and playground were included in respect of farm house properties, yet they were outside the ambit of definition of agriculture use in the Plan Regulations, 1991, which were applicable at the time of launch of the scheme. The introduction of activities like swimming pools, etc. has substantially altered the intrinsic nature of land meant for agricultural use. NOIDA has acquired agricultural land from farmers and promoted leisure activities in the garb of agricultural use. The amendments approved by GoUP in Building Regulations were at the behest of NOIDA and some of the activities (like motels) were rescinded by NOIDA itself subsequent to approval by GoUP. Further, the farm house plots were not outside *abadi* areas and resulted in contravention of RP-2021.

However, in the Exit Conference held on 9 October 2020, Government directed NOIDA to examine the actual uses and act against those using farm houses for commercial activities. The Government further stated that the permissibility of farm house in this land use would be examined in consultation with the Chief Town and Country Planner.

Thus, NOIDA permitted activities in farm houses in contravention of approved activities under MP, which are therefore without due authority.

Scheme without approval of GoUP and credible justification

5.3.15.2 As per Plan Regulations, 1991, NOIDA shall prepare a draft plan for Industrial Development Area showing various existing and proposed land uses and issue public notice which was to be widely circulated for objections and suggestions for not less than 30 days.

³ The amendment was approved by the Board *post facto* in its 164th meeting dated 22.09.2009.

The scheme was launched in haste, without approval of GoUP and without credible justification.

Although the CEO of NOIDA approved the proposal (2 January 2009) to obtain suggestions from the public regarding proposed uses but Audit observed that the time allowed for obtaining suggestions/objections was reduced from not less than 30 days to 15 days by CEO (28 November 2008) in contravention of Plan Regulations, 1991.

Further, the scheme was launched citing encroachment on agricultural land but details of the encroached land were not submitted. Moreover, this justification was not acceptable in view of the inherent powers of NOIDA to take action against illegal constructions.

The scheme brochure conditions provided for the permissible Ground Coverage (GC), Floor Area Ratio (FAR) and building height as 10 *per cent* (maximum 1,000 sqm), 0.15 and 7.50 metre respectively. The above development norms were approved (23 December 2008) by the Board of NOIDA and approval of the same was sought from GoUP. However, the scheme was launched (19 January 2009) pending receipt of approval of above norms from GoUP. Audit observed that after the launch of the scheme, the maximum permissible height of farm houses was increased from 7.5 to 11 metre in the 158th Board Meeting (20 January 2009). The NOIDA Building (2nd Amendment) Regulations, 2009 were issued by GoUP on 28 February 2009 which permitted building height of 7.5 metre. Thus, the initial proposal was without approval from GoUP and the amendment to scheme conditions was in contravention of approved norms.

Thus, it is evident that the scheme was launched in haste, without prior approval of State Government and without credible justification. It was launched without specifying details of encroachment, reasons for allowing minimum plot area size and without approval of GoUP for development norms and reduction in days of public notice for inviting suggestions/objections.

In its reply, NOIDA stated (August 2020) that the Board had reduced the time allowed for obtaining suggestions/objections from 30 days to 15 days and later permission of GoUP was received vide notification (18 February 2010) for the same. To prevent construction of unauthorised settlements and encroachment of the Authority's land, planned land development was the viable option. The FAR and GC was kept as per the Building Regulations approved by GoUP and the height of the building was increased to 10 meters. As a result of increasing the height from 7.5 meters to 10 meters, the allottee had no additional gain of GC and the issue had no financial impact.

The reply is not acceptable as Government approved (February 2010) an amendment in Plan Regulations, 1991 whereby the said time period was reduced from 30 days to 15 days and it was applicable prospectively. Hence, at the time of Board's resolution (November 2008), the Plan Regulations, 1991 were applicable which provided 30 days' time for obtaining suggestions from the public. Hence, the decision of the Board in November 2008 was ultra-vires *vis-a-vis* the applicable regulations. The fact that NOIDA increased the allowed height from 7.5 meter to 11 meter in supersession of provisions of Building Regulations shows the scant regard for applicable statutory provisions.

The misclassification of scheme in Institutional category instead of residential category caused loss to NOIDA.

Loss due to misclassification of scheme under institutional category

5.3.15.3 As per NOIDA Plan Regulations, 1991, 'Institutional Use' means the use of any land/building or part thereof for carrying on activities like testing, research, demonstration etc., for the betterment of the society and it includes educational institutions. "Residential Use" means the use of any land or building or part thereof for human habitation and such other uses incidental to residential uses. However, in the 158th Board meeting (20 January 2009), the Board of NOIDA approved formulation of farm house plot allotment scheme based on terms and conditions prevalent in institutional category and the scheme was also executed by the Institutional wing.

Audit observed that the permitted uses (revised) as per the scheme were one dwelling unit, staff/servant quarter, guard room, swimming pool, dairy farming/poultry farms, orchards, park and playgrounds, parking facility and plant nursery. This clearly shows that all the activities and facilities were akin to residential uses and as such the same should not have been launched in institutional category. Further, on comparing the allotment of farm house plots in another development authority in the vicinity, Audit also noticed that the Delhi Development Authority (DDA) has categorised farm house plots under residential category as Low Density Residential Area (LDRA). Though the scheme did not promote activities of institutional category as discussed above, yet it was launched to provide advantage of fixed rates (instead of bidding based rates) and discretion in allotments under institutional category. The deliberate misclassification led to undue benefit to the allottees by allowing them lower rate⁴ and caused loss to NOIDA (detailed in **Paragraph 5.3.15.5**).

In its reply, NOIDA stated (October 2020) that in NOIDA Master Plans, farm houses have never been kept under institutional category. Farm house was a permitted activity under agricultural land use but has not been categorised either as institutional or residential use. The scheme was not approved under Institutional category. It was only operated by the institutional wing for administrative purposes. Most of the activities under the farm house scheme are not projected in the plan of residential plots/buildings. If the farm houses were planned under residential use, then the provision will have to be made on the basis of ground coverage and FAR, which eliminate the concept of developing the green and open land for agricultural land use area.

Though NOIDA in its reply has stated that farm house was not to be classified under institutional category, yet the Board itself approved formulation of a scheme based on terms and conditions prevalent in Institutional category. The scheme was also implemented by the Institutional wing of the Authority. This misclassification enabled NOIDA to keep lower allotment rates at the cost of its own financial interests as discussed in **Paragraph 5.3.15.5**.

Launch of Scheme without observance of due procedure

5.3.15.4 Central Vigilance Commission (CVC) guidelines (November 2002) provides for appointment of consultant after inviting bids for specified work on tender basis. However, on analysis of the chain of events leading to the launch of the farm house Scheme, Audit observed that the work of framing of the scheme and its terms and conditions was awarded to UPICO on

⁴ Rates for farm house plots were ₹ 3,100 per sqm against ₹ 14,400 per sqm for lowest category under residential.

Appointment of consultant on nomination basis and finalisation of the scheme in a day without statutory approval from GoUP clearly shows that the scheme was launched in haste.

12 January 2009 on nomination basis. The consultant also submitted its report on the very next day *i.e.* on 13 January 2009. The report was considered by a special committee constituted by the Board and the scheme was launched on 19 January 2009 without any approval of the development norms and the permissible uses being obtained from GoUP, only on the basis of approval by the Board, which was highly irregular.

Thus, the entire process of appointment of consultant without inviting tender and finalising the scheme in a day, without statutory approvals from GoUP and NCRPB clearly shows that the scheme was launched in haste, without due diligence and without taking cognisance of due process and procedure.

In its reply, NOIDA stated (August 2020) that UPICO is an important consulting firm formed with the cooperation of Government of India (GoI), GoUP and various financial institutions. Moreover, the GoI and the State Governments have been adopting the method of empanelling expert consultant bodies for various schemes from time to time and such empanelled consultants are engaged by the local agencies without inviting tender.

The reply of the Management does not address the issue of not complying with CVC guidelines for appointment of consultant. Further, the submission of the report by the consultant in one day shows lack of due diligence on the part of the consultant.

Extremely low fixation of reserve price

The classification of category of farm house without considering its end use, its location close to developed areas and realising a fraction of the basic rate was without justification and led to huge undue benefit to the affluent allottees and loss to NOIDA of ₹ 2,833.18 crore.

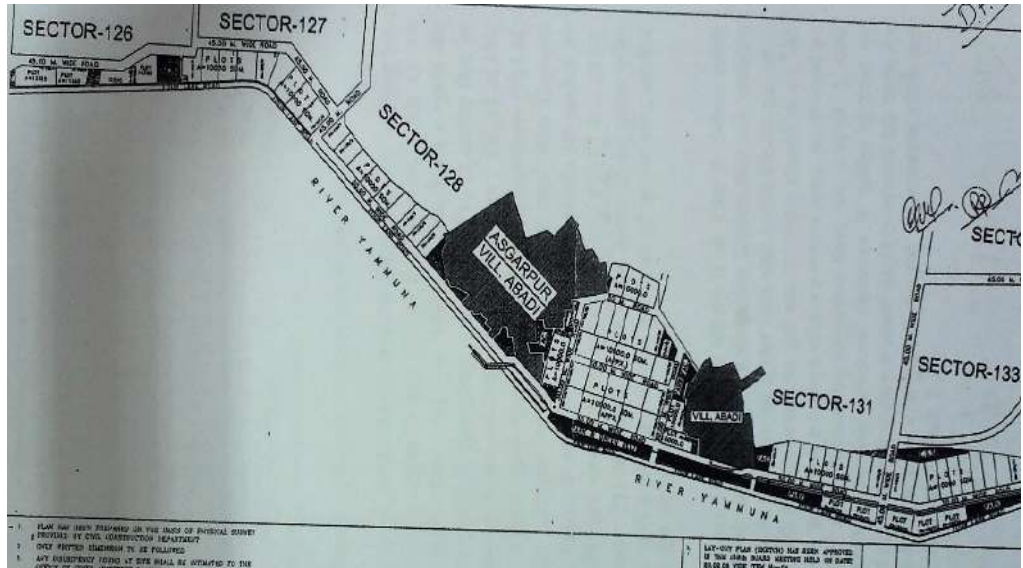
5.3.15.5 The primary objective of the costing of the land by NOIDA is to recover all costs incurred and to be incurred on acquisition of land, the internal/external development costs, present and future maintenance costs etc., and also to have a shield over and above to reduce the risks due to unforeseen expenditures, if any. Consideration of future maintenance cost is necessary as NOIDA also undertakes future maintenance works of the developed sectors since it is responsible for municipal functions at NOIDA. Further, land acquisition and development takes not less than two to three years and NOIDA's own fund is invested for this purpose. Therefore, interest cost should also be included for return on the own fund deployed on land acquisition and development.

In absence of a codified procedure for costing of land, NOIDA in practice, works out the cost of land allotted by including cost of acquisition of agricultural land, internal and external development costs incurred/estimated and various overheads as decided by it. The rate so arrived is grossed up by considering the saleable percentage of land. By using this methodology, NOIDA works out the basic per square meter rate for land of lowest residential category.

Audit observed that the basic rate notified by NOIDA for the year 2008-09 after considering land acquisition cost, interest cost, internal development cost, external development cost, maintenance cost and other costs was ₹ 14,400 per sqm. NOIDA, in deviation of its own stated method, took into consideration only the land acquisition cost of ₹ 1,100, external development cost of ₹ 1,500 and other expenditures of ₹ 500 and the allotment rate was fixed at ₹ 3,100 per sqm for farm house plots. The rates were decided without considering the internal development cost, maintenance cost, contingency expenditure, administrative expenditure etc. The audit observations on lower fixation of rates without justification are further detailed below:

Farm houses in proximity of developed areas: As per clause 17.5 of the Zoning Regulations of Regional Plan 2021, the farm houses were to be permitted outside *abadi* area. However, Audit observed that the farm houses were located opposite fully developed Sectors 126 and 127 as borne out from the picture of the map in **photograph number 5.3.5** and image of 2008 obtained from Remote Sensing Centre of ISRO shown in **photograph number 5.3.6**.

Photograph 5.3.5: Map showing NOIDA’s farm house in front of developed sectors 126, 127, 128,131



Photograph 5.3.6: Image showing NOIDA’s farm house in front of developed sectors



Source: Remote Sensing Centre of ISRO.

A joint physical verification of Sectors 126 and 127 was conducted by the Audit team and Management of NOIDA on 6 December 2019 to see the present status of development in the sectors. In the joint physical verification, the sectors were found to be fully developed. A photograph of 6 December 2019 shows that farm houses and developed space of Sectors 126/127 are contiguous to one another as shown in **photograph 5.3.7**:

Photograph 5.3.7: Photograph showing physical location of farm houses in Sectors 126 and 127 opposite fully developed institutional plots



Akin to residential: NOIDA Plan Regulations, 1991 categorically defined the uses under the residential, agricultural and institutional categories. As discussed in **Paragraph 5.3.15.3**, farm houses with given specifications like dwelling unit, swimming pool, playground *etc.* fall under residential category rather than agricultural or institutional category.

NOIDA calculated and notified its aggregate costs for allotment of land, which has been referred to as basic rate. In case of residential allotment, the rates ranged from 2.75 times to 1.00 times of the basic rate notified by NOIDA. However, in farm house plots the rates were fixed at 0.22 times of the basic rate for 2008-09 (₹ 14,400 per sqm) which was abysmally low. As the basic purpose of farm houses envisaged was also for personal use, therefore at least the basic rate equivalent to the lowest residential category should have been recovered.

Subsidising those with ability to pay: In case of lower fixation or discounting of the basic price, a cross subsidisation of the same has to be done *i.e.* the cost of lower rates has to be borne by other categories. In case of farm house, at the time of fixation of rates, the reason for subsidised rates, public interest served *etc.* was not provided and the rates were decided without considering the prevailing cost or market price of property. Farm house plots were allotted under Institutional category wherein the applicant was required to have a

paying capacity of at least ₹ three crore⁵ (apart from project cost) for a minimum area of 10,000 sqm, which was clearly not in the reach of the common man and the beneficiaries were not going to be individuals/entities with lack of capacity to pay. Hence, providing such a dispensation of fixing the rate at a fraction (0.22) of the basic rate does not stand to any reason. Thus, the land of farmers acquired at lower rate through acquisition was provided to affluent individuals at a highly subsidised rate. In fact, properties like farm houses in an area with developed infrastructure (as shown in the above photographs) command a substantial premium in the real estate market, which NOIDA failed to realise.

Thus the rates of farm house plots were fixed abysmally low without considering the basic rate applicable during the concerned year. Even under Institutional category the rates ranged from 0.29 to 1.5 times of the basic rate and under residential category the rates ranged from 1.0 to 2.75 times of the basic rate. The rates were fixed without any justification on record (i.e. public interest, cross subsidisation *etc.*) for not recovering even the basic rate from the allottee.

The lower fixation of rates without considering the basic rate applicable during the year resulted in loss to NOIDA to be borne by other categories and thereby unduly favoured the allottees of farm house plots to the extent of ₹ 2,833.18 crore as detailed in Appendix-5.3.5 and summarised in Table 5.3.6.

Table 5.3.6: Lower fixation of rates without considering the basic cost of land rates

(Rates in ₹ per sqm)

Sl. No.	Year of allotment	No. of allotments	Area (in sqm.)	Allotment rate	Basic rate	Differential rates less realised	Total amount less realised (₹ in crore)
1.	2008-09	22	228965	3100	15914	12814	293.39
2.	2009-10	42	582836.10	3100	16996	13896	809.91
3.	2010-11	83	925264.05	3500	17556	14056	1300.55
4.	2011-12	5	50200	3940	19770	15830	79.46
5.	2014-15	5	50075	5525	37928	32403	162.26
Location Charges less realised on above allotments							187.60
Total less realised including location charges							2,833.18

Source: Information compiled by Audit.

Thus, the classification of category of farm house plots without considering its end use, their location close to developed areas and realising a fraction of the basic rate without justification led to huge undue benefit to the affluent allottees while compounding loss of revenue to NOIDA.

In its reply, NOIDA stated (October 2020) that the land rates are determined by the Authority based on the use of the plot. Farm house plots were allocated on the area reserved for agricultural land use, which was planned outside the population area. The rates of plots for different activities in the same sector are determined differently, which cannot be compared even though the land of that sector could be acquired at the same rate by the Authority and the expenses incurred on the development work of the sector could also be the same. Permissible activities under agricultural land use were limited and

⁵ Considering the minimum plot size of 10,000 sqm and allotment rate of ₹ 3,100 per sqm, the total cost of the plot comes to ₹ 3.10 crore hence ₹ 3.0 crore has been considered as minimum required net worth of the applicant.

norms were fixed so that only 10 *per cent* of the area could be constructed. The objective behind the development of farm houses was to keep the agricultural area unchanged and minimise encroachment. Hon’ble Lokayukt has concluded that there was no financial loss in the farm house scheme. It was further stated that the Hon’ble Supreme Court in its decision stated that there is no concept of ‘Loss’ to NOIDA, when it takes a decision to earmark different parcels of land for different uses and fixes different rates for them.

The reply of NOIDA is not acceptable on the following grounds:

- The farm houses were located opposite fully developed sectors whereas as per clause 17.5 of the Zoning Regulations of Regional plan 2021, the farm houses were to be permitted outside *abadi* area. This was also verified by Audit during joint physical verification alongwith NOIDA officials. Thus the reply of NOIDA that farm house plots were planned outside the population areas is factually incorrect.
- As may be seen from **Table 4.1 (para 4.3 of Chapter IV)**, the rates for farm house plots were lowest among all categories. Further, the locational advantage and market value of these plots were also not considered by NOIDA.
- The reply of NOIDA that rates were kept in accordance with norms of 10 *per cent* constructed area is not acceptable as NOIDA failed to recover even its basic rate on land allotted. Reasons for subsidised rates and the public interest served thereby were not spelt out. The cost of a farm house was in excess of ₹ three crore (apart from project cost) for a minimum area of 10,000 sqm, clearly not in the reach of the common man and the beneficiaries were not going to be individuals/entities with lack of capacity to pay. Hence, providing such a dispensation of fixing the rate at a fraction (0.22) of the basic rate does not stand to any reason.
- The contention of NOIDA that there was no financial loss based on Hon’ble Supreme Court’s judgment is not relevant as the Hon’ble Supreme Court has adjudicated on a matter where the facts of the case involved were disparate. The matter before the Hon’ble Supreme Court, as quoted by NOIDA, pertained to allotment and its cancellation in respect of star category hotels under commercial category, which is separate from allotment of farm house plots. Further, it may be added that in that judgement the Hon’ble Supreme Court has held the reserve price to be incorrectly fixed causing loss to NOIDA. (Para 55, 65, 70 (iii) of the judgement).
- It is notable that during the Exit Conference held on 9 October 2020, the Government stated that the pricing policy guidelines being formulated will take into account the observations made by Audit. The Government will undertake a thorough review of farm house scheme.

Implementation of project and transfer of plot

5.3.15.6 As per terms of the brochure, the allottee/lessee had to commence construction within six months of taking over the possession of the plot. The allottee/lessee should complete construction equivalent to at least the prescribed minimum percentage of the maximum permissible covered area and obtain “functional certificate” from NOIDA within three years from the date of handing over of actual possession of the plot by NOIDA. The allottee/lessee

can transfer the whole plot with prior permission of NOIDA, subject to the condition that the plot is declared functional and is to be transferred for the same use and subject to such terms and conditions, including payment of transfer charges, as decided by the lessor at the time of granting transfer permission.

The dilution of the clause requiring functional certificate for transfer of plot resulted in non-execution of the projects of farm houses.

Audit observed that the condition of obtaining functional certificate before transfer was diluted vide the Board order dated 20 February 2009 which permitted sale and purchase of land without construction. This defeated the purpose of allotment and extended the benefit to the allottee for transfer of plot without carrying out project activities. Even after lapse of more than eight years, only two plots could be made functional as of 31 March 2020. The dilution of the clause requiring functional certificate for transfer resulted in non-execution of the projects of farm houses.

In its reply, NOIDA stated (August 2020) that the decision of relaxation in transfer of non-functional plots was taken due to global economic slowdown in 2008-09. Moreover, no financial loss has occurred to the Authority due to the transfer policy. In addition, the Authority has received additional revenue in the form of transfer fee and stamp duty has also been received by the State Government and development and construction work has been accelerated in NOIDA.

The reply is not acceptable as the permission to transfer plots without functionality altered the position of the allottees and instead of execution of project the dilution encouraged transfer of plots. It shows the intention of NOIDA was only allotment of land for selected applicants, who were thereafter permitted to transfer plots without even constructing a farm house. The condition of allowing transfer of non-functional plots was approved on 20 February 2009, that is only a month after launch of the scheme and even before first PAC meeting. Hence the possibility of allottees being effected by economic slowdown was non-existent.

Blatant violations in allotment of farm house plots

In 47 cases of allotment of farm houses out of 51 sampled cases, allotments were made to the applicants in violation of the minimum eligibility criteria mentioned in the brochure/scheme guidelines.

5.3.16 The scheme for allotment of farm house envisaged that prospective applicants meet parameters envisaged in the brochure to be considered for allotment. As per brochure conditions, the applicant should have positive net worth/surplus investible funds and the following documents duly certified by CA/architect were required to be submitted along with the application:

- Background of the promoter.
- Audited accounts and balance sheet of the previous three financial years, to be signed by the applicant and certified by CA on each page, if applicable.
- Three years projected cash flow, depicting sources of inflows for the project, to be signed by the applicant and certified by CA on each page, if applicable.
- Registration Certificate of Incorporation, Memorandum and Articles of Association of the company, Rules and Regulations of the society/trust/partnership/firm, to be signed by the applicant and certified by CA on each page.

- Land use pattern and construction plan and schedule of implementation, to be signed by the applicant and certified by architect on each page.
- Statement of sources of funds and liquidity certificate from any nationalised bank/scheduled bank/bank. In case of self-financing or loan from friends/relatives, an affidavit to this effect to be attached and all papers to be signed by the applicant/bank and/or CA on each page.
- Proposed total investment in the project.
- Affidavit of the applicant certifying that all the statements made in the application and annexure are true and correct.

Further, it was obligatory for the applicant to use the plot for permissible uses only as given in the brochure. As per revised amendment (25 August 2009) no commercial activity viz. motel, open air theatre etc. was allowed.

The inclusion of net worth, in view of Audit, is important since it provides a yardstick to evaluate the financial capacity/strength of the entity. Specific net worth limits were notably set out by NOIDA in case of Commercial and Group Housing categories as the benchmark for evaluating prospective allottees. However, in case of farm houses the brochure only mentioned requirement of a positive net worth in spite of the fact that the minimum value of a farm house plot was pegged at more than ₹ three crore. Hence, in addition to the laid down procedure in the brochure, Audit also specifically checked the net worth in individual cases of allotments to verify the prospective allottee’s financial strength and whether it had the capability to acquire the farm house.

The detailed scrutiny of the documents submitted along with the application forms in 51 test-checked cases⁶ shows that in 47 cases there were deficiencies in compliance of scheme guidelines, eligibility criteria and minimum net worth required as discussed issue-wise in the succeeding paras.

A case study showing the chain of events in a particular allotment case has been given hereunder for reference:

Case Study	
Scheme Name:	OES-V (2008-09)
Name of Allottee:	M/s Meadow Infradevelopers Private Limited
Particulars:	Plot No. FH 11 & 22/128, area 20,231.59 sqm. date of allotment 30.10.2009, rate: ₹ 3,317 per sqm, value: ₹ 6.71 crore.
Scrutiny of records related to the allotment revealed the following shortcomings on the part of NOIDA:	
Commercial activity: As per Clause 19 of the scheme brochure initially motels were allowed as permissible uses/activities in the farm house plots. However, NOIDA rescinded (25 August 2009) ‘motel’ as permissible use under the farm houses scheme. Audit noticed that the allottee (M/s Meadow Infra Developers Private Limited) had submitted (04 August 2009) its project report for a 40-room motel project.	

⁶ Out of 54 sampled cases, three files were not submitted during field audit.

The interview of the allottee was conducted by the PAC on 1 September 2009 and on the interview date motel projects were not to be allowed under farm houses, but in spite of the said office order, the PAC recommended allotment of plot to the applicant for motel project. This recommendation was not justified in light of the change in permissible use.

Allotment without considering report of Consultant: UPICO in its report had also recommended the case as **negative** on two grounds- one, the documents in support of promoter's contribution was not sufficient and secondly, the affidavit form (certifying the statements made in the application as true and correct) was not furnished. As per the project report submitted by the allottee, the total project cost was ₹ 9.90 crore of which ₹ 4.90 crore (49.5 per cent) was to be met from promoter's equity and remaining ₹ 5.00 crore (50.5 per cent) was to be met from bank finance.

Insufficient net worth: Audit observed that as per the Balance Sheet submitted by the applicant company, its net worth was only ₹ 1,00,000 and ₹ 95,000 for the years 2007-08 and 2008-09 respectively and hence as per the submitted project report, the allottee should not have been considered eligible for allotment, wherein it had proposed investment of ₹ 4.90 crore from its own resources. But ignoring all these facts the farm house was allotted by PAC. The scrutiny of minutes of PAC (01 September 2009) revealed that the Committee took cognisance of the following:

- i. Applicant had submitted that the project would be financed from promoters' contribution (₹ 4.90 crore) and finance from bank (₹ 5 crore);
- ii. UPICO's report.

Discretionary allotment: Despite considering these aspects, the Committee adjudged that it was satisfied with the plan submitted by the applicant, financial resource mobilisation, the presentation and other facts.

Immediate transfer at substantial premium rates: The lease deed of the plot was executed on 31 March 2010 and soon after this the process of transfer was initiated by the allottee and the plot was finally transferred to Smt. Vichitra Lata on 28 September 2010 at a sale consideration of ₹ 9.51 crore in a period of less than six months, which raises the question that the allottee company was used as a front and the allotment was made overlooking the obvious shortcomings.

In its reply, NOIDA stated (October 2020) that any commercial activity except the development of farm house is completely prohibited by NOIDA as per public notice issued on 29 August 2009. It is clear from the observation by UPICO that out of the value of ₹ 9.90 crore for the project, the promoters have contributed about ₹ 4.90 crore and loan of ₹ 5.00 crore from the bank has been mentioned in the project details. In condition 1.3 of the scheme it is necessary to have positive net worth/surplus investible fund in favor of the applicant. The Company's net worth for the period 2007-08 and 2008-09 was ₹ one lakh and ₹ 95 thousand respectively. It is clear that the applicant had positive net worth. Further, the transfer of the plot has been done in favor of Smt. Vichitra Lata as per rules and after submission of transfer fee and processing fee, the transfer memorandum has been issued by the Authority on 28 September 2010 accordingly.

The reply is not acceptable as the allotment was made even though the allottee had submitted its project report for a 40 room motel. The report of UPICO also classified the case as negative on the above stated grounds.

Further, the minimum value of the farm house was ₹ three crore. Therefore, net worth of ₹ one lakh and ₹ 95 thousand was not sufficient for such a high value project. The Committee ignored the report submitted by the consultant, failed to independently evaluate the financial position submitted as evident from records submitted and used its discretion in allotment of the plot without recording shortcomings in its minutes. The plot was transferred in a period of less than six months of the execution of the lease deed, which indicates that the Company was used as a front and the allotment was made overlooking the obvious shortcomings.

Similarly, Audit observed that in 47 cases out of the total 51 cases test-checked by Audit, allotments were made to the applicants in violation of the minimum eligibility criteria mentioned in the brochure/scheme guidelines, insufficient net worth etc. as detailed in **Table 5.3.7**.

Table 5.3.7: Allotments made to the applicant in violation of the minimum eligibility criteria

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
1	M/s Infics Infrastructure Pvt. Ltd. Date of Allotment: 27.07.2009 Property No.: FH 5/128 Area in sqm: 10,119	Commercial purpose.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though use of farm house for commercial purposes have been rescinded, the allotment made for infrastructure resources such as data communication, core computer facilities, structure creation etc. was still remaining as no revised project report was submitted.
		Net worth below ₹ one lakh only.	CA verified ₹ 48,785/- as Company’s net worth on 30.01.2009.	NOIDA accepted the fact.
		Land use pattern, construction plan and project implementation schedule were not found in the file.	Project implementation schedule, construction plan statement and completion time in weeks were mentioned in the company’s project report.	In contravention of brochure conditions, none of the required statements was certified by the architect.
2	Shri Shashi Kant Chaurasia Date of Allotment: 26.02.2009 Property No.: FH 6/127 Area in sqm: 10,809	Commercial purpose (Motel)	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though use of farm house for commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.
		Land use pattern not found in the file and implementation schedule not certified by the architect.	Conceptual plan signed by architect and applicant enclosed.	Allotment was made even though the specific requirement of submission of land use pattern and implementation schedule were not met.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
3	M/s All Seasons Solution (P) Ltd Date of Allotment: 26.02.2009 Property No.: FH 13/133 Area in sqm: 10,008.2	Net worth was only ₹ five lakh.	Promoters net worth of ₹ 10.78 crore dated 31.03.2008 has been shown by UPICO and a fixed deposit has been made in various banks by the applicant institution.	Net worth of applicant is distinct from that of the promoters. Since the application has been made in name of M/s All Seasons, net worth of only the applicant should have been evaluated.
		Total liquidity of the company was only ₹ 0.62 lakh.	Applicant provided certificate of deposit of ₹ 62,914/- dated 27.01.2009 in the current account.	NOIDA accepted the observation.
		Land use pattern and construction plan statement, certified by the architect not found in file.	The land use pattern and construction plan is certified by the chartered accountant. Implementation schedule document is not currently available.	The land use pattern and construction plan duly certified by architect has not been provided in the reply. Certification by chartered accountant is not admissible.
4	Shri. Rajiv Kumar Date of Allotment: 27.07.2009 Property No.: FH 3/131 Area in sqm: 10,086.9	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	The net worth of Shri. Rajiv Kumar is more than ₹ 10 crores. In view of the above, financial certificate from any bank does not seem necessary.	Statement of sources of fund & liquidity certificate was required whereas only statement of net worth provided. Further, affidavit certified by bank or CA, of self-financing is also not provided.
		Implementation schedule, land use pattern and construction plan statement was not found in the file.	Implementation schedule and land use pattern are certified by CA. Construction plan was certified by architect.	As per brochure condition, land use pattern, construction plan and schedule of implementation were to be signed by applicant and certified by architect on each page. The land use pattern and implementation schedule duly certified by architect has not been provided in reply. Certification by CA is not admissible.
5	M/s Experience Buildwell (P) Ltd Date of Allotment: 30.10.2009 Property No.: FH 12 A & 20/128 Area in sqm: 20048.9	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the project report and its conceptual plan specifically mentioned the use of farm house as motel and commercial activities has been rescinded.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		Company was incorporated on 22.05.2008, hence three year track record as per brochure was not available.	The applicant company was incorporated on 22.05.08. Hence, it is not possible to get the balance sheet of three years on the date of application.	Instead of audited balance sheet as required, provisional balance sheet was submitted. On the basis of provisional balance sheet allotment was made to the newly formed company.
		Net worth of the company was only ₹ one lakh.	The shareholding of the applicant company showed ₹ one lakh in the year 2008-2009.	NOIDA accepted that the company’s net worth was ₹ one lakh Further company was recently incorporated and did not commence any business since incorporation till the application was made.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	The letter dated 04.08.2009 issued by Andhra Bank is enclosed, which mentions providing financial assistance to the project. In the project report, ₹ 450 lakh means of finance from self-sources and ₹ 550 lakh is mentioned as loan from the bank.	No certificate of liquidity was provided as was required under the scheme. A loan confirmation letter has been given by Andhra Bank for financing the project but it does not clearly mention the amount to be financed for the company’s project.
		Implementation schedule and land use pattern certified by the architect was not found in the file.	Conceptual plan certified by the architect is available in the correspondence. Construction details are mentioned in the project report and details of the proposed schedule of the project are also given.	Reply is not acceptable as schedule of implementation and land use pattern certified by the architect not provided.
		Negative report by UPICO.	The director of the applicant company stated to develop the project through its own resources and bank loan. UPICO did not seem to have taken cognisance of the above mentioned facts due to which it has rated the project negative.	Reply is not acceptable since as per the report of UPICO, the case was considered as negative on the following grounds: <ul style="list-style-type: none"> - Documents in support of promoter’s equity requirement were not sufficient. - Affidavit as per clause 6.9 of the application form was not furnished. - Land use pattern was not defined.
6	M/s Great Value Buildtech (P) Ltd Date of Allotment: 18.01.2010 Property No.: FH 18/133 Area in sqm: 13,168	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	It is notable that allotment was made by NOIDA even though the allottee had specifically submitted its project report for a development of farm house with 10 rooms motel along with pantry, coffee shop and

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
				restaurant at farm house project though commercial activities had been rescinded.
		Net worth of the company was only ₹ 1.10 lakh. Hence, it was insufficient to meet the project cost.	The total net worth of Mr. Manoj Agarwal (Director) is ₹ 22.50 crore. Company's Balance Sheet as on dated 31.03.08, depicted as authorised capital is ₹ two lakh but the net worth of the directors is more than the total value of the plots.	Net worth of applicant is distinct from that of promoters/Directors. Since the application has been made in name of M/s Great Value Build Tech, net worth of the applicant should have been evaluated. It was accepted by NOIDA that net worth of the Company was not sufficient.
		Implementation schedule not certified by the architect and land use pattern not found in file.	A certified copy of the land use pattern from the architect is available in the correspondence.	Certified copy of implementation schedule has not been provided. It is pertinent to mention here that the copy provided is of construction plan not land use pattern.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	As per the project report means of finance were ₹ 300 lakh from own sources and ₹ 300 lakh from bank loan.	Liquidity certificate was not submitted by the applicant.
7	M/s AKG Infotech (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 4 & 18/164 Area in sqm: 20,000	Net worth of the Company was only ₹ 1.91 crore.	The project report mentioned investment of ₹ 2 crore from the internal arrangement of the company and ₹ 8.5 crore by the promoters. In addition, the certificate of PNB having an amount of ₹ 24.85 crore in its current account of the applicant company dated 26.08.10 is also provided.	Net worth of the applicant is distinct from that of promoters/Directors. Provision of bank loan does not increase the net worth as liabilities increase correspondingly. Seven allotments were made on basis of promoters' sources and PNB certificate. Most of the shareholders of the allottee companies of plots FH-3 & 19/164, FH-4 & 18/164, FH-2 & 20/164, FH-5/164, FH-6/164, FH-17/164 and FH-1 & 20/165 are common. In view of the above, the net worth was inadequate.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was	As per the project report means of finance were ₹ 200 lakh from own sources and ₹ 850 lakh from promoters.	The same sources were cited in the seven allotments made. Certificate showing availability of liquid assets for project execution was not attached. Against total allotment of ₹ 23.99 crore, involving aggregate project

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		not found in the file.		cost ₹ 34.88 crore. In this case affidavit, certified by Bank or CA, of self-financing was also not provided.
		Implementation schedule, construction plan and land use pattern certified by the architect not found in the file.	Regarding the construction plan, the project report by the applicant company mentions construction of double story buildings on 1,000 sqm and land use pattern certified by the architect is also available in the correspondence.	Copy of implementation schedule and construction plan certified by architect not provided.
		Negative report by UPICO.	In the valuation done by UPICO, net worth is shown as ₹ 191 lakh as on 31.03.10 but not mentioning the PNB current account balance amounting to ₹ 24.82 crore which is sufficient in case of allotment of plot in favour of the company.	Reply is not acceptable since the report of UPICO considered the case as negative on the ground that submitted documents in support of project finance are not sufficient. Provision of bank loan does not increase the net worth as liabilities increase correspondingly. Further, PNB letter Dt: 26.08.10 ₹ 24.82 crore uses in multiple allotments as similar source of finance.
8	M/s SDS Infratech (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 2 & 3/165 Area in sqm: 20000	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	It is notable that allotment was made by NOIDA even though the allottee had specifically submitted its project report for the development of modern farm house with motel, swimming pool, plant nursery etc. even though commercial activities has been rescinded.
		Company was incorporated on 19.02.2008, hence three year track record as per brochure was not available.	The applicant company was incorporated on 19.02.2008. Hence, it is not possible to get the balance sheet of 03 years on the date of application.	Reply confirms that allotment was made to a newly formed company.
		Construction plan certified by architect not found in file.	Construction plan certified by the architect enclosed in correspondence.	The reply is not acceptable as the copy provided pertains to land use pattern and schedule of implementation.
		Liquidity certificate from any nationalised bank/ scheduled bank/bank was	Union Bank of India has issued a certificate of solvency up to ₹ 15 crore issued on 18.12.2010 which	Documents/compliance submitted by NOIDA.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		not found in the the file.	clearly stated "without any risk and responsibility on bank's part".	
		Net worth as per company's balance sheet as at 31.03.2010 was only ₹ 25.00 lakh.	UPICO has rated positive on the basis of solvency certificate of ₹ 15 crore and promoter's equity of ₹ 10.39 crore.	Reply is not acceptable as the Company's net worth as per Balance Sheet as on 31.03.2010 was only ₹ 25 lakh.
9	M/s Devyanshi Software (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 10 & 11/165 Area in sqm: 20,000	Net worth was only ₹ 1.21 lakh	UPICO in its valuation report has shown net worth of ₹ 1.21 lakh as on 31.03.10 based on the balance sheet.	NOIDA accepted the observation of insufficient net worth.
		Land use pattern certified by the architect was not found in the file.	Land use pattern, construction plan and schedule of implementation not available.	NOIDA accepted the observation.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	As per the project report means of finance were ₹ 359 lakh from own sources and ₹ 850 lakh from financial institution.	No liquidity certificate from any nationalised bank attached as such. Letter for loan was from a private financial institution. In this case affidavit, certified by Bank or CA, of self-financing was also not provided.
		Negative report by UPICO.	UPICO has shown net worth of ₹ 1.21 lakh as on 31.03.10 based on the balance sheet in its valuation report. As per minutes of the committee, the total cost of the project has been indicated as ₹ 1209 lakh, out of which ₹ 359.27 lakhs have been shown by the applicant from his own financial resources and ₹ 850 lakhs through financial institution/bank loan. PAC constituted by the Chief Executive Officer has also recommended the allocation of the plot after being satisfied with the project, financial resources, presentation and other facts of the applicant institution, after	The case was considered as negative by UPICO on the following grounds: - Three year projected cash flow in not enclosed. - Affidavits are not attested by notary. - Documents submitted in support of equity requirement are not sufficient. In spite of negative report of consultants (UPICO) in a number of cases, allotments were made. The established norm is that the orders overruling recommendation including that of an expert body should be reasoned and recorded in writing, which was not evident in these cases.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
			considering the report submitted by UPICO and orders of allocation have been passed after consideration by CEO.	
10	M/s Seven Star Buildtech (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 1& 20/165 Area in sqm: 20,000	Net worth of the Company was only ₹ 2.01 crore.	PNB has shown a balance of ₹ 24.82 crore as on 25.08.2010 in the current account of M/s Anil Kumar & Co. It is also clarified here that according to the project report, Anil Kumar & company is also shown in the group companies of the unit.	PNB letter for ₹ 24.82 crore was also enclosed in seven allotment files against requirement of total project cost ₹ 73.90 crore as similar source of finance. Net worth of applicant is distinct from that of promoters/directors.
		The company was incorporated on 23.03.2010, hence three-year track record as per brochure not available.	No reply furnished.	
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Affidavit given by Director Shri Gaurav Goyal, it is mentioned that M/s Seven Star Buildtech (P) Ltd has financial arrangements for depositing all funds and for taking the said plot, the firm is not getting loan from any bank or financial institution. In view of the above, the liquidity certificate of the bank is not practical.	As per brochure condition, Liquidity certificate from any nationalised bank/scheduled bank/bank were to be submitted. In case of self-financing or loan from friend/relatives, as affidavit to this effect to be attached and all papers to be signed by the applicant/bank and /or CA on each page. In this case the liquidity certificate was self-attested affidavit and not signed by the bank or CA, hence inadmissible.
		Construction plan and land use pattern certified by the architect not found in the file.	Construction plan and land use pattern is not available.	NOIDA accepted the observation.
11	M/s Constant eFine Infosoftech (P) Ltd. Date of Allotment: 26.02.2009 Property No.: FH 5/127 Area in sqm: 10,899.8	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		Company was incorporated on 10.09.2008, hence three year track record was not available.	The applicant company was incorporated on 10.09.2008. Hence, it is not possible to get the balance sheet of three years on the date of application.	Reply confirms that allotment was made to newly formed company.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	No reply furnished in this reference.	
		Implementation schedule and construction plan is not certified by the architect. Land use pattern was not found in the file.	Copy certified by architect is not available but project schedule and conceptual plan signed by the applicant and CA is available in project report.	NOIDA accepted the audit observation.
12	Shri Vineet Nayar Date of Allotment: 26.02.2009 Property No.: FH 7/131 Area in sqm: 10,083.2	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project still remaining as no revised project report was submitted.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Liquidity certificate not available.	NOIDA accepted the audit observation.
		Implementation schedule, land use pattern and construction plan is not certified by the architect.	Mention documents signed by the allottee and CA but not certified by architect.	NOIDA accepted the audit observation.
13	M/s Jagat Guru Real Estate Developers (P) Ltd Date of Allotment: 27.07.2009 Property No.: FH 9/133 Area in sqm: 10,008.6	Net worth was only ₹ one lakh.	It has been mentioned in the affidavit submitted with the application form 'that the promoters & directors of the company have	Exact net worth not furnished; instead a general statement provided. Net worth of applicant is distinct from that of promoters/directors.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
			sufficient resources to finance/fund the proposed farm house project to my best of knowledge & belief’.	
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Liquidity certificate not available.	NOIDA accepted the audit observation.
14	M/s Hilsun Estates (P) Ltd Date of Allotment: 26.03.2010 Property No.: FH 8/128 Area in sqm: 10,064	Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Liquidity certificate not available.	NOIDA accepted the audit observation.
		Company was incorporated on 18.09.2009, hence three year track record is not available.	The applicant company was incorporated on 18.09.2009. Hence, it is not possible to get the balance sheet of three years on the date of application.	Allotment made to newly formed company, while brochure required audited accounts and Balance Sheet of financial years 2005-06, 2006-07 and 2007-08, to be signed by applicant and certified by CA on each page, if applicable.
15	M/s M. R. Marketing (P) Ltd Date of Allotment: 05.01.2011 Property No.: FH 21/165 Area in sqm: 10,000	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	It is notable that allotment was made even though the allottee had submitted its project report for the development of farm house with motel even though commercial activities have been rescinded.
		Net worth was ₹ 38.85 lakh.	Bank of Baroda has issued a letter of approval regarding grant of loan to M/s M.R. Marketing (P) Ltd. and the balance of ₹ 88.58 lakh is shown in the bank account of the applicant.	The company’s net worth was insufficient for the project. Provision of bank loan does not increase the net worth as liabilities increase correspondingly.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by	Against the project cost of ₹ 527.73 lakh, ₹ 177.53 lakh from self-finance and ₹ 350 lakh from term loan was shown.	Certificate showing availability of liquid assets for project execution not attached. No letter for term loan sanction was attached.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		bank or CA was not found in the file.		
16	M/s STG Softek (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 29/165 Area in sqm: 10050.8	Commercial purpose. (Motel)	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the allottee had submitted its project report for the development of farm house with motel even though commercial activities have been rescinded.
		Net worth was ₹ 23.00 lakh	No specific reply furnished in this reference.	
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate not available. To finance and develop the project, director provided certificate certified by CA, proposed project 100 percent finance through internal accrual.	NOIDA accepted the audit observation. In this case affidavit, certified by Bank or CA, of self-financing was also not provided.
		Negative report by UPICO	In UPICO report, promoter's equity has been marked as ₹ 859 lakh.	As per the report of UPICO, the case was considered as negative on the grounds that submitted documents in support of promoters contribution were insufficient. Net worth of applicant is distinct from that of promoters/directors.
17	M/s Glory Infrabuild (P) Ltd Date of Allotment: 26.03.2010 Property No.: FH 16 & 17/128 Area in sqm: 20154	Net worth as per balance sheet of 2009 was ₹ 0.60 lakh only.	UPICO report shows net worth ₹ 60 thousand as per the balance sheet 2009.	NOIDA accepted the Audit observation.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate not available. A loan approval certificate for development of farm house from Andhra Bank and affidavit. "The entire cost of purchase of land & development of farm house would be met out of own resources & borrowings from any bank/ institutions" signed by director also available in correspondence.	Instead of liquidity certificate a general assurance has been given. NOIDA accepted the audit observation.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		Negative report by UPICO.	UPICO reported negative on the basis of project cost ₹ 870 lakh, applicant positive net worth of ₹ 0.60 lakh in 2009 balance sheet and Andhra Bank’s letter. As per minutes of the committee, the total cost of the project has been indicated as ₹ 870 lakh, out of which ₹ 440 lakh have been shown by the applicant from his own financial resources and ₹ 430 lakh through financial institution/bank loan. PAC constituted by the CEO has also recommended the allocation of the plot after being satisfied with the project, financial resources, presentation and other facts of the applicant institution after considering the report submitted by UPICO and orders of allocation have been passed after consideration by CEO.	The case was considered as negative by UPICO on the following grounds: -Balance sheet for 2007-08 not provided. -Documents in support of promoter contribution insufficient. In spite of negative report of UPICO in this case, allotment was made. The established norm is that the orders overruling recommendation including that of an expert body should be reasoned and recorded in writing, which was not evident in this case.
18	Shri Anand Prakash Date of Allotment: 05.01.2011 Property No.: FH 21/167 Area in sqm: 10,000	Commercial purpose (Motel).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the allottee had specifically submitted its project report for the development of farm house with motel even though commercial activities have been rescinded.
19	M/s Green era Innovative Energies (P) Ltd Date of Allotment: 05.01.2011 Property No.: FH 3/167 Area in sqm: 10,000	Construction plan includes motel activity	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the allottee had specifically submitted its project report in which construction Plan includes motel activity even though a commercial activities have been rescinded.
		Net worth as per balance sheet of 2008 was ₹ one lakh.	In reference to the net worth of ₹ one lakh of the applicant institution is to be intimated that the application money of ₹ 31 lakh has been	Allotment made on basis of net worth of ₹ one lakh was not justified. Subsequent deposit of ₹ 31 lakh on registration and required amount after allotment was not a valid criterion for

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
			deposited by the applicant institution with the application form, and after the allocation, the required allocation amount has also been deposited.	examining net worth.
		Land use pattern, construction plan and implementation schedule was signed by the architect but not by the applicant.	Layout plan, land use pattern, construction plan and schedule of implementation signed by architect were enclosed.	NOIDA accepted the Audit observation that the required documents were not signed by the applicant.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate not available. As per affidavit and project report, the proposed project would be 100 <i>per cent</i> financed through promoters.	NOIDA has accepted the non-availability of liquidity certificate. In this case the liquidity certificate was self-attested affidavit and not signed by the bank or CA, and was hence inadmissible.
20	M/s Inspire Infrastructure (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 17/164 Area in sqm: 10000	Company was incorporated on 10.04.2010, hence three year track record as per brochure was not available.	The applicant company was incorporated on 10.04.2010. Hence, it is not possible to get the balance sheet of three years on the date of application.	Reply confirms that allotment was made to newly formed company.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Applicant in its CA certified source of fund ₹ 200 lakh have been shown by the company's own resources and ₹ 900 lakhs through promoters contribution which is higher than land cost.	The details provided were the copy of allottee's project report only. In this case affidavit, certified by bank or CA, of self-financing is also not provided.
		Construction plan and implementation schedule certified by the architect was not found in the file.	Construction plan signed by applicant and architect is enclosed.	Implementation schedule certified by the architect was not furnished.
21	M/s Kunal Infra-tech (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 12/165 Area in sqm: 10,000	Commercial activity as per cash flow statement.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public	Allotment was made by NOIDA even though the allottee had specifically enclosed cash flow shows the operating receipt from the motel activity even though

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
			notice dated 29.08.2009.	commercial activities has been rescinded.
		Company was incorporated on 16.07.2010, hence three year track record as per brochure was not available.	The applicant company was incorporated on 16.07.2010. Hence, it is not possible to get the balance sheet of three years on the date of application.	Allotment was made to newly formed company.
22	M/s Magnolia Martinique (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 39/164 Area in sqm: 10,000	Audited books of accounts for the period 2006-07 is not found in file.	Audited book of accounts for 2006-07 is not available.	NOIDA accepted the audit observation.
		Land use pattern and construction plan was not found in the file.	Land use pattern and construction plan currently not available.	NOIDA accepted the audit observation.
		Negative report by UPICO.	Applicant mentioned to finance and develop the project from its own resources. In the valuation of UPICO, promoters equity is also mentioned as ₹ 396.50 lakh.	The case was considered as negative by UPICO on the following grounds: - Certified list of directors in not given. - Land use pattern is not given. - Construction plan is not given. - Audited book of accounts for the period 2006-07 is not given. - Three year projected cash flow is not given. - Net worth certificate enclosed is not relevant and not certified by CA.
23	M/s Sympoh Marketing (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 24/164 Area in sqm: 10000	Land utilisation plan shows the operating receipt from the motel activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the land utilisation plan specifically shows the operating receipt from the motel activity, and commercial activities has been rescinded.
		Construction plan and implementation schedule certified by the architect was not found in the file.	Project implementation schedule and land utilization pattern includes construction plan certified by the architect were enclosed.	Construction plan was not mentioned in land utilisation plan. Further, the provided detail was not certified by the architect.
24	M/s Surya Shopping Arcade Private Limited Date of Allotment: 05.01.2011 Property No.: FH18/ 167	The net worth of the company was ₹ 10 lakh only.	No reply furnished in this reference.	

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
	Area in sqm: 10000	Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	In affidavit by Company's Director Shri Shekhar Agrawal stated that "The promoters of M/s Surya Shopping Arcade Pvt. Ltd. as well as their family members are having sufficient funds for execution of farm house Project. They will deploy the requisite funds into the project and will complete the same." In addition to the above, certificate signed by the applicant and CA shows project cost as ₹ 808.02 lakh and the promoter's contribution is also shown as ₹ 808.02 lakh which is available in the record.	In this case the self-attested affidavit submitted and not signed by the bank or CA, and was hence inadmissible.
		Commercial activity as per the project report.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the cash flow statement as submitted by the allottee and certified by the architect provides projected sales and profit for the next six years although commercial activities have been rescinded.
25	M/s S.S. Fuels Private Limited Date of Allotment: 05.01.2011 Property No.: FH17/ 167 Area in sqm: 10000	The allottee had submitted its project report for motel and open air theatre activities.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the allottee had specifically submitted its project report for motel and open air theatre even though commercial activities have been rescinded.
26	M/s Wander Buidtech Private Limited Date of Allotment: 26.02.2009 Property No.: FH 6/ 131 Area in sqm: 10019	Net worth of the company was only ₹ one lakh.	In the means of finance the applicant proposed project cost of ₹ 550 and is fully contributed by promoters and internal accruals. UPICO report is positive.	The net worth of the Company was only ₹ one lakh. The Company's net worth was insufficient for the project.
		Submitted its project report to rent out the facilities at the farm house.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for rent out project is still remaining as no revised project report was submitted.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		Liquidity certificate from any nationalised bank/scheduled bank/banks or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate from any bank is not available.	NOIDA accepted the audit observation. In this case the affidavit, certified by Bank or CA, of self-financing was also not provided.
27	M/s Yuvraj Construction and Leasing India Limited Date of Allotment: 05.01.2011 Property No.: FH 2/ 167 Area in sqm: 10000	Net worth was only ₹ 2.70 crore.	Applicant in its project report showed total cost of project ₹ 552 lakhs and means of finance as own sources- Directors, Shareholders and Sister/Associate concerns ₹ 560 Lakhs & bank finance Nil.	The net worth of the company was only ₹ 2.70 crore. The company’s net worth was insufficient for the project.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate is not available.	NOIDA accepted the audit observation. In this case the affidavit, certified by bank or CA, of self-financing was also not provided.
		Commercial activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the allottee had submitted its project report wherein the projected profit and loss account and other financial statements enclosed with the project report shows that profit will be generated from the project and income tax liability will also accrue even though commercial activities have been rescinded.
28	M/s Baba Global Ltd. Date of Allotment: 27.07.2009 Property No.: FH5/ 131 Area in sqm: 10056	Submitted project report for a motel.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was	The applicant has enclosed the affidavit in place of the liquidity certificate stating that “that the entire cost of plot for farm house and development cost of	In this case the liquidity certificate was a self-attested affidavit and not signed by the bank or CA, and was hence inadmissible.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		not found in the file.	the same would be met by internal accruals and/or contribution from the promoters of the company".	
29	M/s Dyna Infosoft Private Limited. Date of Allotment: 26.02.09 Property No.: FH 3/133 Area in sqm: 10074	Net worth of the company was ₹ one lakh only.	Net worth certified by CA is not available. UPICO report has also mentioned the applicant's net worth as positive and based on the documents submitted, the case is considered as positive by UPICO.	The company's net worth was insufficient for the project.
		Land use pattern, construction plan and schedule of implementation were not found in the file.	Mentioned documents certified by architect were enclosed.	Schedule of implementation was not certified by the architect.
		Commercial activity (as per Cash Flow Statement).	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for commercial activity project is still remaining as no revised project report was submitted.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate is not available.	NOIDA accepted a audit observation. In this case affidavit, certified by bank or CA, of self-financing was not provided.
30	M/s Emirates Infrastructure Private Limited Date of Allotment: 26.02.09 Property No.: FH 08/ 127 Area in sqm: 10,920	There were no audited annual accounts.	The applicant company incorporated on 23.04.2008. Hence, it is not possible to get the balance sheet of 03 years on the date of application.	Reply confirms that allotment made to newly formed company.
		Submitted its project report for a motel project.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		Land use pattern, construction plan and schedule of implementation certified by architect was not found in the file.	Mentioned documents certified by architect were enclosed.	Provided documents were not certified by architect.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate is not available.	NOIDA accepted the Audit observation. In this case the liquidity certificate was self-attested affidavit and not signed by the bank or CA, hence inadmissible.
31	Smt. Richa Bhardwaj Date of Allotment: 26.02.2009 Property No.: FH 01/ 127 Area in sqm: 10,960	Submitted project report for a motel project.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report has been submitted.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate is not available.	NOIDA accepted the audit observation.
		Personal income tax returns necessary to examine personal worth have not been provided.	A copy of ITR of the applicant is not available. loan approval certificate dated 23.01.2009 by UCO Bank is enclosed.	NOIDA accepted the audit observation. Loan approval certificate does not mention amount.
		Land use pattern, construction plan and schedule of implementation certified by the architect was not found in the file.	Mentioned documents certified by Architect were not available.	NOIDA accepted the audit observation.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
32	M/s Ragini Projects private Limited Date of Allotment: 03.08.2009 Property No.: FH 01/ 126 Area in sqm: 12,898	Net worth of ₹ one lakh only.	Affidavit is available for giving financial assistance of ₹ 6.81 crore to project from the shareholder of the applicant organization, Shri. Amar Chandra Garg.	UPICO in its report also stated that as per Balance sheet of the applicant the net worth as on 31.03.2008 is ₹ one lakh only. Assurance from shareholder cannot be considered for evaluating net worth.
		Land use pattern, construction plan and schedule of implementation was not found in the file.	Mentioned documents certified by architect were available.	Records/compliance submitted by NOIDA.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Letter for the credit facility of ₹ 600 lakh dt: 25.07.2009 from Corporation bank has been given by the applicant. Further, means of finance shows that project cost amounting to ₹ 681 lakh financed by its own resources.	In this case the affidavit, certified by bank or CA, of self-financing was not provided.
33	M/s Brilliant Builders Private Limited Date of Allotment: 27.07.2009 Property No.: FH 7&8/ 133 Area in sqm: 20,070	Net worth was only ₹ one lakh for the years 2006-07 and 2007-08 respectively.	The details of cost of project submitted by the applicant of ₹ 1757.95 lakhs & means of finance ₹ 1757.95 lakhs contributed by promoter is signed and certified by CA.	Net worth of the company was only ₹ one lakh for the year 2006-07 and 2007-08 respectively. Net worth should have been evaluated from balance sheet. Assurances for finance cannot be considered for evaluation of net worth.
		Incorporated on 08.01.2007. Audited accounts of 2008-09 were not found in the file.	No reply furnished.	Allotment was made to a newly formed company.
		Construction plan duly signed by architect was not found in the file.	Construction plan certified by architect is not available.	NOIDA accepted the audit observation.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	The cost of the project submitted by the applicant is ₹ 1,757.95 lakhs & means of finance of ₹ 1,757.95 lakhs fully contributed by the promoter. It does not seem practical to provide the copy of liquidity certificate of the bank.	In this case the affidavit, certified by bank or CA, of self-financing was not provided.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
34	M/s Weavetex Overseas Date of Allotment: 31.03.2011 Property No.: FH 4/162 Area in sqm: 10010	Proposed commercial activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though per projected profit and loss account provides estimations for profit and income tax. Therefore, proposed activities were of commercial nature. Commercial activities are not permitted under the scheme and have been rescinded.
35	M/s Yash Infra firms and Developers Private Limited Date of Allotment: 30.03.2011 Property No.: FH 29/ 164 Area in sqm: 10307	The Company was incorporated on 29.09.2010. In place of the company’s accounts directors’ accounts were submitted. The net worth could not be verified.	The applicant company was incorporated on 29.09.2010. Hence, it is not possible to get the balance sheet of three years on the date of application.	The reply confirms that allotment was made to a newly formed company.
		Proposed activity includes motel and open air theatre.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the proposed activity specifically includes motel and open air theatre even though commercial activities have been rescinded.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Shri. Piyush Tiwari, Director of the applicant company has given an affidavit ‘that the estimated cost of the project is ₹ 610 lakh, 100% of which is the proposed to be met by company, its promoters & Directors. Apart from this, two solvency certificates worth ₹ 5 crore have also been issued from the bank.	In this case the affidavit, certified by bank or CA, of self-financing was not provided.
		Construction plan and schedule of implementation were not found in the file.	Mentioned documents certified by architect were available.	Provided documents was not certified by an architect.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
36	M/s Swani Furniture Point Private Limited Date of Allotment: 30.03.2011 Property No.: FH 33/ 164 Area in sqm: 10010	Net worth was only ₹ 2.66 crore.	The total cost of the project is ₹ 574.50 lakh, 100% of which is proposed to be met by the company's own resources.	The reply does not address the audit observation. The company's net worth is insufficient for the project. Net worth should have been evaluated from balance sheet. Assurances for finance cannot be considered for evaluation of net worth.
		Construction plan and schedule of implementation signed by architect was not found in the file.	Schedule of implementation is not available. Construction plan duly signed by applicant and certified by architect is enclosed.	Schedule of implementation was not available.
37	M/s Shri Radha Govind Ice and Cold Storage Private Limited Date of Allotment: 27.07.2010 Property No.: FH 34/ 128 Area in sqm: 10014	Net worth of the company was only ₹ 1.35 crore.	The affidavit has been given by Shri Suresh Kumar Soni, director of the applicant company, that the fund have been self-arranged by the internal resources of the Company & have not been borrowed from banks and any other lending institution'. Cost of project signed by CA shows total cost ₹ 560.19 lakhs and means of finance from own sources ₹ 60.19 lakhs & from financial institution is ₹ 5 crore is available in records.	The reply does not address the audit observation. The Company's net worth is insufficient for the project. Net worth should have been evaluated from balance sheet. Assurances for finance cannot be considered for evaluation of net worth.
		Land use pattern duly signed by the applicant was not found in the file.	Land use pattern certified by architect but not signed by applicant is enclosed.	NOIDA accepted the audit observation.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found the in file.	Bank liquidity certificate is not available.	NOIDA accepted the audit observation.
38	M/s Soni Exim Private Limited Date of Allotment: 30.03.2011 Property No.: FH 8 and 9/ 165 Area in sqm: 20,007	The net worth of the company was ₹ one lakh only.	The total cost of the project signed by the applicant and the CA has been marked as ₹ 837.29 lakhs, means of finance deferred	Reply does not address the audit observation. The Company's net worth was insufficient for the project. Net worth should have been

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
			payment to NOIDA ₹ 560 lakhs, promoters contribution ₹ 172.92 lakhs & term loan ₹ 105 lakh.	evaluated from the Balance Sheet and assurances cannot be considered for evaluation.
		Commercial activity as per cash flow statement.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the cash flow statement shows commercial activity which was not permissible in the scheme and commercial activities have been rescinded.
		Land use pattern, construction plan and schedule of implementation signed by architect not found in the file.	Land use pattern, construction plan and schedule of implementation signed by architect were not available.	NOIDA accepted the audit observation.
		Negative report by UPICO.	UPICO considered the report negative as bank finance letter was not enclosed and affidavit was not attested, Net worth of the company was not sufficient	NOIDA accepted the audit observation.
39	Shri. Om Prakash Wadhwa Date of Allotment: 16.09.2014 Property No.: FH03/149A Area in sqm: 10025	Commercial activity as per cash flow statement.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the revised cash flow statement specifically shows commercial activity which was not permissible in the scheme and commercial activities have been rescinded.
40	M/s Aatish Designers Private Limited Date of Allotment: 18.03.2010 Property No.: FH 1/131 Area in sqm: 10019	Net worth of ₹ one lakh only.	The letter issued by Allahabad Bank, Lajpat Nagar, Delhi shows net worth ₹ 600 lakhs of Shri. Purshottam Kumar Keshwani, director and shareholder of the company. In the project report, promoters capital has also mentioned 100 <i>per cent</i> i.e. ₹ 566.50 lakh in the means of finance by the applicant which is available in the records.	Company’s net worth is insufficient for the project. The net worth of the applicant is distinct from that of promoters/directors. Net worth should have been evaluated from Balance Sheet. Assurances for finance cannot be considered for evaluation of net worth.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		Commercial activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though its project report stated to renting out the facilities at the farm house although commercial activities have been rescinded.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA not found in file.	In the project report, the cost of the project signed by the applicant is ₹ 566.50 lakh and the promoters' capital in the means of finance are also shown as ₹ 566.50 lakh i.e. 100 percent. It does not seem practical to provide any bank liquidity certificate.	In this case affidavit, certified by bank or CA, of self-financing is not provided.
41	M/s Garrison Realtors Pvt. Ltd Date of Allotment: 30.10.2009 Property No.: FH 27,28& 29/128 Area in sqm: 30,053	Net worth of ₹ one lakh only.	No specific reply furnished.	
		The allottee had submitted its project report for a 40-room motel project.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though in its project report the allottee had specifically submitted its project report for a 40-room motel project though commercial activities have been rescinded.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	The total cost of the project signed by the applicant and the CA has been marked as ₹ 1450 lakhs, means of finance from own sources ₹ 650 lakhs and bank loan ₹ 800 lakhs.	As per brochure condition, the liquidity certificate from any nationalised bank/scheduled bank/bank, was not provided.
		Negative report by UPICO.	UPICO considered the report negative as documents in support of promoters contribution was not sufficient and affidavit as per clause 6.9 of the application form was not furnished.	NOIDA accepted the audit observation.
42	M/s Sarvodaya Developers (P) Ltd Date of Allotment: 30.03.2011 Property No.: FH 5/162 Area in sqm: 10000	Net worth of the company at 31.03.2009 was ₹ 28.50 lakh.	Liquidity of M/s Sarvodaya Developers Pvt. Ltd. as on date is ₹ 3.03 crore.	The reply does not address the audit point as liquidity certificate and sources of finance were furnished.
		Commercial activity as per project report.	Any commercial activity except the development of farm house is completely prohibited by the	Allotment was made even though in its project report the allottee had proposed the activity of letting out to others for the purpose of

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
			Authority as per public notice dated 29.08.2009.	marriage, parties and other social gatherings even though commercial activities have been rescinded.
		Negative report by UPICO.	UPICO report is negative.	NOIDA accepted the audit observation.
43	M/s MD Web Designers (P) Ltd. Date of Allotment: 26.02.2009 Property No.: FH 2/128 Area in sqm: 10,000	Net worth could not be verified as the company was incorporated on 26.09.2008 and no account was furnished.	The applicant company was incorporated on 26.09.2008. Hence, it is not possible to get the balance sheet of three years on the date of application.	NOIDA accepted the audit observation.
		Proposed motel activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Though commercial purposes have been rescinded, the allotment made for motel project is still remaining as no revised project report was submitted.
		Land use pattern, construction plan and implementation schedule certified by the architect was not found in the file.	Land use pattern, construction plan and implementation schedule certified by the architect were not available.	NOIDA accepted the audit observation.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate is not available.	NOIDA accepted the audit observation. In this case affidavit, the certified by bank or CA of self-financing was also not provided.
44	M/s Sheshvata Infratech (P) Ltd Date of Allotment: 30.10.2009 Property No.: FH 15&18 /128 Area in sqm: 20048.9	Net worth of ₹ one lakh only.	No specific reply furnished.	
		Proposed motel activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	It is notable that allotment was made even though the allottee had submitted its project report for commercial activities. This was discernible a development of farm house with 40 rooms motel even though commercial activities has been rescinded.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or	Bank liquidity certificate is not available.	NOIDA accepted the audit observation.

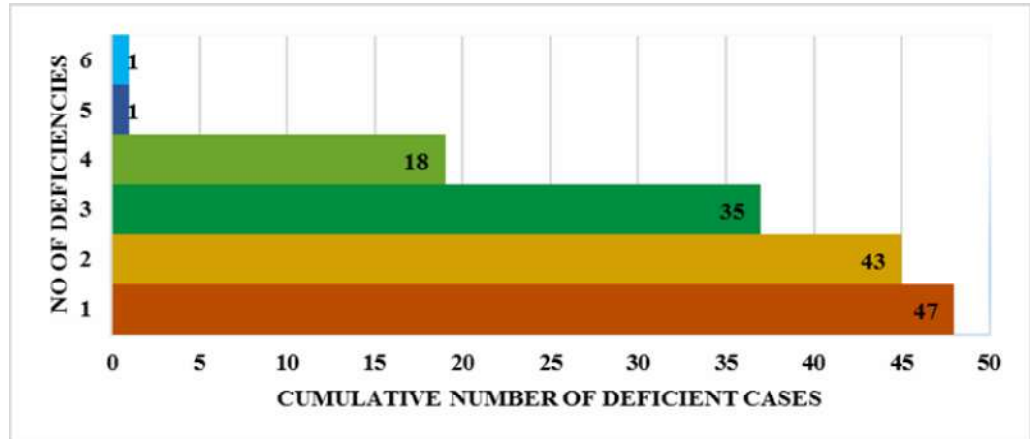
Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA's reply	Further Audit comment
		affidavit certified by bank or CA was not found in the file.		
		Negative report by UPICO.	UPICO gave negative report as documents in support of promoters' equity requirement were not sufficient, affidavit as per clause 6.9 of the application form was not furnished and land use pattern was not defined.	NOIDA accepted the audit observation.
45	Shri Gurinder Jit Singh Date of Allotment: 26.03.2010 Property No.: FH 30, 31 & 32/128 Area in sqm: 30,069.6	Commercial activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the allottee had submitted its project report for commercial activities. This was discernible from projected sales and profit figures submitted for the next three years.
		Schedule of implementation certified by the architect not found in the file.	Land use pattern and schedule duly signed by applicant and certified by architect were enclosed.	Schedule of implementation certified by the architect was not provided.
		Liquidity certificate from any nationalised bank/scheduled bank/bank or affidavit certified by bank or CA was not found in the file.	Bank liquidity certificate was not available.	NOIDA accepted the Audit observation.
46	M/s Great Value Buildwell Date of Allotment: 30.03.2011 Property No.: FH 13/165 Area in sqm: 10358	Proposed commercial activity.	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made even though the allottee had submitted its project report for project which included commercial activities.
		Accounts for 3 years not submitted as company incorporated on 14.06.2010.	Company incorporated on 14.06.10.	Reply confirms that the allotment was made to a newly formed company.
		Construction plan, land use pattern and implementation schedule certified by the architect were not available.	Construction plan, land use pattern and implementation schedule certified by the architect were not available.	NOIDA accepted the audit observation.

Sl. No.	Name and particulars of Allottee	Deficiencies observed	NOIDA’s reply	Further Audit comment
		architect was not found in the file.		
47	M/s Meadow Infra developers Pvt. Ltd. Date of Allotment: 30.10.2009 Property No.: FH 11&22/ 128 Area in sqm: 20,231.59	Commercial activity	Any commercial activity except the development of farm house is completely prohibited by the Authority as per public notice dated 29.08.2009.	Allotment was made by NOIDA even though the allottee had submitted its project report specifically for a 40 room motel even though this commercial activity has been rescinded.
		Net worth of ₹one lakh only.	In condition 1.3 of the scheme it was necessary to have positive net worth/surplus investible fund in favour of the applicant. Company’s net worth for the period 2007-08 and 2008-09 was ₹ One lakh and ₹ 95 thousand respectively. It is clear that the applicant had positive net worth.	The minimum value of farm house plots was ₹ three crore. Therefore, net worth of ₹ 1.00 lakh in 2007-08 and ₹ 95 thousand in 2008-09 was insufficient for the project.
		Allotment without considering negative report of consultant.	It is clear from the observation by UPICO that out of the value of ₹ 990 lakhs for the project, the promoters have contributed about ₹ 490 lakhs and loan of ₹ 500 lakhs from the bank has been mentioned in the project details.	As per the report of UPICO, the case was considered as negative on the following grounds: - Documents in support of promoter’s contribution was not sufficient. - Affidavit as per clause 6.9 of application form was not furnished.

Source: Information furnished by NOIDA.

Thus, from the above it may be seen that in 30 cases net worth of the applicant was not sufficient, in 34 cases the proposed activity was of a commercial nature, in 11 cases either the company was incorporated for less than three years (10 cases) or audited accounts were not submitted (one case), in 27 cases land use pattern, construction plan and schedule of implementation was not submitted, in 32 cases sources of finance for implementation of the project was not sufficient and in 11 cases UPICO submitted negative report. However, without considering these deficiencies allotments were made. A diagrammatic representation of the overall position of shortcomings in allotment is given in **Chart 5.3.4.**

Chart 5.3.4: Position of cases with deficiencies



Thus, out of the 51 cases checked in audit, 47 cases showed one or more of the above stated deficiencies, confirming that the allotments so made did not qualify the essential conditions laid down in the brochure; in addition to poor financial strength in a number of cases as evident from the net worth of the applicants.

The above cases of allotment to 47 allottees were recommended by the PAC by suppressing facts, without considering the apparent deficiencies in documents submitted along with the applications and further approved by the CEO. This entails both a serious dereliction of duty by the concerned officials of NOIDA as well as a control failure.

It also indicates that there were serious omissions/commissions on the part of the PAC. It is notable that in respect of a case relating to NOIDA such a point has also been highlighted in the final judgement⁷ by Hon'ble High Court, Allahabad (29 November 2016) wherein it observed that *the Screening Committee had full opportunity to go through the application and even the Authority had full opportunity to go through the application and detect misrepresentation, if any, but if said right was not exercised correctly, the right to rescind the contract based on the misrepresentation was lost.*

In its reply, NOIDA stated (October 2020) that if the applicant has completed all the necessary formalities before or on the day of interview then there is no irregularity in recommending for allotment of plot. Therefore, it is not appropriate to consider the deficiencies indicated by UPICO in 11 application forms for allotment, if those deficiencies have been removed by the time of interview of the concerned applicants. NOIDA, in respect of allotment to the companies who have not furnished the audited annual accounts for three years, stated that these were newly incorporated companies.

On examination of the casewise replies received with respect to these 47 cases by NOIDA, it has been observed that in not even a single case pointed out by Audit, NOIDA has been able to provide documentary evidence to establish the fact that the allotment conforms to the brochure conditions as laid down by NOIDA for allotment of farm house plots. In fact, with respect to the above 47 cases, Audit has pointed out a total of 147 observations involving breach of one or the other brochure condition. After scrutiny of the detailed replies of

⁷ Writ petition no. 17212 of 2015 between M/s Hi Lead Infotech (P) Ltd. Vs State of U.P. and others.

NOIDA in each case, it has been observed that NOIDA was able to furnish satisfactory reply with respect to only two observations out of the 147 observations. In fact, in 40 observations out of the 147 observations involving 28 cases of allotment, NOIDA has now accepted the observations of Audit. With respect to the other observations, post examination of the reply, it is evident that the allotment has been non-compliant with respect to the concerned stipulations in the brochure with regard to allotment of farm house plots. No explanation was provided by NOIDA to Audit with regard to how allotment was made in the face of such obvious errors/deficiencies. The reply of NOIDA regarding allotment to newly incorporated companies is not acceptable as the brochure did require three years’ financial statements. A best practice would ordinarily enjoin entities that are established to be considered rather than newly incorporated ones.

Thus, it may be seen that the above cases of allotment of 47 farm house plots, as brought out by Audit, reveals a blatant disregard for scheme guidelines and a wilful role in concealment and misrepresentation of material facts whereby ineligible allottees were made eligible for allotment of these farm house plots.

The Government may consider investigating the matter and fixing responsibility on the concerned members of the PAC and others involved in the decision-making process for their role in the matter.

Cases of allotment by mis-representation, multiple applications and without availability of plots

5.3.17 The verification of documents without due diligence and in a casual manner led to allotment by misrepresentation, allotment of multiple plots to a single individual/entity and allotment of plots without ensuring availability of land which are discussed issue-wise in the succeeding paragraphs:

Allotment to company which was not even incorporated

5.3.17.1 The brochure condition 1.2 provided that allotment of land would be made in favour of an entity constituted and incorporated in India and the annexure to the brochure required submission of registration certificate of incorporation.

A plot measuring 10,064 sqm (FH-08/128) was allotted (26 March 2010) to M/s Hilsun Estates (P) Ltd. Scrutiny of the application form revealed that the allottee (on behalf of M/s Hilsun Estates (P) Ltd.) signed the application form on 19 May 2009 but the date was concealed intentionally by using whitener. In the bank draft attached to the application, draft serial number and date were also concealed by using whitener and a new date and number was written. The bank verified the signature and photograph on the application form of the allottee on 20 May 2009. It is pertinent to state that the allottee (M/s Hilsun Estates (P) Ltd.) was incorporated on 18 September 2009. This shows that the Company was not incorporated till the date of submission of allotment form. Hence, the application for allotment should have been treated as fake and void but NOIDA failed to verify the same and allotted the plot.

It was further observed that in a similar case FH/14 Sector 133 of M/s Growell Services Private Limited allotment was made on 26 February 2009 but the Company itself was incorporated on 23 April 2009. NOIDA could not verify the fact and the plot was proposed for cancellation in compliance of Hon’ble Lokayukt direction.

In its reply, NOIDA stated (August 2020) that M/s Hilson Estate Pvt. Ltd. was incorporated before the allotment since allotment was made on 26 March, 2010 hence there was no contravention of terms and conditions, whereas M/s Growell Services Private Limited was incorporated after allotment.

The reply of NOIDA is not acceptable since as per the requirement set out in the brochure, the certificate for incorporation, previous three years' balance sheet etc. were required. Thus, the applicant company was required to be registered and functioning prior to application date. However, the applicant company was not even incorporated till the date of submission of application and some of the apparent facts were concealed such as change in date of application and bank draft by using whitener which despite re-verification could not be traced out by NOIDA.

In case of M/s Growell Services Pvt. Ltd., NOIDA has accepted that the allotment was made before incorporation of the Company.

Allotment of multiple plots to same individual/group of companies

5.3.17.2 As per the terms and conditions of the brochure, the plot size was minimum 10,000 sqm and the applicant was required to submit application for area of the plot required. Audit observed that there was no check to monitor that plots are not allotted to similar individuals/firm/company or whether after allotment, pooling of the plot through transfer has not been made. Even though there was no restriction of area or the number of plots to be applied, in one⁸ case the PAC itself has rejected one application on the ground of two applications by the same applicant but the same diligence was not shown in other cases. This resulted in allotment of multiple plots to a single group of companies with same promoters, merger of plots and transfer of plot after allotment using front companies as detailed below:

- Allotment of 11 plots⁹ was made on 30 March 2011 to the companies/entities of the same group (Anil Kumar and Company). Availability of liquid funds for meeting the cost of the project was doubtful in this case as the applicant companies/entities of the same group showed the same source of finance. Bank's certificate regarding balance of M/s Anil Kumar & Co. as on 26 August 2010 of ₹ 24.82 crore was enclosed in all the allotment files against requirement of total project cost of ₹ 73.90 crore. The linking of records was not done by the PAC before allotment. Net worth of the company was not verified and means of promoters sources were doubtful as most of the shareholders of the allottee companies of these plots were common. The combined net worth of applicants was ₹ 13.34 crore as per the financial statements submitted.

Thus, Audit observed that in the above case, the sources of finance were deficient when compared to the total project cost of the plots allotted and even the date of allotment was the same. The PAC made the allotments despite sufficient evidence being available. Allotment of four plots¹⁰ was made on 27 July 2009 to a group of companies with the same promoter/director (Rajiv

⁸ OES/08/168 M/s Brijanand Securities Pvt. Ltd.

⁹ FH-3 & 19/164, FH-4 & 18/164, FH-2 & 20/164, FH-5/164, FH-6/164, FH-17/164 and FH-1 & 20/165.

¹⁰ FH-2, 3, 4, 5 sector 131.

Kumar). This fact was known to NOIDA on the basis of documents submitted by the applicant along with application for allotment wherein details of promoter/director/shareholder were mentioned. Finally, these four plots were amalgamated into one. Despite the linkage being known to NOIDA, allotment was made.

- Allotment of seven plots¹¹ was made on 30 October 2009 to four companies of the same promoters (Sanjeev J Aeren and Sunita S Aeren). This verification was not done by the PAC before allotment.
- Allotment of seven plots¹² was made (two on 26 March 2010 and five on 30 October 2009) to three companies (Meadows Infradevelopers Pvt. Ltd., Glory Infrabuild Pvt. Ltd. and Handful Infra Developers Pvt.Ltd.) of same promoters (Ankur Chadha and Geetu Arora).
- In two cases it was observed that four plots¹³ of sector 128 of two companies (Meadow Infradevelopers Pvt. Ltd and Snerea realtors Pvt. Ltd.) allotted on 30 October 2009 were transferred to the same individual, Smt. Vichitra Lata, on 28 September 2010.

It was seen from the above that multiple allotments to applicants on a single date were given and front companies were used for allotment of plots through different applications. There is evidence of dereliction of duty by the members of the PAC whereby fraudulent actions have been permitted by the officials of NOIDA. The Hon’ble Supreme Court has also observed in Amrapali case¹⁴ that *the State or the public authority which holds the property for the public or which has been assigned the duty of grant of largesse, etc. acts as a trustee and, therefore, has to act fairly and reasonably. As such, all powers so vested in him are meant to be exercised for public good and promoting the public interest. Every holder of a public office is a trustee.*

The above cases are evidence of the breach of principles of public trust doctrine.

In its reply, NOIDA stated (August 2020) that the brochure of the farm house scheme provided no restrictions on the application for one or more plots by the same firm/Company or individual. As per scheme brochure, allotment can be made to different individuals/ companies of a group.

The reply is not acceptable as even though there was no restriction on allotment of multiple plots but the net worth of the applicant was to be screened individually as well as collectively for eligibility for allotment. In some of these cases multiple plots were allotted on the same source of finance. Moreover, in one case the PAC itself had rejected the application on account of more than one applications, whereas in other cases, PAC failed to exercise similar diligence. Thus, from the above it is evident that multiple allotments were made to selected individuals/groups of companies in absence of assessment on aggregate basis.

¹¹ FH 15 &18 /128, FH-25, 26/128 and 27, 28 & 29 in sector 128.

¹² FH 16&17/128, FH 11 & 22/128, FH 23,24 &33 of sector 128.

¹³ FH 11 & 22 and FH 12 & 21 sector 128.

¹⁴ Bikram Chatterjee and others Vs Union of India and others, writ petition (C) 940/2017.

Undue favour due to reservation and allotment despite non-availability of plots

5.3.17.3 As per scheme guidelines, the list of available plots for allotment was to be displayed on the notice board of NOIDA at its administrative office and on the website. The number of plots could increase or decrease depending on availability of land. NOIDA reserved the right to withdraw any plot from the allotment process at any time without assigning any reason. NOIDA was to ensure the availability of plots and if due to unavoidable circumstances the possession of plot was not handed over to the allottee, the full amount deposited by the allottee would be refunded. However, no interest on the deposits would be payable to the allottee. From the above, it may be concluded that the scheme was to be closed and all applications were either to be declined or to be disposed against available plots during the currency of the scheme.

- Audit noticed that the number of plots available for allotment was never uploaded on the website as per the details made available to audit. In 29 cases of OES/2008, the allotment of land was reserved for allottees who would be considered in the next scheme, out of which in five cases actual allotment had been made and in the rest of the cases refund was made.

Audit observed that the stated policy of NOIDA was to allot available plots in a scheme and to refund/decline application in case of non-availability and did not provide for making reservations against subsequent schemes. Reservation of application rather than inviting fresh applications in subsequent schemes was in contravention of the stated terms and conditions and was highly irregular. This irregularity was further compounded by the fact that while on the one hand NOIDA made multiple allotments to some applicants, at the same time it was unable to allot any plot to 29 applicants, using discretion available to the fullest extent.

- Further, it was observed that in case of five¹⁵ allottees, allotment was made without considering the site plan. Due to non-availability of a clear-cut site plan on NOIDA's part, the allottees were provided zero period¹⁶ for the periods falling between the allotment of land and availability of site plan. Thus, due to non-observance of above-mentioned scheme guidelines NOIDA could not cancel the applications and had to allot plot at the rates prevailing on the allotment date instead of the date of site availability resulting in loss of ₹ 16.96 crore (**Appendix 5.3.6**).

In its reply, NOIDA stated (August 2020) that in view of the possibility of getting possession of the land, reservation of plots in favour of eligible applicants was done as per rules but allotments were made only after the creation of the plot. Further, the zero period was granted as the site plan was not ready.

The reply is not acceptable as reservation of applications rather than inviting fresh applications in subsequent scheme was in contravention of the above-mentioned scheme guidelines that applications against which allotment could not be made were to be cancelled/closed. This irregularity is further

¹⁵ FH 16&17/128, FH 5/162, FH 8&9/165, FH 29/165 and FH17/164.

¹⁶ Refers to the period of non-availability of plot due to default on part of NOIDA, wherein all the dues are waived during period of delay.

compounded by the fact that NOIDA made multiple allotments to some applicants while at the same time being unable to allot any plot to 29 applicants, reserved rights in future schemes, using the discretion available to the fullest extent.

Arbitrary allotment by PAC

5.3.18 The deficiencies observed in arbitrary allotment by PAC in contravention of scheme guidelines and brochure conditions have been discussed issue-wise in the ensuing paragraphs.

Lackadaisical procedure adopted by PAC in screening applications

5.3.18.1 Under the scheme, a total of 305 applications were received (OES 2008-190 applications and OES 2010-115 applications) and allotments were made to 157 applicants (OES 2008-102 applicants and OES 2010-55 applicants) based on interviews conducted by PAC headed by Officer on Special Duty (OSD). The following cases were noticed where discretionary allotment was made:

- The PAC did not have any objective and transparent criteria for assessing the applications received. On the basis of application documents, UPICO report and a proposal by the applicant, PAC adjudged the application as satisfactory or unsatisfactory, without detailing the basis of its judgement. Such a practice left a lot of scope for use of discretion by PAC.
- UPICO was appointed as the consultant for screening the application form with requisite documents. Audit observed that in 11 cases even though UPICO gave negative report, the PAC allotted the plot disregarding the recommendation of the consultant.
- As per CVC guidelines the role of the consultants should be advisory and recommendatory and final authority and responsibility should be with the departmental officers only. Audit observed that in 36 cases the consultant submitted positive report despite various apparent deficiencies in the application forms submitted but PAC failed to analyse the report submitted by the consultant. All the submitted reports were undated, thereby the submission dates could not be verified in audit. Thus, there was lack of due diligence on the part of the consultant as well as PAC.
- The minutes of the meeting of PAC headed by OSD did not show the date of interview of individual applicants and the same was also not available on record. Thus, how many applicants were interviewed on a given date could not be ascertained in audit. The applications were rejected on the ground that the committee was not satisfied with the presentation, submitted documents etc. without specifically mentioning the deficiencies noticed. This clearly shows the discretionary nature of allotments made by PAC.

As per scheme guidelines, initially the preliminary screening of the registered applicant was to be done by a sub committee comprising of three members {Manager Institutional, *Sanyukt* Architect and Accounts Officer (institutional)} but minutes of the sub-committee meetings were not available in any of the files/records.

Thus, PAC had vast discretion as objective criteria were not laid down and detailed analysis forming the basis of recommendations was not in evidence.

The PAC did not have any objective and transparent criteria for assessing the applications received. In 11 cases even though UPICO gave negative report but the PAC allotted plots deliberately disregarding the recommendation of the consultant. In 36 cases the consultant submitted positive report despite various apparent deficiencies in the submitted application forms but PAC failed to analyse the report submitted by the consultant.

In spite of negative report of the consultant (UPICO) in a number of cases, allotments were made. The established norm is that the orders overruling any recommendation including that of an expert body should be reasoned and recorded in writing, which was not evident in these cases.

In its reply, NOIDA stated (October 2020) that Hon'ble Lokayukt examined if there were any standards set for allocation by interview and if yes, which set of criteria were violated by the PAC, and concluded that no corruption or financial irregularities were observed in the process of allotments. It was further stated that the State Government or Authority may consider laying down standards/guidelines and policy in future for the purpose of defining the jurisdiction and discretion of the PAC and to make the allotment process more transparent. Further, in the petition no. 10714/2015 *OPG Security Pvt. Ltd. & other V/s Noida & others* related to the farm house plots, the High Court has passed an order (29 May 2017) to maintain *status quo*, in which further action will be taken as per orders issued by the High Court.

The reply of NOIDA is not acceptable as it has selectively referred to the Lokayukt's recommendation. In fact, the Lokayukt has specifically recommended that NOIDA re-examine the applications of all allottees to determine if the allottees obtained allotment on the basis of misrepresentation, fraud or submission of incorrect facts. NOIDA was also required as per the Lokayukt order to ensure the evidence or records of net worth presented by the allottees and adhere to the conditions given in the scheme brochure. Thus, the Lokayukt had directed for re-examination of all allotments. Audit, as part of its scope and extent of audit, has examined the allotments in detail and noted that in 47 out of 51 test-checked cases, the allotment was made in spite of deficiencies with respect to laid down conditions. From the examination of records (as discussed in **Paragraph 5.3.16**), it is established beyond doubt that the allotments made were non-compliant of the stipulations of the brochure.

Disputes due to discretionary allotment

NOIDA did not take cognisance of various complaints, reports by its Chairman, third party agency (CA) and by suppressing the fact of discrepancies noticed by its own committee proceeded with certifying the allotment instead of taking appropriate measures.

5.3.18.2 Audit observed that contravention of the permitted use and discretionary allotments led to various complaints immediately after closure of both the schemes as detailed below:

On the basis of complaints received for irregular allotment, GoUP issued direction (27 June 2012) for preliminary investigation. In compliance of the directions, the Chairman, NOIDA submitted preliminary investigation report dated 16 July 2012 concluding the following irregularities:

- The scheme was in contravention of the prevailing Act/Regulations of NOIDA, Planning Regulations, Building Regulation Act, and
- Improper justification, improper use of power and collusion leading to loss to NOIDA.

In its reply, NOIDA stated (August 2020) that on the said report, Hon'ble Lokayukt, after scrutiny, observed (11 November 2013) no financial loss and corruption in the allotment.

The reply is not acceptable as Hon'ble Lokayukt in its report further directed to recheck all the applications considering the parameter that no allotment has been made through misrepresentation, fraud and wrong facts.

5.3.18.3 In view of preliminary investigation report, GoUP decided (7 August 2012) to hand over the complete investigation of the allotment of farm house plots by NOIDA to Hon’ble Lokayukt and also directed to maintain *status quo* in all the allotted farm house plots considering the sensitivity of the complaints.

NOIDA, in order to verify the facts, appointed a Chartered Accountant (CA) to verify the records of allotment. The CA in its report (8 November 2012) also pointed out various deficiencies related to allotment *viz.*, allotment in 33 cases despite negative report of consultant, commercial use in 110 cases, the incorporation of companies for one or two years, allotment with insufficient documents etc. but no action was taken on the deficiencies pointed out in the Report by NOIDA.

The Hon’ble Lokayukt in December 2013 forwarded the investigation report (11 November 2013) in which NOIDA was directed to recheck all the applications considering the parameters that no allotment has been made through misrepresentation, fraud and wrong facts. NOIDA was also directed to ensure that the documents submitted for net worth by the applicant were in accordance with the brochure conditions. On re-verification, if any discrepancy was noticed, NOIDA could take suitable action.

Audit observed that in compliance of the directions from the Hon’ble Lokayukt, a committee headed by OSD was constituted on 26 February 2014 to scrutinise the allotment documents. The committee prepared a report on three criteria *viz.* the applicant’s compliance with the eligibility criteria, examining the documents relating to net worth and allotment was not based on misrepresentation, fraud or wrong facts. On re-verification of documents the committee failed to verify the cases of deficient documents and in 19 cases the committee itself acknowledged that the net worth was deficient but did not recommend any action except in one case. Further it certified that all the submitted documents complied with the requirements and did not bring out any misrepresentation.

NOIDA submitted its reply to the Hon’ble Lokayukt (12 August 2014) without providing any justification for not acting on the lapses pointed out by CA or the analysis of documents by the committee of NOIDA. Thus, non-consideration of the various reports clearly bringing out anomalies unduly favoured the allottees.

From the records made available to Audit, it was observed that there were deficiencies in allotment in 47 cases out of 51 cases test-checked and also pointed out by NOIDA’s Chairman himself. The CA had also pointed out various deficiencies in submitted documents along with application and once again scrutiny by the committee of NOIDA was also done for examining the documents submitted by the applicants. Despite overwhelming evidence, NOIDA could find discrepancy in only one allotment and the same was cancelled but it failed to take cognisance of deficiencies pointed out in the other cases and also failed to fix responsibility for the same.

Presently the matter is under consideration of the Hon’ble High Court and a stay has been imposed to review the whole process of allotment of farm house plots (31 December 2020).

Thus, NOIDA did not take cognisance of various complaints, report by its Chairman, third party agency (CA) and by not considering the discrepancies noticed by its own committee proceeded with certifying the allotments instead of taking appropriate measures.

In its reply, NOIDA stated (August 2020) that the report submitted by the Chairman, NOIDA and CA has been discussed in depth in the report of Hon'ble Lokayukt which makes it clear that no action is required to be taken. Further, NOIDA rescinded commercial use under farm house scheme. On the report of the Hon'ble Lokayukt, NOIDA formed a committee headed by OSD which prepared a report on three criteria viz. the applicant's compliance with the eligibility criteria, examining net worth and allotment was not based on misrepresentation, fraud and wrong facts. The Committee found no irregularity against 151 allotment cases (except M/s Growell Services Pvt. Ltd.).

The reply is not acceptable as it does not address the facts i.e. negative report of the consultant, allotments in spite of stated commercial use, allotment to newly incorporated companies and allotments despite insufficient documents submitted by applicants. During re-examination the Committee failed to verify the cases of deficient documents and in 19 cases the Committee itself acknowledged that the net worth was deficient but did not recommend any action.

Conclusion

The policy for allotment of farm house plots rolled out by NOIDA in 2009 was *ab-initio* in contravention of the Regional Plan/Sub Regional Plan/Master Plan. No approval was obtained prior to its roll out from the GoUP for launching the scheme on agricultural land for uses other than those permitted.

Farm house plots were allotted under institutional category wherein the applicant was required to have a paying capacity of at least ₹ three crore (apart from project cost). Clearly the beneficiaries were not going to be individuals/entities with lack of capacity to pay. Therefore to peg the rate at 0.22 times of the base price of ₹ 3,100 per sqm. (compared to base rate of ₹ 14,400/- in 2008-09) was highly questionable.

Of the 51 farm house plots taken up for detailed examination by Audit, in 47 cases, almost all of which were allotted during a three year period from 2008-09 to 2010-11, it was observed that the brochure conditions were violated. In a number of cases, entities with extremely low net worth were also allotted plots. It was evident that the PAC tasked to examine the cases and make recommendations for allotment flagrantly ignored laid down parameters/criteria. In 11 cases where even UPICO had specifically red-flagged and not recommended the proposal, the Committee went on to recommend and the CEO approved such allotments. As such, the CEO also failed to exercise any check while making final allotment of farm house plots.

Thus, the entire process of allotment of farm house plots, in the view of Audit, was a blatant exercise of allotting prime land to individuals for leisure use rather than in public interest. Suppression of multiple reports, repeatedly pointing out discrepancies in the allotment procedure, indicates that NOIDA's intention has been to regularise the allotment and

shield the conniving officials rather than to take action against those who abused their fiduciary position to undertake and abet such irregularities. The above cases of allotment of 47 farm house plots, as brought out by Audit, reveals a blatant disregard for scheme guidelines and a wilful role in concealment and misrepresentation of material facts whereby ineligible allottees were made eligible for allotment of these farm house plots. This calls for exemplary action to be taken against the concerned officers for their role.

Recommendations		
Recomm- endation Number	Recommendation	Response of the Government
17	The Government should review the entire scheme of allotment of farm house plots and take a considered decision on dealing with allotments already made, which was flawed and vitiated.	Response of Government awaited
18	Even if the Scheme of farm houses is to be continued by the Government, after a review, the existing pricing needs a thorough review keeping in view the paying capacity of respective allottees and use the farm houses are being put to.	Accepted
19	The members of the PAC and the concerned CEO responsible for allotment of farm house plots who blatantly disregarded all norms and allotted plots to undeserving cases should be held accountable and action taken against them.	Response of Government awaited

CHAPTER–V (5.4)
Allotment of Industrial Properties

CHAPTER-V

5.4 Allotment of Industrial Properties

Introduction

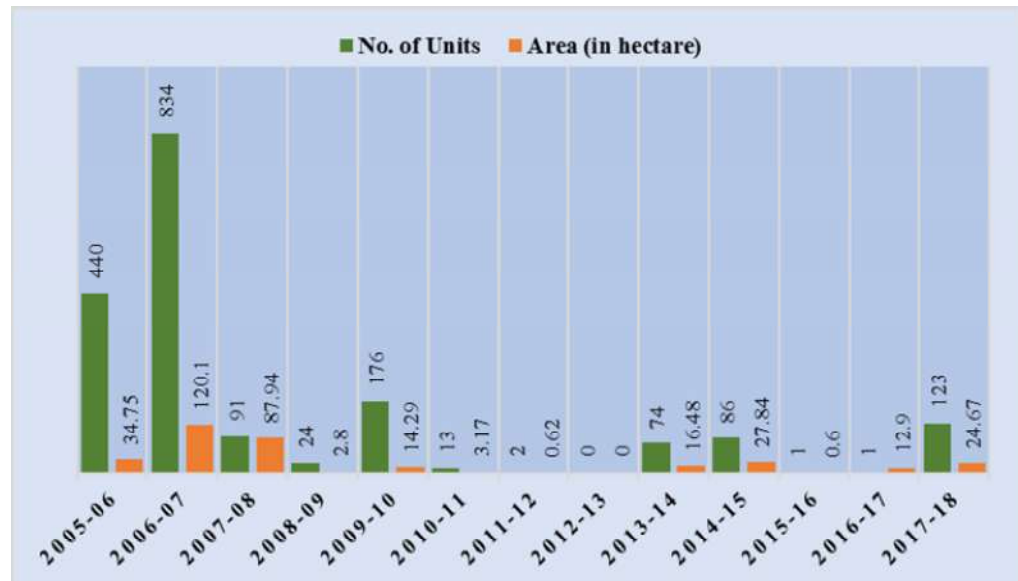
5.4.1 The main objective of NOIDA is to develop industrial areas for which industrial plots are allotted by the Authority. Allottees have to establish industrial units within the period prescribed as per the terms and conditions of the plot allotment scheme brochure. Failure in establishing industrial units in the allotted plots defeats the objective of industrial area development.

Industrial wing of NOIDA deals with the allotment of industrial plots and follow-up of the post-allotment compliances. The Planning wing of NOIDA is responsible for monitoring building completion whereas Finance wing is responsible for maintaining financial records related to recovery of premium and other revenue dues from allottees. The stages involved from launching of the scheme till follow-up of the post allotment compliances is depicted in **Chart 5.3 in Chapter 5**.

Status of allotment of industrial plots in NOIDA

5.4.2 During the audit period from 2005-06 to 2017-18, 1,865 plots (346.15 hectare) were allotted as shown in **Chart 5.4.1**.

Chart 5.4.1: Year-wise allotment of Industrial Plots during 2005-06 to 2017-18



Source: Information furnished by NOIDA.

As per information furnished, maximum area was allotted in the year 2006-07 whereas no industrial plot was allotted in the year 2012-13.

As per the MP-2031, NOIDA planned to develop an area of 2,806.52 hectare as industrial area. As of 31 March 2018, NOIDA had developed 2,418.90 hectare, out of which only 1,150.03 hectare (47.54 per cent) was allotted. From the allotted area, only 796.10 hectare (32.91 per cent of developed area) could be made functional upto March 2020.

Scope of Audit

5.4.3 NOIDA allotted 1,865 plots measuring aggregate area of 346.15 hectare during the period covered in the Performance Audit *i.e.* 2005-06 to 2017-18. Out of the 1,865 plots allotted, 83 plots (61 larger plots¹ and 22 smaller plots) were selected on the basis of stratified random sampling for detailed examination in Performance Audit. Discrepancies noticed in audit have been discussed in the succeeding paragraphs.

Audit findings

5.4.4 The audit findings, as a result of examination of sampled cases as well as result of physical verification wherever carried out, and analysis of outcome of allotment of industrial plots are discussed in the succeeding paragraphs. These audit findings have been grouped as under:

- Systemic and procedural deficiencies (Paragraphs 5.4.5 to 5.4.5.6)
- Irregularities in screening of applications and allotment, violation of post allotment compliances (Paragraphs 5.4.6 to 5.4.6.5)
- Violation of Policy and Procedure for Industrial/Institutional Property Management and scheme brochure (Paragraphs 5.4.7 to 5.4.7.2)
- Case study of Industrial plot allotted to CBS International Projects Limited (Paragraphs 5.4.8 to 5.4.8.1)
- Outcome of allotment of industrial plots (Paragraphs 5.4.9 to 5.4.9.1)

Systemic and procedural deficiencies

5.4.5 Audit noticed that certain systemic deficiencies persisted in the working of NOIDA, which led to failure in monitoring, extension of undue benefits to allottees and financial losses to NOIDA. These are discussed in the subsequent paragraphs.

Allotment of underdeveloped plots/allotment without site plan

5.4.5.1 After completion of the land acquisition process, NOIDA develops the acquired land for various sectors as per the approved site plan. The allotment wings dealing with various categories of properties allot such developed land/plots under various schemes launched for different categories. As per the terms and conditions of the brochures, the allottee is required to get the lease deed executed within three months of the date of allotment and thereafter take possession within 15 days after issue of possession letter. Hence, NOIDA was required to give the possession of plot within 3.5 months from the date of allotment letter. Accordingly, NOIDA should ensure that plots to be allotted to the applicants are free from all encumbrances, site plan of plots has been received and all infrastructure amenities are well developed to enable the allottees to establish their industrial projects within the time prescribed in the policy/rules of NOIDA.

Audit noticed that NOIDA does not have a system to ensure the intactness of the plots (*i.e.* free from all encumbrances) before issuing allotment letters to the allottees. Instead, NOIDA had been allotting undeveloped industrial plots,

Due to allotment of industrial plots without receipt of site plan, NOIDA suffered loss of ₹ 18.58 crore in 16 cases.

¹ Plots larger than 2,000 sqm (for schemes upto 2013-14) and Plots larger than 4,000 sqm for schemes launched with effect from 2017-18). No new industrial allotment scheme was launched during 2014-15, 2015-16 and 2016-17.

even without receipt of site plan, which led to non-establishment or delayed establishment of the industrial units besides financial loss to NOIDA itself.

NOIDA had allotted industrial plots without development of site and receipt of site plan in 16 cases out of 83 sampled plots. As a result, NOIDA failed to execute the lease deed within the stipulated time due to absence of site plan. This resulted in financial loss to NOIDA to the extent of ₹ 18.58 crore in 16 cases (**Appendix-5.4.1**) as the rates of plots by the time of receipt of site plan were revised whereas allotted plots were sold at old rates which were on the lower side. Had NOIDA allotted these plots after receipt of site plan/development of site, it could have avoided the aforesaid loss.

In its reply, NOIDA stated (August 2020) that due to non-development of basic infrastructure in the proposed sectors, the site plans were received with delays. The reply of NOIDA confirms the audit observation that the allotment of plots was done before adequate development resulting in loss to NOIDA itself. Moreover, NOIDA did not submit any reason for doing this or propose any remedial plan for the future.

Lack of parameters for evaluation of industrial project proposals

5.4.5.2 NOIDA issued 'Policy and Procedure for Industrial Property Management' in August 2004, April 2005, April 2006, November 2008 and October 2012 which mainly provide guidelines for transfer of industrial plots, change in shareholding, change in constitution, renting of industrial premises, declaration of industrial premises as functional, time extension *etc.* Till May 2017, NOIDA had not prescribed any criteria for evaluation of industrial project proposals such as financial health of the applicant, experience in the industry for which the applicant has applied, written questionnaire for interview, parameters (minimum turnover, minimum net worth, minimum liquidity *etc.*) for examination of the project report submitted by the applicant and linkage of size of plots with the size of the proposed project. In the absence of any prescribed criteria for selection/rejection of proposals, the PAC recommended/rejected allotments at its own discretion.

The evaluation parameters for allotment of industrial plots of size of more than five acres (20,234 sqm²) were approved by the Board³ in June 2017. The evaluation parameters for plot size of more than 4,000 sqm up to five acre was approved by the Board in January 2020⁴ after being pointed out by Audit. It is also worth mentioning that out of 1,865 plots allotted during 2005-06 to 2017-18, only 123 plots were allotted during 2017-18 i.e. after approval of evaluation parameters.

NOIDA accepted the audit observation and stated (August 2020) that the parameters for evaluation of industrial project proposal for more than five acres have already been approved by the Board (June 2017) whereas the parameters for plot area of more than 4,000 sqm but less than 5 acres have been framed by the Board in January 2020.

The reply confirms that till May 2017, evaluation of the projects for allotment of plots was done without any defined parameters and was left to the

² 1 acre = 4,046.86 sqm

³ 192th Board meeting date 23 June 2017.

⁴ 198th Board meeting date 31 January 2020.

discretion of PAC. Moreover, parameters for evaluation of industrial projects for plot area of less than 4,000 sqm are yet (August 2020) to be formulated.

Non-preparation of detailed notes of rejection and its communication to applicant

5.4.5.3 NOIDA rejects applications with the remarks, “समिति आवेदक के परियोजना क्रियान्वयन, वित्तीय स्रोतों की उपलब्धता तथा भूमि की आवश्यकता से संतुष्ट नहीं हो सकी” (Committee was not satisfied with the project execution, availability of financial resources and land requirement of the applicant). Despite a decision of Hon’ble High Court⁵ (15 November 2007) against NOIDA that ‘a person has a right to know the reasons for which his application/case has been rejected’ NOIDA neither prepares a detailed note explaining the reason for non-selection/rejection of allotment application, nor communicates the reasons for rejection to the applicant, which reduces transparency of the allotment procedure. Therefore, the possibility of undue favour to particular applicant(s) during allotment of plots cannot be ruled out.

In its reply, NOIDA stated (August 2020) that the parameters for evaluation of industrial project proposals for plot area of more than 4,000 sqm have already been approved by the Board. The reply of NOIDA is not acceptable as it does not address the issue raised by Audit i.e. non-preparation of detailed note of reasons for rejection and non-communication of reasons to the applicant. Moreover, even the evaluation parameters approved by the Board (June 2017/January 2020) does not provide for formal communication of reasons for rejection of the application.

Non-existence of enforcement wing in NOIDA

5.4.5.4 Audit noticed that an enforcement wing was not established in NOIDA to restrict unauthorised construction⁶ and unauthorised utilisation of industrial property for other purposes which is prohibited as per terms of allotment. Non-existence of an enforcement wing has not only weakened the monitoring mechanism of NOIDA and led to extension of undue favour to various allottees but also resulted in financial loss to NOIDA for not being able to impose penalty in case of violation of terms of allotment.

In its reply, NOIDA accepted (August 2020) that the system of enforcement was not effective in NOIDA. In order to make it effective, an office order was issued (21 October 2019) by NOIDA which *inter alia* stipulates that ‘joint inspection will be done by concerned Work Circle and Planning wing. Demolition of unauthorised buildings will be done by Works Circle with the help of police and administration.’

The compliance will be reviewed in next audit.

Deficiencies in verification of payments made by allottee

5.4.5.5 The payment in respect of allotted plots is made by the allottee in the bank account of NOIDA through three copies of challans. One copy of the challan is retained by the allottee, the second copy remains with the bank and the third copy is sent to NOIDA by the bank. The third original copy of the

NOIDA did not establish enforcement wing which has weakened the monitoring mechanism.

⁵ Civil Writ Petition No. 55429 of 2007; Vinod Kumar Jain Vs NOIDA, the CEO, NOIDA & the state of U.P. through Secretary Industries Department Civil Secretariat, Lucknow.

⁶ Construction not as per approved map

challan should have been placed by NOIDA in the file of the concerned allottee maintained by the Industrial Accounts wing.

On scrutiny of files of allottees maintained by the Industrial Accounts wing, Audit noticed that deposits made by the allottees were not being reconciled with the challans and bank statements. Besides this, Audit observed that only a few challans in each file were original. Most of the challans were photocopies of the applicant's copy and original copies were not found on record. NOIDA was considering payments made by the allottee without obtaining original challans, based on photocopies submitted to it. However, there was no authorisation to consider the payment without original challans. Audit verified the status of challans in five cases and found that 20 challans of ₹ 4.85 crore were original and 66 challans of ₹ 10.91 crore were photocopies as detailed in **Appendix-5.4.2**. Thus, in the absence of a robust reconciliation system and original copies of challans, the accuracy and correctness of the deposited amount shown in the records of NOIDA pertaining to allottees cannot be ensured and chances of fraud/misappropriation cannot be ruled out.

NOIDA stated (August 2020) that original challans were kept in the Industrial Accounts wing's records and in administrative files photocopies are kept which would be got certified from the Accounts wing in future.

The reply of NOIDA is not acceptable as the original challans were not available in the records of the Industrial Accounts wing and only photocopies of challans of applicants' copy were provided to the Audit.

Lack of co-ordination between Planning wing and Industrial wing

5.4.5.6 Completion Certificate⁷ for completion of the building on industrial plot is issued by the Planning wing and Functional Certificate⁸ is issued by the Industrial wing of NOIDA. Neither did the Planning wing send information of completion to the Industry wing nor did the Industrial wing make efforts to obtain information from the Planning wing regarding completion certificate so as to reconcile the status and issue notices to the allottee to obtain Functional Certificate which is essential under the terms and conditions of the brochure.

Audit noticed that efforts were not made by NOIDA to evolve a procedure to address the above systemic deficiency so as to streamline the process of imposition of penalty on account of delay in completion and making the industrial projects functional or for cancellation of the plot in case it remained non-functional.

In its reply, NOIDA accepted the audit observation and stated (August 2020) that in order to make better coordination between Planning and Industrial wing, a Standard Operating Procedure (SOP) has been prepared which will be issued through office order.

The compliance of the audit observation and the effectiveness of the SOP will be reviewed in next audit.

⁷ A certificate regarding completion of building.

⁸ A certificate for commencement of business activities.

Irregularities in screening of the applications and allotment and violation of post allotment compliances

5.4.6 Audit noticed irregularities committed at the stage of screening of the applications/allotments and cases where undue favour was extended to applicants/allottees. These have been discussed in succeeding paragraphs:

Engagement of an outside agency for scrutiny and screening of the applications

5.4.6.1 Prior to launch of OES 2008-09 (NOIDA/IP/2008-09/OES/01) of industrial plots, applications received were scrutinised by NOIDA’s own staff to see whether the applicant had submitted all documents as per requirement of the terms and conditions of the scheme. After scrutiny, PAC ensured correctness of scrutiny results as it was responsible for proper screening of the applications. For the scrutiny of applications under NOIDA/IP/2008-09/OES/01, the CEO decided (September 2008) that evaluation of the applications would be done by an outside agency ‘U.P. Industrial Consultants Ltd.’ (UPICO) which was a joint venture of Government of Uttar Pradesh (GoUP), IDBI, ICICI, and banks⁹. UPICO submitted its proposal (25 September 2008) at the rate of ₹ 10,000 per application plus taxes which was approved. Audit observed that UPICO, an outside agency for scrutiny/evaluation of applications, was engaged without obtaining competitive rates.

NOIDA accepted the audit observation and stated (August 2020) that the appointment of UPICO was made due to non-specialisation of members of PAC of NOIDA. However, after being pointed out by Audit, presently (August 2020) the scrutiny of the applications is being done by the external agencies engaged after obtaining competitive rates.

The compliance of the audit observation will be reviewed in next audit.

Undue favour in screening of the applications

5.4.6.2 As per terms of the scheme brochure, the applicants were required to submit various information and documents with the application form. These included project report, background of promoters/directors, land required and its use pattern, projected cash flow for three years (depicting sources of inflow), balance sheets and profit and loss account for the last three years (duly certified by the Chartered Accountant), statement of net worth and financial capability/liquidity certificate from any nationalised/scheduled bank. The brochure clearly mentioned that the application must be complete. Application forms submitted with incomplete information(s)/ enclosure(s) shall be rejected.

Audit noticed that the screening committee/PAC did not ensure compliance of the above provisions of the brochures and recommended plots for allotment, thereby extending undue favour to the allottees as illustrated in the following case.

A plot (C-01, Sector 67) measuring 1,00,000 sqm was allotted to OSE Infrastructures Limited on 22 May 2006 at a premium of ₹ 40.21 crore for an IT project. The plot was subsequently notified (14 May 2007) for an IT SEZ

⁹ Bank of Baroda, Allahabad Bank, State Bank of India, SIDBI, Union Bank, Bank of India, Syndicate Bank, Punjab National Bank, Central Bank and Canara Bank

by the Gol. The applicant company was not eligible for allotment, as the object clause of the Memorandum of Association (MoA) of the Company did not cover the project it had applied for. Further, it did not submit any document regarding financial arrangements and its paid up capital was only ₹ 10 lakh, yet the aforesaid plot was allotted.

In its reply, NOIDA stated (August 2020) that serial no. 26 of the MoA described that the Company may execute any work/production in favour of the Company. The Company proposed the investment in four phases from 2006 to 2011. The group company (OSE Pvt. Ltd.) earned a profit of ₹ 56 crore during the year 2004-05 in addition to the net worth of directors/shareholders. In view of the net worth of the applicant Company and directors/shareholders, the investment proposed was sufficient.

The reply is not acceptable as the objective described at serial no. 26 of the MoA covers works which can be undertaken to fulfill the objectives described at serial no. 1 to 25, whereas the Government of India had notified the allotted plot for IT/ITES specific purpose. Further, financial credentials of the group companies/directors/shareholders were not found in the allotment file at the time of audit. Moreover, 100 *per cent* shareholding of the allottee company has been transferred in July 2019.

Discretionary allotment of Industrial plots

5.4.6.3 NOIDA launched (1 March 2006) an OES (NOIDA/IP/OES/2005-06) for allotment of industrial plots (larger than 2,000 sqm). PAC, under the chairmanship of the Dy. CEO, NOIDA, held interviews of 265 applicants¹⁰ in which 39 applicants were allotted plots (as per minutes of meeting of PAC held on 8 May 2006). Another set of interviews for 100 applicants was held in which only five allotments were made (as per minutes of meeting of PAC held on 22 May 2006). The scheme was declared closed on 19 May 2006.

PAC recommended 39 allotments as per the notings made and minutes of the meeting held on 08 May 2006. While approving the allotment, the CEO remarked (8 May 2006) ‘reconsider serial numbers 238, 118, 111 and 265; rest approved’. In this regard Audit noticed that:

- PAC did not recommend allotment of industrial plot to Star Applied Mechanics Pvt. Ltd. (Sl. No. 238 of list of applicants who applied for 4,000 sqm) and A.K. Mittal (S. No. 265, who applied for 4,000 sqm) as it was not satisfied with the implementation plan, land requirement and availability of financial resources. Further, representatives of National Co-operative Union of India (S. No. 111, who applied for 3,200 sqm) could not clarify the land requirement before PAC, therefore, allotment of plot was not recommended in its favour, whereas Esteem Finvest Private Limited (Sl. No.118, who applied for 2,200 sqm) was recommended for allotment of plot size of 4,000 sqm by PAC, though the applicant had applied for only 2,200 sqm.

After the remarks of the CEO, Star Applied Mechanics Pvt. Ltd. (Sl. No. 238) and National Cooperative Union of India (Sl. No. 111) were allotted plots (22 May 2006) of 4,000 sqm and 3,000 sqm respectively. However, PAC again recommended (22 May 2006) allotment of a plot of size 2,100 to 3,200 sqm in favour of Esteem Finvest Private Limited (S. No. 118) who was

¹⁰ Applications received up to 8 April 2006.

allotted a plot size of 2,100 sqm. Further, Shri A.K. Mittal (S. No. 265, who applied for 4,000 sqm) was not allotted the plot and his registration money was returned.

- Allotment of a plot to Applied Electro Mechanics Pvt. Ltd. (Sl. No. 329 who applied for 4,000 sqm), was not recommended (22 May 2006) by the PAC as it was not satisfied with the implementation plan and land requirement. Audit observed that the applicant had represented to Chairman, NOIDA against rejection on which Chairman directed the CEO to reconsider and give personal hearing to the applicant. Accordingly, the CEO had noted that ‘the applicant appeared and gave details of his project. A plot of 2,100 sqm be reserved for the applicant and PAC may consider in next meeting.’ After the remarks of the CEO, plot no. B-6 measuring 2,100 sqm in Sector 68 was allotted to the applicant.

Audit observed that inspite of negative recommendations of PAC, the plot allotments were reconsidered on the orders of the CEO, although there was no system in NOIDA for redirecting cases back to PAC after it had given its recommendations. NOIDA was unable to explain the reasons for according a special dispensation in these cases by the CEO.

In its reply, NOIDA stated (August 2020) that all the powers pertaining to allotment of properties are vested with the CEO, NOIDA. Clause 34 of the brochure of the scheme stipulates that “the CEO reserves the right to make amendments, additions, alterations, from time to time in the terms of allotment without any information and decision of CEO shall be final”.

The reply of NOIDA is not acceptable as there was no procedure for reconsideration of applications by PAC. Moreover, the absence of defined parameters for evaluation of the applications and exercising of discretion by the CEO of NOIDA against the recommendations of PAC confirms the lack of transparency and possible misuse of authority vested in officials of NOIDA, including the CEO. In fact, the instructions of the CEO were to reserve the plot along with giving the applicant another chance for presenting his case. At the very least, the CEO ought to have issued a speaking order while overruling PAC’s recommendations which was not the case.

Violation of post allotment compliances

Mixed land use Policy

5.4.6.4 The MP-2031 stated that NOIDA has introduced the policy of mixed land use in MP-2021 and allowed a mix of commercial, residential and institutional activities on the designated large size residential or institutional plots. NOIDA may decide the architectural controls, procedure of allotment, reserve prices and other requirements as per the proposed mix of activities on a plot or scheme. Specific areas of mixed land use have not been proposed in the MP. However, NOIDA may identify such land or plot for mixed land use schemes at the time of detailed layout plan of a particular sector or area.

Accordingly the Board of NOIDA introduced (29 November 2013) a mixed land use policy (Policy) in order to regularise the unauthorised use of industrial plots (180th Board meeting). The said Policy *inter alia* allowed use of a portion of industrial plots for other than industrial purposes with the following conditions:

Due to under-recovery/non-recovery of mixed land use charges, NOIDA extended undue benefit of ₹ 333.17 crore to 36 allottees for use of industrial property for commercial purpose.

- Plots/buildings should be situated on 24 metre or more wide road and there shall not be any building between the plot and main road except sector road/service road/green belt;
- Mixed land use facilities shall be available as auto showroom/art gallery/museum activities on the ground floor of industrial plots on 25 *per cent* of permissible FAR. As per prevailing Building Regulations and Zoning Regulations of MP-2031, additional support facilities¹¹ such as office, bank, showroom for display/sale of industrial products manufactured in the units, gym/health club, creche and day care centre, internet centre, dispensary, taxi/auto/auto rickshaw stand would be permitted;
- Conversion charges/impact fee for mixed land use was decided as 50 *per cent* of the differential value of commercial and industrial property whereas the value of commercial property was much higher;
- After deposit of conversion charges/impact fee for mixed land use, the map was to be approved by the Planning wing.

In accordance with the provisions of Plan Regulations, 2010, NOIDA invited comments and suggestions from the public and after considering the suggestions, the Board reduced (12 February 2014) the conversion fee to 25 *per cent* of differential value of commercial and industrial property. The above proposal was approved by GoUP on 27 March 2015.

The condition regarding deposit of conversion charges were further eased by the Board (December 2017). Instead of full charges, 20 *per cent* of charges were to be deposited initially and balance 80 *per cent* were to be deposited in 10 six monthly instalments. Further, this facility was retained only for auto showroom/art gallery/museum and withdrawn for support facilities.

Audit observed that NOIDA had identified 36 cases where the allottees were using the properties for other than allotted activities. Amongst them 10 car showrooms were identified who were using industrial properties for showrooms. NOIDA issued notices to these allottees for removing the unauthorised construction and usage of industrial plot. As of August 2020, only 10 allottees had applied and deposited the conversion fee and no maps were approved under Mixed Land Use Policy.

Audit analysed the formulation of the Policy by NOIDA and observed:

(a) The objective of the Policy was to authorise the inclusion of commercial and institutional activities in residential areas but with the amendments made in December 2017, its application has essentially entailed regularisation of commercial activities of three types *viz.* auto showroom, art gallery and museum in industrial areas. Thus, the wider objective of providing institutional and support facilities got ignored.

(b) The charges were reduced from 50 *per cent* to 25 *per cent* on the basis of suggestions from the public and thereafter the proposal was approved by GoUP. However, the charges were subsequently reduced to 10 *per cent* in the 186th Board meeting (18 September 2015) citing public demand for reduction. Audit observed that the subsequent reduction was irregular and lacked

¹¹ Support facilities as mixed land use were withdrawn in 193th Board meeting (27 December 2017).

justification as the suggestions of the public had been invited at the time of initial reduction and duly considered and on basis of the same, conversion charges had been reduced earlier. All reductions to revenue stream of NOIDA should have been made after careful consideration and accepted after detailing the larger public interest that would be served. Thus, the restricted applicability of the scheme along with reduction of charges in an arbitrary manner clearly indicates that special dispensation was extended to the allottees of auto showroom, art gallery and museum only.

Audit calculated the monetary difference between actual benefits to the allottees¹² and the charges levied for using industrial plots for commercial purposes. This worked out to ₹ 333.17 crore¹³ {Appendix- 5.4.3 (i) & (ii)}.

(c) The allottees, who opted to pay conversion charges/impact fee under mixed land use policy, were required to submit revised map, restricting commercial utilisation to 25 per cent of permissible FAR on ground floor of industrial plots, but the same was not submitted by any allottee till date (August 2020). Audit observed that since only 25 per cent FAR on ground floor was convertible, in absence of approved maps, NOIDA could not assess the magnitude of unauthorised use. In such cases, NOIDA has failed to take any action for delays and as a consequence, has allowed unauthorised use.

(d) Although NOIDA issued notices to most of these allottees yet it did not take necessary steps to recover conversion charge/impact fee from them. Moreover, NOIDA has neither stopped the unauthorised commercial activities nor cancelled such allotments for violation of terms and conditions of the allotment for industrial land use.

A joint physical verification was conducted (06 December 2019) by the Audit team along with the representatives of NOIDA. Photographs were also taken during joint survey which confirmed instances of commercial activities being performed in industrial plots. These instances are as under:

Photograph 5.4.1: Auto Showrooms in Industrial Sector



¹² Difference between commercial allotment rate and industrial allotment rate for commercial portion

¹³ Appendix- 5.4.3 (i) & Appendix – 5.4.3 (ii) (₹ 97.53 crore + ₹ 235.64 crore = ₹ 333.17 crore).

Photograph 5.4.2: Auto Showrooms in Industrial Sector



Industrial Plot No.: A-9, Sector-2, Area: 1,110 sqm

Photograph 5.4.3: Auto Showrooms in Industrial Sector



Industrial Plot No.: B-123, sector-5, Area: 2,158 sqm

During the physical verification, it was confirmed that most of the allottees (including those who opted to pay conversion charges under mixed land use policy) were utilising the entire portion/maximum portion of the industrial plot for commercial purpose.

Thus, failure of NOIDA to determine correct conversion charges as per FAR/area used for commercial purpose and its recovery from allottees who were using their industrial plot for commercial use without paying any money, has not only resulted in loss to NOIDA but also extended undue favour to the allottees.

In its reply, NOIDA stated (August 2020) that the conversion charges were comparatively higher than the mixed land use rates prevailing in Delhi. The decision for reduction of conversion charges was taken by the Board on the basis of continuous pressure from the stakeholders. It was also decided during the 193rd Board meeting (27 December 2017) to utilise 25 per cent FAR for auto showroom and museum only and the activities allowed under support facilities have also been discontinued. It further stated that action against allottees who have not deposited the due charges/instalments is in process. Moreover, the allottee units are bound to utilise the land as per the norms.

The reply is not acceptable in view of the fact that auto showroom and museum are using 25 per cent of FAR on paying only 10 per cent of differential value of Industrial and Commercial plots. Moreover, the Scheme was brought out to regularise unauthorised uses and was applicable only to a selected category but even their requests for dilution were heeded at the expense of NOIDA’s interest. Consequently, only two per cent charge was payable upfront out of 10 per cent differential charges on account of arbitrary decision by NOIDA. The remaining eight per cent was to be paid over a period of five years. Hence, the provisions of conversion charges and its deposit conditions were gradually diluted on the request made by the public and Automobile Dealers Welfare Association.

The Government, in the Exit Conference (30 September 2020), directed NOIDA that in no case an industrial plot shall be allowed for use other than permissible industrial activities as per the allotment conditions.

NOIDA’s failure to restrict the unauthorised use of industrial properties resulted in extension of undue favour of ₹ 335.86 crore to 42 allottees.

5.4.6.5 In the absence of any mechanism for regular watch on authorised use, various industrial allottees of smaller size plots, mostly situated on narrow roads (less than 24 meter), have also started using their properties for commercial purposes. However, no commercial activity was allowed even in the mixed land use policy on narrow roads (less than 24 meter).

Further, the area of NOIDA falls under the jurisdiction of Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) for the purpose of supply of electricity under various categories based on applied and declared uses defined in tariff orders issued by Uttar Pradesh Electricity Regulatory Commission from time to time.

Audit cross-verified the industrial allottees data given by NOIDA with the consumer database maintained by PVVNL and found that there were many commercial connections (supply type 20 and 22)¹⁴ on the addresses of industrial allottees. These connections have been released by PVVNL to the applicants based on applied category and actual use.

Audit noticed that 42 commercial connections (whose addresses were complete and clear in the database of PVVNL) were released on the addresses of industrial properties which clearly indicates that the industrial properties were being used for commercial purposes. Thus, NOIDA’s failure to issue notices and restrict unauthorised utilisation of industrial properties has resulted in extension of undue favour of ₹ 335.86 crore¹⁵ to such industrial allottees in these 42 cases as detailed in **Appendix-5.4.4**.

A joint physical verification of some of these properties was conducted (6 December 2019) by the audit team alongwith representatives of NOIDA. Photographs taken during joint survey showing unauthorised commercial utilisation of industrial properties are as under:

¹⁴ Consumers getting supply as per urban schedule for non-domestic purposes with loads less than 75 KW.

¹⁵ Being the differential value of commercial rate and industrial rate of the properties in the respective sectors.

Photograph 5.4.4: Unauthorised Commercial utilisation of Industrial Properties



**Industrial Plot No. C-12, Sector 9, Area 55.75 sqm
Cement and Steel Shop being run on industrial plot**

Photograph 5.4.5: Unauthorised Commercial utilisation of Industrial Properties



**Plot No. H-155, Sector 63, Area 1,800 sqm
Showroom of “Mahindra First Choice” being run on industrial plot**

Thus, failure of NOIDA in restricting unauthorised commercial activities on industrial plots has resulted in extension of undue benefit to allottees in 42 cases. NOIDA should verify all such cases to check the unauthorised use of industrial properties.

In its reply, NOIDA stated (August 2020) that the list of such allottees has been sent to the Chief Engineer, PVVNL, Gautam Budh Nagar for verification so that appropriate action may be initiated against unauthorised use.

The reply confirms lack of monitoring and enforcement mechanism by NOIDA. The action taken by NOIDA will be watched in next audit. A robust mechanism of verification needs to be put in place by NOIDA together with effective enforcement in case of non-compliance.

Violation of Policy and Procedure for Industrial/Institutional Property Management and scheme brochure

5.4.7 The Management of NOIDA failed to ensure compliance of the provisions of the Policy and Procedure for Industrial/ Institutional Property Management¹⁶ (issued by NOIDA from time to time) as discussed in the following paragraphs.

Non/short recovery of Change in Shareholding Charges

NOIDA suffered a loss of ₹ 7.92 crore in 20 allotments due to withdrawal of Change in Shareholding (CIS) charges whereas the change of shareholding also indirectly resulted into change of ownership of plot.

5.4.7.1 As per the Policy and Procedure for Industrial Property Management (November 2008) and Policy and Procedure for Institutional Property Management (March 2009), charges for ‘Change in Shareholding’ (CIS) from any existing shareholder(s) to any shareholder(s) within the same firm/company were eight *per cent* and 10 *per cent* respectively on 100 *per cent* change in shareholding. For less than 100 *per cent* change, CIS charges were proportionate to the change in shareholding.

In case of non-functional units, change in shareholding was permitted only upto 49 *per cent* while in case of functional units, there was no limit on change in shareholding. Moreover, in case of non-functional unit, if the change in shareholding (not between blood relations) was carried out, the CIS charges were fixed 50 *per cent* higher *i.e.* 1.5 times of the normal charges. Thereafter the CIS charges were to be increased at the rate of 50 *per cent* of the normal charges for every subsequent change in shareholding.

Further, NOIDA issued an office order on 27 October 2010 abolishing the CIS charges and the requirement of deed for registering changes in shareholding. This order was based on GoUP order (11 October 2010) which stated that the changes in shareholding could not be considered as transfer of property of a company.

Audit noticed that the above order of NOIDA allowed the allottees to transfer ownership of companies holding allotted plots without payment of any charges to NOIDA. Thus, through this order NOIDA not only suffered loss of revenue but it also facilitated the allottee company to transfer the plot in favour of another set of shareholders without any cost who otherwise may not have been qualified for the allotment of plot. The said GO was rescinded by GoUP in 2020 to stop tax evasion through this route.

Audit further noticed that the order of NOIDA not levying CIS charges was against the basic principles of company limited by shares as the change of shareholding also indirectly resulted into change of ownership of plot. NOIDA, based on the aforesaid order, had given approval for change in shareholding without levying any charges which resulted in loss of ₹ 7.92 crore in case of 20 allottees. Out of these 20 cases, in three cases, ownership/shareholding of the company was transferred within one year from the date of execution of lease deeds and in one case, ownership/shareholding was changed even prior to execution of lease deed through 100 *per cent* change in shareholding as detailed in **Appendix-5.4.5**. One of these cases is elaborated below:

¹⁶ Applicable on IT/ITES units allotted by Industrial wing on the terms and conditions framed by Institutional Wing.

Case Study

Non-recovery of Change in Shareholding charges

A plot No. C-17-18, measuring 8,100 sqm was allotted to Delta Soft Pro Pvt. Ltd. (17 December 2007) in Sector 85 under the industrial allotment scheme NOIDA/IP/2007-08/OES/(01) at a cost of ₹ 40.48 crore for IT/ITES purposes. The lease deed of the plot was executed (28 July 2011) and possession was handed over (01 August 2011). At the time of allotment, there were three shareholders Shri Ranjeet Singh (33.34 *per cent*), Smt. Gurvinder Kaur (33.33 *per cent*) and Shri Harish Panwar (33.33 *per cent*) who were also working as directors. The allottee, within one year of the lease deed, applied (27 July 2012) for change in directorship and shareholding which was approved (01 August 2012) by NOIDA without charging fee of ₹ 66.59 lakh. New directors were Shri Ajay Mankotia, Anoop Singh Juneja and Basker Kashinathan who were not shareholders. However, 100 *per cent* shareholding was transferred in favour of NDTV Limited and its nominees. Thus, ownership was transferred within a year of handing over of possession of the land.

In its reply, NOIDA stated (August 2020) that the CIS issue was covered under office order (May 2010), hence no charges were recovered.

Thus, NOIDA not only remained deprived of revenue from CIS charges due to this order but also facilitated allottee companies to sell/transfer the plots in favour of another set of shareholders without any cost, who may not be qualified (eligible) for allotment of the plot.

In its reply, NOIDA stated (August 2020) that as per Section 17 of Registration Act, there is no need to get CIS registered and as per clause 23 of schedule 1B of Stamp Act 1899, stamp duty is not chargeable. Hence, on the basis of the above order, NOIDA decided (October 2010)¹⁷ to withdraw charges pertaining to CIS.

The reply is not acceptable as the GO dated 11 October 2010 was regarding non-levy of stamp duty and nothing was mentioned in the order about CIS charges. The contention of Audit is further reconfirmed by the fact that the GoUP had rescinded the order in February 2020 stating that this resulted in decrease of revenue of the Government. In continuation of this, Director General, Stamp and Registration directed NOIDA to identify the properties which are covered under CIS so that the stamp duty payable to the Government can be recovered.

Thus, the withdrawal of the earlier GO by GoUP confirms the audit contention of loss of revenue to NOIDA on account of non-levy of CIS charges for which liability needs to be fixed.

Non-compliance of engagement of local labour

5.4.7.2 As per terms of every scheme brochure/allotment letter, 'In employing skilled and unskilled labour for his industry on the allotted premises the allottee shall employ five *per cent* employees out of total labour force from the villages whose land has been acquired for the purpose of said industrial area'.

Audit observed that NOIDA has neither maintained any database for compliance of the aforesaid condition nor it had asked the allottees to submit

¹⁷ In 170th Board meeting dated 26.10.2010.

information in this connection. This indicates the lackadaisical approach of NOIDA towards compliance of its own condition which was inserted as a welfare and employment generation measure for the local people who were affected due to land acquisition.

In its reply, NOIDA stated (August 2020) that from time to time notices for employment are placed by the industrial units for skilled and unskilled labor and employment is provided on the basis of such applications. Additionally, no such complaints have been received in this regard from any villager.

The reply is not acceptable as NOIDA neither has any system to ensure that the industrial allottees are complying with this brochure condition of five *per cent* employment to local labour nor verified the same from any allottee.

Case study of industrial plot allotted to CBS International Projects Limited

Discrepancies in allotment of industrial plot to CBS International Projects Ltd.

5.4.8 NOIDA launched (05 August 2007) a Scheme¹⁸ for allotment of industrial plots above 2,000 sqm in Industrial Area Phase II/III at the rates applicable for IT/ITES plots. It was also provided in condition 2(B) of the scheme that for IT/ITES projects the terms and conditions prevailing in Institutional areas shall be applicable. On the application made under the Scheme by CBS International Projects Limited (CBS), a plot (No. 01/90) measuring 1,02,949 sqm was allotted (03 September 2007) at a premium of ₹ 52.77 crore to it for establishment of IT Park on the recommendation of PAC. The allottee, CBS, was a consortium of three companies (Burchill VDM, Carnoustie Management and RS Resource Management Consulting).

From scrutiny of records Audit noticed the following irregularities in respect of the project:

NOIDA’s failure to restrict sale of commercial and residential portion for non-captive use has resulted in undue benefit to the allottee to the extent of ₹ 745.56 crore.

(a) Audit cross verified the data submitted by CBS in NOIDA with the data filed in Registrar of Companies (RoC) and it was noticed that only Carnoustie Management and RS Resource Management Consulting were the shareholders in equal ratio on the date of the application (06 August 2007). Further, it was also noted that Burchill VDM, an overseas company, was not the shareholder in CBS but was shown as a shareholder in CBS to present a better picture of its financial health in order to qualify for allotment of the plot in favour of CBS. These wrong facts were not verified and were accepted by NOIDA without any documentary evidence. This indicates that PAC recommended the allotment of the plot to CBS without proper scrutiny and examination of documents, resulting in allotment to an ineligible applicant of a plot worth ₹ 52.77 crore.

(b) In their mutual MoU¹⁹, it was stated that in the event of allotment of land, the project shall be executed by a JV Company in which shareholding of these three companies will be in the ratio of 34:33:33 and any change in membership of the consortium shall be done with the consent of NOIDA.

¹⁸ NOIDA/IP/2007-08/OES-I.

¹⁹ MoU executed on 21.05.2007 among Burchill VDM Pty Limited, Carnoustie Management Private Limited and RS Resource Management Consulting Private Limited.

Audit observed that the project registered in RERA on the plot has shown ‘Bhutani Group’ as the promoter of the project, which has registered four commercial projects with an area of 38,152 sqm, whereas CBS has registered only 11,823 sqm area in five phases (four commercial and one residential project). The projects were advertised as ‘Alphathum’ and NOIDA World One, respectively wherein residential studio apartments and commercial spaces were being sold to non-IT/ITES units whereas the same was to be given to only IT/ITES units for their captive use.

As per the allotment letter issued (03 September 2007), the terms and conditions laid down for IT/ITES were binding. In the lease deed executed (26 May 2008) for the plot, a clause (II-1) was included which *inter alia* stated that a maximum of 30 per cent ground coverage and a total 2.00 FAR is permissible. Out of total FAR, 75 per cent would be permitted for IT/ITES, and remaining 25 per cent would be permitted for institutional facilities (5 per cent), residential and commercial (10 per cent each) use.

Despite wide publicity/advertisement of the project, NOIDA did not take steps to issue a public notice that the project was meant only for IT/ITES units. Thus, inaction on the part of NOIDA for stopping sale of commercial and residential portion for non-captive use has resulted in undue benefit to the allottee to the extent of ₹ 745.56 crore²⁰.

A joint physical verification of the site was conducted (06 December 2019) by the members of the audit team and representatives of NOIDA. During the physical verification, it was noticed that two towers of the allottee were fully constructed and the third one was in the process of completion. Further, on the other side of the road, the fully developed residential Sector 137 was in existence which was helpful in attracting purchasers/sub-lessees. Photographs showing the status of construction of property of the allottee and neighboring towers in the residential sector taken during the joint survey are shown below:

Photograph 5.4.6: Status of construction on Plot No. 1 in Sector 90



²⁰ Being the differential value of commercial property and industrial property as on 31 March 2020.

Photograph 5.4.7: Showing neighboring residential Sector 137



Thus, NOIDA’s failure in basic monitoring of projects allowed the allottee to sell the space for non-captive use and has resulted in allotment of the plot to an ineligible allottee and creation of third party interest for unauthorised use.

In its reply (October 2020) regarding inclusion of Burchill VDM as shareholder, NOIDA accepted that the applicant stated misleading facts which could not be detected by NOIDA and the plot was allotted, thereby confirming the audit finding. It further stated that the plot (No. 01/Sector 90) was allotted to CBS International and the lease deed and approval of the map have been executed with this name only. The project name Alphathum and promoter as Bhutani Group is not available in the departmental documents. There may be a possibility of MoU among the parties for which the allottee himself is responsible. As per available records in NOIDA, the allottee has not applied for partial sale of IT/ITES facilities.

NOIDA further stated that as per available records in NOIDA, sub-lease of any type of commercial/residential area will be executed for only IT/ITES project. The verification of sub-lease will be done as per NOIDA’s norms. There are no documents available in the records of NOIDA for sale of any commercial/residential area, nor has the allottee applied for the same till date. In a subsequent reply (March 2021), NOIDA stated that CBS International had intimated that commercial units were sold only to IT/ITES entities.

Though NOIDA has accepted the deficiency in allotment, it has not fixed any responsibility in the matter involving allotment made on misleading facts that remained unverified. The fact of execution of the project by the third party has also not been taken cognisance of despite continued and widespread promotion for sale of space in the property even to non-IT/ITES entities by the aforesaid third party. The photographs taken during joint physical verification clearly bring out the fact that three high-rise towers in a fully developed sector have come up, while NOIDA has remained a mute spectator to the continuing and flagrant violations. Thus, NOIDA appears to have deliberately abdicated its responsibility for enforcement thereby extending huge undue benefit to the allottee.

Discrepancies in approval of map of CBS

5.4.8.1 The allottee submitted (March 2013) a map of the building plan for approval by NOIDA, which was approved (27 June 2014) with the condition of submission of environment clearance certificate. The allottee submitted (13 June 2016) revision of its building plan, on which 25 objections were communicated (23 June 2016) to the allottee which included the objection that 10 *per cent* residential and commercial area was provisioned for regular employees only (captive use only) and villa and swimming pool was not permissible.

The allottee was again intimated (31 March 2017) the shortcomings. Subsequently, the revised map was submitted (29 August 2017) by the allottee which was approved (18 September 2017) with FAR utilisation of 1,95,321.14 sqm (residential 14,256.75, commercial 20,083.38, institutional facilities 10,237.01 and IT/ITES 1,50,744.00).

Audit observed that NOIDA issued (18 June 2013) a clarification regarding residential/ commercial/institutional use in IT/ITES plots which stated that the allottee will not be able to sell the space allowed for residential/commercial/institutional use in IT/ITES plots after approval (May 2013) of the Board²¹. Audit noticed that NOIDA approved (September 2017) residential/commercial/institutional use in the plot, but the condition regarding captive use of residential and commercial space was not mentioned in the letter approving the map. Further, while approving the map, it was stated in the noting that provision for swimming pool has been removed from the drawing. The approved map (September 2017) of the project included provision for 'water body' of one-meter depth on terrace. Audit noticed that the advertisement²² issued by the builder however showed that it is marketing the project with infinity pool (on the terrace).

Thus, the omission of the condition of "captive use of residential and commercial space" in approval of map by NOIDA reflects dereliction of duties on the part of the concerned officials of NOIDA. Moreover, NOIDA was negligent in reviewing and monitoring the construction of the project for the purpose approved in the map.

In its reply, NOIDA stated (August 2020) that the allottee is bound to follow the brochure condition/building laws/MP-2031/orders passed by NOIDA/State Government/Central Government and Hon'ble Court even if the condition is not written in the map approval letter, hence no financial loss to NOIDA is visible. With respect to the swimming pool, NOIDA stated that if the allottee publishes the advertisement for sale of the project against the conditions of brochure/allotment/lease deed, it will be responsible.

The reply is not tenable as NOIDA till date has failed to take any corrective action for inclusion of the clause for captive use of such residential and commercial units. No explanation has also been provided by NOIDA as to how the condition of captive use of residential and commercial space was omitted and whether responsibility has been fixed for this omission, which was required to enforce the extant condition. Further, NOIDA failed to

²¹ 179th Board meeting dated 27 May 2013.

²² As noticed by Audit during physical verification along with officials of NOIDA on 6 December 2019

develop any system to check misleading advertisement by developers (allottee) and make public aware of contraventions by developers so as to safeguard the interests of prospective buyers in future.

The above issues reinforce the audit contention about the need for a dedicated and effective enforcement wing in NOIDA to check violations by the allottees.

Outcome of allotment of industrial plots

5.4.9 The main objective of NOIDA is industrialisation of its notified area, which cannot be fulfilled without actual establishment of the industrial units on the allotted plots within the prescribed time.

Audit noticed that 20.73 *per cent* industrial units on the allotted plots were non-functional defeating the objective of industrialisation. These are discussed in the following paragraphs.

Failure of NOIDA in achieving its main objective of industrialisation

5.4.9.1 The main objective of NOIDA is development of industrial area and development of residential, commercial and institutional areas is a subservient objective. Therefore, NOIDA should ensure that industrial units are established on the allotted industrial plots within the prescribed period. Details of industrial allotment since inception to 31 March 2018 and status of functional and non-functional units as on 31 March 2020, are summarised in **Table 5.4.1**.

Table 5.4.1: Status of completion and functionality

Sl. No.	Particulars	No. of plots/units	Area (in Ha.)
1.	Total area of NOIDA as per MP- 2031	-	15,279.90
2.	Total area allocated for Industry	-	2,806.52
3.	Total allotments since inception to March 2018	10,233	1,150.03
4.	Functional units as on 31 March 2020	8,112	796.10
5.	Non-functional as on 31 March 2020	2,121	353.93

Source: MP- 2031 and data/ information furnished by NOIDA.

In order to promote industrialisation, the rates of industrial plots were kept less than the basic rates. However, NOIDA was required to ensure that the benefit of these subsidised rates was passed on to genuine industrialists who were interested in establishing industries at the earliest and not to investors or traders of land. However, the following decisions of NOIDA defeated the objective of industrialisation:

- Prior to 15 June 2009, transfer of plots (allotted after 16 August 2004) was permitted only after the unit was declared functional. This condition was relaxed during the period of applicability of GO (06 January 2009) related to recession *i.e.* upto 30 September 2010 when transfer of non-functional plots was also allowed. However, NOIDA had not restored the previous order after 30 September 2010 and continued to allow transfer of non-functional plots which promoted trading of non-functional plots.
- Removal of change in shareholding charges (since 27 October 2010) in case of companies promoted trading/transfer of plots from one company to another through change in shareholding, without paying any fee.

- As per terms of the brochures, the allottees of industrial plots were required to make their unit functional within three years from the date of allotment/lease deed whereas the industrial allottees of IT/ITES units were required to make their unit functional within five years from the date of allotment/lease deed. Completion/functionality period was extendable on payment of extension charges. Maximum time extension period available on payment of extension charges for all sizes of plots upto October 2008 was 10 years. However, NOIDA revised (November 2008) the rules and the maximum extension period as per size of the plots which are detailed in **Table 5.4.2**.

Table 5.4.2: Revision of the rules and maximum extension period as per size of plots by NOIDA

Sl. No.	Area of Plot	Minimum percentage of total FAR to be constructed	Time limit for obtaining completion certificate of first phase of the project (from the date of lease/possession)	Time limit for obtaining completion certificate of full project (from the date of lease/possession)
1.	Up to 4000 sqm	50	03 years	05 years
2.	4001 to 10000 sqm	40	03 years	05 years
3.	10001 to 20000 sqm	35	03 years	06 years
4.	20001 to 100000 sqm	30	03 years	07 years
5.	100001 to 200000 sqm	25	03 years	08 years
6.	200001 to 400000 sqm	20	03 years	09 years
7.	Above 400000 sqm	15	03 years	10 years

Source: Information furnished by NOIDA.

Audit noticed that no limit was fixed for maximum time extension allowed for IT/ITES plots. Further although NOIDA reduced the maximum time extension period, yet it was on a very high side as compared to GNIDA where maximum time extension period for industrial plots was only three years.

- NOIDA reduced (11 February 2013) the rates of time extension charges of industrial plots of different sizes, which are as shown in **Table 5.4.3**.

Table 5.4.3: Rates of time extension charges w.e.f. 11 February 2013

Year Details	1 st Phase rates		2 nd Phase		3 rd Phase	
	Old rate	New rate	Old rate	New rate	Old rate	New rate
For 1 st year extension	50	50	25	15	35	25
For 2 nd year extension	150	100	50	25	100	50
For 3 rd year extension	150	100	50	25	100	50
For 4 th year extension	150	100	50	25	100	50
For 5 th year extension	150	100	50	25	100	50
For 6 th year extension	150	100	50	25	100	50
For 7 th year extension	150	100	50	25	100	50
For 8 th year extension	200	150	75	50	120	100

Source: Information furnished by NOIDA.

The new rates of extension charges for industrial plots were lower (16 per cent to 50 per cent) than the previous rates. Moreover, since 2004-05, plots have been allotted only in the second and third phases, where new rates of extension charges from second to seventh year were only ₹ 25/sqm and ₹ 50/sqm per annum. These new rates were abysmally low as compared to rates of

extension charges in GNIDA, where such charges were four *per cent* of the total premium of property per annum. Moreover, extension charges have not been increased till date (December 2019) despite increase in allotment rates in the years 2014, 2015 and twice in 2016. Lower rates of extension charges have reduced the pressure on allottees to establish the industry at the earliest. The allottee(s) instead of establishing the industry, preferred to pay extension charges, which were nominal as compared to increase in market value of property and earned profit through transfer of plots.

These were the main reasons for delayed/non establishment of industries on the allotted plots. Thus, only 69.22 *per cent* (796.10 hectare) of the allotted area could be made functional upto 31 March 2020.

In its reply, NOIDA stated (August 2020) that out of total allotted 10,156 industrial plots upto 2018, 8,440 (83.10 *per cent*) are functional, however, online entries of many functional units is under process. Notices are being served on non-functional units.

The Government, however, in the Exit Conference held on 30 September 2020, accepted the audit contention on utilisation of industrial plots and stated that the development has been as per plans but the utilisation has not been upto targets due to various reasons which were being addressed by the Government by bringing in a new Act.

Conclusion

The system and procedures of NOIDA were deficient as regards allotment under Industrial category. Allotment without receipt of site plan and lack of parameters for evaluation of industrial projects, which also led to financial losses to NOIDA, were observed.

Irregularities in screening of applications, discretionary recommendation for allotment of industrial plots and irregular allotment to ineligible applicants were also noted.

Non-recovery/short recovery of mixed land use charges, non-recovery of Change in Shareholding (CIS) charges, failure to stop commercial activities on industrial plots/IT plots led to undue benefit being extended to allottees and resulted in loss to NOIDA. Failure of NOIDA to check the use of industrial plots for commercial purposes without payment of appropriate charges has not only resulted in loss to NOIDA but also extended undue favour to allottees. A total 1,150.03 hectares of industrial area was allotted upto 31 March 2018 which is only 47.54 *per cent* of the developed 2,418.90 hectare area under this category. Out of allotted area of 1,150.03 hectares, only 796.10 hectare has been made functional up to 31 March 2020, which translates to only 32.91 *per cent* of the developed area and indicates that NOIDA has failed to achieve its main objective of industrialisation.

Recommendations		
Recommendation Number	Recommendation	Response of the Government
20	The Government/NOIDA should develop clear cut guidance on mixed land use, so that the sanctity of individual categories of land use is maintained, in the overall context of development of NOIDA.	Accepted. The Government directed NOIDA to bring a compounding scheme with a definite window for conversion and to avoid post allotment changes.
21	The Government/NOIDA should undertake a thorough review of its existing policy which has not borne its desired results with respect to utilisation of areas designated in the MP-2021 for industrial purposes.	Accepted. It was stated that the Government has already enacted legislation in the matter and will issue further direction.

CHAPTER–VI

Internal Control

CHAPTER-VI

Internal Control

Introduction

6.1 Internal controls, in simple terms, are activities and safeguards that are put in place by the management of an organisation to ensure that its activities are proceeding as planned. An effective internal control system is a prerequisite for any successful organisation.

Internal control is an integral process that is effected by an entity's management and personnel and is designed to provide reasonable assurance that the following general objectives are being achieved:

- Fulfilling accountability obligations;
- Complying with applicable laws and regulations;
- Executing orderly, ethical, economical, efficient and effective operations; and
- Safeguarding resources against loss.

Audit Findings

6.2 Audit analysed the system of internal controls in NOIDA with reference to the functions of NOIDA laid down in Section 6 of the Uttar Pradesh Industrial Area Development (UPIAD) Act, 1976 and the powers of the State Government, Infrastructure and Industrial Development Department (IIDD) laid down in the UPIAD Act, 1976, as well as other applicable laws. The system of internal control consists of the different components (*viz.* control environment, risk assessment, control activities, information and communication and monitoring) which operates at various levels of an organisation. The audit findings in respect of internal control have also been classified accordingly:

- Governance and policy framework at apex level of Government and Board (as discussed in Paragraphs 6.3 to 6.3.5);
- Compliance of provisions and enforcement at Board level (as discussed in Paragraphs 6.4 to 6.4.7);
- Administration of activities by NOIDA (as discussed in Paragraphs 6.5 to 6.5.6);
- Monitoring system, sharing of information and communication system (as discussed in Paragraphs 6.6 to 6.6.4).

Governance and Policy framework at apex level of Government and Board

6.3 The overarching framework of the Industrial Development Authorities is regulated by UPIAD Act, 1976. Section 18 of this Act provides that the State Government may by notification make rules for carrying out the purposes of this Act. Further, the Board of NOIDA is also required to make policies which are consistent with the framework of the applicable Acts, notably the UPIAD Act, 1976 and the NCRPB Act, 1985.

In this respect, the following lapses at the level of the State Government and the Board of NOIDA were noticed:

Annual Report not being prepared and placed in the legislature by NOIDA

In contravention of the provisions of UPIAD Act, 1976, NOIDA did not prepare and submit Annual Reports to the State Government since more than 20 years.

6.3.1 Section 23 of the UPIAD Act, 1976 provides that NOIDA shall prepare every year a report of its activities during that year and submit the report to the State Government in such form and on or before such date as the State Government may specify and such report shall be laid before both houses of the Legislature.

Audit noticed that the Government has not prescribed so far (March 2020) the form and dates for submission of such reports by NOIDA. NOIDA did not prepare and submit Annual Reports to the Government during the period covered by audit for laying before the State Legislature as statutorily mandated. This indicated that the Government as well as NOIDA failed to comply with the roles assigned in the UPIAD Act, 1976, and consequently inhibited legislative oversight over the activities of NOIDA.

In its reply, NOIDA stated (August 2020) that annual reports have been sent to Government upto the year 1997-98 and rest of the reports will be sent to the Government soon.

Thus, NOIDA has itself accepted the fact that no report has been sent for more than 20 years which clearly reflects that the provisions of the Act were not being complied with. Moreover, the fact remains that the Government has not yet prescribed the form of the said report.

In the Exit Conference, the Government has accepted the audit recommendation to initiate action for ensuring compliance of provisions of the UPIAD Act, 1976 notably relating to preparation of Annual Reports by NOIDA and their laying before the State Legislature.

Form of accounts not approved by the State Government

As required under the provisions of the UPIAD Act, the administrative department (IIDD) of the Industrial Development Authorities (IDAs) failed to prescribe any form of Annual Statement of Accounts resulting in non-standardisation of preparation of accounts among IDAs.

6.3.2 Section 22(1) of UPIAD Act, 1976 provides that NOIDA shall maintain proper accounts and other relevant records and prepare an Annual Statement of Accounts including the Balance Sheet in such form as the State Government may specify.

Audit noticed that the IIDD, Government of Uttar Pradesh (GoUP), which is the administrative head of the Authorities, has not prescribed the form of Annual Statement of Accounts for the Industrial Development Authorities (IDAs) till date (October 2020). In absence of the form prescribed by the GoUP, the preparation of Annual Statements of Accounts by the IDAs was not standardised and there was lack of uniformity in preparation of accounts among these IDAs. While the Annual Statement of Accounts of NOIDA were initially prepared on cash basis of accounting till the year 2017-18 (which have now been revised on accrual basis from the year 2005-06), the accounts of GNIDA were prepared on a hybrid basis (cash basis for a few heads and accrual basis for other heads). This indicated that the GoUP failed to perform its role prescribed in the UPIAD Act, 1976.

In its reply, NOIDA accepted (August 2020) the facts mentioned in the audit observation and stated that accounting policy along with format of accounts have been approved by the Board (March 2019) at the instance of Audit and sent to Government (August 2019) for approval.

The fact remains that no format for the Annual Statement of Accounts has been prescribed by the Government as required under the provisions of the UPIAD Act, 1976 till date (October 2020). This shows non-compliance of the Act by Government as well as NOIDA.

Expenditure/loan beyond mandate of the UPIAD Act, 1976

NOIDA incurred an expenditure of ₹ 5,735.57 crore and provided loan of ₹ 5,587.24 crore against the mandate of UPIAD Act, 1976.

6.3.3 Section 6 (1) of the UPIAD Act, 1976 lays down that the objects of NOIDA shall be to secure the planned development of the industrial area. Further, Section 20(2) regarding 'Fund of the Authority' provides that the fund shall be applied towards meeting the expenses incurred by the Authority in the administration of this Act and for no other purposes. Thus, the provisions of the UPIAD Act, 1976 provide for making expenses only for the defined functions by NOIDA.

Audit observed that NOIDA incurred/committed expenditure of ₹ 5,735.57 crore during the period 2005-06 to November 2019 towards meeting expenditure relating to State Government Departments and entities like Gautam Buddha University, Delhi Metro Rail Corporation, Noida Metro Rail Corporation etc. which was beyond the functions of NOIDA as specified under the UPIAD Act, 1976.

Similarly, Audit further noticed that NOIDA provided loans to other IDAs (GNIDA and Yamuna Expressway Industrial Development Authority) and Institutions during the period 2005-06 to 2017-18 which was also beyond the functions defined under UPIAD Act, 1976. The total outstanding balance of these loans stand at ₹ 5,587.24 crore as on 31 March 2018.

Thus, NOIDA incurred/committed an expenditure of ₹ 5,735.57 crore and provided loan of ₹ 5,587.24 crore beyond the mandate of UPIAD Act, 1976.

In its reply, NOIDA stated (August 2020) that for the development of the notified area of NOIDA and NCR and to facilitate the people of the entire region, these expenditures were incurred and grants/loans were provided with the approval of Government/Board of NOIDA.

The reply of NOIDA that expenditure was sanctioned by Board and Government is not acceptable as these expenses pertained to Department/entities and were not in the purview of the Board's authority.

Further, in the Exit Conference (9 October 2020), the Government stated that the views of Finance Department would be sought in the matter.

Non-compliance with the NCRPB Act, 1985

6.3.4 Government of India enacted (February 1985) National Capital Region Planning Board (NCRPB) Act, 1985 which provided constitution of a Planning Board for the preparation, co-ordination and monitoring the implementation of a plan for the development of National Capital Region (NCR). The development area of NOIDA and GNIDA falls within the ambit of NCR. Therefore, these Authorities and the GoUP, as the participating State, are to comply with the provisions of the NCRPB Act, 1985.

NCRPB Act, 1985 required the participating States to prepare Sub-Regional Plan (SRP) within the framework of the Regional Plan (RP) for NCR prepared by NCRPB and Master Plans (MPs) of Authorities are to be consistent with the SRP of the State.

Audit noticed that GoUP approved SRP 2021 in December 2013 while it approved the MP 2021 of NOIDA in August 2006. Further, GoUP gave NOC to the MP 2031 for NOIDA in September 2011 even though SRP 2031 has not been prepared so far (November 2019). This has resulted in a peculiar situation of a lower level Plan (MP 2031) being approved without approval of higher level plans (viz. SRP and RP for 2031).

This led to deviation from the intended objective of planned development of NCR. Thus, the Board of the Authorities as well as the GoUP failed to observe the overarching framework of the NCRPB Act, 1985 (as discussed in **Paragraphs 2.6.1 and 2.6.2 of Chapter II**).

In its reply, NOIDA stated (August 2020) that MPs for 2021 and 2031 were prepared in the interest of planned development of NOIDA. This decision was taken by the Board after considering the prevailing circumstances. The MPs, so prepared have been incorporated in the SRP.

The reply confirms that NOIDA prepared its MPs and the same were incorporated in the SRP 2021, which was prepared later. This has effectively overturned the hierarchy of planning structure wherein MPs were to be based on SRP and not vice-versa.

Invoking urgency clause rampantly for acquisition of land

6.3.5 NOIDA, in 14¹ out of 15 sampled cases of land acquisition during the period covered in audit, forwarded its proposals to the Additional District Magistrate (Land Acquisition) routinely with a standardised justification note in each and every case for acquisition of land invoking urgency clause under Section 17 of Land Acquisition Act, 1894 (LAA). No specific justification as to why the hearing of the landowners should be dispensed with under Section-5A of LAA was found on record. Protracted delays in actual acquisition thereafter, (as discussed in **Paragraph 3.5.2 of Chapter III** in detail) did not confirm that these acquisitions were such a top priority. The GoUP also accepted these proposals *in toto* and permitted all such acquisitions to take place by invoking the urgency clause.

Thus, it is evident that NOIDA adopted practices which were in divergence of the applicable laws and at the same time, the IIDD failed to discharge its responsibilities for regulating NOIDA in accordance with the provisions of the UPIAD Act, 1976 for issuing notification under Section 6 and necessities for imposing urgency clause under Section 17.

In its reply, NOIDA stated (August 2020) that Section 17 was involved for integrated development of NOIDA. The delays were attributable to litigations by the farmer/owner. NOIDA has not deliberately delayed acquisition and delays were procedural.

The reply is not acceptable as no specific justification was given for invocation of urgency clause for individual cases of acquisition due to which land owners' right to hearing were dispensed with despite protracted delay in each case. In this context, it is pertinent to point out that Hon'ble Supreme Court, in its judgement² has also held that invocation of Sections 17(1) and

¹ In one case of Sorkha Jahidabad village justification was not found in file
² Savitri Devi Vs. State of U.P and others, civil appeal no. 4506 of 2015.

17(4) was wrong. In this respect GoUP has also issued orders (January 2012) for stopping the invocation of urgency clause for acquisition of land.

Compliance of provisions and enforcement at Board level

6.4 The Board of NOIDA is vested with the responsibility to clearly identify strategic objectives of NOIDA, risks in achieving such objectives, enforcing compliance with rules and regulations. Shortcomings noticed in this regard are discussed in the following paragraphs:

Dilution of dominant objective

6.4.1 Section 6(1) of UPIAD Act, 1976 provides that the object of the Authority shall be to secure the planned development of the industrial development area. The Hon'ble High Court of Uttar Pradesh at Allahabad, in the case of *Gajraj and others vs State of UP and others* has, in its judgment (21 October 2011) held that the dominant objective of the Authorities established under the UPIAD Act, 1976 is industrial development, and that the activities of development of residential, commercial and other areas, *etc.* are subservient to industrial development.

Audit noticed that NOIDA diluted the dominant objective of development of industrial area and gave priority to residential development both in the preparation of MPs and during their implementation.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Dilution of Regulations

6.4.2 NOIDA (Preparation and Finalisation of Plan) Regulations, 1991 (Plan Regulations, 1991) served as guiding principle for proper planning and development of the area in NOIDA. NOIDA had prepared the Master Plan (MP) 2021 in accordance with these Regulations. These Regulations were amended by the Board in July 2010 and NOIDA (Preparation and Finalisation of Plan) (Second Amendment) Regulations, 2010 (Plan Regulations, 2010) were approved and notified³ by GoUP wherein major amendments were made in Sections 2, 4 and 11 of the Plan Regulations, 1991. The stated reason (in 169th Board meeting of NOIDA) for amendments was to carry out changes to MPs in view of changing circumstances and requirements. Through these amendments, major provisions of Plan Regulations, 2010 were diluted by substituting or omitting the clauses with undefined activities under different uses, important alterations in the character of the plan *etc.* These amendments empowered NOIDA to amend the character of the MP and conferred greater discretion and reduced the requirements for detailed disclosure in the MPs.

During the exit conference (30 September 2020), the Government, acknowledging the need for a review in the matter, directed Chief Executive Officer (CEO), NOIDA to compare the approved Regulations of NOIDA and GNIDA. He stated that wherever a case for strengthening the Regulations in NOIDA was necessary that would be done after such a review.

Misclassification of land uses

6.4.3 NOIDA Plan Regulations, 1991 define the various categories of land uses. This was further elaborated in the MP of NOIDA.

³ Notified vide GoUP notification no. 1422/77-4-10-44 N/85 dated 30.07.2010.

Audit noticed that NOIDA did not follow the stipulated provisions of the Plan Regulations, 1991 and MPs. NOIDA arbitrarily classified activities under different heads by taking advantage of vague definition of categories or by wilful disregard of the provisions of the Plan Regulations, 1991/extant orders as given in **Table 6.1**.

Table 6.1: Instances of violation of stipulated provisions of Plan Regulations, 1991 and MPs

Category/ Sub-category	Nature of Violation	Ref. Para no.
Institutional/ Offices	The plots for offices /corporate offices were allotted in wilful disregard of the definition of Institutional category as per the Plan Regulations, 1991.	5.3.7.1
Institutional/ Farm Houses	The Policy for allotment of Farm Houses rolled out by NOIDA in 2009 was <i>ab initio</i> in contravention of the RP/SRP/MP.	5.3.15
Commercial/Sports City	At the time of introduction of policy of allotment of plots for Sports City in 2008, the Plan Regulations, 1991/MP did not provide for such a category.	5.2.13.1

The Plan Regulations, 1991 were also amended (2010) in a manner to enable exercise of greater discretionary powers at the hands of NOIDA and its officials for changing land uses. Such misclassification not only caused loss to NOIDA but also to the State Exchequer.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Arbitrary allotments through interview

6.4.4 Out of the four allotment categories, in the Industrial and Institutional (including Farm House) categories, allotments were made on the basis of presentation and interview of the applicants. Audit observed that though applications received were more than the number of plots available under the scheme, no criteria were prescribed for adjudging the most suitable applicant. This absence of criteria enabled the Plot Allotment Committee (PAC) to exercise discretionary powers in allotments and as a result, undue favours were granted and in many cases ineligible applicants were awarded with allotments. The method of allotments through the process of interviews by the PAC, was flawed (as discussed in **Paragraphs 5.3.6 and 5.4.5.2 of Chapter V**).

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Absence of Internal Audit mechanism

6.4.5 Internal audit is an independent appraisal function established within an organisation to examine and evaluate its activities as a service to the organisation. The objective of internal audit is to assist members of the organisation in effective discharge of their responsibilities. To this end, internal audit is conducted to examine and evaluate the level of compliance with the organisational rules and procedures so as to provide reasonable assurance to the management on the adequacy or risk management and internal control framework in the organisation.

Audit observed that there was no system of internal audit put in place by NOIDA in spite of the size, functions and responsibilities cast upon it. In the

There is no system of internal audit put in place by NOIDA for periodical inspection of records of its working.

absence of an Internal Audit, periodical inspection of records of the working of NOIDA could not be carried out. Absence of any internal oversight led to unchecked violation of rules/orders and procedure as brought out in this Report.

In its reply, NOIDA accepted (August 2020) the audit observation and stated that matter will be taken up with the higher authorities for directions to implement the internal audit system in NOIDA.

NOIDA has accepted the audit contention; the compliance thereof will be reviewed in next audit.

Non-formulation of standard working manuals/guidelines:

6.4.6 A manual is a set of written guidelines/instructions approved by the competent authority which standardises the procedure to be adhered to in day-to-day working.

Audit noticed that the Board of NOIDA did not formulate manuals for pricing of the properties and allotments under various categories (except allotment under Industrial, Institutional and commercial categories). In the absence of above manuals, various discrepancies relating to pricing and allotments were noticed (as discussed in **Paragraph 4.7 of Chapter IV**). Further, there was lack of uniformity in the terms and conditions of allotment between various categories of allotments and across the years within same categories of allotment.

This resulted in non-uniformity in the costing procedure over the years by NOIDA and inclusion/exclusion of brochure conditions in various schemes which resulted in the huge losses to NOIDA.

In its reply, NOIDA stated (August 2020) that several requests have been sent to the Government for the approval of guidelines for costing and other activities of the Authority since 2017. As per the recommendations of Audit, the matter would be taken up again with the Government.

The reply confirms the fact that standard working manual/guidelines for most of the important activities do not exist. After more than 40 years of its existence, NOIDA has sent the proposal to the Government which is still pending for approval.

Absence of a dedicated enforcement wing

6.4.7 Section 9(1) of the UPIAD Act, 1976 provides that no person shall erect or occupy any building in the industrial development area in contravention of any building regulations. Enforcement of the Building Regulations and other prevailing rules/policies are necessary for the planned development of the area in NOIDA.

Audit noticed that NOIDA did not form any dedicated enforcement wing due to which NOIDA failed to restrict encroachment of land of NOIDA and illegal construction by the allottees. As a result, as of October 2017, 45,26,464 sqm land worth ₹ 16,385.80 crore (at 2019-20 prices) of NOIDA stands encroached and is not available to NOIDA for any productive use. There were also instances where land allotted for specific purpose were being put to other uses, for example Industrial plots being used for Commercial purpose.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Administration of activities by NOIDA

6.5 The Board of NOIDA formulates policies and procedures for day-to-day working and conducts the activities in accordance with the laid-down policies to achieve the intended objectives of the organisation. The following deficiencies have been noticed in this regard:

Incorporation of conditions in the scheme brochure without approval of the GoUP

6.5.1 Section 9 (2) of the UPIAD Act, 1976 confers on the Authority the power to make regulations to regulate the erection of the building with the previous approval of the State Government. Accordingly, NOIDA formulates Building Regulations which are notified by the Government of Uttar Pradesh to regulate the erection of buildings within the notified area. The Building Regulations *inter alia* prescribe the permissible Floor Area Ratio (FAR) and Ground Coverage (GC) for various categories of land use.

Audit noticed that the scheme brochures of NOIDA irregularly indicated higher FAR and GC over and above the notified norms as per the prevailing Building Regulations. In the absence of an effective internal control system in NOIDA this irregularity continued year after year and led to undue favour to the allottees. As a result of higher FAR and GC being granted under Commercial and Group Housing categories, NOIDA suffered substantial losses (as discussed earlier in **Paragraph 4.10** of **Chapter IV**).

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Launch of scheme brochures prior to approval of Board

6.5.2 The Board failed to ensure the submission of the terms and conditions of the scheme brochures by the respective property wings to it prior to their launch under Group Housing and Commercial categories. In some cases, the scheme brochures were not even submitted to the Board for *post facto* approval. This indicates that the Board failed to exercise basic regulatory control over the functioning of NOIDA (as discussed earlier in **Paragraphs 5.1.6.1** and **5.2.6.1** of **Chapter V**).

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Relaxing of Brochure conditions to the detriment of NOIDA

6.5.3 The terms and conditions laid down in the brochure are NOIDA's primary enabler for achievement of the development envisioned and for regulating the allottees. Audit observed that these covenants were relaxed in successive brochures to the benefit of the allottees and to the detriment of NOIDA's interest. In a number of cases such relaxations effected in successive brochures were without obtaining approval of the Board (as discussed earlier in **Paragraphs 5.1.6.6** and **5.1.6.7** of **Chapter V**). As a result, numerous projects were lying incomplete causing distress to home buyers who had invested their life savings in such projects.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Absence of mechanism for reconciliation of payment made by allottees

6.5.4 As per general financial prudence, the head of the Finance wing should ensure the genuineness of the challans deposited by the allottees on a daily basis so as to ascertain the correct dues of the allottees on any given time. Further, this deposit should also be reconciled with the bank on a regular basis. Audit observed that deposits made by the allottees were not being reconciled with the challans and bank statements. Audit further observed that only a few challans were original and most of the challans were photocopies. Therefore, accuracy and correctness of the deposits made could not be ensured in audit due to non-reconciliation by NOIDA (as discussed earlier in **Paragraph 5.1.10 of Chapter V**) and chances of forged deposits shown in the computerised system and non-monitoring overdue amount there against cannot be ruled out.

In its reply, NOIDA stated (August 2020) that, the Authority is working on a system of real time integration of the amounts deposited by the allottees which will facilitate the updation of receipts instantly in the software of NOIDA.

The compliance of the reply will be reviewed in next audit.

Allotment of plots without ensuring its intactness

6.5.5 For integrated development of the allotted area, NOIDA was to ensure that plots allotted to the builders are free from all encumbrances/encroachment and disputes. Audit noticed that NOIDA did not have a system to ensure that the plots were intact (*i.e.* free from all encumbrances), before issuing allotment letters to the allottees. Instead, it had been allotting encroached/undeveloped/disputed/unacquired land, which led to delay in the construction of projects, besides financial losses to NOIDA.

Allotment without ensuring the intactness gave rise to disputes with the allottees, resulting in non-payment of dues, reschedulements and allowance of zero period⁴ and also delays in completion of projects which ultimately impacted the end buyers adversely.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Non-recovery of cost of minor minerals as per terms of brochure

6.5.6 NOIDA allots plots to builders on lease of 90 years. The terms and conditions of the brochures⁵ provided that NOIDA had the right to all mines, minerals, coal, washing gold, earth oil, quarries in or under the plot and had full right and power for obtaining it. Ordinary clay and ordinary soil are defined as minor minerals under section 3 (e) of the Mines and Minerals (Development and Regulation) Act, 1957. Therefore, NOIDA has the right over the disposable earth and sand excavated by the builder, if any, below the ground of the plot.

Against the provisions of the brochures, NOIDA had no system to watch the extraction and sale of minerals by the allottees which resulted in a loss of ₹ 244.31 crore to NOIDA.

⁴ In the Zero Period allottees are provided the facility of interest waiver for the period possession is not given, and period of instalments increases for the period which was considered as Zero Period.

⁵ Clause W (Overriding Power over Dormant Properties)

Audit noticed that NOIDA had no system to watch the extraction and sale of the minerals by the allottees from the plot allotted to them. When Audit cross-verified with the data of the District Mining Officer on sample basis, it was observed that during the period March 2011 to September 2019, 52 builders/developers disposed of 73.39 lakh⁶ cum ordinary soil and sand valued at ₹ 244.31 crore⁷ (excluding cost of royalty) by payment of ₹ 16.41 crore⁸ towards royalty⁹ at the rate prescribed by the GoUP from time to time. Thus, due to aforesaid failure of the internal control mechanism of NOIDA, it suffered a loss of ₹ 244.31 crore.

Audit noticed that the internal control system prevalent in NOIDA failed to evolve any mechanism to recover such amount towards its saleable value from the builder.

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Monitoring system, sharing of information and communication system

6.6 Monitoring covers day-to-day oversight of activities as well as periodic assessment of activities. This entails establishing systems for assimilating financial, operational and compliance information and sharing of such information with the other Divisions (verticals) as well as the higher Management in order to make informed decisions. Following deficiencies were noticed in the effectiveness of information, communication and monitoring:

Lack of co-ordination between different wings

6.6.1 The various wings of NOIDA viz., Planning, Project, Property and Finance and System wings should work according to the roles assigned to them towards achieving the common goal of the organisation i.e. industrial development and urbanisation.

Audit noticed that there was a lack of co-ordination between different wings of NOIDA as indicated below:

- Completion Certificate for completion of the building of Industrial/Institutional and Commercial plot is issued by the Planning wing and Functional Certificate is issued by the respective Property wings of NOIDA. Neither did the Planning wing send the information of completion to the respective Property wing nor did the respective Property wing make efforts to obtain information from the Planning Wing regarding completion certificate so as to reconcile the status and issue notification to the allottees to obtain Functional Certificate from NOIDA. As a result, the process of levy of penalty on account of delay in completion and functionality of the projects was not streamlined.
- The Systems wing maintains comprehensive data related to allotments of plots under various categories. The Planning wing issues the completion

⁶ Ordinary soil: 33,00,192 cum and sand: 40,38,904 cum

⁷ Sale value of soil (after adjusting royalty): ₹ 4.23 crore; Sale value of sand (after adjusting royalty): ₹ 240.08 crore.

⁸ Ordinary soil: ₹ 4.51 crore and sand: ₹ 11.90 crore.

⁹ As the GoUP removed the royalty payable on ordinary soil with effect from 28 March 2018. Therefore, in case of soil no royalty was paid after 28 March 2018.

certificates on completion of the projects and maintains the records relating to it. However, there was no system of intimating the same to the concerned wing/Systems wing immediately thereby the concerned wings having their own set of data.

In its reply, NOIDA accepted the audit observation and stated (August 2020) that initiatives have been undertaken to overcome these issues. Efforts are underway to present the latest information of the property on its portal irrespective of the wing which deals with it.

The compliance will be reviewed in next audit.

Deficiencies in the data maintained by Information Systems wing

6.6.2 The output reports generated from the data maintained by the Information Systems wing should be able to provide the current status as well as history of transactions/events. The IT system was deficient to the extent that it did not generate the requisite reports bringing out the chronology of important events, the schedule of payments, the subdivisions effected in the plot and the present dues and instead only shows the payments received by NOIDA. Due to this the data provided by NOIDA cannot be relied upon.

In its reply, NOIDA accepted the audit observation and stated (August 2020) that instructions have been issued to property heads to get the data updated and the Property wing is working to update the information property-wise. The compliance will be reviewed in next audit.

Non-maintenance of Management Information System (MIS)

6.6.3 Management Information System (MIS) is a planned system of collecting, storing and dissemination of information in the form needed to carry out the functions of management. Audit noticed that there was no prescribed system of returns for preparation of information, pointing to absence of MIS. Due to non-preparation of the MIS, the activities of the wings could not be effectively monitored by top management.

In its reply, NOIDA accepted the audit observation and stated (August 2020) that efforts are underway to link all the working software on a real-time basis. The dashboard of these softwares have been implemented to generate the MIS to enable the top management to take informed decisions. The compliance will be reviewed in next audit.

Non-maintenance of data regarding employment generated

6.6.4 As per the terms of every Industrial Scheme Brochure, the allottees of Industrial plots were required to employ five *per cent* employees out of their total labour force from the village whose land has been acquired for the purpose of the said Industrial area.

Audit noticed that NOIDA neither asked the allottees to submit information in this connection nor maintained any database in this regard which defeated the welfare measures and employment generation of the local people (as discussed in **Paragraph 5.4.7.2 of Chapter V**).

No reply regarding this observation was furnished by NOIDA till date (June 2021).

Conclusion

The Internal Control system in NOIDA was found to be extremely deficient. Numerous instances of non-compliance with statutory provisions were in evidence. There was non-compliance with standard reporting requirement. Lack of co-ordination between the different wings and weak MIS system in NOIDA were also evident. The GoUP and Board of NOIDA failed to perform their regulatory roles as per UPIAD Act, 1976 and NCRPB Act, 1985. The dilution made in the Regulations coupled with absence of Internal Audit translated in unfettered misuse of powers vested in the hands of officials of NOIDA. Numerous instances of commencement of schemes or changes in brochure without appropriate approvals were in evidence. The weakness in the Internal Control system in NOIDA resulted in exercise of powers beyond the remit of NOIDA, blatant misuse and flouting of extant rules and orders. All of these translated in failure to achieve the objectives of NOIDA, distress for end-use stakeholders like home buyers who invested their life savings in schemes of NOIDA and losses to NOIDA and Government involving tens of thousands of crore of rupees.

There is clear evidence of failure in the governance framework in NOIDA. On the principal counts of governance *viz.* adherence to public interest, maintaining ethics and integrity by the officials of NOIDA, accountability, transparency in decision making and lack of arbitrariness, the findings of Audit as detailed in this Report indicates an abject failure.

Recommendations

Recommendation Number	Recommendation	Response of the Government
22	The Government should initiate action for ensuring compliance of provisions of the UPIAD Act, 1976 notably relating to preparation of Annual Reports by NOIDA and their laying before the State Legislature.	Accepted
23	The Government should ensure that instances of public expenditure beyond the Authority's mandate are routed through the State Budget.	IIDD stated that the views of the Finance Department, GoUP are being sought.
24	The Government, with a view to develop NOIDA as a centre of world class infrastructure with an enabling, fair and non-intrusive environment, should overhaul the Board of NOIDA to curb discretionary powers in hands of officials and consider inclusion of outside professionals of eminence with subject matter expertise in the Board.	The Government agreed to examine the recommendation in light of the provisions of the Act after receipt of the Audit Report.

Recommendation Number	Recommendation	Response of the Government
25	The Government/NOIDA should establish a system of internal audit to ensure compliance with rules and regulations within the Authority and in monitoring the design and functioning of internal control policies and procedures.	Accepted
26	NOIDA should install a Management Information System to enable its Board to make informed decisions and for collection and dissemination of information to improve working within NOIDA.	Accepted
27	Since the existing system of allotments in case of Institutional, Farm Houses, and Industrial categories through interviews, post scrutiny by PAC has been found to be compromised and vitiated, the Government/NOIDA should devise transparent system of allotment afresh, with minimal scope for discretion in the hand of the officials.	Accepted It was stated that in the present guidelines transparency has been brought through Industrial Information System.

Lucknow

The 11 November 2021



(RAJ KUMAR)

Principal Accountant General
(Audit-II),
Uttar Pradesh

Countersigned



(GIRISH CHANDRA MURMU)

New Delhi

The 18 NOV 2021

Comptroller and Auditor General of India

List of Abbreviations

List of Abbreviations

Abbreviations	Full form
2013 Act	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
ACEOs	Additional Chief Executive Officer
ADM (LA)	Additional District Magistrate (Land Acquisition)
AoA	Article of Association
AS	Accounting Standards
CA	Chartered Accountant
CAG	Comptroller and Auditor General of India
CATP	Chief Architect and Town Planner
CBS	CBS International Projects Limited
CEO	Chief Executive Officer
CII	Cost Inflation Index
CIS	Change in Shareholding
CTCP	Chief Town and Country Planner
CVC	Central Vigilance Commission
DCEOs	Deputy Chief Executive Officers
DDA	Delhi Development Authority
DPR	Detailed Project Report
DUs	Dwelling Units
EWS	Economically Weaker Section
FAR	Floor Area Ratio
FC	Finance Controller
GC	Ground Coverage
GoI	Government of India
GoUP	Government of Uttar Pradesh
HUPD	Housing and Urban Planning Department
IAS	Indian Administrative Services
ICAI	Institute of Chartered Accountants of India
IDA	Industrial Development Authority
IDEA	Interactive Data Extraction and Analysis
IIDD	Infrastructure and Industrial Development Department
ISRO	Indian Space Research Organisation
IT	Information Technology
IT Policy	Uttar Pradesh Information Technology Policy
ITES	Information Technology Enabled Services
<i>Karar Niyamawali</i>	Uttar Pradesh Land Acquisition (Determination of Compensation and Declaration of Award by Agreement) Rules, 1997
LAA	Land Acquisition Act, 1894

Abbreviations	Full form
LDRA	Low Density Residential Area
LEED	Leadership in Energy and Environmental Design
MoA	Memorandum of Association
MP	Master Plan
NCR	National Capital Region
NCRPB	National Capital Region Planning Board
NLB	No Litigation Bonus
NRSC	National Remote Sensing Centre
OES	Open Ended Scheme
OSD	Officers on Special Duty
PAC	Plot Allotment Committee
PCS	Provincial Civil Services
Plan Regulation, 1991	NOIDA (Preparation and Finalising of Plan) Regulation, 1991
PSP	Project Settlement Policy
PVVNL	Paschimanchal Vidyut Vitran Nigam Limited
RoC	Registrar of Companies
RP	Regional Plan
SEZ	Special Economic Zone
SOP	Standard Operating Procedure
SPC	Special Purpose Company
SRP	Sub Regional Plan
UPIAD Act, 1976	Uttar Pradesh Industrial Area Development Act, 1976
UPICO	U.P. Industrial Consultants Ltd.
UPPCL	U.P. Power Corporation Limited
UPRERA	U.P. Real Estate Regulatory Authority

APPENDICES

Appendix-1.1
(Referred to in Paragraph 1.11)
Statement showing details of Audit sample covered in audit

	Method	Total No.	Sample selected	Files submitted during the course of Audit	Files submitted after the closure of audit
(1)	(2)	(3)	(4)	(5)	(6)= (4)-(5)
Land Acquisition					
Under LAA	Random	24	15	15	00
Through Agreements	Random	1134	115	115	00
Resumption	Judgmental	7	7	7	00
Total		1165	137	137	00
Land Allotment					
Industrial	Stratified Sample	1865	83	83	00
Institutional & IT		511	107	104	03 ¹
Commercial		320	46	39	07 ²
Group housing/Builders		113	46	42	04 ³
Total		2809	282	268	14

¹ FH-23, 24 & 33 in Sector 128: Handfull Infradevelopers, FH 10 in Sector 128: Shiv Valley Steels & Alloys Private Limited and FH 22 in Sector 164: Rahul Gaur.

² 94/003: Supertech Realtors Private Limited, 52/3-001: MMR Construction Private Limited, 32/BW-58: Logix Buildtech Private Limited, 98 /H-010: Vistar Construction Private Limited, 94/05a: Sunsign Infratech Private Limited, 96/c-002: Hotshot developers Private Limited and 62/C-55-01: Nakshatra Infradevelopers Private Limited.

³ GH-02/77: Express Projects Private Limited, GH-03/78: NCJ International Limited, GH-01/104: Today Homes & Infrastructure Private Limited and GH-01, 02, 03 93B: Omaxe Construction.

Appendix-3.1

(Referred to in Paragraph 3.5.1)

Justification for invoking of urgency clause

धारा 4/17 के औचित्य की टिप्पणी

नवीन ओखला औद्योगिक विकास प्राधिकरण की योजनानुसार औद्योगिक क्षेत्र के विकास एवं सड़कों व सीवरेज, विद्युत उपलब्ध कराये जाने का कार्य अपेक्षित है। इसी प्रकार जो क्षेत्र प्राधिकरण की आद्योगिक योजना में प्रस्तावित हैं, उसके लिए आवंटन न होने के कारण कार्य रूका हुआ है। आवेदक उस भूमि का आवंटन चाहते हैं। जो इस समय भूमि अधिग्रहण होने के कारण नहीं हो पा रहा है। आवेदकों में विशेष रूप से विदेशों की प्रतिष्ठित औद्योगिक संस्थाएँ हैं। जो अपनी पूंजी निवेश उ०प्र. के क्षेत्र में काफी मात्रा में करना चाहती हैं। अतः उनको भूमि उनकी योजनानुसार अविलम्ब उपलब्ध कराये जाना अत्यंत आवश्यक है। अगर इन इकाईयों को यह भूमि उनकी आवश्यकतानुसार उपलब्ध नहीं करायी जाती है तो यह इकाईयाँ अन्य राज्यों में अपनी औद्योगिक इकाईयाँ स्थापित कर लेगीं। अतएव, यह प्रयास किया जा रहा है कि भूमि उपलब्ध कराये जाने के आधार पर कोई इकाई उ०प्र० राज्य के इस क्षेत्र से दूसरे राज्य में न जाने पायें तभी इस क्षेत्र का औद्योगिक विकास समुचित रूप से सम्भव हो पायेगा।

अतः जनपद गौतमबुद्धनगर में नवीन ओखला औद्योगिक विकास प्राधिकरण के माध्यम से सुनियोजित विकास हेतु भूमि का अर्जन किया जाना अत्यंत आवश्यक है। अतः राजस्व ग्राम याकूबपुर परगना व तहसील दादरी जनपद गौतमबुद्ध नगर की 74.548 हे० भूमि का अधिग्रहण किया जाना है। अधिग्रहण हेतु अनुमानित प्रतिकर की 10% धनराशि अर्जन निकाय से प्राप्त करके अपर जिलाधिकारी, भू०अ० द्वारा निर्धारित लेखा शीर्षक में जमा की जा चुकी है। प्रस्तावित भूमि में कोई धार्मिक स्थल/स्मारक आदि नहीं बताया गया है। ग्राम याकूबपुर में अर्जन से कुल 25 परिवार प्रभावित होंगे। अर्जन के फलस्वरूप शून्य कृषक भूमिहीन बताये गये हैं। प्रस्तावित भूमि में अनुसूचित जाति/जनजाति के खातेदारों की संख्या 16 है। छोटे खातेदारों की संख्या 10 है। प्राधिकरण पर कोई प्रतिकर/ डिफ्रिडल की धनराशि बकाया न होने का प्रमाण-पत्र अपर जिलाधिकारी, भू०अ० द्वारा दिया गया है। उक्त को दृष्टिगत रखते हुए चयनित भूमि के अधिग्रहण हेतु भूमि अर्जन अधिनियम, 1894 के अंतर्गत धारा-4 (1) के साथ पठित धारा-17 की अधिसूचना निर्गत कराया जाना प्रस्तावित है।

Appendix-3.2
Statement showing inordinate administrative delays in processing the acquisition
(Referred to in Paragraph 3.5.2)

Sl. No.	Name of Villages	Date of initiation of proposal/date of proposal sent to ADM/LA	Date of admn and financial approval	Date of survey	Date of proposal sent to ADM/LA with 20% advance	Date of proposal returned by ADM/LA	Reasons for return	Date of revised/ final proposal sent	Time taken by Authority (in months)	Date of approved by Directorate	Date of notification u/s 4(17)	Time taken between final proposal and notification u/s 4	Date of sending advance compensation @ 80%	Date of notification u/s 6(17)	Date of possession	Time taken between date of initiation of proposal and date of possession (in months)	Total Area Acquired (in hectare)	Date of Award
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
1	Basi Brahuddinpur Nagar	05.11.01/ 11.01.02	29.01.02	Not Available	01.03.02	04.05.02	Proposed excess land as per availability, found temple,muth as per 23 point report etc	25.02.05	34	N.A	12.04.05	1 month, 16 days	06.05.05	06.10.05	30.12.05	50	145.60	29.12.2010
2	Sorkha Jahidabad	06.03.2000	15.06.04	Not Available	26.06.04	17.04.01	Some proposed khasra pertains to State govt, not deposited acquisition expenses, copy of MP-2021 and details of khatauni not submitted	25.02.05	46	N.A	12.04.05	1 month, 16 days	21.07.05	27.07.06	16.10.06	79	439.32	27.07.2011
3	Shahpur Goverdhampur Khadar	23.08.06 /04.09.06	31.10.06	Not Available	08.11.06/ 13.56Cr	20.12.06	difference in proposed area as per actual area involved in khatauni of some khasras, A list of khatauni of some khasra not enclosed, acquisition expenses not deposited	25.10.07	11	N.A	27.12.07	2 month, 4 days	21.01.08	14.02.08	10.03.08	18	128.43	25.07.2011

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of Villages	Date of initiation of proposal of proposal sent to ADM/L/A	Date of adm and financial approval	Date of survey	Date of proposal sent to ADM/L/A with 20% advance	Date of proposal returned by ADM/L/A	Reasons for return	Date of revised/ final proposal sent	Time taken by Authority (in months)	Date of approved by Directorate	Date of notification u/s 4(17)	Time taken between final proposal and notification u/s 4	Date of sending advance compensation @ 80%	Date of notification u/s 6(17)	Date of possession	Time taken between date of initiation of proposal and date of possession (in months)	Total Area Acquired (in hectare)	Date of Award
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17) (16-3)	(18)	(19)
4	Badoli Bangar	10.02.03/ 25.10.05	29.11.05/ 24.3.920	Not Available	15.12.05	21.01.06	Proforma 3&4 of details of khasra as per proposal was not tallied with proforma 41& 45	27.07.07	18	N.A	07.11.07	3 month, 12 days	04.01.08	09.05.08	02.06.08	63	152.69	19.09.2011
5	Begampur	04.08.05/ 23.08.05	10.01.06/ 108.271	Not Available	19.01.06	05.09.05	List of assets not attached, incomplete forms submitted, proposal sent without signed etc	27.07.07	22	N.A	07.11.07	3 month, 12 days	01.01.08	17.03.08	17.6.08	34	7.559	12.01.2011
6	Shehdara	07.05.04/ 25.05.04	14.12.05/ 190.739	Not Available	N.A	17.01.06	proposal not sent to 3 digit, Kharsa not shown as sajra, area of some khasra not accurate, to separate some khasra which was already entered in the name of G.Noida	24.03.08	27	N.A	16.04.08	24 days	27.05.08	16.06.08	14.07.08	50	170.14	14.09.2011
7	Kondali Bangar	22.11.05	22.06.07/ 269.017	18.12.07	03.07.07	21.01.06	area of land not excluded which was directly purchased through farmers, found pond, bandh, ceiling etc. in survey	28.03.08	27	25.4.08	8.9.08	5 month, 12 days	31.08.09	16.09.09	03.12.09	48	194.30	14.09.2011

Sl. No.	Name of Villages	Date of initiation of proposal sent to ADM/LA	Date of admin and financial approval	Date of survey	Date of proposal sent to ADM/LA with 20% advance	Date of proposal returned by ADM/LA	Reasons for return	Date of revised/ final proposal sent	Time taken by Authority (in months)	Date of approved by Directorate	Date of notification u/s 4(17)	Time taken between final proposal and notification u/s 4	Date of sending advance @ 80% compensation	Date of notification u/s 6(17)	Date of possession	Time taken between date of initiation of proposal and date of possession (in months)	Total Area Acquired (in hectare)	Date of Award
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
8	Salarpur Khadar	17.03.06/ 21.03.06	24.11.06/ 262.418	Not Available	05.12.06/ 366.35per Sq Yrd/	20.05.06	23/18 point information, 16 column report and certified copy of computerised khasra khatauni not submitted	03.07.08	26	N.A	11.09.08	2 month, 10 days	31.08.09	30.09.09	03.02.10	46	159.25	Award not declared
9	Salarpur Khadar	17.03.06/ 21.03.06	24.11.06/ 262.418	Not Available	05.12.06/ 366.35per Sq Yrd/	20.05.06	23/18 point information, 16 column report and certified copy of computerised khasra khatauni not submitted	03.07.08	26	N.A	11.09.08	2 month, 10 days	31.08.09	30.09.09	25.09.10	54	42.74	Award not declared
10	Gulawali	07.10.05/ 10.10.05	16.12.05	Not Available	29.12.05	22.09.06	Abadi	14.10.09	36	N.A	29.01.10	3 months, 17days	10.12.10	17.02.11	16.03.11	65	96.93	30.12.2013
11	Begampur	04.08.05/ 23.08.05	10.01.06/ 108.271	Not Available	19.01.06	05.09.05	List of assets not attached, incomplete forms submitted, proposal sent without signed etc	27.07.07	22	N.A	07.11.07	3 month, 12 days	01.01.08	17.03.08	15.06.13	94	100.66	31.12.2013

Appendix 3.3
(Referred to in Paragraph 3.5.3 and 3.5.5)
Statement showing details of payment of excess compensation

Sl. No	Name of Village	Rate of Acquisition Considered by Authority (in Sq yard)	Rate of Acquisition Considered by Authority (converted to Sq m) <i>Taking conversion factor of 1.1956</i>	Area (In hectare)	Additional Compensation Paid	Non-Ancestral			Ancestral			Compulsory Acquisition			Total Land	Proportionate payment made	Additional Compensation Payable	Excess Paid
						Area Acquired (in hectare)	Rate of Acquisition (in square yard)	Additional compensation payable @ 64.70	Area Acquired (in hectare)	Rate of Acquisition (in Square yard)	Additional compensation payable @64.70	Area Acquired (in hectare)	Rate of Acquisition (in Square yard)	Additional compensation payable @64.70				
1	Sorkha Jahidabad	680.57	813.689492	439.323	2312913939	13.5068	366.35	38277085	369.3553	421.3	1203721400	56.3619	77.05	33592974.1	439.224	2312392731	1275591458	1036801273
2	Chhaprauli Bangar	378.92	453.036752	43.9297	128767157	5.1583	329.5	13147773.16	33.9929	378.92	99638214	4.7785	59.54	2200850.829	43.9297	128767157	114986838	13780319
3	Sultampur	378.92	453.036752	13.1826	38640963	4.17715	329.5	10646961	7.4042	378.92	21702804.43	1.34825	148.79	1551795.041	12.9296	37899366.98	33901561	3997806
4	Suthiyana	680.57	813.689492	189.696	998696910	25.8135	366.35	73153191	130.0384	421.3	423792496.9	13.0391	99.59	10045083.14	168.891	889164346.3	506990771	382173575
5	Jhatta	378.92	453.036752	57.638	168949057	4.7366	329.5	12072920	51.4586	378.92	150832761.4	1.4256	44.77	493713.4607	57.6208	168898640.2	163399395	5499245
6	Basbraudimnagar	406.89	486.477684	145.602	458299596	5.7705	353.82	15793777	104.43261	406.89	328702748.6	35.59889	156.58	42876183.39	145.602	458299596	387372709	70926887
7	Badauli Bangar	1000 sqm	1000	152.687	987884890	17.713	870 sqm	99704706	110.5475	1000 sqm	715242325	24.4262	118.62	18746409.91	152.6867	987882949	833693441	154189508
8	Shahadara	1000 sqm	1000	170.144	1100831680	25.8341	870 sqm	145417565	85.232	1000 sqm	551451040	59.0765	347.7	132899616.9	170.1426	1100822622	829768222	271054400
9	Kondli Bangar	1000 sqm	1000	194.2954	1257091238	8.1643	870 sqm	45956028	140.8449	1000 sqm	911266503	36.6908	474.50	112641306.4	185.7	1201479000	1069863838	131615162
10	Asagarpur Jagir	1000 sqm	1000	66.17055	428123458	12.6678	870 sqm	71305779	33.51685	1000 sqm	216854019.5	18.5244	121.95	14616057.25	64.70905	418667553	302775856	115891697
11	Nagla Nagli	1000 sqm	1100	4.6119	32822892	0	0	0	1.6874	1100 sqm	12009225.8	2.9245	493.46	9337010.79	4.6119	32822892	21346237	11476655
12	Yakubpur	421.30	503.70628	74.523	242948171	2.3875	383	7073467	33.013	440	112364171.9	39.1125	167.28	50611566.9	74.513	242915570.6	170049206	72866365
13	Baduali Khadar	421.30	503.70628	145.431	486683607	15.2127	383	45070799	129.6392	440	441244399	0.5791	60.27	269988	145.431	486683607	486585187	98420
14	Baholpur	421.30	503.70628	66.508	177880653	0.2373	366.35	672487	50.8892	421.3	165846866	14.4005	75.51	8411476	65.527	175256895	174930830	326065
15	Raipur Khadar	421.30	503.70628	11.604	29920153	0.555	366.35	1572821	7.135635	421.3	23254889	3.767375	95.91	2795072	11.45801	29543727	27622782	1920945
16	Garhi Chaukhandi	421.30	503.70628	74.534	79067523	0.62092	366.35	1759633	11.21414	421.3	36546654	62.55364	63.75	30847712	74.3887	78913385	69153999	9759386
17	Nalgarha	378.92	453.036752	12.806	24580717	8.729	329.5	22248980	0	0	0	4.077	53.28	1680332	12.806	24580717	23929312	651405
18	Shahpur Govardhanpur Bangar	378.92	453.036752	81.196	210616293	14.18	329.5	36142804	53.888	378.92	157953692	12.257	129.99	12324926	80.325	208356985	206421421	1935563
19	Gulavali	378.92	453.036752	20.217	56284166	7.7855	329.5	19844132	12.4315	378.92	36438564	0	0	0	20.217	56284166	56282696	1470
20	Chhalera Bangar	406.89	486.477684	0.808	1549235	0	0	0	0	0	0	0.828	181.87	1164881	0.828	1587582	1164881	422701
21	Chotpur	1000 sqm	1000	38.028	233824569	0.66485	870 sqm	3742374	34.70292	1000 sqm	224527892	2.6312	227.97	3880930	37.99897	233646071	232151197	1494874
22	Begampur	1000 sqm	1000	7.559	41400608	0.137	870 sqm	771159	6.0201675	1000 sqm	38950484	1.4018325	135.28	1226970	7.559	41400608	40948613	451995
															9316266168	7028930449	2287355718	

Note: The payment of ex-gratia/bonus has not been considered as part of initial compensation.

Appendix-3.4

(Referred to in Paragraph 3.8.1)

Statement showing details of land encroached

Work circle wise area of encroached land and its value at the rate of ₹ 36200 per sqm (Residential rate)				(Amount in ₹)
Circle	Land (in sqm)	Rate	Value	
WC-1	97500	36200	3529500000	
WC-2	71808	36200	2599449600	
WC-3	227849	36200	8248133800	
WC-4	43950	36200	1590990000	
WC-5	329821	36200	11939520200	
WC-6	346466	36200	12542069200	
WC-7	95840	36200	3469408000	
WC-8	461169	36200	16694317800	
WC-9	1047901	36200	37934016200	
WC-10	1804160	36200	65310592000	
Total	4526464		163857996800	

Appendix-4.1
(Referred to in Paragraph 4.3)
Statement showing coefficient between Basic Rate and category-wise Rates

Correlation with the basic rate year-wise	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Residential												
Category A	4.27	2.95	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Category B	3.04	2.11	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92
Category C	1.83	1.27	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Category D	1.78	1.07	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
Category E	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Group Housing												
Category A	4.56	4.13	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Category B	3.33	3.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Category C	2.13	2.40	2.00	2.00	2.00	2.00	2.00	2.25	2.25	2.25	2.25	2.25
Category D	2.13	2.40	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Category E	1.22	1.60	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
Industrial												
Phase-I	1.42	0.99	-	-	-	-	-	-	-	-	-	-
Upto 2000 SqM	-	-	1.08	1.08	1.08	0.98	0.98	0.96	0.93	0.91	0.91	0.91
Next 2001 to 4000 SqM	-	-	1.00	1.08	1.08	0.98	0.98	0.96	0.93	0.91	0.91	0.91
Next 4001 to 10000 SqM	-	-	0.92	1.00	1.00	0.91	0.91	0.89	0.86	0.84	0.84	0.84
Next above 10000 SqM	-	-	0.83	1.00	1.00	0.91	0.91	0.89	0.86	0.84	0.84	0.84
Up to 20000 SqM	-	-	-	1.00	1.00	0.91	0.91	0.89	0.86	0.84	0.84	0.84
Next 20001 to 60000 SqM	-	-	-	0.92	0.92	0.83	0.83	0.81	0.78	0.77	0.77	0.77
Next above 60001 SqM	-	-	-	0.83	0.83	0.76	0.76	0.74	0.71	0.70	0.70	0.70

Correlation with the basic rate year-wise	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Phase-II	0.40	0.28	-	-	-	--	-	-	-	-	-	-
Upto 2000 SqM	-	-	0.27	0.39	0.39	0.35	0.35	0.34	0.33	0.32	0.32	0.32
Next 2001 to 4000 SqM	-	-	0.26	0.39	0.39	0.35	0.35	0.34	0.33	0.32	0.32	0.32
Next 4001 to 10000 SqM	-	-	0.25	0.35	0.35	0.32	0.32	0.31	0.30	0.29	0.29	0.29
Next above 10000 SqM	-	-	0.25	0.35	0.35	0.32	0.32	0.31	0.30	0.29	0.29	0.29
Up to 20000 SqM	-	-	-	0.35	0.35	0.32	0.32	0.31	0.30	0.29	0.29	0.29
Next 20001 to 60000 SqM	-	-	-	0.33	0.33	0.30	0.30	0.30	0.29	0.28	0.28	0.28
Next above 60001 SqM	-	-	-	0.32	0.39	0.29	0.29	0.28	0.27	0.27	0.27	0.27
Phase-III	0.71	0.53	-	-	-	-	-	-	-	-	-	-
upto 2000 SqM	-	-	0.40	0.40	0.40	0.36	0.36	0.35	0.34	0.33	0.33	0.33
Next 2001 to 4000 SqM	-	-	0.38	0.40	0.40	0.36	0.36	0.35	0.34	0.33	0.33	0.33
Next 4001 to 10000 SqM	-	-	0.38	0.38	0.38	0.35	0.35	0.34	0.33	0.32	0.32	0.32
Next above 10000 SqM	-	-	0.37	0.38	0.38	0.35	0.35	0.34	0.33	0.32	0.32	0.32
Up to 20000 SqM	-	-	-	0.38	0.38	0.35	0.35	0.34	0.33	0.32	0.32	0.32
Next 20001 to 60000 SqM	-	-	-	0.38	0.38	0.34	0.34	0.33	0.32	0.31	0.31	0.31
Next above 60001 SqM	-	-	-	0.37	0.37	0.33	0.33	0.33	0.32	0.31	0.31	0.31
Institutional												
R&D/Film Audio/video studio/IT, ITES Sector 1, 16A and Sector 24	2.44	1.69	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
R&D Software/Service, Film audio/video studio phase II, III, Expressway	1.00	0.67	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
IT Park/ITESS/Biotech Park Phase-II, III	0.82	0.50	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Govt/Semi Govt. Hospital/Dispensary	0.27	0.19	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Correlation with the basic rate year-wise	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Superbazar/Milk, Fruit & Vegetable Distribution Centre	0.27	0.19	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29
Farm House on Agriculture Land	-	-	-	0.22	0.22	0.22	0.22	-	-	0.22	0.22	0.22
Commercial												
Cat A - Up to 100 SqM	-	4.00	Commercial Sectors 5.42 and Residential Sectors 2.5	-	-	-	-	-	-	17.80	15.03	13.17
Cat A - 101 to 1000 SqM	-			-	-	-	-	-	-	16.00	13.51	11.83
Cat A - 1001 to 10000 SqM	-			-	-	-	-	-	-	14.40	12.16	10.65
Cat A - 10001 SqM and above	-			6.94	6.94	6.94	6.96	7.27	8.22	7.44	6.28	5.50
Cat B - up to 100 SqM	-			11.81	11.81	11.81	11.78	12.30	13.92	12.60	10.64	9.32
Cat B - 101 to 1000 SqM	-			9.72	9.72	9.72	9.71	10.11	11.45	10.36	8.75	7.66
Cat B - 1001 to 10000 SqM	-			6.25	6.25	6.25	6.23	6.51	7.34	6.64	5.61	4.91
Cat B - 10001 SqM and above	-			5.90	5.90	5.93	5.95	6.20	7.03	6.36	5.37	4.70
Cat C - up to 100 SqM	-			10.76	10.76	10.80	10.77	11.23	12.69	11.48	9.70	8.49
Cat C - 101 to 1000 SqM	-			9.03	9.03	9.03	9.03	9.40	10.61	9.60	8.11	7.10
Cat C - 1001 to 10000 SqM	-			5.90	5.90	5.93	5.95	6.20	7.03	6.36	5.37	4.70
Cat C - 10001 SqM and above	-			5.35	5.35	5.37	5.39	5.59	6.32	5.72	4.83	4.23
Cat D - up to 100 SqM	-			9.03	9.03	9.03	9.03	9.40	10.61	9.60	8.11	7.10
Cat D - 101 to 1000 SqM	-			7.29	7.29	7.32	7.35	7.67	8.66	7.84	6.62	5.80
Cat D - 1001 to 10000 SqM	-			5.56	5.56	5.56	5.56	5.79	6.54	5.92	5.00	4.38
Cat D - 10001 SqM and above	-			4.17	4.17	4.55	4.55	4.73	5.35	4.84	4.09	3.58
Cat E - up to 100 SqM	-			7.64	7.64	7.64	7.63		7.82			
Cat E - 101 to 1000 SqM	-			6.25	6.25	6.25	6.23		6.36			
Cat E - 1001 to 10000 SqM	-			5.21	5.21	5.24	5.22		5.35			
Cat E - 10001 SqM and above	-			3.82	3.82	3.85	3.87		3.98			

**Appendix-4.2
(Referred to in Paragraph 4.8 and 4.8.8)
Statement showing Land Costing by the NOIDA and Audit**

SI No.	Particular	NOIDA 2005-06	As per Audit 2005-06	NOIDA 2006-07	As per Audit 2006-07	NOIDA 2007-08	NOIDA 2007-08 ⁴	As per Audit 2007-08	NOIDA 2008-09	As per Audit 2008-09	NOIDA 2009-10	As per Audit 2009-10	NOIDA 2010-11	As per Audit 2010-11	NOIDA 2011-12	As per Audit 2011-12
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
A	Land Acquisition Cost															
	1. Basic Rate (Per Sq. meter)	469.41	486.71	486.51	503.94	503.73	503.73	1000.00	1000.00	1000.00	1057.00	1000.00	1087.00	1100.00	1239.00	1240.00
	2. Additional Compensation @ 64.7															
	3. Acquisition Exp. (10% Basic Rate)	46.94	48.67	48.65	50.39	50.38	50.38	100.00	100.00	100.00	106.00	100.00	109.00	110.00	124.00	124.00
	4. Rehabilitation Charges (2% of basic rate)	0.00	9.73	9.73	10.08	10.07	10.07	20.00	20.00	20.00	21.00	20.00	22.00	22.00	25.00	25.00
	Provision for open space as per Master Plan (30% of 1+2+3)	154.90	163.53	163.47	169.32	169.25	169.25	336.00								
	4. Annuity (from the year 2011-12)															
	Provision for open space as per Master Plan (10% of 1+2+3+4) from the year 2008-09								112.00	112.00	118.00	112.00	122.00	123.00	145.00	145.00
	Stamp/registration charges (6% basic rate) (from year 2015-16)															
	No Litigation Bonus (from year 2015-16)															
	5% Abadi Land Cost (from year 2015-16)															
	Total	671.25	708.64	708.36	733.73	733.43	733.43	1456.00	1232.00	1232.00	1302.00	1232.00	1340.00	1355.00	1593.00	1594.00
	Interest Cost	120.83	127.56	127.50	132.07	132.02	132.02	262.08	222.00	222.00	166.00	157.00	114.00	173.00	159.00	239.00
	Interest rate and period (Rate, Year)	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	8.5%, 1.5 Y	8.5%, 1.5 Y	8.5%, 1 Year	8.5%, 1.5 Y	10%, 1.5 Y	10%, 1.5 Y
	Total Land Cost (A)	792.08	836.20	835.86	865.80	865.45	865.45	1718.08	1454.00	1454.00	1468.00	1389.00	1454.00	1528.00	1752.00	1833.00
B	Development Cost															
(I)	Internal Development Cost	354.05	354.05	831.90	831.90	1287.81	1187.81	1287.81	1272.00	1272.00	1510.00	1510.00	1465.00	1465.00	1671.00	1671.00
(II)	External Development Cost	286.15	286.15	690.71	690.71	1096.37	1036.37	1096.37	1424.00	1424.00	1518.00	1518.00	1619.00	1619.00	1713.00	1713.00
(III)	Interest Cost on (I+II)	115.24	115.24	274.07	274.07	429.15	400.35	429.15	485.00	485.00	386.00	386.00	393.00	393.00	508.00	508.00
	Interest rate and period (Rate, Year)	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	12%, 1.5 Y	8.5%, 1.5 Y	8.5%, 1.5 Y	8.5%, 1.5 Y	8.5%, 1.5 Y	10%, 1.5 Y	10%, 1.5 Y
	Total Development Cost (I+II+III)	755.44	755.44	1796.68	1796.68	2813.33	2624.53	2813.33	3181.00	3181.00	3414.00	3414.00	3477.00	3477.00	3892.00	3892.00
C	Maintenance Cost															
	1. Maintenance Works (24% of I+II)	153.65	153.65	365.42	365.42	572.20	533.80	572.20	647.00	647.00	727.00	727.00	740.00	740.00	812.00	812.00
	2. Village Development (7% of I+II)	44.81	44.81	106.58	106.58	166.89	156.69	166.89	189.00	189.00	212.00	212.00	216.00	216.00	237.00	237.00
	3. Health & Sanitation (6% of I+II)	25.60	25.61	91.35	91.36	143.05	133.45	143.05	162.00	162.00	182.00	182.00	185.00	185.00	203.00	203.00
	Total Maintenance Cost (C)	224.06	224.07	563.35	563.37	882.14	822.94	882.14	998.00	998.00	1121.00	1121.00	1141.00	1141.00	1252.00	1252.00
D	Contingency Exp/Special Exp (15% of I+II+C)	129.64	129.64	311.79	312.90	489.95	457.07	489.95	554.00	554.00	622.00	622.00	634.00	634.00	695.00	695.00

⁴ Basic rates for the year 2007-08 were revised by the Board.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

SI No.	Particular	NOIDA 2005-06	As per Audit 2005-06	NOIDA 2006-07	As per Audit 2006-07	NOIDA 2007-08	As per Audit 2007-08	NOIDA 2008-09	As per Audit 2008-09	NOIDA 2009-10	As per Audit 2009-10	NOIDA 2010-11	As per Audit 2010-11	NOIDA 2011-12	As per Audit 2011-12	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
E	Administration expenses (@9% on A+B+C+D)	149.86	175.08	290.09	318.49	454.58	429.30	531.32	557.00	557.00	596.00	589.00	604.00	610.00	683.00	690.00
F	Reserve for state of art facilities ⁵ (20%/30%/35%/45% of I+II)	172.85	172.85	456.78	456.78	1072.88	778.46	1072.88	1213.00	1213.00	1363.00	1363.00	1388.00	1388.00	1523.00	1523.00
	Total Gross Cost per Sqm (A+B+C+D+E+F)	2223.93	2293.28	4254.54	4314.02	6578.33	5977.75	7507.70	7957.00	7957.00	8584.00	8498.00	8698.00	8778.00	9797.00	9885.00
	Keeping 50%/55% area saleable net cost per sqm	4447.86	4586.56	8509.10	8628.04	13156.66	11955.50	15015.40	15914.00	15914.00	17168.00	16996.00	15815.00	17556.00	17813.00	19770.00
	Or Say	4500.00		8500.00		13200.00	12000.00	16000.00		17200.00				17820.00		
	Rate finally approved by the authority	4500.00		7500.00			12000.00	14400.00		14400.00			15840.00		17820.00	

SI No.	Particular	NOIDA 2012-13	As per Audit 2012-13	NOIDA 2013-14	As per Audit 2013-14	NOIDA 2014-15	As per Audit 2014-15	NOIDA 2015-16	As per Audit 2015-16	NOIDA 2016-17	As per Audit 2016-17
1	2	18	19	20	21	22	23	24	25	26	27
A	Land Acquisition Cost										
	1. Basic Rate (Per Sq. meter)	1240.00	1240.00	1495.00	1490.00	1495.00	2640.00	2640.00	2640.00	2640.00	2640.00
	2. Additional Compensation @ 64.7	802.00	802.28	967	964.03	967.00					
	3. Acquisition Exp. (10% Basic Rate)	204.00	204.23	246.00	245.40	246.00	0.00				
	4. Rehabilitation Charges (2% of basic rate)	41.00	40.85	49.00	49.08	49.00	0.00				
	Provision for open space as per Master Plan (30% of 1+2+3)										
	4. Annuity (from the year 2011-12)	60.00	60.00	68.00	68.00	68.00	0.00				
	Provision for open space as per Master Plan (10% of 1+2+3+4) from the year 2011-12	235.00	235.00	282.00	282.00	282.00	631.80		631.80		631.80
	Stamp/registration charges (6% basic rate) (from year 2015-16)						158.00	158.00	158.00	158.00	158.00
	No Litigation Bonus (from year 2015-16) ⁶										
	5% Abadi Land Cost (from year 2015-16)										
	Interest Cost	2582.00	2582.00	3107.00	3099.00	3107.00	6950.00	5218.00	6949.80	5218.00	6949.80
	Interest rate and period (Rate, Year)	10% 1 Y	10% 1.5 Y	10% 1 Y	10% 1.5 Y	10% 1 Y	10% 1.5 Y	10% 1 Y	10% 1.5 Y	10% 1 Y	10% 1.5 Y
	Total Land Cost (A)	2840.00	2969.00	3418.00	3564.00	3418.00	7993.00	5740.00	7991.80	5740.00	7991.80

⁵ Year-wise rate (in per cent) applied by NOIDA: 2005-06 - 20; 2006-07 - 30; 2007-08 - 45/35; 2008-09 to 2016-17 - 45.

⁶ Though this has been considered irregular by audit (Para 3.6.1) on account of violation of Act, since payment has been made, recovery of the same should have been insured.

SI No.	Particular	NOIDA 2012-13	As per Audit 2012-13	NOIDA 2013-14	As per Audit 2013-14	NOIDA 2014-15	As per Audit 2014-15	NOIDA 2015-16	As per Audit 2015-16	NOIDA 2016-17	As per Audit 2016-17
I	2	18	19	20	21	22	23	24	25	26	27
B	Development Cost										
(I)	Internal Development Cost	1570.00	1570.00	1765.00	1765.00	2186.00	2186.00	2186.00	2186.00	2417.00	2417.00
(II)	External Development Cost	1823.00	1823.00	2064.00	2064.00	2212.00	2212.00	2212.00	2212.00	3001.00	3001.00
(III)	Interest Cost on (I+II)	340.00	509.00	383.00	574.00	440.00	660.00	440.00	660.00	542.00	813.00
	Interest rate and period (Rate, Year)	10%, 1 Year	10%, 1.5 Year	10%, 1 Year	10%, 1.5 Year	10%, 1 Year	10%, 1.5 Year	10%, 1 Year	10%, 1.5 Year	10%, 1 Year	10%, 1.5 Year
	Total Development Cost (I+II+III)	3733.00	3902.00	4212.00	4403.00	4838.00	5058.00	4838.00	5058.00	5960.00	6231.00
C	Maintenance Cost										
	1. Maintenance Works (24% of I+II)	814.00	814.00	919.00	919.00	1056.00	1056.00	1056.00	1056.00	1300.00	1300.00
	2. Village Development (7% of I+II)	238.00	238.00	268.00	268.00	308.00	308.00	308.00	308.00	379.00	379.00
	3. Health & Sanitation (6% of I+II)	204.00	204.00	230.00	230.00	264.00	264.00	264.00	264.00	325.00	325.00
	Total Maintenance Cost (C)	1256.00	1256.00	1417.00	1417.00	1628.00	1628.00	1628.00	1628.00	2004.00	2004.00
D	Contingency Exp/Special Exp (15% of I+II+C)	697.00	697.00	787.00	787.00	904.00	904.00	904.00	904.00	1113.00	1113.00
E	Administration expenses (@.9% on A+B+C+D)	767.00	794.00	885.00	915.00	971.00	1402.00	1180.00	1402.00	1334.00	1561.00
F	Reserve for state of art facilities (20%/30%/45% of I+II)	1527.00	1527.00	1723.00	1723.00	1979.00	1979.00	1979.00	1979.00	2438.00	2438.00
	Total Gross Cost per Sqm (A+B+C+D+E+F)	10820.00	11145.00	12442.00	12809.00	13738.00	18964.00	16269.00	18963.00	18589.00	21339.00
	Keeping 50%/55% area saleable net cost per sqm	19672.00	22290.00	22622.00	25618.00	24978.00	37928.00	29580.00	37926.00	33798.00	42678.00
	Or Say	19675.00		22625.00		25000.00		29600.00		33800.00	
	Rate finally approved by the authority	19675.00		22625.00		25000.00		29600.00		33800.00	

Appendix-4.3

(Referred to in Paragraph 4.10)

Statement showing details of increase in FAR and GC in Group Housing and Commercial Plots

Sl. No.	Category/ Years	Period of launch of the scheme	FAR		GC		
			Allowed in the scheme brochures	Increase as compared to base year	Allowed in the scheme brochures (In per cent)	Increase as compared to base year (In per cent)	
1.	Builder						
1.	GH-2006 (2)	18-05-2006 to 17-06-2006	1.5	0	35	5	5
2.	GH-2006 (3)	18-05-2006 to 17-06-2006	1.5	0	35	5	5
3.	GH-2006 (4)	18-05-2006 to 17-06-2006	1.5	0	35	5	5
4.	GH-2006 (6)	14-10-2006 to 30-11-2006	1.5	0	35	5	5
5.	GH-2006 (7)	14-10-2006 to 14-11-2006	1.5	0	35	5	5
6.	GH-2007 (1)	22-01-2007 to 06-02-2007	2.75	1.25	35	5	5
7.	GH-2007 (2)	22-01-2007 to 06-02-2007	2.75	1.25	35	5	5
8.	GH-2008 (I)	22-11-2008 to 12-12-2008	2.75	1.25	35	5	5
9.	GH-2008 (II)	22-11-2008 to 12-12-2008	2.75	1.25	35	5	5
10.	GH-2008 (III)	22-11-2008 to 12-12-2008	2.75	1.25	35	5	5
11.	GH-2009 (II)	04-06-2009 to 25-06-2009	2.75	1.25	40	10	10
12.	GH-2009 (III)	27-07-2009 to 17-08-2009	2.75	1.25	40	10	10
13.	GH-2009 (V)	24-12-2009 to 18-01-2010	2.75	1.25	40	10	10
14.	GH-2009 (VI)	03-11-2009 to 25-11-2009	2.75	1.25	40	10	10
15.	GH-2009 (VII)	09-11-2009 to 30-11-2009	2.75	1.25	40	10	10
16.	GH-2009 (VIII)	08-01-2010 to 29-01-2010	2.75	1.25	40	10	10
17.	GH-2010 (I)	05-02-2010 to 25-02-2010	2.75	1.25	40	10	10
18.	GH-2010 (II)	06-03-2010 to 22-03-2010	2.75	1.25	40	10	10
19.	GH-2010 (III)	29-05-2010 to 18-06-2010	2.75	1.25	40	10	10

Sl. No.	Category/ Years	Period of launch of the scheme	FAR		GC	
			Allowed in the scheme brochures	Increase as compared to base year	Allowed in the scheme brochures (In per cent)	Increase as compared to base year (In per cent)
20.	GH-2010 (IV)	09-08-2010 to 30-08-2010	2.75	1.25	40	10
21.	GH-2010 (V)	15-09-2010 to 05-10-2010	2.75	1.25	40	10
22.	GH-2011 (I)	09-03-2011 to 29-03-2011	2.75	1.25	40	10
23.	2016-17 (Group Housing I)	22-07-2016 to 12-08-2016	3.5	2.0	40	10
2.	Commercial					
1.	Base year (2006-07)		1.5		30	
2.	2007-08 (commercial builder plot-ii)	01 February 2008 to 03 March 2008	2	0.5	25	-5
3.	2008-09 (commercial builder plot-i)	12 July 2008 to 04 August 2008	5	3.5	30	0
4.	2008-09 (commercial builder plot-iii)	22 November 2008 to 12 December 2008	5	3.5	46.25	16.25
5.	2009-10 (commercial builder plot-i)	01 March 2010 to 22 March 2010	5,4	3.5,2.5	50,50	20,20
6.	2010-11 (commercial builder plot-i)	24 May 2010 to 14 June 2010	5	3.5	50	20
7.	2010-11 (Commercial builders Plot-III)	29 May 2010 to 18 June 2010	4,5	2.5,3,5	30,50	0,20
8.	2010-11 (commercial builder plot-iv)	23 November 2010 to 14 December 2010	4,5	2.5,3,5	30,40	0,10
9.	2010-11 (commercial builder plot-v)	05 February 2011 to 28 February 2011	4.5	3	45	15
10.	2010-11 (commercial builder plot-vi)	03 March 2011 to 24 March 2011	4,4.5	2.5,3	40,45	10,15
11.	2011-12 (commercial builder plot-i)	22 September 2011 to 14 October 2011	4,5	2.5,3,5	40,50	10,20
12.	2013-14 (commercial builder plot-1)	15 January 2014 to 06 February 2014	2	0.5	40	10

Appendix-4.4
(Referred to in Paragraphs 4.10)

Statement Showing Impact of Non-Revision of Prices and Non-Consideration of FAR and GC in commercial plots

Sr No	Scheme	Name of the Allottee	Plot No.	Sector rate of commercial (in ₹)	Admissible FAR for commercial for base year	Admissible FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Allotment Rate of the plot (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
				Col 5	Col 6	Col 7 - Col 6	Col 9	Col 10 / Col 8	Col 11 * Col 5 * 0.6	Col 13	Col 14 - Col 13	Col 15	Col 16 * 0.3 * Col 5	Col 17 / Col 9	Col 18 + Col 12 + Col 17	Col 19	Col 20 * Col 9			
1	2013-14 (commercial builder plot-I)	M/s NBCC Ltd.	B-150A/92	159000	1.5	2	0.5	3447.3	1723.65	1149.1	109624140	30	40	10	344.73	16443621	195570	164500	31070	107107611
2	2010-11 (commercial builder plot-vi)	M/s Hotshot Developers Pvt. Ltd.	C-2/96	99000	1.5	4	2.5	7724	19310	12873.33	764676000	30	40	10	772.4	22940280	200970	103901	97069	749760956
3	2011-12 (commercial builder plot-I)	M/s Sunshine Infotech Pvt. Ltd.	05/A/94	106000	1.5	4	2.5	10225	25562.5	17041.67	1083850000	30	40	10	1022.5	32515500	215180	131113	84067	859585075
4	2011-12 (commercial builder plot-I)	M/s Adhith Enterprises Pvt. Ltd.	05/B/94	106000	1.5	4	2.5	12100	30250	20166.67	1282600000	30	40	10	1210	38478000	215180	131000	84180	1018578000
5	2011-12 (commercial builder plot-I)	M/s Nakshatra Infiradevelopers Pvt. Ltd.	C-55/1 Sector 62	96000	1.5	4	2.5	12300	30750	20500	1180800000	30	40	10	1230	35424000	194880	101500	93380	1148574000
6	2008-09 (commercial builder plot-iii)	M/s Flora and fauna Housing and land development Pvt. Ltd.	L-2A/18	100000	1.5	5	3.5	16590	58065	38710	2322600000	30	46.25	16.25	2695.875	80876250	244875	214087	30788	510772920
7	2009-10 (commercial builder plot-I)	M/s Electrotherm Infiradevelopers	B-224/16	77000	1.5	5	3.5	17580	61530	41020	1895124000	30	50	20	3516	81219600	189420	117100	72320	1271385600
8	2010-11 (commercial builder plot-iv)	M/s Vistar Construction Pvt. Ltd.	C-01/98	94000	1.5	4	2.5	22136	55340	36893.33	2080784000	30	30	0	0	0	188000	99250	88750	1964570000
9	2010-11 (commercial builder plot-iv)	M/s Vistar Construction Pvt. Ltd.	H-10/98	94000	1.5	4	2.5	24000	60000	40000	2256000000	30	30	0	0	0	188000	101000	87000	2088000000
10	2009-10 (commercial builder plot-I)	M/s Logix Buildtech Pvt. Ltd.	BW-58/32	77000	1.5	4	2.5	25000	62500	41666.67	1925000000	30	50	20	5000	115500000	158620	98125	60495	1512375000
11	2011-12 (commercial builder plot-I)	M/s AIMS Sanya Developers	C-171/15	96000	1.5	5	3.5	25300	88550	59033.33	3400320000	30	50	20	5060	145728000	236160	151000	85160	2154548000

Sr No	Scheme	Name of the Allottee	Plot No.	Sector rate of commercial (in ₹)	Admissible FAR for commercial for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot Calculated by Audit (in ₹)	Allotment Rate of the plot (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
							Col 7 - Col 6		Col 9 * Col 8	Col 10 / Col 6	Col 11 * Col 5 * 0.6			Col 14 - Col 13	Col 9 * Col 15	Col 16 * 0.3 * Col 5	{Col 12 + Col 17} / Col 9		Col 18 - Col 19	Col 20 * Col 9
12	2010-11 (Commercial builders Plot-III)	M/s Logix Estate Pvt. Ltd.	C-03/105	94000	1.5	4	2.5	28700	71750	47833	2697800000	30	30	0	0	0	1880000	98700	89300	2562910000
13	2010-11 (commercial builder plot-iii)	M/s Flora and fauna Housing and land development Pvt. Ltd.	L-05/18	110000	1.5	5	3.5	29100	101850	67900	4481400000	30	50	20	5820	192060000	270600	223250	47350	1377885000
14	2010-11 (commercial builder plot-vi)	M/s MMR Construction co. Pvt.Ltd.	E-01/52	72000	1.5	4	2.5	35300	88250	58833.33	2541600000	30	40	10	3530	76248000	146160	75600	70560	2490768000
15	2009-10 (commercial builder plot-i)	M/s Madhavilata Granite (India) Ltd.	C-1/44	85000	1.5	5	3.5	42150	147525	98350	5015850000	30	50	20	8430	214965000	209100	101700	107400	4526910000
16	2010-11 (commercial builder plot-vi)	M/s Logix Buildwell Pvt. Ltd.	CC-04/32	85000	1.5	4.5	3	50000	150000	100000	5100000000	30	45	15	7500	191250000	190825	111250	79575	3978750000
17	2010-11 (commercial builder plot-i)	M/s Vistar Construction Pvt. Ltd.	C-01/16B	85000	1.5	5	3.5	50000	175000	116666.7	5950000000	30	50	20	10000	255000000	209100	131500	77600	3880000000
18	2010-11 (commercial builder plot-iv)	M/s Logix Realtech Pvt. Ltd.	A-1/124	94000	1.5	5	3.5	64550	225925	150617	8494780000	30	40	10	6455	182031000	228420	130350	98070	6330418500
19	2010-11 (commercial builder plot-vi)	M/s Supertech Realtors Pvt. Ltd.	plot 03/94	94000	1.5	4	2.5	70000	175000	116666.7	6580000000	30	40	10	7000	197400000	190820	130509	60311	4221770000
20	2010-11 (commercial builder plot-v)	M/s wave Infratech Pvt. Ltd.	25A & 32/CC-01	85000	1.5	4.5	3	614000	1842000	1228000	6262800000	30	45	15	92100	2348550000	190825	107003	83822	51466708000
Total																				
																			94221376662	
																			9422.14 Crore	

Appendix-4.5 (i)
(Referred to in Paragraph 4.10)
Statement Showing Impact of Non-Revision of Prices and Non-Consideration of FAR and GC in Group Housing Plots

Sr No	Scheme	Plot No.	Sec-for	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
1	GH-2006 (3)	GH-003	119	13805	1.5	1.5	0	58330.65	0.00	0	0	30	35	5	2916.5325	12078819.35	14012	13805	207	12078819.35
2	GH-2007 (1)	GH-001	115	13805	1.5	2	0.5	113529.27	56764.64	37843	208969543	30	35	5	5676.4635	23509073.59	15853	13805	2048	232478616.6
3	GH-2007 (1)	GH-001	118	13805	1.5	2	0.5	133750	66875.00	44583	246189166.7	30	35	5	6687.5	27696281.25	15853	13805	2048	273885447.9
4	GH-2007 (2)	GH-001	117	13805	1.5	2	0.5	288500	14425.00	96167	531032333.3	30	35	5	14425	59741137.5	15853	13805	2048	590773470.8
5	GH-2007 (2)	GH-001	113	13805	1.5	2	0.5	216644	108322.00	72215	398769389.3	30	35	5	10832.2	44861556.3	15853	13805	2048	443630945.6
6	GH-2008 (1)	F-27	50	31828	1.5	2.75	1.25	11925.67	14907.09	9938	126523408.3	30	35	5	596.2835	5693553.371	42915	31828	11087	132216961.6
7	GH-2008 (1)	B-17	61	31828	1.5	2.75	1.25	6924	8655.00	5770	73459024	30	35	5	346.2	3305656.08	42915	31828	11087	76764680.08

Sr No	Scheme	Plot No.	Sec-tor	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
8	GH-2008 (I)	E-11	61	31828	1.5	2.75	1.25	9304.42	11630.53	7754	98713693.25	30	35	5	465.221	4442116.196	42915	31828	11087	103155809.4
9	GH-2008 (I)	GH-04	108	31828	1.5	2.75	1.25	16560	20700.00	13800	175690560	30	35	5	828	7906075.2	42915	31828	11087	183596635.2
10	GH-2008 (I)	E-16A	61	31828	1.5	2.75	1.25	5310	6637.50	4425	56335560	30	35	5	265.5	2535100.2	42915	31828	11087	58870660.2
11	GH-2008 (I)	F-21C	50	31828	1.5	2.75	1.25	12750	15937.50	10625	135269000	30	35	5	637.5	6087105	42915	31828	11087	141356105
12	GH-2008 (I)	F-26	50	31828	1.5	2.75	1.25	9646.75	12058.44	8039	102345586.3	30	35	5	482.3375	4605551.385	42915	31828	11087	106951137.7
13	GH-2008 (II)	GH-01	45	22598	1.5	2.75	1.25	40000	50000.00	33333	301306666.7	30	35	5	2000	13558800	30470	22598	7872	314865466.7
14	GH-2008 (II)	GH-02	100	22598	1.5	2.75	1.25	40087	50108.75	33406	301962008.7	30	35	5	2004.35	13588290.39	30470	22598	7872	315550299.1
15	GH-2008 (III)	GH-003	100	22598	1.5	2.75	1.25	120009	150011.25	100008	903987794	30	35	5	6000.45	40679450.73	30470	22598	7872	944667244.7
16	GH-2009 (II)	GH-03	45	24134	1.5	2.75	1.25	51170	63962.50	42642	411645593.3	30	40	10	5117	37048103.4	32903	24134	8769	448693696.7
17	GH-2009 (II)	GH-01	70	24134	1.5	2.75	1.25	74729.05	93411.31	62274	601170297.6	30	40	10	7472.905	54105326.78	32903	24134	8769	655275624.3

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sr No	Scheme	Plot No.	Sec-tor	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
18	GH-2009 (II)	GH-01	137	24134	1.5	2.75	1.25	119770.7	149713.38	99809	963515357.9	30	40	10	11977.07	86716382.21	32903	24134	8769	1050231740
19	GH-2009 (III)	GH-001	46	34342	1.5	2.75	1.25	51700	64625.00	43083	591827133.3	30	40	10	5170	53264442	46820	34342	12478	645091575.3
20	GH-2009 (III)	GH-001	121	24184	1.5	2.75	1.25	51315	64143.75	42763	413667320	30	40	10	5131.5	37230058.8	32971	24184	8787	450897378.8
21	GH-2009 (III)	GH-001	135	24744	1.5	2.75	1.25	51900	64875.00	43250	428071200	30	40	10	5190	38526408	33734	24744	8990	466597608
22	GH-2009 (VI)	GH-005	110	33992	1.5	2.75	1.25	164120	205150.00	136767	1859589013	30	40	10	16412	167363011.2	46342	33992	12350	2026952025
23	GH-2009 (VI)	GH-001	120	24134	1.5	2.75	1.25	51067	63833.75	42556	410816992.7	30	40	10	5106.7	36973529.34	32903	24134	8769	447790522
24	GH-2009 (VI)	GH-002	120	24134	1.5	2.75	1.25	51067	63833.75	42556	410816992.7	30	40	10	5106.7	36973529.34	32903	24134	8769	447790522
25	GH-2009 (VI)	GH-003	120	24134	1.5	2.75	1.25	70052	87565.00	58377	563544989.3	30	40	10	7005.2	50719049.04	32903	24134	8769	614264038.4
26	GH-2009 (VII)	GH-002	137	24134	1.5	2.75	1.25	99771.36	124714.20	83143	802627334.1	30	40	10	9977.136	72236460.07	32903	24134	8769	874863794.1
27	GH-2009 (VII)	GH-003	137	24134	1.5	2.75	1.25	51000	63750.00	42500	410278000	30	40	10	5100	36925020	32903	24134	8769	447203020

Sr No	Scheme	Plot No.	Sec-tor	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
						Col 7- Col 6	Col 7- Col 6	Col 9 * Col 8	Col 10 / Col 6	Col 11 * Col 5 * 0.4				Col 14 - Col 13	Col 9 * Col 15	Col 16 * 0.3 * Col 5	Col + Col 12+Col 17/ Col 9}		Col 18 - Col 19	Col 20 * Col 9
28	GH-2009 (VII)	GH-006	137	24134	1.5	2.75	1.25	50008.31	62510.39	41674	402300184.5	30	40	10	5000.831	36207016.61	32903	24134	8769	438507201.1
29	GH-2009 (VIII)	GH-001	76	24134	1.5	2.75	1.25	243287.4	304109.25	202740	1957166037	30	40	10	24328.74	176144943.3	32903	24134	8769	2133310981
30	GH-2009 (VIII)	GH-002	76	24134	1.5	2.75	1.25	81300	101625.00	67750	654031400	30	40	10	8130	58862826	32903	24134	8769	712894226
31	GH-2009 (VIII)	GH-001	104	24134	1.5	2.75	1.25	58820.46	73525.58	49017	473190993.9	30	40	10	5882.046	42587189.45	32903	24134	8769	515778183.3
32	GH-2009 (VIII)	GH-004	137	24134	1.5	2.75	1.25	50979.5	63724.38	42483	410113084.3	30	40	10	5097.95	36910177.59	32903	24134	8769	447023261.9
33	GH-2009 (VIII)	GH-005	137	24134	1.5	2.75	1.25	50146.15	62682.69	41788	403409061.4	30	40	10	5014.615	36306815.52	32903	24134	8769	439715876.9
34	GH-2009 (VIII)	GH-007	137	24134	1.5	2.75	1.25	59863.62	74829.53	49886	481,582,868.36	30	40	10	5986.362	43342458.15	32903	24134	8769	524925326.5
35	GH-2009 (VIII)	GH-004	45	24134	1.5	2.75	1.25	60350.35	75437.94	50292	485498449	30	40	10	6035.035	43694860.41	32903	24134	8769	529193309.4
36	GH-2010 (I)	GH-001	78	24134	1.5	2.75	1.25	83850.5	104813.13	69875	674549322.3	30	40	10	8385.05	60709439.01	32903	24134	8769	735258761.3
37	GH-2010 (I)	GH-002	78	24134	1.5	2.75	1.25	100238.43	125298.04	83532	806384756.5	30	40	10	10023.843	72574628.09	32903	24134	8769	878959384.6

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sr No	Scheme	Plot No.	Sec-tor	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
38	GH-2010 (I)	GH-003	78	24134	1.5	2.75	1.25	60348.53	75435.66	50290	485483807.7	30	40	10	6034.853	43693542.69	32903	24134	8769	529177350.4
39	GH-2010 (I)	GH-004	78	24134	1.5	2.75	1.25	61594	76992.50	51328	495503198.7	30	40	10	6159.4	44595287.88	32903	24134	8769	540098486.5
40	GH-2010 (I)	GH-005	78	24134	1.5	2.75	1.25	71312.78	89140.98	59427	573687544.2	30	40	10	7131.278	51631878.98	32903	24134	8769	625319423.1
41	GH-2010 (I)	GH-001	107	24134	1.5	2.75	1.25	247941.95	309927.44	206618	1994610340	30	40	10	24794.195	179514930.6	32903	24134	8769	2174125271
42	GH-2010 (I)	GH-002	107	24134	1.5	2.75	1.25	72325	90406.25	60271	581830516.7	30	40	10	7232.5	52364746.5	32903	24134	8769	634195263.2
43	GH-2010 (II)	GH-001	77	24134	1.5	2.75	1.25	62200	77750.00	51833	500378266.7	30	40	10	6220	45034044	32903	24134	8769	545412310.7
44	GH-2010 (II)	GH-002	77	24134	1.5	2.75	1.25	62200	77750.00	51833	500378266.7	30	40	10	6220	45034044	32903	24134	8769	545412310.7
45	GH-2010 (II)	GH-003	77	24134	1.5	2.75	1.25	79995.5	99994.38	66663	643537132.3	30	40	10	7999.55	57918341.91	32903	24134	8769	701455474.2
46	GH-2010 (III)	GH-001	74	24930	1.5	2.75	1.25	258681.47	323351.84	215568	2149643016	30	40	10	25868.147	193467871.4	33988	24930	9058	2343110887
47	GH-2010 (III)	GH-001	143	24930	1.5	2.75	1.25	100112.19	125140.24	83427	831932298.9	30	40	10	10011.219	74873906.9	33988	24930	9058	906806205.8

Sr No	Scheme	Plot No.	Sec-tor	Revise reserve price without considering development norms (in ₹)	Admissible FAR for Group Housing for base year	FAR allowed in brochure	Excess FAR allowed	Total area allotted	Proportionate area for additional FAR	Area for Additional FAR	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent)	Ground Coverage allowed in brochure (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Revise reserve price without considering development norms (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
							Col 7- Col 6	Col 9 * Col 6	Col 9 * Col 8	Col 10 / Col 6	Col 11 * Col 5 * 0.4			Col 14 - Col 13	Col 9 * Col 15	Col 16 * 0.3 * Col 5	Col + {(Col 12+Col 17)/ Col 9}		Col 18 - Col 19	Col 20 * Col 9
48	GH-2010 (III)	GH-001	168	43890	1.5	2.75	1.25	200217.5	250271.88	166848	2929182025	30	40	10	20021.75	263626382.3	59837	43890	15947	3192808407
49	GH-2010 (IV)	GH-01,02,03	108	43890	1.5	2.75	1.25	44280	55350.00	36900	647816400	30	40	10	4428	58303476	59837	43890	15947	706119876
50	GH-2010 (IV)	GH-01	143B	43890	1.5	2.75	1.25	73945.53	92431.91	61621	1081823104	30	40	10	7394.553	97364079.55	59837	43890	15947	1179187183
51	GH-2010 (V)	GH-003	144	43890	1.5	2.75	1.25	96742	120927.50	80618	1415335460	30	40	10	9674.2	127380191.4	59837	43890	15947	1542715651
52	GH-2011 (I)	GH-002	143	24930	1.5	2.75	1.25	100080.98	125101.23	83401	831672943.8	30	40	10	10008.098	74850564.94	33988	24930	9058	906523508.7
53	GH-2011 (I)	GH-003	143	24930	1.5	2.75	1.25	100166.3	125207.88	83472	832381953	30	40	10	10016.63	74914375.77	33988	24930	9058	907296328.8
54	2016-17 (Group Housing I)	GH-001	43	79044	1.5	3.5	2	126600	253200.00	168800	5337050880	30	40	10	12660	300209112	123572	79044	44528	5637259992
55	GH-2009(V) Sector 75		75	18206	1.5	2.75	1.25	300000	375000.00	250000	1820600000	30	40	10	30000	163854000	24821	18206	6615	1984454000
Total																				45463538286
4546.35 Crore																				

Appendix-4.5 (ii)
(Referred to in Paragraph 4.10)
Details of year-wise Revised Rates

Year	Approved Rate Effective from	Revised Basic Rate	Category	Factor	Revised Reserve Price
(1)	(2)	(3)	(4)	(5)	(6)
2005-06	01-04-2005	4586.56	A	5.46	20914.71
			B	3.33	15273.24
			C	2.18	9769.37
			D	2.18	9769.37
			E	1.22	5595.60
2006-07	01-04-2006	8628.04	A	4.13	35633.81
			B	3.00	25884.12
			C	2.40	20707.30
			D	2.40	20707.30
			E	1.60	13804.86
2007-08	17-07-2007	15015.40	A	3.75	56307.75
			B	2.50	37538.50
			C	2.00	30030.80
			D	2.00	30030.80
			E	1.42	21321.87
2008-09	08-05-2008	15914.00	A	3.75	59677.50
			B	2.50	39785.00
			C	2.00	31828.00
			D	2.00	31828.00
			E	1.42	22597.88
2009-10	26-08-2009	16996.00	A	3.75	63735.00
			B	2.50	42490.00
			C	2.00	33992.00
			D	2.00	33992.00
			E	1.42	24134.32
2010-11	30-04-2010	17556.00	A	3.75	65835.00
			B	2.50	43890.00
			C	2.00	35112.00
			D	2.00	35112.00
			E	1.42	24929.52
2011-12	23-05-2011	19770.00	A	3.75	74137.50
			B	2.50	49425.00
			C	2.00	39540.00
			D	2.00	39540.00
			E	1.42	28073.40
2012-13	27-07-2012	22290.00	A	3.75	83587.50
			B	2.50	55725.00

Year	Approved Rate Effective from	Revised Basic Rate	Category	Factor	Revised Reserve Price
(1)	(2)	(3)	(4)	(5)	(6)
			C	2.25	50152.50
			D	2.00	44580.00
			E	1.42	31651.80
2013-14	29-05-2013	25618.00	A	3.75	96067.50
			B	2.50	64045.00
			C	2.25	57640.50
			D	2.00	51236.00
			E	1.42	36377.56
2014-15	04-06-2014	37928.00	A	3.75	142230.00
			B	2.50	94820.00
			C	2.25	85338.00
			D	2.00	75856.00
			E	1.42	53857.76
2015-16	01-04-2015	37926.00	A	3.75	142222.50
			B	2.50	94815.00
			C	2.25	85333.50
			D	2.00	75852.00
			E	1.42	53854.92
2016-17	16-06-2016	42678.00	A	3.75	160042.50
			B	2.50	106695.00
			C	2.25	96025.50
			D	2.00	85356.00
			E	1.42	60602.76

Appendix-4.5 (iii)

(Referred to in Paragraph 4.10)

Statement Showing Scheme-wise and Sector-wise Rates

Sl. No	Scheme	Period	Plot No.	Sector	Category of Sector	Sector rate of Group Housing
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	GH-2006 (2)	18-05-2006 to 17-06-2006	GH-004	119	E	13805
2	GH-2006 (3)	18-05-2006 to 17-06-2006	GH-002	119	E	13805
3	GH-2006 (3)	18-05-2006 to 17-06-2006	GH-003	119	E	13805
4	GH-2006 (4)	18-05-2006 to 17-06-2006	GH-05	121	E	13805
5	GH-2006 (4)	18-05-2006 to 17-06-2006	GH-01,02,03	93B	E	13805
6	GH-2006 (6)	14-10-2006 to 30-11-2006	C-78	34	C	20707
7	GH-2006 (6)	14-10-2006 to 30-11-2006	D-3A	44	B	25884
8	GH-2006 (6)	14-10-2006 to 30-11-2006	F-7	50	C	20707
9	GH-2006 (6)	14-10-2006 to 30-11-2006	F-21	50	C	20707
10	GH-2006 (6)	14-10-2006 to 30-11-2006	F-33	50	C	20707
11	GH-2006 (6)	14-10-2006 to 30-11-2006	A-110	52	C	20707
12	GH-2006 (6)	14-10-2006 to 30-11-2006	GH-01, 02, 03	110	E	13805
13	GH-2006 (7)	14-10-2006 to 14-11-2006	GH-001	119	E	13805
14	GH-2007 (1)	22-01-2007 TO 06-02-2007	GH-001	115	E	13805
15	GH-2007 (1)	22-01-2007 TO 06-02-2007	GH-001	118	E	13805
16	GH-2007 (2)	22-01-2007 TO 06-02-2007	GH-001	117	E	13805
17	GH-2007 (2)	22-01-2007 TO 06-02-2007	GH-001	113	E	13805
18	GH-2008 (I)	22-11-2008 to 12-12-2008	F-27	50	C	31828
19	GH-2008 (I)	22-11-2008 to 12-12-2008	B-17	61	C	31828
20	GH-2008 (I)	22-11-2008 to 12-12-2008	E-11	61	C	31828
21	GH-2008 (I)	22-11-2008 to 12-12-2008	GH-04	108	D	31828
22	GH-2008 (I)	22-11-2008 to 12-12-2008	E-16A	61	C	31828
23	GH-2008 (I)	22-11-2008 to 12-12-2008	F-21C	50	C	31828
24	GH-2008 (I)	22-11-2008 to 12-12-2008	F-26	50	C	31828
25	GH-2008 (II)	22-11-2008 to 12-12-2008	GH-01	45	E	22598
26	GH-2008 (II)	22-11-2008 to 12-12-2008	GH-02	100	E	22598
27	GH-2008 (III)	22-11-2008 to 12-12-2008	GH-003	100	E	22598
28	GH-2009 (II)	04-06-2009 to 25-06-2009	GH-03	45	E	22598
29	GH-2009 (II)	04-06-2009 to 25-06-2009	GH-01	70	E	22598
30	GH-2009 (II)	04-06-2009 to 25-06-2009	GH-01	137	E	22598
31	GH-2009 (III)	27-07-2009 to 17-08-2009	GH-001	46	C	32178
32	GH-2009 (III)	27-07-2009 to 17-08-2009	GH-001	121	E	22648
33	GH-2009 (III)	27-07-2009 to 17-08-2009	GH-001	135	E	23248
34	GH-2009 (VI)	03-11-2009 to 25-11-2009	GH-005	110	D	33992
35	GH-2009 (VI)	03-11-2009 to 25-11-2009	GH-001	120	E	24134
36	GH-2009 (VI)	03-11-2009 to 25-11-2009	GH-002	120	E	24134
37	GH-2009 (VI)	03-11-2009 to 25-11-2009	GH-003	120	E	24134

Sl. No	Scheme	Period	Plot No.	Sector	Category of Sector	Sector rate of Group Housing
(1)	(2)	(3)	(4)	(5)	(6)	(7)
38	GH-2009 (VII)	09-11-2009 to 30-11-2009	GH-002	137	E	24134
39	GH-2009 (VII)	09-11-2009 to 30-11-2009	GH-003	137	E	24134
40	GH-2009 (VII)	09-11-2009 to 30-11-2009	GH-006	137	E	24134
41	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-001	76	E	24134
42	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-002	76	E	24134
43	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-001	104	E	24134
44	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-004	137	E	24134
45	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-005	137	E	24134
46	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-007	137	E	24134
47	GH-2009 (VIII)	08-01-2010 to 29-01-2010	GH-004	45	E	24134
48	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-001	78	E	24134
49	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-002	78	E	24134
50	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-003	78	E	24134
51	GH-2010 (I)	05-02-2010 to 25-02-2010	Gh-004	78	E	24134
52	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-005	78	E	24134
53	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-001	107	E	24134
54	GH-2010 (I)	05-02-2010 to 25-02-2010	GH-002	107	E	24134
55	GH-2010 (II)	06-03-2010 to 22-03-2010	GH-001	77	E	24134
56	GH-2010 (II)	06-03-2010 to 22-03-2010	GH-002	77	E	24134
57	GH-2010 (II)	06-03-2010 to 22-03-2010	GH-003	77	E	24134
58	GH-2010 (III)	29-05-2010 to 18-06-2010	GH-001	74	E	24929.52
59	GH-2010 (III)	29-05-2010 to 18-06-2010	GH-001	143	E	24929.52
60	GH-2010 (III)	29-05-2010 to 18-06-2010	GH-001	168	B	43890
61	GH-2010 (IV)	09-08-2010 to 30-08-2010	GH-01,02,03	108	B	43890
62	GH-2010 (IV)	09-08-2010 to 30-08-2010	GH-01	143B	B	43890
63	GH-2010 (V)	15-09-2010 to 05-10-2010	GH-003	144	B	43890
64	GH-2011 (I)	09-03-2011 to 29-03-2011	GH-002	143	E	24929.52
65	GH-2011 (I)	09-03-2011 to 29-03-2011	GH-003	143	E	24929.52
66	2016-17 (Group Housing I)	22-07-2016 to 12-08-2016	GH-001	43	D	79044

Appendix-4.6
(Referred to in Paragraph 4.11)
Statement showing calculation of loss on sale of plots meant for corporate offices under the scheme OES 2008 (III)

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
								(Col 11 – Col 9)				(Col 5 * Col 12)
1	127	11	Square Infrastructure. Pvt. Ltd.	5,003	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	34780000.00	14688	6732	33680196
2	136	A-116	Ojas Garments (P) Ltd.	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6745464
3	136	A-117	PREM KUMAR To M/S Zygon Industries Pvt. Ltd.	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
4	136	A-118	Royal Kapsons Realtors (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
5	136	A-119	Manisha Projects (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
6	136	A-120	S/K/G/ Projects	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
7	136	A-121	Dsm Developers Pvt/ Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
8	136	A-122	Prince Soft Solutions Pvt/ Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
9	136	A-123	Confident Infotech (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
10	127	16	Pebbles Inforadevelopment Pvt. Ltd.	5,335	31-Dec-2010	Corporate Office	OES-III/2008-09	8751.60	46690311.00	14400	5648	30134553
11	136	A-128	Rakesh Kumar Taneja	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
								(Col 5 * Col 9)	(Col 11 - Col 9)			(Col 5 * Col 12)
12	136	A-129	V/K/ Industries	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
13	136	A-031	New Wave Techno Build Pvt. Ltd.	1,092	31-Dec-2010	Corporate Office	OES-III/2008	8923.20	9744134.00	14400	5477	5980666
14	136	A-130	North Delhi Proj. P. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
15	136	A-131	JRD ENGINEERING As Per CIC Approval Dated.08.11.2011 M/S Planet Egate Services Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
16	136	A-145	Footprints Realtyventures Pvt. Ltd.	1,242	31-Dec-2010	Corporate Office	OES-III/2008	8751.60	10870013.00	14400	5648	7015313
17	136	A-132	Gy Infotech Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
18	136	A-133	New Delhi E Services P. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
19	136	A-134	Multitex Filtration Engi.Lt.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
20	136	A-141	Ssb Infrastructure P Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
21	136	A-142	Mix Builders P. Ltd. As Per Cic Approval Dated 29.08.2011 Msr Builders Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	8112.00	8347248.00	14976	6864	7063056
22	153	A-065	Paarth Solutions Pvt.Ltd.	1,000	31-Dec-2010	Corporate Office	OES-III/2008-09	8923.20	8923200.00	14400	5477	5476800

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
										(Col 5 * Col 12)	(Col 11 – Col 9)	(Col 5 * Col 12)
23	136	A-143	P.C. Promoters (P) Ltd. As Per Cic Approval Dated 08.09.2010 Virat Promoters Pvt. Ltd.	5,293	02-Jun-2009	Corporate Office	OES-III/2008	8112.00	43174498.00	14976	6864	36331152
24	136	A-144	Redical Projects Pvt. Ltd.	3,152	11-Jun-2009	Corporate Office	OES-III/2008	7956.00	25198243.00	14688	6732	21219264
25	136	A-001A	V.A.D. Compusoft Pvt. Ltd.	1,007	31-Dec-2010	Office	OES-III/2008	8751.60	8812862.00	14400	5648	5687939
26	127	008	Pushkar Powercon (P) Ltd./	11,978	06-Nov-2008	Corporate Office	OES-III/2008	7956.00	95296968.00	14688	6732	80635896
27	136	A-059	Ggg Realty (P) Ltd./	2,040	06-Nov-2008	Corporate Office	OES-III/2008	7956.00	16230240.00	14688	6732	13733280
28	136	A-091	Salshi Communications P. Ltd.	3,031	06-Nov-2008	Corporate Office	OES-III/2008	7956.00	23868000.00	14688	6732	20404692
29	127	18	Votive Probuild P. Ltd.	10,390	25-Nov-2008	Corporate Office	OES-III/2008	8112.00	84283680.00	14976	6864	71316960
30	127	19	Unnati Infratech Pvt. Ltd.	1,000	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
31	127	20	Kusum Infotech Pvt/ Ltd/	1,000	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
32	127	21	LEO VIII RAISING SONS FILMS (P) LTD Transferred To M/S S.M. Associates On 03.07.2013	1,990	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	16142880.00	14688	6732	13396680

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
											(Col 11 – Col 9)	(Col 5 * Col 12)
33	127	012A	Kanha Softech (P) Ltd/	4,295	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	34139196.00	14688	6732	28913940
34	136	A-029	Mk Info Com	1,014	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	8067384.00	14688	6732	6826248
35	136	A-042	M R Auxiliary Services Pvt. Ltd.	1,014	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	8067384.00	14688	6732	6826248
36	136	A-044	Mehta Realtech Pvt. Ltd.	1,014	25-Nov-2008	Corporate Office	OES-III/2008	7956.00	8067384.00	14688	6732	6826248
37	136	A-092	Rps Electricals (P) Ltd	2,484	25-Nov-2008	Corporate Office	OES-III/2008	8112.00	201146477.00	14976	6864	17050176
38	136	A-104	Saan Global	1,000	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
39	136	A-115	Sangok Creations Pvt/ Ltd/	1,014	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8235497.00	14976	6864	6960096
40	136	A-125	United Estate Creators (P) Ltd/	1,002	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8129846.00	14976	6864	6877728
41	136	A-135	Bdks Garments Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
42	127	009	DKB Infrastructure (P) Ltd. Transfer To M/S Hotel Library Club (P) Ltd. On 22.09.2010	10,590	11-Dec-2008	Corporate Office	OES-III/2008	8268.00	86640372.00	15264	6996	74087640
43	127	015A	Cosmic Softsolution P. Ltd.	5,002	11-Dec-2008	Corporate Office	OES-III/2008	7956.00	33669792.00	14688	6732	33673464
44	136	A-136	Juventus Realtors Pvt. Ltd. Transfer Date 31.03.2015 M/S Vega Technet Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
											(Col 11 – Col 9)	(Col 5 * Col 12)
45	136	A-137	Sun Infoplanet Ltd. Transferred To Vega Technet Pvt. Ltd. On Dated 31.03.2015	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
46	136	A-138	Silverston Regency Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
47	136	A-139	Chandralekha Cons. Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
48	136	A-140	Sarmimal Agro Ind. P. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
49	136	A-152	Petal Consultants Pvt. Ltd.	1,000	31-Jul-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6732000
50	136	A-156	Kalkajee Vanijya P. Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	8923.00	8932123.20	14976	6053	6059053
51	136	A-157	Sas Medchem Pvt Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8120112.00	14976	6864	6870864
52	136	A-166	Ninecube Technology Pvt. Ltd.	1,000	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
53	136	A-174	Red. Bricks Prom. P. Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	8112.00	8120112.00	14976	6864	6870864
54	136	A-126	R.K.Jindal & Co. As Per Cic Approved On 12.12.2011 M/S Rkj Infra Pvt. Ltd.	1,029	04-Aug-2009	Corporate Office	OES-III/2008	8112.00	8368542.00	14976	6864	7063056
55	136	A-100	Optimum Infradevelopers Pvt.Ltd.	1,012	21-Oct-2009	Corporate Office	OES-III/2008	8751.60	8061019.00	14400	5648	5716181
56	136	A-103	Rr Management Consultants (P)	1,012	21-Oct-2009	Corporate Office	OES-III/2008	8112.00	8219078.00	14400	6288	6363456

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
										(Col 5 * Col 12)	(Col 11 - Col 9)	(Col 5 * Col 12)
57	136	A-108	Am Computech (P) Ltd.	1,000	21-Oct-2009	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
58	136	A-127	Apex Fincorp Advisors(P)Ltd	1,029	21-Oct-2009	Corporate Office	OES-III/2008	7956.00	8207609.00	14688	6732	6927228
59	136	A-153	Pride Associates (P) Ltd.	1,001	21-Oct-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
60	136	A-154	Chobey Trading Company Pvt.Ltd	1,001	21-Oct-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
61	136	A-161	U.P. Export Corporation Ltd.	1,397	21-Oct-2009	Corporate Office	OES-III/2008	7956.00	11114532.00	14688	6732	9404604
62	136	A-175 & 176	Vishvash Computech	2,002	21-Oct-2009	Corporate Office	OES-III/2008	8112.00	16240224.00	14976	6864	13741728
63	136	A-030	R&G Visionary Associates	1,000	30-Nov-2009	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
64	136	A-107	Vkg Struc & Arch Cons P. L.	1,000	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
65	136	A-155	E.P.S.Investment (P) Ltd.	1,001	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
66	136	A-158	Tyag Buildspac	1,001	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
67	136	A-172	Nicky Syntex Pvt. Ltd.	1,001	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
68	136	A-173	Rastogi Colonisers Pvt. Ltd.	1,000	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6732000
69	136	A-95	Supreme It Solutions P. Ltd.	1,012	30-Nov-2009	Corporate Office	OES-III/2008	7956.00	8061019.00	14688	6732	6812784
70	136	A-097	Gtv International Ltd.	1,000	18-Jan-2010	Corporate Office	OES-III/2008	8751.60	8061019.00	14400	5648	5648400

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
								(Col 11 – Col 9)	(Col 5 * Col 12)			
71	136	A-099	Bop Projects P. Ltd. Transferred To M/S Krishna Infraworks Pvt. Ltd. On 30.03.2015	1,012	18-Jan-2010	Corporate Office	OES-III/2008	8751.60	8061019.00	14400	5648	5716181
72	136	A-102	Ujjawal Garments Pvt. Ltd.	1,012	18-Jan-2010	Corporate Office	OES-III/2008	7956.00	8061019.00	14688	6732	6812784
73	136	A-105	Brand Realty Services Ltd.	1,000	18-Jan-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
74	136	A-124	Raghav Technobuild Pvt. Ltd.	1,002	18-Jan-2010	Corporate Office	OES-III/2008	7956.00	7973503.00	14688	6732	6745464
75	136	A-164 & 165	Lucky Export	2,000	18-Jan-2010	Corporate Office	OES-III/2008	8112.00	16224000.00	14976	6864	13728000
76	136	A-178	Jaipuria Propcon Pvt. Ltd.	1,001	18-Jan-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
77	136	A-018	CHANDRALEKHA INFRASTRUCTUR E(P) Transferred To Maple Garments Pvt. Ltd. On Dated 28.04.2014	1,014	18-Jan-2010	Office	OES-III/2008	7956.00	7956000.00	14688	6732	6826248
78	127	008A	Hacienda Infosoftech Pvt. Ltd.	5,625	11-Feb-2010	Corporate Office	OES-III/2008	7800.00	43875000.00	14400	6600	37125000
79	136	A-025	Anro Sourcing & Services	1,014	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	8225568.00	14976	6864	6960096
80	136	A-050	Gangotri Enterprises Ltd.	2,040	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	16230240.00	14688	6732	13733280
81	136	A-056	Sahni Arcade	2,141	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	16548480.00	14976	6864	14695824
82	136	A-063	Virtual Scape 3d Ins. P. Ltd.	1,004	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6891456

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
								(Col 5 * Col 12)	(Col 11 - Col 9)			
83	136	A-087	Amity Exim (P) Ltd.	1,080	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	8592480.00	14688	6732	7270560
84	136	A-093 & 94	Four Star Realty Pvt. Ltd.	3,256	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	44000460.00	14688	6732	21919392
85	136	A-101	Welcome Infrastructure P. Ltd.	1,012	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	8051472.00	14688	6732	6812784
86	136	A-106	Akg Consultants Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
87	136	A-110	Kanika Edu. & Res. P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
88	136	A-111 & 112	Mayur Buildcon Pvt. Ltd.	2,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	15912000.00	14688	6732	13464000
89	136	A-113	B.E. Contracts P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
90	136	A-159	Evershine Compu Systems Pvt. Ltd.	1,001	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
91	136	A-162	Shubhankar Infrotech Pvt. Ltd.	1,140	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	9247680.00	14976	6864	7824960
92	136	A-163	Design Associates Inc.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
93	136	A-168	Vastunidhi Architects P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
94	136	A-169	Hs Engineering Pvt. Ltd.	1,140	11-Feb-2010	Corporate Office	OES-III/2008	8112.00	9247680.00	14976	6864	7824960
95	136	A-179	Romsons International	1,001	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
96	136	A-60	Nuberg Engineering Ltd.	2,040	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	16230240.00	14688	6732	13733280
97	136	A-65	Arikara Infrotech P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
											(Col 11 – Col 9)	(Col 5 * Col 12)
98	136	A-66	Shivangel Infrast P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
99	136	A-67	Sahni Construction & Company	1,000	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
100	136	A-80	A.K. Tower Pvt. Ltd.	1,080	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	8592480.00	14688	6732	7270560
101	136	A-98	SYMPOH MARKETING After CIC Approval Dated 06.02.2015 Synpoh Marketing Pvt. Ltd.	1,012	11-Feb-2010	Corporate Office	OES-III/2008	7956.00	8051472.00	14688	6732	6812784
102	62	005-	Radha Madhav Infra. Pvt. Ltd.	10,599	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	84325644.00	14688	6732	71352131
103	125	07A	White Glass Infotech Pvt. Ltd. Cic To Sh. Gurvinder Singh Grewal On 22.12.2011	1,200	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	9734400.00	14976	6864	8236800
104	125	A-002A	Hum Tum Fashion Pvt. Ltd.	7,062	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	55692000.00	14688	6732	47541384
105	125	A-002B	Rav Mech India Pvt. Ltd. Transfer To M/S Hotel Library Club (P) Ltd. On 17.03.2011	7,061	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	56784000.00	14976	6864	48466704
106	126	11	Pratap Infotech Netwok Pvt Ltd	3,351	26-Mar-2010	Corporate Office	OES-III/2008	8111.99	27183230.00	14976	6864	23001229
107	127	018A	Century Garments Pvt. Ltd.	5,460	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	43439760.00	14688	6732	36756720

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
											(Col 11 – Col 9)	(Col 5 * Col 12)
108	136	A-001	Vinsam Consultancy Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
109	136	A-064	Oscar International Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
110	136	A-072	Sg Developers P. Ltd.	1,124	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	8910720.00	14688	6732	7566768
111	136	A-075	Purnima Apparels P. Ltd	1,060	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8600830.00	14976	6864	7275840
112	136	A-089	Omni Buildtech P. Ltd.	2,290	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	16230240.00	14688	6732	15416280
113	136	A-090	Bib Realty Ventures Ltd.	2,028	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	16134768.00	14688	6732	13652496
114	136	A-109	True Gainers Network Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
115	136	A-114	Realty Canvas Pvt. Ltd.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8122886.00	14976	6864	6870864
116	136	A-146	Raj Nandini Wxports Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
117	136	A-147	P.G. Electroplast Pvt. Ltd. As Per Cic Approval Dated 05.07.2011	1,010	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	8035560.00	14688	6732	6799320
118	136	A-148	Shiltan Consultants Pvt. Ltd.	1,009	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8185008.00	14976	6864	6925776
119	136	A-149	Futurife It Solutions P. Ltd	1,095	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8882640.00	14976	6864	7516080
120	136	A-150	Moon Orchid Housing Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	Allotment Date	Land Use	Scheme	Allotment Rate	Plot Premium	Allotment Rate to be Charged	Under Charged Rate	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
											(Col 11 – Col 9)	(Col 5 * Col 12)
121	136	A-151	Meadow Real Estate Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7956000.00	14688	6732	6732000
122	136	A-160	Meriton Hotel & Resorts P. L.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
123	136	A-167	Nitin Buildwell Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8112000.00	14976	6864	6864000
124	136	A-170	Tns Foods Pvt. Ltd.	1,397	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	11114532.00	14688	6732	9404604
125	136	A-171	Tandon & Sons	1,001	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
126	136	A-177	Sain Software Systems P. Ltd.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	7963956.00	14688	6732	6738732
127	136	A-26	Glow Real Estate Pvt. Ltd.	1,014	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	8067384.00	14688	6732	6826248
128	136	A-73	Marval Infosoft Pvt. Ltd.	1,124	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	8910720.00	14688	6732	7566768
129	136	A-76	Kesk Buildwell Pvt. Ltd.	1,218	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	9228960.00	14688	6732	8199576
130	136	A-77	Kapila Information Tech. P. L.	1,218	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	9228960.00	14688	6732	8199576
131	136	A-78	Genex Foods Pvt. Ltd.	1,219	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	9409920.00	14976	6864	8367216
132	136	A-79	Rollmill Industries Ltd.	1,068	26-Mar-2010	Corporate Office	OES-III/2008	8112.00	8666050.00	14976	6864	7330752
133	136	A-9	New Track Devlo. P. Ltd.	1,950	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	15514200.00	14688	6732	13127400
134	136	A-008	Richa Cottex Pvt.Ltd	1,950	26-Mar-2010	Corporate Office	OES-III/2008	7956.00	15514200.00	14688	6732	13127400
Total												1617454953

Appendix-5.1.1
(Referred to in Paragraph 5.1.6.1)
Statement Showing Status of Approval of Group Housing Schemes by the Board of NOIDA

Sl. No.	Name of the scheme	Period of launch	Date of approval by Board	Status of approval	Delay
1	Express City (Sector 96, 97 & 98)	30.03.2006 to 01.05.2006	25.01.2006	Prior to launch	-
2	GH-2006 (2)	18.05.2006 to 17.06.2006	Not submitted	-	-
3	GH-2006 (3)	18.05.2006 to 17.06.2006	Not submitted	-	-
4	GH-2006 (4)	18.05.2006 to 17.06.2006	Not submitted	-	-
5	GH-2006 (6)	14.10.2006 to 30.11.2006	Not submitted	-	-
6	GH-2006 (7)	14.10.2006 to 14.11.2006	Not submitted	-	-
7	GH-2006 (8)	14.10.2006 to 14.11.2006	Not submitted	-	-
8	GH-2006 (9)	14.10.2006 to 30.11.2006	Not submitted	-	-
9	GH-2007 (1)	22.01.2007 to 06.02.2007	Not submitted	-	-
10	GH-2007 (2)	22.01.2007 to 06.02.2007	Not submitted	-	-
11	GH-2008 (I)	22.11.2008 to 12.12.2008	24.11.2008	During currency	-
12	GH-2008 (II)	22.11.2008 to 12.12.2008	24.11.2008	During currency	-
13	GH-2008 (III)	22.11.2008 to 12.12.2008	24.11.2008	During currency	-
14	GH-2009 (II)	04.06.2009 to 25.06.2009	28.05.2009	Prior to launch	-
15	GH-2009 (III)	27.07.2009 to 17.08.2009	22.09.2009	During currency	-
16	GH-2009 (IV)	31.07.2009 to 21.08.2009	22.09.2009	During currency	-
17	GH-2009 (V Eco City)	24.12.2009 to 18.01.2010	06.11.2009	Prior to launch	-
18	GH-2009 (VI)	03.11.2009 to 25.11.2009	06.11.2009	During currency	-
19	GH-2009 (VII)	09.11.2009 to 30.11.2009	06.11.2009	Prior to launch	-
20	GH-2009 (VIII)	08.01.2010 to 29.01.2010	29.12.2009	Prior to launch	-
21	GH-2010 (I)	05.02.2010 to 25.02.2010	28.04.2010	Post closure	2 months

Sl. No.	Name of the scheme	Period of launch	Date of approval by Board	Status of approval	Delay
22	GH-2010 (II)	06.03.2010 to 22.03.2010	28.04.2010	Post closure	1 month
23	GH-2010 (III)	29.05.2010 to 18.06.2010	02.06.2010	During currency	-
24	GH-2010 (IV)	09.08.2010 to 30.08.2010	31.08.2010	Post closure	1 day
25	GH-2010 (V)	15.09.2010 to 05.10.2010	26.10.2010	Post closure	20 days
26	GH-2011 (I)	09.03.2011 to 29.03.2011	29.03.2011	During currency	-
27	2016-17 (Group Housing I)	22.07.2016 to 12.08.2016	21.10.2016	Post closure	2 months
28	2016-17 (Group Housing II)	16.11.2016 to 07.12.2016	Not Put up	-	-

Appendix-5.1.2
(Referred to in Paragraph 5.1.7.2)
Statement Showing Leveraging of Net worth for Multiple Allotments

Sl. No.	Name of Company	Plot no. & Sector in which participated	Date of Allotment	Premium (₹ in crore)	Year of which net worth taken	Net worth of the company (₹ in crore)	Net worth of the company used for the allotment (₹ in crore)	Status of project	No. of flat sanctioned	No. of flats for which OC given
1.	Gaursons India Limited	GH-01, Sector 121	03.09.2009	105.97	2008-09	73.01	3.63	Completed	1728	1732
		GH-01, Sector 120	10.12.2009	104.74	2008-09		69.61	Completed	1532	1530
		GH-07, Sector 137	08.02.2010	122.42	2008-09		3.63	Completed-2	1927	1988
		GH-01, Sector 77	31.03.2010	129.08	2008-09		69.61	Completed	1800	1800
		Total				73.01	146.48			
2.	Ultra Home Construction Pvt. Ltd.	GH-03, Sector 45	29.06.2009	107.46	2008-09	68.89	43.69	No OC issued	1321	0
		GH-03, Sector 120	10.12.2009	143.61	2008-09		58.74	Partially Completed	2217	376
		GH-01, Sector 76	03.03.2010	496.82	2008-09		55.29	Completed-3, No OC issued-1	6742	2030
		Total					68.89	157.72		
3.	Supertech Ltd.	GH-03, Sector 137	12.03.2010	104.65	2008-09	183.46	75.00	Partially Completed	1953	1618
		GH-05, Sector 137	12.03.2010	102.55	2008-09		61.45	Completed-1, No OC issued-1	1526	834
		GH-03, Sector 78	16.03.2010	124.50	2008-09		59.04	Completed	2092	2086
		GH-03, Sector 77	31.03.2010	166.05	2008-09		75.00	Completed-1, No OC issued-2	2292	502
		Total				183.46	270.49			
4.	Gulshan Homz Pvt. Ltd.	GH-01, Sector 121	03.09.2009	105.97	2008-09	15.47	15.47	Completed	1728	1732
		GH-07, Sector 137	08.02.2010	122.42	2008-09		15.47	Completed-2	1927	1988
		GH-02, Sector 77	31.03.2010	129.01	2008-09		1.66	Completed-2, Partially completed-1	1955	1835
		Total				15.47	32.60			

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of Company	Plot no. & Sector in which participated	Date of Allotment	Premium (₹ in crore)	Year of which net worth taken	Net worth of the company (₹ in crore)	Net worth of the company used for the allotment (₹ in crore)	Status of project	No. of flat sanctioned	No. of flats for which OC given
5.	Agarwal Associates (Promoters) Pvt. Ltd.	GH-01, Sector 78	16.03.2010	171.48	2008-09	47.83	36.60	Completed-1, Partially completed-2	2055	1570
		GH-02, Sector 77	31.03.2010	129.01	2008-09		47.83	Completed-2, Partially completed-1	1955	1835
		Total				47.83	84.43			
6.	Ajnara India Limited	GH-01, Sector 121	03.09.2009	105.97	2008-09	55.90	55.90	Completed	1728	1732
		GH-07, Sector 137	08.02.2010	122.42	2008-09		55.90	Completed-2	1927	1988
		Total			Total	55.90	111.80			
7.	Prateek Buildtech (India) Pvt. Ltd.	GH-01, Sector 120	10.12.2009	104.61	2008-09	5.39	5.39	Completed	1532	1530
		GH-01, Sector 77	31.03.2010	129.08	2008-09		5.39	Completed	1800	1800
		Total			Total	5.39	10.78			
8.	Bihari JI Ispat Udyog Limited	GH-03, Sector 45	29.06.2009	107.46	2008-09	31.31	31.31	No OC issued	1321	0
		GH-02, Sector 76	26.02.2010	166.99	2008-09		0.55	Completed-1, No OC issued-1	2964	726
		Total			Total	31.31	31.86			
9.	Amrapali Homes Projects Pvt. Ltd.	GH-03, Sector 120	10.12.2009	143.51	2008-09	16.26	16.26	Partially Completed	2217	376
		GH-02, Sector 76	26.02.2010	166.10	2008-09		16.26	Completed-1, No OC issued-1	2964	726
		Total			Total	16.26	32.52			
10.	Unitech Limited	GH-01, Sector 113	18.04.2007	378.04	2005-06	224.53	150.00	Map not Sanctioned	0	0
		GH-01, Sector 117	18.04.2007	503.43	2005-06		150.00	No OC issued	3784	0
		Total			Total	224.53	300.00		54987	32334

Appendix-5.1.3
(Referred to in Paragraph 5.1.7.3 and 5.1.7.4)

Statement Showing Cases of Rigging of Bids by Pair of Bidders

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl. No.	Scheme Name	Plot No.	Sector	Premium (₹ in crore)	Name of Bidders	Name of allottee	Bidding Amount (in ₹) Per Sqm	Reserve Price (in ₹) Per Sqm	Percentage to Reserve Price
1	GH-2008 (I)	B-17	61	20.25	TGB Infrastructure Pvt Ltd (Consortium) Manisha Projects Pvt Ltd (Consortium)	Manisha Projects Pvt Ltd	29050	28800	100.87
2	GH-2008 (I)	F-21C	50	37.36	TGB Infrastructure Pvt Ltd (Consortium) Manisha Projects Pvt Ltd (Consortium)	TGB Infrastructure Pvt Ltd	29304	28800	101.75
3	GH-2008 (I)	E-11	61	27.31	PrateekBuildtech India Pvt Ltd Mahagun India Pvt Ltd	PrateekBuildtech India Pvt Ltd	29351	28800	101.91
4	GH-2008 (I)	F-26	50	28.12	PrateekBuildtech India Pvt Ltd Mahagun India Pvt Ltd	Mahagun India Pvt Ltd	28850	28800	100.17
5	GH-2009 (VI)	GH-001	120	104.74	PrateekBuildtech India Pvt Ltd (Consortium) Mahagun India Pvt Ltd	PrateekBuildtech India Pvt Ltd	20511	20400	100.54
6	GH-2010 (II)	GH-001	77	129.08	PrateekBuildtech India Pvt Ltd (Consortium) Mahagun India Pvt Ltd	PrateekBuildtech India Pvt Ltd	20752	20400	101.73
7	GH-2009 (VI)	GH-003	120	143.61	Amrapali Zodiac (Consortium) Ashiyana Homes Pvt Ltd (Consortium)	Amrapali Zodiac	20501	20400	100.50
8	GH-2009 (VIII)	GH-001	76	496.82	Amrapali Silicon City (Consortium) Ashiyana Homes Pvt Ltd (Consortium)	Amrapali Silicon City	20421	20400	100.10
9	GH-2009 (VIII)	GH-004	137	105.07	Purvanchal Construction Works Pvt Ltd Mahagun India Pvt Ltd	Purvanchal Construction Works Pvt Ltd	20610	20400	101.03
							20451	20400	100.25

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Scheme Name	Plot No.	Sector	Premium (₹ in crore)	Name of Bidders	Name of allottee	Bidding Amount (in ₹) Per Sqm	Reserve Price (in ₹) Per Sqm	Percentage to Reserve Price (col 8/ col 9)*100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
10	GH-2010 (I)	GH-002	78	205.09	Purvanchal Construction Works Pvt Ltd Mahagun India Pvt Ltd	Mahagun India Pvt Ltd	20425 20455	20400 20400	100.12 100.27
11	GH-2009 (VII)	GH-003	137	104.65	Supertech Ltd Assotech Ltd (Consortium)	Supertech Ltd	20520 20460	20400 20400	100.59 100.29
12	GH-2010 (I)	GH-004	78	126.60	Supertech Ltd Assotech Ltd (Consortium)	Assotech Ltd	20445 20548	20400 20400	100.22 100.73
13	GH-2010 (III)	GH-001	74	610.59	Supertech Ltd (Consortium) Assotech Ltd (Consortium)	Supertech Ltd	23604 22740	22440 22440	105.19 101.34
14	GH-2010 (III)	GH-001	143	235.88	Logix Infratech (P) Ltd (Consortium) B.L.Kashyap & Sons Ltd	LogixInfratech (P) Ltd	23562 22800	22440 22440	105.00 101.60
15	GH-2011 (I)	GH-002	143	235.69	Logix Infratech (P) Ltd (Consortium) B.L.Kashyap & Sons Ltd	LogixInfratech (P) Ltd	23550 23000	22440 22440	104.95 102.50
Total				2610.86					

**Appendix-5.1.4
(Referred to in Paragraph 5.1.8.1)
Statement showing sub-division of plots without any basis**

Sl. No.	Name of the Builder	Plot No. & Date of Allotment	Nature of participation in the bidding process	Net worth (₹ in crore)	Allotment Area (sqm)/ Value (₹ in crore)	Sub Divided Plot (Date of Sub-Lease deed)	SPC Member	Networth (₹ in crore)	Total Networth (₹ in crore)	Proportionate Area (sqm)/Area Value (₹ in crore)				
1	Amrapali Grand	GH-02 Sector 76 26 Feb 2010	Lead Member	7.26	81,300/	GH-02 A Sector 76 10 June 2010	Amrapali Grand	7.26	58.08	61300/125.24				
	Amrapali Homes Projects Pvt Ltd		Relevant Member	16.26	166.10		Amrapali Homes Projects Pvt Ltd	16.26						
	BiharijilspatUdyog Ltd		Relevant Member	31.31			BiharijilspatUdyog Ltd	31.31						
	S T Construction Pvt Ltd		Relevant Member	1.94			S T Construction Pvt Ltd	1.94						
	MaaSarada Holding Pvt Ltd		Relevant Member	1.31			MaaSarada Holding Pvt Ltd	1.31						
	Total		Relevant Member	7.22	40.46		Total	105.76			7.22	47.68	20000/40.86	
2	GulshanHomz Pvt Ltd	GH-07 Sector 137 08 Feb 2010	Relevant Member	15.47	59,863.62/122.42	GH-07A Sector 137 27 March 2010	GulshanHomz Pvt Ltd	15.47	15.47	26144.07/53.46				
	Ajnara India Ltd		Lead Member	55.9			Ajnara India Ltd	55.9						
	Gaursons India Limited		Relevant Member	73.01			Gaursons India Limited	73.01						
	Total		Relevant Member	144.38	47.83		Total	144.38			47.83	47.83		
	Agarwal Associates (Promoters) Pvt Ltd		GH-01 Sector 78 16 March 2010	Lead Member	47.83		83,850.5/171.48	GH-01B Sector 78 04 June 2010			Agarwal Associates (Promoters) Pvt Ltd	47.83	47.83	23382/47.82
	Ananya Computer and Buildcap Pvt Ltd		GH-01A Sector 78 04 June 2010	Relevant Member	NIL			GH-01A Sector 78 04 June 2010			AnanyaComputer and Buildcap Pvt Ltd	NIL	33.67	40468.5/82.76
Crosslay Remedies Ltd	Relevant Member	33.67			Crosslay Remedies Ltd	33.67	NIL							
New Wave Builders Pvt Ltd	Relevant Member	NIL			New Wave Builders Pvt Ltd	NIL								
Integrated Builders Pvt Ltd	Relevant Member	NIL			Integrated Builders Pvt Ltd	NIL								
3	Sikka Promoters Pvt Ltd	GH-01C Sector 78 17 June 2010	Relevant Member	4.73		GH-01C Sector 78 17 June 2010	Sikka Promoters Pvt Ltd	4.73	4.73	20000/40.90				
	Total		Relevant Member	86.23	Total		86.23	86.23			86.23			

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of the Builder	Plot No. & Date of Allotment	Nature of participation in the bidding process	Net worth (₹ in crore)	Allotment Area (sqm)/ Value (₹ in crore)	Sub Divided Plot (Date of Sub-Lease deed)	SPC Member	Network (₹ in crore)	Total Network (₹ in crore)	Proportionate Area (sqm)/Area Value (₹ in crore)
4	Assotech Ltd	GH-04 Sector 78 16 March 2010	Lead Member	68.26	61,594/ 126.60	GH-04A Sector 78 12 Aug 2010	Assotech Ltd	68.26	68.26	30797/ 63.30
	Ideal Infra Promoters Pvt Ltd		Relevant Member	NIL		GH-04B Sector 78 12 Aug 2010	Ideal Infra Promoters Pvt Ltd	NIL	19.58	30797/ 63.30
	Surya Merchant Ltd		Relevant Member	19.58			Surya Merchant Ltd	19.58		
			Total	87.84			Total	87.84		
5	Express Projects (P) Ltd	GH-02 Sector 77 31 March 2010	Lead Member	4.27	62,200/ 129.01	GH-02A Sector 77 01 Sep 2010	Express Projects (P) Ltd	4.27	52.1	21700/ 45.01
	Agarwal Associates (Promoters) Ltd		Relevant Member	47.83			Agarwal Associates (Promoters) Ltd	47.83		
	H R Buildcon Pvt Ltd		Relevant Member	2.57		GH-02B Sector 77 31 Aug 2010	H R Buildcon Pvt Ltd	2.57	16.82	20000/ 41.48
	Oracle Realtech Pvt Ltd		Relevant Member	NIL			Oracle Realtech Pvt Ltd	NIL		
	Sunglow Builders Pvt Ltd		Relevant Member	14.25			Sunglow Builders Pvt Ltd	14.25		
	GulshanHomz Pvt Ltd		Relevant Member	15.47		GH-02C Sector 77 31 Aug 2010	GulshanHomz Pvt Ltd	15.47	19.89	20500/ 42.52
	Civitech Housing India Pvt Ltd		Relevant Member	4.42			Civitech Housing India Pvt Ltd	4.42		
			Total	88.81			Total	88.81		
6	Quality Readymix Concrete Pvt Ltd	GH-01 Sector 143B 20 Sep 2010	Lead Member	0.012	73,945.53/ 174.33	GH-01A Sector 143B 10 Aug 2011	Quality Readymix Concrete Pvt Ltd	0.012	19.805	50308.92/ 118.60
	Sikka Promoters Pvt Ltd		Relevant Member	5.333			Sikka Promoters Pvt Ltd	5.333		
	Abhimanyu Housing Pvt Ltd		Relevant Member	0.01			Abhimanyu Housing Pvt Ltd	0.01		
	Sunglow Builders Pvt Ltd		Relevant Member	14.45			Sunglow Builders Pvt Ltd	14.45		
	Rani Promotor Pvt Ltd		Relevant Member	0.01		GH-01B Sector 143B 26 Dec 2011	Rani Promotor Pvt Ltd	0.01	0.01	13330.49/ 31.43
	Agarwal Associates (Promoters) Pvt Ltd		Relevant Member	57.76		GH-01C Sector 143B 19 Aug 2011	Agarwal Associates (Promoters) Pvt Ltd	57.76	57.77	10306.12/ 24.30
	AA Realcon Pvt Ltd		Relevant Member	0.01			AA Realcon Pvt Ltd	0.01		
			Total	77.585			Total	77.585		
7	Ultra Home Construction Pvt Ltd	GH-01 Sector 76 03 March 2010	Lead Member	68.89	2,43,287.4/ 496.82	GH-01A Sector 76 30 July 2010	Ultra Home Construction Pvt Ltd	68.89	85.54	180587.4/ 368.78
	Jotindra Steel & Tubes Ltd		Relevant Member	16.65			Jotindra Steel & Tubes Ltd	16.65		

Sl. No.	Name of the Builder	Plot No. & Date of Allotment	Nature of participation in the bidding process	Net worth (₹ in crore)	Allotment Area (sqm)/ Value (₹ in crore)	Sub Divided Plot (Date of Sub-Lease deed)	SPC Member	Network (₹ in crore)	Total Network (₹ in crore)	Proportionate Area (sqm)/Area Value (₹ in crore)	
8	Vidya Shree Buildcon Pvt Ltd		Relevant Member	NIL			Vidya Shree Buildcon Pvt Ltd	NIL			
	Rinku Clothing Pvt Ltd		Relevant Member	NIL			Rinku Clothing Pvt Ltd	NIL			
	Celebrity Realcon Pvt Ltd		Relevant Member	0.008		GH-01B Sector 76 30 July 2010	Celebrity Realcon Pvt Ltd	0.008	0.008	20900/42.68	
	J.M.Housing Pvt Ltd		Relevant Member	NIL		GH-01C Sector 76 30 July 2010	J.M.Housing Pvt Ltd	NIL	NIL	20900/42.68	
	Skytech Constructions Pvt Ltd		Relevant Member	3.05		GH-01D Sector 76 30 July 2010	Skytech Constructions Pvt Ltd	3.05	3.05	20900/42.68	
			Total		88.598		Total	88.598			
	Panchsheel Exotica Developers	GH-05 Sector 137 12 March 2010	Lead Member	13.05	50,146.15/102.55	GH-05A Sector 137 30 July 2010	Panchsheel Exotica Developers	13.05	196.51	27580.38/56.40	
	Supertech Ltd		Relevant Member	183.46			Supertech Ltd	183.46			
	ShubhkammaBuildtech Pvt Ltd		Relevant Member	0.5		GH-05B Sector 137 30 July 2010	ShubhkammaBuildtech Pvt Ltd	0.5	0.5	22565.77/46.15	
			Total		197.01		Total	197.01			
9	Antriksh Engineers Construction Corporation	GH-05 Sector 78 16 March 2010	Lead Member	Not Claimed(1.31)	71,312.78/145.94	GH-05A Sector 78 04 June 2010	Antriksh Engineers Construction Corporation	Not Claimed(1.31)	0.02	49918.95/102.16	
	Ocean Realcon Pvt Ltd		Relevant Member	0.01			Ocean Realcon Pvt Ltd	0.01			
	Vyom Infrastructure & Projects (P) Ltd		Relevant Member	0.01			Vyom Infrastructure & Projects (P) Ltd	0.01			
	ATS Infrastructure Ltd		Relevant Member	23.81		GH-05B Sector 78 28 May 2010	ATS Infrastructure Ltd	23.81	76.15	21393.83/43.78	
	Param Dairy Ltd		Relevant Member	52.14			Param Dairy Ltd	52.14			
	Sunshine Infratech Pvt Ltd		Relevant Member	0.2			Sunshine Infratech Pvt Ltd	0.2			
			Total		76.17		Total	76.17			

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of the Builder	Plot No. & Date of Allotment	Nature of participation in the bidding process	Net worth (₹ in crore)	Allotment Area (sqm)/ Value (₹ in crore)	Sub Divided Plot (Date of Sub-Lease deed)	SPC Member	Networth (₹ in crore)	Total Networth (₹ in crore)	Proportionate Area (sqm)/Area Value (₹ in crore)
10	Supertech Ltd	GH-01 Sector 74 17 Aug 2010	Lead Member	183.46	2,58,681.47/ 610.59	GH-01A Sector 74 07 Oct 2010	Supertech Ltd	183.46	183.46	209271.47/ 493.96
	Ajnara India Ltd		Relevant Member	55.9		GH-01B Sector 74 01 Oct 2010	Ajnara India Ltd	55.9	55.9	49410/ 116.63
			Total	239.36			Total	239.36		
11	Opulent Buildcon Pvt Ltd	GH-01 Sector 168 17 Aug 2010	Lead Member	NIL	2,00,197.5/ 472.53	GH-01A Sector 168 01 Sep 2010	Opulent Buildcon Pvt Ltd	NIL	14.9	69998.73/ 165.20
	GreentechInfraProjects Pvt Ltd		Relevant Member	NIL			GreentechInfraProjects Pvt Ltd	NIL		
	Three C Universal Developers Pvt Ltd		Holding Company of Lead Member	14.9			Three C Universal Developers Pvt Ltd	14.9		
	Opulent Infradevelopers Pvt Ltd		Relevant Member	NIL		GH-01B Sector 168 01 Sep 2010	Opulent Infradevelopers Pvt Ltd	NIL	NIL	19998.78/ 47.20
	Boulevard Infrastructure Pvt Ltd		Relevant Member	NIL		GH-01C Sector 168 01 Sep 2010	Boulevard Infrastructure Pvt Ltd	NIL	NIL	40221.26/ 94.93
	Paras Buildtech India Pvt Ltd		Relevant Member	36.86		GH-01D Sector 168 01 Sep 2010	Paras Buildtech India Pvt Ltd	36.86	61.1	29998.97/ 70.80
	Harindra Nagar		Relevant Member	6.35			Harindra Nagar	6.35		
	Neelam Nagar		Relevant Member	17.89			Neelam Nagar	17.89		
	Capital InfraProjects Pvt Ltd		Relevant Member	NIL		GH-01E Sector 168 01 Sep 2010	Capital InfraProjects Pvt Ltd	NIL	NIL	39999.76/ 94.40
			Total	76			Total	76		
		Silverado Estates Pvt Ltd (Three C Universal Developers Pvt Ltd)	GH-03 Sector 143 29 April 2011	Lead Member	NIL	1,00,166.3/ 236.09	GH-03A Sector 143 07 July 2011	Silverado Estates Pvt Ltd (Three C Universal Developers Pvt Ltd)	14.9	14.9
12	Flair Realcon Pvt Ltd		Relevant Member	NIL			Flair Realcon Pvt Ltd	NIL		
	Moonlight Sports Pvt Ltd		Relevant Member	NIL		GH-03B Sector 143 07 July 2011	Moonlight Sports Pvt Ltd	NIL	76.65	50000/ 117.85
	Sara Buildcon Pvt Ltd		Relevant Member	NIL			Sara Buildcon Pvt Ltd	NIL		
	MeritomInfoTech Pvt Ltd		Relevant Member	26.57			MeritomInfoTech Pvt Ltd	26.57		
	Sutlej Agro Products Ltd		Relevant Member	50.08			Sutlej Agro Products Ltd	50.08		
		Total	91.55			Total	91.55			

Appendix-5.1.5
(Referred to in Paragraph 5.1.8.2)
Exit of key member of the consortium after allotment

Sl. No.	Plot number	Sub-divided plot no.	Name of SPC and date of Allotment (in bracket)	Name of exiting member	Share in consortium (in per cent)	Total Net-worth of consortium (₹ in crore) ⁷	Net-worth of exiting member (₹ in crore)	Percentage Net-worth of exiting member	Exit date	Status of project	No. of flats approved	No. of flats for which OC issued
1	GH-01 Sector 120		Prateek Realtors India Private Limited (10 Dec 2009)	Gaursons India Limited	11	78.4	73.01	93.12	22-02-2011	Completed	1532	1530
2	GH-04 Sector 45	GH-04B Sector 45	Megitech Infradevelopers Pvt Ltd (08 February 2010)	Jakson Limited	10	190.46	180.7	94.88	27-05-2010	Completed	545	545
3	GH-02 Sector 77	GH-2A Sector 77	Express Builders and Promoters Pvt. Ltd. (31 March 2010)	Agarwal Associates (Promoters) Ltd.	10	88.81	47.83	53.86	19-09-2011	Partially Completed	835	715
		GH-2B Sector 77	H R Oracle Developers Pvt. Ltd.	Sunglow Builders Pvt. Ltd.	10		14.25	16.05	30-09-2011	Completed	572	572
		GH-2C Sector 77	Civitech Developers Pvt. Ltd.	Gulshan Homz Pvt. Ltd.	10		15.47	17.42	28-07-2011	Completed	548	548
4	GH-5 Sector 78	GH-5B Sector 78	Sunshine Infrawell Pvt. Ltd. (16 March 2010)	Param Dairy Ltd	10	75.95	52.14	68.65	29-09-2010	Completed	404	406
5	GH-3 Sector 143	GH-3B Sector 143	Kindle Infraheights Pvt Ltd (29 April 2011)	Meriton Infotech Pvt. Ltd.	5	91.55	26.57	29.02	30-09-2014	No OC issued	1614	0
				Sutlej Agro Products Ltd.	5		50.08	54.70	30-09-2014			
6	GH-01 Sector 137		Imperial Housing Ventures Pvt Ltd (14 Jan 2010)	Ashok Lalwani	10	105	40	38.10	27-12-2010	Completed	3978	3954
				Dilip Kumar Lalwani	10		65	61.90	27-12-2010			

⁷ Total net worth required was ₹ 75.00 crore in respect of allotments at Sl. No. 1 to 10 and ₹ 250.00 crore in case of Sl. No.11.

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Plot number	Sub-divided plot no.	Name of SPC and date of Allotment (in bracket)	Name of exiting member	Share in consortium (in per cent)	Total Net-worth of consortium (₹ in crore) ⁸	Net-worth of exiting member (₹ in crore)	Percentage Net-worth of exiting member	Exit date	Status of project	No. of flats approved	No. of flats for which OC issued
7	GH-03 Sector 77	GH-3B Sector 77	Perfect Propbuild Pvt Ltd (31 March 2010)	Supertech Ltd	10	183.46	183.46	100.00	30-03-2013	No OC issued	1301	0
8	GH-05 Sector 137	GH-5A Sector 137	Panchsheel Exotica Housing Pvt. Ltd. (12 March 2010)	Supertech Ltd	10	196.51	183.46	93.36	26-04-2014	Completed	834	834
9	GH-01 Sector 143		Logix Infratech Pvt Ltd (17 Aug 2010)	NOIDA Cyber Park Pvt Ltd	10	207.44	74.32	35.83	31-03-2011	Partially Completed	2401	944
				IT Enfraseservices Pvt Ltd	10		67.59	32.58	31-03-2011			
10	GH-02 Sector 143		Logix City Developers Pvt Ltd (08 April 2011)	NOIDA Cyber Park Pvt Ltd	5	207.44	74.32	35.83	13-06-2011	Partially Completed	3729	1084
				IT Enfraseservices Pvt Ltd	5		67.59	32.58	13-06-2011			
11	Sec 75 Eco City		AIMS Max Gardenia Developers Pvt. Ltd.(09 June 2010)	AMR Constructions Ltd	10	337.55	278.05	82.37	31-03-2015	Partially Completed	9077	5469
Total											27370	16601

⁸ Total net worth required was ₹75.00 crore in respect of allotments at Sl. No. 1 to 10 and ₹ 250.00 crore in case of Sl. No.11.

Appendix-5.1.6

(Referred to in Paragraph 5.1.9.2)

Statement Showing grant of purchasable FAR

Sl. No.	Plot No	Sector	Area of land (sqm)	Sanctioned area for purchasable FAR (sqm)	Payable amount on purchasable FAR (₹ in crore)
1	GH-05	121	99820	74865	56.99
2	GH-02	78	100238.43	26620	20.26
3	GH-01 A	78	40468.50	25000	19.03
4	GH-02	119	72594	105624.27	80.41
5	GH-01 B	143B	12820.14	12121.67	9.28
6	GH-03	137	50949.60	9578.53	7.29
7	GH-01 E	168	39999.76	11935.103	10.37
8	GH-03	78	60348.53	24208.862	21.04
9	GH-01 C	168	40221.26	28602.424	21.77
10	GH-14	75	20000	24904.73	19.00
11	GH-12A	75	20000	15600	11.88
12	GH-17	75	20000	4802.385	4.17
13	GH-02A	77	21700	16275	14.15
14	GH-01	118	142967	212645.562	164.31
15	GH-01B	74	49410	31352.84	23.87
16	GH-16	75	20000	2441.44	3.18
17	GH-15	75	20639	75848.325	20.39
18	GH-02	120	51067	38300.25	33.29
Total					540.68

Appendix-5.1.7

(Referred to in Paragraph 5.1.10.1)

Statement Showing Dues against the Allottees after 10 Years

Sl. No.	Name of Builder	Plot No	Sector	Date of Allotment	Total Premium (₹ in crore)	Total Dues (₹ in crore)
1	Unitech Acacia Projects Pvt Ltd	Sectors 96,97 & 98	96,97,98	26.06.2006	1622.84	4646.98
2	Gaursons India Ltd.	GH-004	119	03.10.2006	75.81	0
3	Omaxe Build Home (P) Ltd	GH-01,02 & 03	93B	03.10.2006	268.99	308.89
4	IVRCL Infrastructure & Project Ltd	GH-005	121	03.10.2006	142.22	0
5	IVRCL Infrastructure & Project Ltd	GH-002	119	04.10.2006	104.54	151.24
6	Eldeco Infrastructure And Properties Ltd	GH-003	119	04.10.2006	80.79	0
7	Bestech India Pvt. Ltd.	A-110	52	14.02.2007	28.08	0
8	M/S Supertech Ltd.	C-078	34	14.02.2007	25.63	0
9	Antariksh Engg. & Const. Corporation	F-007	50	14.02.2007	25.07	0
10	Assotech Contracts (I) Ltd.	D-003A	44	14.02.2007	45.21	111.79
11	M/S Ambience Projects & Infrastructure Ltd.	F-033	50	14.02.2007	34.59	3.33
12	OmaxeBuildwell (P) Ltd.	F-021	50	14.02.2007	38.32	45.09
13	Amrapali Patel Platinum	GH-001	119	14.02.2007	98.05	164.31
14	IVR Prime Developers (Avadi) Private Limited	GH-0001	118	18.04.2007	228.04	229.63
15	Unitech Ltd	GH-0001	117	18.04.2007	503.43	1459.79
16	Unitech Ltd	GH-0001	113	18.04.2007	378.04	1176.12
17	Amrapali Edan Park	F-027	50	15.01.2009	35.18	41.47
18	Manisha Projects Pvt. Ltd.	B-017	61	26.12.2008	20.25	0.25
19	Prateek Buildtech (India) Pvt. Ltd.	E-011	61	26.12.2008	27.31	0.43
20	Divine India Infrastructure P Ltd	GH-004	108	10.02.2009	49.35	0
21	Gardenia Shelters Pvt. Ltd.	E-16A	61	19.01.2009	15.82	0.33
22	T G B Infrastructure P Ltd	F-021C	50	26.12.2008	37.36	36.80
23	Mahagun (India) Pvt. Ltd.	F-26	50	21.01.2009	28.12	0
24	Cloud9 Projects Private Limited	GH-002	100	09.02.2009	84.18	59.21
25	Amrapali Sapphire Developers Pvt. Ltd	GH-001	45	19.01.2009	84.00	215.12
26	M/S Red Fort Jahangir Properties Pvt. Ltd.	GH-003	100	25.12.2008	252.02	305.86
27	Amarpali Sapphire	GH-03	45	29.06.2009	107.46	311.12
28	PAN Realtors Pvt. Ltd	GH-01	70	21.07.2009	155.06	248.97
29	Imperial Housing Ventres Private Limited (SPC)	GH-01	137	14.01.2010	247.03	227.47
30	AGC Realty Pvt. Ltd.	GH-01	121	03.09.2009	105.97	13.46
31	Today Homes Noida Pvt. Ltd	GH-01	135	03.09.2009	109.62	128.2
32	Gardenia Aims Developers Pvt. Ltd.	GH-01	46	03.09.2009	150.99	418.99
33	Granite Gate Properties Pvt. Ltd.	GH-05	110	10.12.2009	372.55	632.04
34	Prateek Realtors India Pvt. Ltd.	GH-01	120	10.12.2009	104.74	41.86
35	RG Residency Pvt. Ltd.	GH-02	120	10.12.2009	105.24	100.44
36	Amrapali Zodiac Developers Pvt. Ltd.	GH-03	120	10.12.2009	143.61	436.85

Sl. No.	Name of Builder	Plot No	Sector	Date of Allotment	Total Premium (₹ in crore)	Total Dues (₹ in crore)
37	Logix Infrastructure Pvt. Ltd.	GH-02	137	14.01.2010	205.53	260.19
38	Supertech Ltd.	GH-03	137	12.03.2010	104.65	87.37
39	Paramount Towers Pvt. Ltd.	GH-06	137	12.03.2010	102.38	68.07
40	SDS Infratech Pvt. Ltd.	GH-04A	45	08.02.2010	63.81	67.37
41	Prateek Buildtech Pvt. Ltd. (Megitech India Pvt. Ltd.)	GH-04B	45	08.02.2010	63.23	47.03
42	Amrapali Silicon City Pvt. Ltd.	GH-01A	76	03.03.2010	368.78	854.82
43	Celebrity Realcon Pvt. Ltd.	GH-01B	76	03.03.2010	42.68	2.13
44	J.M.Housing Pvt. Ltd.	GH-01C	76	03.03.2010	42.68	16.7
45	Skytech Constructions Pvt. Ltd.	GH-01D	76	03.03.2010	42.68	20.25
46	Amrapali Princely Estate Pvt. Ltd.	GH-02A	76	26.02.2010	125.24	252.98
47	Sethi Buildwell Pvt. Ltd.	GH-02B	76	26.02.2010	40.86	43.77
48	ATS Township Pvt. Ltd.	GH-01	104	08.02.2010	133.21	47.86
49	Poorvanchal Projects Pvt. Ltd.	GH-04	137	12.03.2010	105.07	3.07
50	Panchsheel Exotica Developers	GH-05A	137	12.03.2010	56.40	0
51	Shubhkamna Buildtech Pvt. Ltd.	GH-05B	137	12.03.2010	46.15	112.91
52	Gulshan Homez Pvt. Ltd.	GH-07A	137	08.02.2010	53.46	3.61
53	MPG Realty Pvt. Ltd.	GH-07B	137	08.02.2010	68.96	25.64
54	Nexgen Infracon Pvt. Ltd.	GH-01A	78	16.03.2010	82.76	30.93
55	Orion Infrabuild Pvt. Ltd.	GH-01B	78	16.03.2010	47.82	0
56	G S Promoters Pvt. Ltd.	GH-01C	78	16.03.2010	40.90	59.10
57	IITL NIMBUS Hyde Park	GH-03	78	16.03.2010	124.50	18.31
58	Assotech Ltd.	GH-04A	78	16.03.2010	63.30	159.17
59	Colourful Estate Pvt. Ltd.	GH-04B	78	16.03.2010	63.30	55.46
60	Antariksh Developers & Promoters Pvt. Ltd.	GH-05A	78	16.03.2010	102.16	190.84
61.	Sunshine Infrawell Pvt. Ltd.	GH-05B	78	16.03.2010	43.78	55.79
62	Baseline Infradevelopers Pvt. Ltd.	GH-01/A (Alpha)	107	26.03.2010	124.74	129.66
63	Ace Infra Developers Pvt. Ltd.	GH-01/A/B (Alpha)	107	26.03.2010	41.58	17.43
64	Haceinda Projects Pvt. Ltd.	GH-01/A (Beta-1)	107	26.03.2010	83.16	71.35
65	Prateek Infraprojects India Pvt. Ltd.	GH-01/A (Beta-2)	107	26.03.2010	58.09	43.13
66	Sunworld Developers Pvt. Ltd.	GH-01/B	107	26.03.2010	62.37	0
67	Three Platinum Softech Pvt. Ltd.	GH-01/C	107	26.03.2010	62.37	78.24
68	Pebbles Prolease Pvt. Ltd.	GH-01/D	107	26.03.2010	83.16	122.22
69	Great Value Projects India Ltd.	GH-02	107	16.03.2010	192.81	123.13
70	Prateek Realtors India Pvt. Ltd.	GH-01	77	31.03.2010	129.08	4.60
71	Express Builders & Promoters Pvt. Ltd.	GH-02A	77	31.03.2010	45.01	54.14
72	H R Oracle Developers Pvt. Ltd.	GH-02B	77	31.03.2010	41.48	1.44
73	Civitech Developers Pvt. Ltd.	GH-02C	77	31.03.2010	42.52	4.24
74	Griha Pravesh Buildtech Pvt. Ltd.	GH-03A	77	31.03.2010	41.51	0.27
75	Perfect Probuild Pvt. Ltd.	GH-03B	77	31.03.2010	81.57	139.09
76	AVP Buildtech Pvt. Ltd.42.52	GH-03C	77	31.03.2010	42.97	29.54
Total					9,302.22	14,817.89

Appendix-5.2.1

(Referred to in Paragraph 5.2.6.1)

Statement showing status of approval of Commercial Builders plot

Sl. No.	Name of The Scheme	Period of Launch	Date of Approval by the Board	Status of Approval	Delay
1.	2007-08 (Builder Plot-I)	11.07.2007 To 26.07.2007	Not Put Up	Not Put Up	
2.	2007-08 (Commercial Builder Plot-II)	01.02.2008 To 03.03.2008	05.02.2008	After Launch Of Scheme	4
3.	2008-09 (Commercial Builder Plot-I)	12.07.2008 To 04.08.2008	Not Put Up	Not Put Up	
4.	2008-09 (Commercial Builder Plot-II)	15.10.2008 To 17.11.2008	Not Put Up	Not Put Up	
5.	2008-09 (Commercial Builder Plot-III)	22.11.2008 To 12.12.2008	28.04.2010	After Completion Of Scheme	522
6.	2009-10 (Commercial Builder Plot-I)	26.02.2010 To 18.03.2010	28.04.2010	After Completion Of Scheme	61
7.	2010-11 (Commercial Builder Plot-I)	24.05.2010 To 14.06.2010	02.06.2010	After Launch Of Scheme	9
8.	2010-11 (Commercial Builder Plot-II)	28.05.2010 To 17.06.2010	02.06.2010	After Launch Of Scheme	5
9.	2010-11 (Commercial Builder Plot-III)	29.05.2010 To 18.06.2010	02.06.2010	After Launch Of Scheme	4
10.	2010-11 (Commercial Builder Plot-IV)	23.11.2010 To 14.12.2010	25.02.2011	After Completion Of Scheme	94
11.	2010-11 (Commercial Builder Plot-V)	05.02.2011 To 28.02.2011	25.02.2011	After Launch Of Scheme	20
12.	2010-11 (Commercial Builder Plot-VI)	03.03.2011 To 24.03.2011	Not Put Up	Not Put Up	
13.	2011-12 (Builder Plot - I)	22.09.2011 To 14.10.2011	09.07.2012	After Completion Of Scheme	290
14.	2011-12 (Commercial Builders Plot-II)	05.11.2011 To 25.11.2011	25.11.2011	After Launch Of Scheme	20
15.	2013-14 (Commercial Builder Plot-I)	15.01.2014 To 06.02.2014	Not Put Up	Not Put Up	
16.	2014-15 (Commercial Builders Plot-I)	23.03.2015 To 15.04.2015	Not Put Up	Not Put Up	
17.	2015-16 (Commercial Builders Plot-I)	15.07.2015 To 07.08.2015	Not Put Up	Not Put Up	
18.	2015-16 (Commercial Builders Plot-II)	16.07.2015 To 10.08.2015	18.09.2015	After Completion Of Scheme	64
19.	2015-16 (Commercial Builders Plot-III)	13.10.2015 To 18.11.2015	Not Put Up	Not Put Up	
20.	2015-16 (Commercial Builders Plot-IV)	13.10.2015 To 20.11.2015	Not Put Up	Not Put Up	
21.	2015-16 (Commercial Builders Plot-V)	10.02.2016 To 02.03.2016	14.03.2016	After Completion Of Scheme	33
22.	2016-17 (Commercial Builders Plot-II)	04.11.2016 To 25.11.2016	Not Put Up	Not Put Up	
23.	2016-17 (Commercial Builders Plot-III)	09.11.2016 To 29.11.2016	Not Put Up	Not Put Up	

Appendix-5.2.2
(Referred to in Paragraph 5.2.10.1)
Statement showing incorrect fixation of lease rent

Sl. No.	Property No.	Name of allottee	Area in Sqm.	Tender Price	Total Premium	Date of Allotment	Scheme No.	Lease Rent at the rate ₹ 1 per sqm for 1st 3 years	Lease Rent at the rate of 1 per cent of premium for 1st 3 years	Short Recovery of Lease Rent (₹ in crore)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	15/C-171	M/s AIMS Sayana Developers	25300	117010	2960353000	26.03.2010	2009-10 (Commercial Builder Plot-I)	75900	88810590	8.87
2	16/B-224	M/s Electrotherm Infra Developers	14000	117100	1639400000	26.03.2010	2009-10 (Commercial Builder Plot-I)	42000	49182000	4.91
3	32/BW-58	M/s Logix Buildtech Pvt. Ltd.	25000	98125	2453125000	26.03.2010	2009-10 (Commercial Builder Plot-I)	75000	73593750	7.35
4	44/C-1	M/s Madhavilata Granite (India) Ltd.	42150	101700	4286655000	26.03.2010	2009-10 (Commercial Builder Plot-I)	126450	128599650	12.85
5	16B/C-001	M/s Vistar Constructions Pvt. Ltd.	50000	131500	6575000000	16.06.2010	2010-11 (Commercial Builder Plot-I)	150000	197250000	19.71
6	18/L-5	M/s Flora & Founa Housing and Land Deevlopment Pvt. Ltd.	29100	223250	6496575000	23.06.2010	2010-11 (Commercial Builder Plot-III)	87300	194897250	19.48
7	105/C-3	M/s Logix Estates Pvt. Ltd.	28700	98700	2832690000	23.06.2010	2010-11 (Commercial Builder Plot-III)	86100	84980700	8.49
8	98/H-010	M/s Vistar Constructions Pvt. Ltd.	24000	101000	2424000000	21.12..2010	2010-11 (Commercial Builder Plot-IV)	72000	72720000	7.26
9	98/C-001	M/s Vistar Constructions Pvt. Ltd.	22136	99250	2196998000	21.12..2010	2010-11 (Commercial Builder Plot-IV)	66408	65909940	6.58
10	124/A-001	M/s Logix Realtech Pvt. Ltd.	64550	130350	8414092500	21.12..2010	2010-11 (Commercial Builder Plot-IV)	193650	252422775	25.22
11	25A & 32/CC-001	M/s Wave Infratech Pvt. Ltd.	614000	107003	65699842000	11.03.2011	2010-11 (Commercial Builder Plot-V)	1842000	1970995260	196.92

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Property No.	Name of allottee	Area in Sqm.	Tender Price	Total Premium	Date of Allotment	Scheme No.	Lease Rent at the rate ₹ 1 per sqm for 1st 3 years	Lease Rent at the rate of 1 per cent of premium for 1st 3 years	Short Recovery of Lease Rent (₹ in crore)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
12	32/CC-004	M/s Logix Buildwell Pvt. Ltd.	50000	111250	5562500000	28.03.2011	2010-11 (Commercial Builder Plot-VI)	150000	166875000	16.67
13	52/E-001	M/s MMR Construction Co. Pvt. Ltd.	35300	75600	2668680000	28.03.2011	2010-11 (Commercial Builder Plot-VI)	105900	80060400	8.00
14	94/003	M/s Supertech Realtors Pvt. Ltd.	70000	130509	9135630000	28.03.2011	2010-11 (Commercial Builder Plot-VI)	210000	274068900	27.39
15	96/C-002	M/s Hotshot Developers Pvt. Ltd.	7724	103901	802531324	28.03.2011	2010-11 (Commercial Builder Plot-VI)	23172	24075939.72	2.41
16	SC-01/79	Xanadu Estates Pvt. Ltd.	703001.80	12075	8488746735	04.05.2011	2010-11 (Sports City-II)	2109005.40	254662402	25.26
17	SC-01/150	Logix Infra Developers Pvt. Ltd.	907987.81	12050	10941253110.50	04.05.2011	2010-11 (Sports City-II)	2723963.43	328237593.32	32.55
Total										429.92

Appendix-5.2.3
(Referred to in Paragraph 5.2.15.1)
Statement showing sub-division of Sports City Plots

Plot No. and Name of Allottee	Sl. No.	Property No.	Name of Sub-allottee	Area (in sqm)
SC-01-01, Sector 78/79 Xanadu Estates Pvt. Ltd.	1	SC-01 Sector 78	Xanadu Infrotech Pvt Ltd*	14272.50
	2	SC-01/A1 (Alpha) Sector 79	Sequel Buildcon Pvt Ltd*	30000
	3	SC-01/A1 (Beta) Sector 79	Pinnacle Superstructures Pvt Ltd	20000
	4	SC-01/A2 Sector 79	Arena Superstructures Pvt Ltd	50000
	5	SC-01/B1 Sector 79	Sequel Building Concepts Pvt Ltd*	24000
	6	SC-01/B2 Sector 79	Golf Green Buildcon Pvt Ltd	24000
	7	SC-01/C1 Sector 79	Three C Green Developers Pvt Ltd*	166459.30
	8	SC-01/C2 Sector 79	Robust Innovations Pvt Ltd	8000
	9	SC-01/C3 Sector 79	Piyush IT Solutions Pvt Ltd	28000
	10	SC-01/C4 Sector 79	Three C Infra Creations Pvt Ltd	24000
	11	SC-01/C5 Sector 79	Three C City Developers Pvt Ltd	20000
	12	SC-01/C6 Sector 79	Water e Pearl Infotech Pvt Ltd	24000
	13	SC-01/C7 Sector 79	Three C Builders Pvt Ltd	16000
	14	SC-01/C8 Sector 79	Three C Builders Pvt Ltd	25750
	15	SC-01/D1 Sector 79	Kindle Developers Pvt Ltd*	40000
	16	SC-01/D2 Sector 79	Golfgreen Residency Pvt Ltd	10000
	17	SC-01/D3 Sector 79	Golfgreen Estates Pvt Ltd	25000
	18	SC-01/D4 Sector 79	Golfgreen Mansions Pvt Ltd	25000
	19	SC-01/E1 Sector 79	Gaursons Sportswood Pvt Ltd	40000
	20	SC-01/E2 Sector 79	Golfgreen Infra Pvt Ltd	20000
	21	SC-01/E3 Sector 79	Golfgreen Superstructure Pvt Ltd	20000
	22	SC-01/A Sector 104	Three C Green Developers Pvt Ltd*	19170
	23	SC-01/B Sector 104	Three C Green Developers Pvt Ltd*	29350
			Total	703001.80

* Relevant Member/SPC

Plot No. and Name of Allottee	Sl. No.	Property No.	Name of Sub-allottee	Area (in sqm)
SC-01 Sector 150 Logix Infradevelopers Pvt. Ltd.	1	SC-01/A Sector 150	Logix Builders and Promoters Pvt Ltd*	5188.60
	2	SC-01/A1 Sector 150	Assertive Infrastructure Pvt Ltd	93072.00
	3	SC-01/A2 Sector 150	Neo Infrastructure Pvt Ltd	28326.30
	4	SC-01/A3 Sector 150	Logix Heights Pvt Ltd	28326.30
	5	SC-01/A4 Sector 150	Esthetic Buildtech Pvt Ltd	56652.50
	6	SC-01/A5 Sector 150	Ace Infracity Developers Pvt Ltd	23050.00
	7	SC-01/A6 Sector 150	Inventive Infracon Pvt Ltd	34814.30
	8	SC-01/B Sector 150	Logix Infradevelopers Pvt Ltd*	40880.51
	9	SC-01/B1 Sector 150	Contend Builders Pvt Ltd	32372.90
	10	SC-01/B2 Sector 150	Contend Infrastructure Pvt Ltd	80932.20
	11	SC-01/B3 Sector 150	Consortium Infrastructure Pvt Ltd	20233.10
	12	SC-01/B4 Sector 150	Implex Infrastructure Pvt Ltd	29545.80
	13	SC-01/B5 Sector 150	Abound Infrastructure Pvt Ltd	24279.70
	14	SC-01/B6 Sector 150	Apace Buildtech Pvt Ltd	17600.00
	15	SC-01/B7 Sector 150	Impel Infrastructure Pvt Ltd	17600.00
	16	SC-01/B8 Sector 150	Ace Infracity Developers Pvt Ltd	45603.64
	17	SC-01/CA1 Sector 150	Nobility Estates Pvt Ltd	80937.13
	18	SC-01/CA2, A4, A6, A11, A12 Sector 150	Celerity Infrastructure Pvt Ltd	129701.81
	19	SC-01/CA3 Sector 150	Explicit Estates Pvt Ltd	13355.61
	20	SC-01/CA5 Sector 150	Augur Realtors Pvt Ltd	20000.00
	21	SC-01/CA7 Sector 150	Elicit Realtech Pvt Ltd	13000.00
	22	SC-01/CA8 Sector 150	Abet Buildcon Pvt Ltd	12000.00
	23	SC-01/CA9 Sector 150	Arising Estates Pvt Ltd	44515.42
	24	SC-01/CA10 Sector 150	Hale Realtors Pvt Ltd	16000.00
			Total	907987.82

* Relevant member/SPC

Plot No. and Name of Allottee	Sl. No.	Property No.	Name of Sub-allottee	Area (in sqm)
SC-02 Sector 150 Lotus Greens Constructions Pvt. Ltd.	1	SC-02A Sector 150	Lotus Greens Constructions Pvt Ltd*	134441
	2	SC-02/A1 Sector 150	Landkart Builders Pvt Ltd	83970
	3	SC-02/A2 Sector 150	Build Wall Builders Pvt Ltd	65331
	4	SC-02/A3 Sector 150	Wiztown Planners Pvt Ltd	27185
	5	SC-02/A4 Sector 150	Gray Wall Developers Pvt Ltd	46846
	6	SC-02/A5 Sector 150	Gray Brick Developers Pvt Ltd	8080
	7	SC-02/A6 Sector 150	Brick Town Developers Pvt Ltd	37915
	8	SC-02/A7 Sector 150	Strong Biz Propbuild Pvt Ltd	50790
	9	SC-02/A8 Sector 150	Wishland Buildzone Pvt Ltd	50560
	10	SC-02/A9 Sector 150	Wondrous Buildmart Pvt Ltd	80857
	11	SC-02/A10 Sector 150	Escarpment Buildcraft Pvt Ltd	108135
	12	SC-02/B Sector 150	Elate Realtors Pvt Ltd*	100000
	13	SC-02/C Sector 150	Allure Developers Pvt Ltd*	60000
	14	SC-02/D Sector 150	Samridhi Infra Square Pvt Ltd*	40186.45
	15	SC-02/E Sector 150	Samridhi Buildmart Pvt Ltd*	32519.22
	16	SC-02/F Sector 150	Ace Infracity Developers Pvt Ltd*	58064.71
	17	SC-02/G Sector 150	Ace Infracity Developers Pvt Ltd*	60000.54
	18	SC-02/H & I Sector 150	Brick Rise Developers Pvt Ltd	72000
	19	SC-02/J & K Sector 150	Fest Homes Developers Pvt Ltd	72000
	20	SC-02/L Sector 150	Three C Infrastructure Pvt Ltd	42658
	21	SC-02/N Sector 150	Villastone Propbuild Pvt Ltd	20863
	22	SC-02/C1 Sector 150	Allure Developers Pvt Ltd*	22769
	23	SC-02/M Sector 150	Reverent Developers Pvt Ltd	37231
	24	SC-02/P Sector 150	Wiseteck Developers Pvt Ltd	17344
			Total	1329745.92

* Relevant member/SPC

Plot No. and Name of Allottee	Sl. No.	Property No.	Name of Sub-allottee	Area (in sqm)
SC-01 Sector 152 ATS Homes Pvt. Ltd.	1	SC-01/10 (CS) Sector 152	ATS Infratech Pvt Ltd*	116411.79
	2	SC-01/01 Sector 152	ATS Homes Pvt Ltd*	106852.08
	3	SC-01/02 Sector 152	Cultivar Construction Pvt Ltd*	19685.51
	4	SC-01/03 Sector 152	Saanidhanam Infrastructure Development Pvt Ltd*	11357.64
	5	SC-01/04 Sector 152	RT e-deal Pvt Ltd*	12020.14
	6	SC-01/05 Sector 152	Valueworth Infratech Pvt Ltd*	11910.63
	7	SC-01/06 Sector 152	AUD Impex Pvt Ltd*	29560.44
	8	SC-01/07 Sector 152	Angel Universal Trader Pvt Ltd*	28791.81
	9	SC-01/08 Sector 152	Star Land Craft Pvt Ltd*	39370.91
	10	SC-01/09 Sector 152	Star Land Craft Pvt Ltd*	27496.49
			Total	403457.44

* Relevant Member/SPC

Appendix-5.2.4
(Referred to in Paragraph 5.2.15.4)
Statement showing transfer value of subdivided plots

Sl. No.	Property No.	Name of allottee	Area (sqm)	Shareholding at the time of approval of sublease	Current Shareholding	Value as per sale consideration of C-7 (in ₹)
1	78/SC-01	M/s Xanadu Infratech Pvt. Ltd.	14272.5	Three C Universal Developers Private Limited.- 99.99% Surpreet Singh Suri- 0.01%	Infraviz Projects Private Limited-25% Laurel Residency Private Limited-25% Lotus Greens Developers Private Limited-25% Yashail Developers Private Limited-25%	1181941406
2	79/SC-01/A-1 (Beta)	M/s Pinnacle Superstructure Pvt. Ltd.	20000	Sequel Buildcon Private Limited- 99.99% Deepak Khurana- 0.01%	Sara Buildcon Private Limited-75% Sikka Promotors Private Limited-25%	1656250000
3	79/SC-01/A-1 (Alpha)	M/s Sequel Buildcon Pvt. Ltd.	30000	Three C Universal Developers Private Limited.- 99.99% Surpreet Singh Suri- 0.01%	Ajnara India Limited- 99.94% and six individuals holding 0.01% each	2484375000
4	79/SC-01/A-2 (Sub Divided)	M/s Arena Superstructure Pvt. Ltd.	50000	Sequel Buildcon Private Limited- 99.99% Deepak Khurana- 0.01%	Cruze Properties Private Limited- 85% Vistar Developers Private Limited- 15%	4140625000
5	79/SC-01/B-1 (Sub Divided)	M/s Sequel Building Concepts Pvt. Ltd.	24000	Three C Universal Developers Private Limited.- 99.99% Surpreet Singh Suri- 0.01%	Eight Individuals holding 500 (2), 600 (2), 1200 (1) and 2200 shares (3)	1987500000
6	79/SC-01/B-2 (Sub Divided)	M/s Golfgreen Buildcon Pvt. Ltd.	24000	Sequel Building Concepts Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Abhishek Ghai- 17% Priya Ghai- 17% Arun Kumar Ghai- 16% Silver Sand Build Smart Private Limited- 25% Zephyr Projects Private Limited- 25%	1987500000
7	79/SC-01/C-2 (Sub Divided)	M/s Robust Innovations Pvt. Ltd.	8000	Three C Universal Developers Private Limited.-99.99% Surpreet Singh Suri- 0.01%	Arvind Goyal- 25% Madan Lal Gupta- 25% Ashwani Kumar Gupta- 50%	662500000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Property No.	Name of allottee	Area (sqm)	Shareholding at the time of approval of sublease	Current Shareholding	Value as per sale consideration of C-7 (in ₹)
8	79/SC-01/C-3 (Sub Divided)	M/s Piyush IT Solutions Pvt. Ltd.	28000	Three C Green Developers Private Limited.- 99.99% and its nominee- 0.01%	Eminent Homes Private Limited- 99.99% and its nominee (Nimal Singh) 0.01%	2318750000
9	79/SC-01/C-4 (Sub Divided)	M/s Three C Infra Creations Pvt. Ltd.	24000	Three C Green Developers Private Limited.- 99.99% and its nominee- 0.01%	Yashail Developers Private Limited- 99.99% Vikrant Gupta- 0.01%	1987500000
10	79/SC-01/C-5 (Sub Divided)	M/s Three C City Developers Pvt. Ltd.	20000	Three C Green Developers Private Limited.- 99.99% and its nominee- 0.01%	Lotus Greens Developers Private Limited-25% Yashail Developers Private Limited-25% Zephyr Projects Private Limited- 50%	1656250000
11	79/SC-01/C-6 (Sub Divided)	M/s Water e Pearl Infosoft Pvt, Ltd.	24000	Three C Green Developers Private Limited.- 99.99%, and its nominee- 0.01%	11 individuals and two HUFs holding 2.5 to 20% holding	1987500000
12	79/SC-01/C-7 (Sub Divided)	M/s Three C Builders Pvt. Ltd.	16000	Three C Green Developers Private Limited.- 99.99% and its nominee- 0.01%	Infrawiz Projects Private Limited-25% Laurel Residency Private Limited-25% Lotus Greens Developers Private Limited-25% Yashail Developers Private Limited-25%	1325000000
13	79/SC-01/C-8 (Sub Divided)	M/s Three C Builders Pvt. Ltd.	25750	Three C Green Developers Private Limited.- 99.99% and its nominee- 0.01%	Infrawiz Projects Private Limited-25% Laurel Residency Private Limited-25% Lotus Greens Developers Private Limited-25% Yashail Developers Private Limited-25%	2132421875
14	79/SC-01/D-1 (Sub Divided)	M/s Kindle Developers Pvt, Ltd.	40000	Three C Universal Developers Private Limited.- 99.99% Surpreet Singh Suri- 0.01%	Pratap Singh Katoch- 80% Piyush Tiwari- 20%	3312500000
15	79/SC-01/D-2 (Sub Divided)	M/s Golfgreen Residency Pvt. Ltd.	10000	Kindle Developers Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Sunshine Infratech Privte Limited- 99.99% Sunshine Infrahomes Private Limited- 0.01%	828125000

Sl. No.	Property No.	Name of allottee	Area (sqm)	Shareholding at the time of approval of sublease	Current Shareholding	Value as per sale consideration of C-7 (in ₹)
16	79/SC-01/D-3 (Sub Divided)	M/s Golfgreen Estates Pvt, Ltd.	25000	Kindle Developers Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Exotica Housing Infrastructure Projects Private Limited – 99.99% Dinesh Kumar Jain- 0.01%	2070312500
17	79/SC-01/D-4 (Sub Divided)	M/s Golfgreen Mansions Pvt, Ltd.	25000	Kindle Developers Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Vinod Bahal- 25% Pranod Bahal- 25% Uma Shankar- 25% Vikas Gupta- 25%	2070312500
18	79/SC-01/E-1 (Sub Divided)	M/s Xanadu Realcon Pvt. Ltd. (Name Changed to M/s Gaursons Sportswood Pvt Ltd)	40000	Three C Universal Developers Private limited- 99.99% Surpreet Singh Suri- 0.01%	Manoj Gaur- 4.65% Manju Gaur – 4.66% Gaur Sons India Private Limited- 41.92% Shyam Buildcon Private Limited- 41.92% Pradeep Kumar Agrawalla- 6.85%	3312500000
19	79/SC-01/E-2 (Sub Divided)	M/s Golfgreen Infra Pvt. Ltd.	20000	Xanadu Realcon Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Mahagun India Private Limited- 9.99% Gaursons Sportswood Private Limited- 90% ICICI Prudential Venture Capital Fund- 0.01%	1656250000
20	79/SC-01/E-3 (Sub Divided)	M/s Golfgreen Superstructures Pvt. Ltd.	20000	Xanadu Realcon Private Limited- 99.99% Deepak Khurana (nominee)- 0.01%	Subodh Goel- 9% Alka Goel- 9% Civitech Housing India Private Limited- 75% Subodh Goel (HUF) – 7%	1656250000
Total						40414363281

Appendix-5.2.5
(Referred to in Paragraph 5.2.17.5)
Statement showing the impact of flawed pricing in Sports City plots

Sl. No.	Scheme	Allottee	Category	Applicable rate for Recreational / Commercial/ Group Housing (in ₹)	Admissible FAR for Recreational / Commercial/ Group Housing as per Notified Building regulations	FAR allowed	Excess FAR allowed	Total area allotted (Divided into Recreational / Commercial/ Group Housing) (in sqm)	Proportionate area for additional FAR (in sqm)	Area for Additional FAR (in sqm)	Charges for Additional FAR (in ₹)	Admissible Ground Coverage (in per cent) for Recreational / Commercial/ Group Housing as per Notified Building regulation	Ground Coverage allowed (in per cent)	Excess Ground Coverage allowed (in per cent)	Proportionate area for additional Ground Coverage (in sqm)	Cost of additional ground Coverage (in ₹)	Reserve price of the plot calculated by Audit (in ₹)	Allotment Rate of the plot (in ₹)	Difference of Allotment rate and Calculated Reserve price (in ₹)	Undue benefit to allottee (in ₹)
1	2	3		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
							col 6 - col 5		col 8 * col 7	col 9/col 5	col 10 * col 4 * 0.4			col 13 - col 12	col 8 * col 14	col 15 * col 4 * 0.3 * col 4	col 4 + col 11 + col 16) / col 8		col 17 - col 18	col 19 * col 8
1	Sports City 2010-11	Logix Soft-Tel Pvt. Ltd	Recreational Commercial	17556	0.4	0.4	0	635591.47	0	0	0	20	20	0	0	0	17556	12050	5506	3499566634
			Group Housing	61000	3	3	0	18159.76	0	0	0	30	30	0	0	0	61000	12050	48950	888920252
			Group Housing	24930	2.75	4.14	1.39	254236.48	353388.71	128504.9	1281451760	40	55	15	38135.47	285215180	31092	12050	19042	4841171052
2	Sports City 2010-11	Xanadu Estates Pvt. Ltd.	Recreational Commercial	17556	0.4	0.4	0	492101.26	0	0	0	20	20	0	0	0	17556	12075	5481	2697207006
			Group Housing	61000	3	3	0	14060.00	0	0	0	30	30	0	0	0	61000	12075	48925	687887457
			Group Housing	24930	2.75	4.14	1.39	196840.5	273608.30	99493.93	992153470	40	55	15	29526.08	220825552	31092	12075	19017	3743315789
			Recreational Commercial	37928	0.4	0.4	0	930822.13	0	0	0	20	20	0	0	0	37928	19400	18528	17246272425
			Group Housing	121000	4	4	0	6648.73	0	0	0	40	40	0	0	0	121000	19400	101600	675510968
			Group Housing	75856	2.75	5.76	3.01	392275.04	1180747.87	429362.8	1302789964	40	53.56	13.56	53192.50	121049108	112153	19400	92753	36384686785
			Recreational Commercial	37926	0.4	0.4	0	282420.21	0	0	0	20	20	0	0	0	37926	26650	11276	3184570288
			Group Housing	159000	4	4	0	16138.30	0	0	0	40	40	0	0	0	159000	26650	132350	2135904005
			Group Housing	94815	3.5	6	2.5	104898.93	262247.33	74927.81	2841712122	40	55.38	15.38	16133.46	458908203	126280	26650	99630	10451080396
			Total																	86436093057

Appendix-5.3.1
(Referred to in Paragraph 5.3.7.1)
Calculation of loss to the Authority due to allotment of office plots under Institutional category

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
1	127	011 Amalgamated with 127	Square Infrastructure. Pvt. Ltd.	5,003	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	39803868.00	75000	67044.00	335421132
2	136	A-116	Ojas Garments (P) Ltd.	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
3	153	A-043	Sam (India) Promoters Pvt.Ltd	1,000	19-Nov-2010	Corporate Office	OES-2010-11	Through Interview	8751.00	8751000.00	83000	74249.00	74249000
4	136	A-117	Prem Kumar to M/S Zygon Industries Pvt. Ltd.	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
5	136	A-90a	Dhannirman Jewellers Pvt.Ltd.	1,589	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	15653161.03	93000	83151.90	132166619
6	136	A-118	Royal Kapsons Realtors (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
7	136	A-119	Manisha Projects (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
8	136	A-95a	Sm Packaging Pvt.Ltd.	1,012	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	9966277.20	93000	83151.90	84149722.8
9	153	A-066	M.S.S. Enterprises	1,000	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9818.40	9818400.00	93000	83181.60	83181600
10	136	A-120	S/K/G/ Projects	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
11	136	A-121	Dsm Developers Pvt/ Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
12	153	C-042	Prolifiq Advisors Pvt.Ltd.	1,000	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	9848100.00	93000	83151.90	83151900
13	154	1/001	Meriton Estates Pvt.Ltd.	5,000	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	49240500.00	93000	83151.90	415759500
14	62	C-56/008	Phoenix Book Pvt. Ltd.	2,550	31-Dec-2010	Office	OES-2010-11	Through Interview	8580.00	21879000.00	94000	85420.00	217821000
15	136	A-122	Prince Soft Solutions Pvt/ Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
16	136	A-123	Confident Infotech (P) Ltd/	1,002	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
17	154	1/002	Granite Developers Pvt.Ltd.	5,000	04-Jul-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	49240500.00	93000	83151.90	415759500
18	127	16	Pebbles Infora-development Pvt. Ltd.	5,335	31-Dec-2010	Corporate Office	OES-III/2008	Through Interview	8751.60	46690311.10	83000	74248.40	396119668.9
19	127	10	Kinzo Infosoft Pvt. Ltd.	4,500	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	10041.20	45185400.00	93000	82958.80	373314600
20	136	A-128	Rakesh Kumar Taneja	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
21	127	012 (Amalgamated With 127)	Square Infrastructure. Pvt. Ltd.	5,000	31-Dec-2010	Corporate Office	OES-2010	Through Interview	8923.00	44615000.00	83000	74077.00	370385000
22	127	10a	Kinzo It Solutions Pvt. Ltd.	7,400	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	72875940.00	93000	83151.90	615324060

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
23	136	A-028	Ujjawal Paper Pvt. Ltd.	1,014	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8751.60	8874122.40	83000	74248.40	75287877.6
24	136	A-129	V/K/ Industries	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
25	136	A-031	New Wave Techno Build Pvt. Ltd.	1,092	31-Dec-2010	Corporate Office	OES-III/2008	Through Interview	8923.20	9744134.40	83000	74076.80	80891865.6
26	136	A-130	North Delhi Proj. P. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
27	136	A-022 & 23	Rpg Nirman Pvt. Ltd.	2,028	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	10041.20	20363553.60	93000	82958.80	168240446.4
28	136	A-057	Bhoomika Infra Buildcon Pvt. Ltd.	2,042	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	10041.20	20504130.40	93000	82958.80	169401869.6
29	136	A-131	Jrd Engineering As Per Cic Approval Dated.08.11.2011 M/S Planet Egate Services Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
30	136	A-095b	Sudh Investments Pvt Ltd	3,118	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8923.20	27822537.60	83000	74076.80	230971462.4
31	136	A-145	Footprints Realtyventures Pvt. Ltd.	1,242	31-Dec-2010	Corporate Office	OES-III/2008	Through Interview	8751.60	10869487.20	83000	74248.40	92216512.8
32	136	A-132	Gy Infotech Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
33	136	A-085	Purasure Foods Beverages Products Pvt. Ltd.	1,080	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	10635948.00	93000	83151.90	89804052

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
34	153	A-023	Amr Infracon Pvt. Ltd.	1,830	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	10041.20	18375396.00	93000	82958.80	151814604
35	136	A-133	New Delhi E Services P. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
36	153	A-044	Strapon Plastics Pvt. Ltd.	1,000	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	7923.20	7923200.00	83000	75076.80	75076800
37	153	A-054	Bajran Traders	1,000	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	83000	74076.80	74076800
38	153	A-053	King Paceinformation Pvt. Ltd.	1,896	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	10041.20	19038115.20	93000	82958.80	157289884.8
39	136	A-134	Multitex Filtration Engi.Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
40	153	C-016	Fervor Marketing Pvt. Ltd.	4,000	16-Dec-2011	Corporate Office	OES-2010-11	Through Interview	9848.10	39392400.00	93000	83151.90	332607600
41	153	A-055	Hanuman Traders	1,000	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8751.00	8751000.00	83000	74249.00	74249000
42	136	A-141	Ssb Infrastructure P Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
43	136	A-142	Msx Builders P. Ltd. As Per Cic Approval Dated 29.08.2011 Msr Builders Pvt. Ltd.	1,029	02-Jun-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8347248.00	75000	66888.00	68827752
44	153	A-065	Paarth Solutions Pvt.Ltd.	1,000	31-Dec-2010	Corporate Office	OES-III/2008	Through Interview	8923.20	8923200.00	83000	74076.80	74076800
45	153	A-086	A.N.A Associates Pvt.Ltd	1,100	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8923.20	9815520.00	83000	74076.80	81484480

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
46	136	A-143	P.C. Promoters (P) Ltd., As Per Cic Approval Dated 08.09.2010 Virat Promoters Pvt. Ltd.	5,293	02-Jun-2009	Corporate Office	OES-II/2008	Through Interview	8112.00	42936816.00	75000	66888.00	354038184
47	136	A-144	Redical Projects Pvt. Ltd.	3,152	11-Jun-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	25077312.00	75000	67044.00	211322688
48	153	B-042	Vardhman Properties Ltd	1,920	31-Dec-2010	Corporate Office	OES-2010	Through Interview	8323.20	15980544.00	83000	74676.80	143379456
49	16a	28	Arnab Technosoft (P) Ltd/	3,800	12-Jun-2009	Corporate Office	OES-III/2008	Through Interview	22464.00	85363200.00	85000	62536.00	237636800
50	153	C-002	Naresh Arora	1,800	31-Dec-2010	Corporate Office	OES-2010	Through Interview	8323.20	14981760.00	83000	74676.80	134418240
51	153	C-012	Elite Webtech Pvt.Ltd.	4,660	31-Dec-2010	Corporate Office	OES-2010	Through Interview	8923.20	41582112.00	83000	74076.80	345197888
52	132	B-37	Mango Infratech Solutions Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
53	153	C-017	Radha Raj It City & Parks Pvt.Ltd	4,000	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8751.60	35006400.00	83000	74248.40	296993600
54	153	C-018	Ktbl Infrastructure Ltd.	5,475	31-Dec-2010	Corporate Office	OES-2010-11	Through Interview	8923.20	48854520.00	83000	74076.80	405570480
55	132	B-37/A	Lm Machinotech Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
56	132	B-37/B	Supper Prop-Mart Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
57	136	A-001a	V.A.D. Compusoft Pvt. Ltd.	1,007	31-Dec-2010	Office	OES-II/2008	Through Interview	8751.60	8812861.20	83000	74248.40	74768138.8

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
58	132	B-37/C	Blue Ocean Projects Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
59	132	B-38	Abhimanyu Infradevelopers Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
60	127	008	Pushkar Powercon (P) Ltd/	11,978	06-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	95296968.00	75000	67044.00	803053032
61	132	B-38/A	Samay Handiab Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
62	136	A-059	Ggg Realty (P) Ltd/	2,040	06-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	16230240.00	75000	67044.00	136769760
63	132	B-38/B	Libra Textiles Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
64	136	A-091	Salshi Communications P. Ltd.	3,031	06-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	24114636.00	75000	67044.00	203210364
65	132	B-38/C	Vijay Handloom Pvt. Ltd.	5,000	16-Dec-2011	Office	OES-2010-11	Through Interview	9655.00	48275000.00	93000	83345.00	416725000
66	16a	Fc-24c	Camoustie Management (P) Ltd.	5,700	06-Nov-2008	Corporate Office	OES-III/2008	Through Interview	21600.00	123120000.00	85000	63400.00	361380000
67	127	18	Votive Probuild P. Ltd.	10,390	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	8112.00	84283680.00	75000	66888.00	694966320
68	127	19	Unnati Infratech Pvt. Ltd.	1,000	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
69	127	20	Kusum Infotech Pvt/ Ltd/	1,000	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
70	127	21	Leo Viii Raising Sons Films (P) Ltd Transferred To M/S S.M. Associates On 03.07.2013	1,990	25-Nov-2008	Corporate Office	OES-II/2008	Through Interview	7956.00	15832440.00	75000	67044.00	133417560
71	127	012a	Kanha Softech (P) Ltd/	4,295	25-Nov-2008	Corporate Office	OES-II/2008	Through Interview	7956.00	34171020.00	75000	67044.00	287953980
72	136	A-029	Mk Info Com	1,014	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	8067384.00	75000	67044.00	67982616
73	136	A-042	M R Auxiliary Services Pvt. Ltd.	1,014	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	8067384.00	75000	67044.00	67982616
74	136	A-044	Mehta Realtech Pvt. Ltd.	1,014	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	8067384.00	75000	67044.00	67982616
75	136	A-092	Rps Electricals (P) Ltd	2,484	25-Nov-2008	Corporate Office	OES-III/2008	Through Interview	8112.00	20150208.00	75000	66888.00	166149792
76	136	A-104	Saan Global	1,000	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
77	136	A-115	Sangok Creations Pvt/ Ltd/	1,014	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8225568.00	75000	66888.00	67824432
78	136	A-125	United Estate Creators (P) Ltd/	1,002	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8128224.00	75000	66888.00	67021776
79	136	A-135	Bdks Garments Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 14)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
80	127	009	Dkb Infrastructure (P) Ltd. Transfer To M/S Hotel Library Club (P) Ltd. On 22.09.2010	10,590	11-Dec-2008	Corporate Office	OES-II/2008	Through Interview	8268.00	87558120.00	75000	66732.00	706691880
81	127	015a	Cosmic Sofisolution P. Ltd.	5,002	11-Dec-2008	Corporate Office	OES-III/2008	Through Interview	7956.00	39795912.00	75000	67044.00	335354088
82	136	A-136	Juventus Realtors Pvt. Ltd. Transfer Date 31.03.2015 M/S Vega Technet Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
83	16a	Fc-24b	K.S. Developers (P) Ltd	3,050	13-Jan-2009	Corporate Office	OES-III/2008	Through Interview	21600.00	65886048.00	85000	63400.00	193387752
84	136	A-137	Sun Infoplanet Ltd. Transferred To Vega Technet Pvt. Ltd. On Dated 31.03.2015	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
85	136	A-138	Silverston Regency Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
86	136	A-139	Chandralekha Cons. Pvt. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
87	136	A-140	Samimal Agro Ind. P. Ltd.	1,029	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
88	136	A-152	Petal Consultants Pvt. Ltd.	1,000	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹)	Loss To the Authority Due to Difference In Allotment Rates (In ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
89	136	A-156	Kalkajee Vanijya P. Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8923.00	8931923.00	75000	66077.00	66143077
90	136	A-007	M/S M.D. Corpserve (P) Ltd.	1,950	20-Mar-2011	Office	OES-2010	Through Interview	8751.60	17065620.00	83000	74248.40	144784380
91	136	A-157	Sns Medchem Pvt Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8120112.00	75000	66888.00	66954888
92	62	B-028	Aminity Garments Pvt.Ltd.	2,011	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.19	17946052.03	94000	85076.81	171103928
93	136	A-166	Ninecube Technology Pvt. Ltd.	1,000	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
94	136	A-174	Red. Bricks Prom. P. Ltd.	1,001	31-Jul-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8120112.00	75000	66888.00	66954888
95	136	A-01b	Thind Infotech Pvt.Ltd.	1,104	30-Mar-2011	Corporate Office	OES-2010	Through Interview	8923.20	9853443.60	83000	74076.80	81799306.4
96	136	A-038	Himraj Buildcon Pvt. Ltd.	1,014	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	8874122.40	83000	74248.40	75287877.6
97	136	A-041	R.J. Advisory Pvt. Ltd.	1,014	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	8874122.40	83000	74248.40	75287877.6
98	136	A-062a	Fortune Propbuild Pvt.Ltd.	1,136	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	9942867.79	83000	74248.40	84355092.21
99	136	A-126	R.K.Jindal & Co. As Per Cic Approved On 12.12.2011 M/S Rkj Infra Pvt. Ltd.	1,029	04-Aug-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	8347248.00	75000	66888.00	68827752
100	136	A-070	Ajenta Exim Pvt.Ltd.	1,124	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	10025215.20	83000	74076.80	83225284.8

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
101	136	A-100	Optimum Infra-developers Pvt.Ltd.	1,012	21-Oct-2009	Corporate Office	OES-II/2008	Through Interview	8751.60	8856619.20	75000	66248.40	67043380.8
102	136	A-103	Rr Management Consultants (P)	1,012	21-Oct-2009	Corporate Office	OES-II/2008	Through Interview	8112.00	8209344.00	75000	66888.00	67690656
103	136	A-071	Tns Hotels And Resorts Pvt.Ltd	1,124	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	9832422.60	83000	74248.40	83418077.4
104	136	A-108	Am Computech (P) Ltd.	1,000	21-Oct-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
105	136	A-074a	Rjm Marketing Pvt.Ltd.	1,199	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8571.60	10277348.40	83000	74428.40	89239651.6
106	136	A-114a	Abu Infracon Pvt.Ltd.	1,065	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	9322466.87	83000	74248.40	79091623.13
107	136	A-127	Apex Fincorp Advisors(P)Ltd	1,029	21-Oct-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8186724.00	75000	67044.00	68988276
108	136	A-115a	Misawa Softech Pvt.Ltd.	1,001	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.60	8760001.54	83000	74248.40	74319678.46
109	136	A-153	Pride Associates (P) Ltd.	1,001	21-Oct-2009	Corporate Office	OES-II/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
110	136	A-154	Chobey Trading Company Pvt.Ltd	1,001	21-Oct-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
111	153	A-001	Worldwide Agro India Pvt.Ltd	4,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	35692800.00	83000	74076.80	296307200

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
112	153	A-042	Jm Housing Pvt.Ltd. After Ctc Approval Dated 21.09.2011 Jm Housing Ltd.	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8751.00	8751000.00	99000	90249.00	90249000
113	136	A-161	U.P. Export Corporation Ltd.	1,397	21-Oct-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	11114532.00	75000	67044.00	93660468
114	153	A-08,09,010	Abhittech Developers Pvt.Ltd.	13,668	30-Mar-2011	Corporate Office	OES-2010	Through Interview	8923.20	121962297.60	61000	52076.80	711785702.4
115	136	A-175 & 176	Vishwash Computech	2,002	21-Oct-2009	Corporate Office	OES-III/2008	Through Interview	8112.00	16240224.00	75000	66888.00	133909776
116	153	A-103	Bmd Pvt.Ltd.	2,370	30-Mar-2011	Corporate Office	OES-2010	Through Interview	8923.20	21147984.00	83000	74076.80	175562016
117	153	C-013 Allotment Cancelled On 13.08.2015	Vigorous Agency Pvt. Ltd	4,000	30-Mar-2011	Corporate Office	OES-2010	Through Interview	8923.20	35692800.00	83000	74076.80	296307200
118	153	C-014	Shri Ram Ed-Tech Pvt.Ltd.	4,000	30-Mar-2011	Corporate Office	OES-2010	Through Interview	8751.60	35006400.00	83000	74248.40	296993600
119	153	C-026	V Kumar Construction Pvt. Ltd	1,080	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	9637056.00	83000	74076.80	80002944
120	153	C-035	Unnati Fortune Space Development Pvt. Ltd.	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	83000	74076.80	74076800

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 14)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
121	16a	019a,	Comiston Developers (P) Ltd./	1,995	02-Mar-2009	Corporate Office	OES-II/2008	Through Interview	22464.00	44815680.00	85000	62536.00	124759320
122	153	C-043	Vextec Condominim Pvt. Ltd.	1,044	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	9315820.80	83000	74076.80	77336179.2
123	153	C-044	Laj Infotech Pvt. Ltd.	2,033	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	18139080.96	83000	74076.80	150583319
124	153	C-054	Rpu It Services Pvt.Ltd	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	83000	74076.80	74076800
125	153	C-055	Golas Buildcon Pvt.Ltd.	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	83000	74076.80	74076800
126	136	A-030	R&G Visionary Associates	1,000	30-Nov-2009	Corporate Office	OES-II/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
127	168	A-001	Sumangal Exim Pvt.Ltd.	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	99000	90076.80	90076800
128	168	A-007	Top Track Impex Pvt. Ltd	1,000	30-Mar-2011	Corporate Office	OES-2010-11	Through Interview	8923.20	8923200.00	99000	90076.80	90076800
129	136	A-107	Vkg Struc & Arch Cons P. L.	1,000	30-Nov-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
130	136	A-155	E.P.S.Investment (P) Ltd.	1,001	30-Nov-2009	Corporate Office	OES-II/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
131	136	A-158	Tyag Buildspac	1,001	30-Nov-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
132	136	A-172	Nicky Syntex Pvt. Ltd.	1,001	30-Nov-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
133	136	A-173	Rastogi Colonisers Pvt. Ltd.	1,000	30-Nov-2009	Corporate Office	OES-II/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
134	136	A-95	Supreme It Solutions P. Ltd.	1,012	30-Nov-2009	Corporate Office	OES-III/2008	Through Interview	7956.00	8051472.00	75000	67044.00	67848528
135	136	A-096	Brakewel Automotive Com.(I)Pvt	1,012	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8051472.00	75000	67044.00	67848528
136	136	A-097	Giv International Ltd.	1,000	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	8751.60	8751600.00	75000	66248.40	66248400
137	136	A-099	Bop Projects P. Ltd. Transferred To M/S Krishna Infraworks Pvt. Ltd. On 30.03.2015	1,012	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	8751.60	8856619.20	75000	66248.40	67043380.8
138	136	A-102	Ujjawal Garments Pvt. Ltd.	1,012	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8051472.00	75000	67044.00	67848528
139	136	A-105	Brand Realty Services Ltd.	1,000	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
140	136	A-124	Raghav Technobuild Pvt.Ltd.	1,002	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7971912.00	75000	67044.00	67178088
141	136	A-164 & 165	Lucky Export	2,000	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	16224000.00	75000	66888.00	133776000
142	136	A-178	Jaipuria Propcon Pvt. Ltd.	1,001	18-Jan-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
143	136	A-018	Chandralekha Infrastructure(P) Transferred To Maple Garments Pvt. Ltd. On Dated 28.04.2014	1,014	18-Jan-2010	Office	OES-III/2008	Through Interview	7956.00	8067384.00	75000	67044.00	67982616

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
144	127	008a	Hacienda Infosoftech Pvt. Ltd.	5,625	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7800.00	43875000.00	75000	67200.00	378000000
145	136	A-025	Anro Sourcing & Services	1,014	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8225568.00	75000	66888.00	67824432
146	136	A-050	Gangotri Enterprises Ltd.	2,040	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	16230240.00	75000	67044.00	136769760
147	136	A-056	Sahmi Arcade	2,141	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	17367792.00	75000	66888.00	143207208
148	136	A-063	Virtual Scape 3d Ins. P. Ltd.	1,004	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8144448.00	75000	66888.00	67155552
149	136	A-087	Amity Exim (P) Ltd.	1,080	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8592480.00	75000	67044.00	72407520
150	136	A-093 & 94	Four Star Realty Pvt. Ltd.	3,256	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	25904736.00	75000	67044.00	218295264
151	136	A-101	Welcome Infrastructure P. Ltd.	1,012	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8051472.00	75000	67044.00	67848528
152	136	A-106	Akg Consultants Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
153	136	A-110	Kamika Edu. & Res. P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
154	136	A-111&112	Mayur Buildcon Pvt. Ltd.	2,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	15912000.00	75000	67044.00	134088000
155	136	A-113	B.E. Contracts P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
156	136	A-159	Evershine Compu Systems Pvt. Ltd.	1,001	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
157	136	A-162	Shubhankar Infratech Pvt. Ltd.	1,140	11-Feb-2010	Corporate Office	OES-II/2008	Through Interview	8112.00	9247680.00	75000	66888.00	76252320
158	136	A-163	Design Associates Inc.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
159	136	A-168	Vastunidhi Architects P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
160	136	A-169	Hs Engineering Pvt. Ltd.	1,140	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	9247680.00	75000	66888.00	76252320
161	136	A-179	Romsons International	1,001	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
162	136	A-60	Nuberg Engineering Ltd.	2,040	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	16230240.00	75000	67044.00	136769760
163	136	A-65	Arikara Infratech P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
164	136	A-66	Shivangel Infrast P. Ltd.	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
165	136	A-67	Sahni Construction & Company	1,000	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
166	136	A-80	A.K. Tower Pvt. Ltd.	1,080	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8592480.00	75000	67044.00	72407520
167	136	A-98	Symphon Marketing After Cic Approval Dated 06.02.2015 Symphon Marketing Pvt. Ltd.	1,012	11-Feb-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8051472.00	75000	67044.00	67848528

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
168	62	005-	Radha Madhav Infra. Pvt. Ltd.	10,599	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	84325246.20	85000	77044.00	816585503.8
169	125	07a	White Glass Infotech Pvt. Ltd. Cie To Sh. Gurvinder Singh Grewal On 22.12.2011	1,200	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	9734400.00	75000	66888.00	80265600
170	125	A-002a	Hum Tum Fashion Pvt. Ltd.	7,062	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	56185272.00	75000	67044.00	473464728
171	125	A-002b	Rav Mech India Pvt. Ltd. Transfer To M/S Hotel Library Club (P) Ltd. On 17.03.2011	7,061	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	57278832.00	75000	66888.00	472296168
172	126	11	Pratap Infotech Netwok Pvt Ltd	3,351	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8111.99	27183197.37	75000	66888.01	224141052.6
173	127	018a	Century Garments Pvt. Ltd.	5,460	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	43439760.00	75000	67044.00	366060240
174	136	A-001	Vinsam Consultancy Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
175	136	A-064	Oscar International Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
176	136	A-072	Sg Developers P. Ltd.	1,124	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8942544.00	75000	67044.00	73357456
177	136	A-075	Purnima Apparels P. Ltd	1,060	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8598720.00	75000	66888.00	70901280

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (14) (col 5* col 13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
178	136	A-089	Omni Buildtech P. Ltd.	2,290	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	18219240.00	75000	67044.00	153530760
179	136	A-090	Bib Realty Ventures Ltd.	2,028	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	16134768.00	75000	67044.00	135965232
180	136	A-109	True Gainers Network Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
181	136	A-114	Realty Canvas Pvt. Ltd.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8120112.00	75000	66888.00	66954888
182	136	A-146	Raj Nandini Wxports Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
183	136	A-147	P.G. Electroplast Pvt. Ltd. As Per Cic Approval Dated 05.07.2011 P.G. Electroplast Ltd.	1,010	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8035560.00	75000	67044.00	67714440
184	136	A-015	Smc Power Generation Ltd. Transferred To M/S Smc Foods Ltd. On Dated 16.12.2011	1,000	30-Mar-2011	Office	OES-2010	Through Interview	8923.20	8926323.12	83000	74076.80	74102726.88
185	136	A-148	Shiltan Consultants Pvt. Ltd.	1,009	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8185008.00	75000	66888.00	67489992
186	136	A-088	Swayambhu Infra (P) Ltd	1,520	30-Mar-2011	Office	OES-2010-11	Through Interview	8923.20	13563264.00	83000	74076.80	112596736
187	136	A-149	Futurlife It Solutions P. Ltd	1,095	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8882640.00	75000	66888.00	73242360

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name of Allottee	Area (in Sqm)	Allotment Date	Land Use	Scheme	Method	Allotment Rate per Sqm (in ₹)	Land Premium Received by NOIDA (col 5* col 10)	Allotment Rate If Considered Under Commercial Category I (col 12)	Difference In Rates (In ₹) (col 12-col 10)	Loss To the Authority Due to Difference In Allotment Rates (In ₹) (col 14)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
188	136	A-150	Moon Orchid Housing Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
189	136	A-151	Meadow Real Estate Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7956000.00	75000	67044.00	67044000
190	136	A-160	Meriton Hotel & Resorts P. L.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
191	136	A-167	Nitin Buildwell Pvt. Ltd.	1,000	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8112000.00	75000	66888.00	66888000
192	136	A-170	Tns Foods Pvt. Ltd.	1,397	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	11114532.00	75000	67044.00	93660468
193	136	A-171	Tandon & Sons	1,001	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
194	136	A-177	Sain Software Systems P. Ltd.	1,001	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	7963956.00	75000	67044.00	67111044
195	136	A-26	Glow Real Estate Pvt. Ltd.	1,014	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8067384.00	75000	67044.00	67982616
196	136	A-73	Marval Infosoft Pvt. Ltd.	1,124	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	8942544.00	75000	67044.00	75357456
197	136	A-76	Kesk Buildwell Pvt. Ltd.	1,218	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	9690408.00	75000	67044.00	81659592
198	136	A-77	Kapila Information Tech. P. L.	1,218	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	9690408.00	75000	67044.00	81659592
199	136	A-78	Genex Foods Pvt. Ltd.	1,219	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	9888528.00	75000	66888.00	81536472
200	136	A-79	Rollmill Industries Ltd.	1,068	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	8112.00	8663616.00	75000	66888.00	71436384
201	136	A-9	New Track Devlo. P. Ltd.	1,950	26-Mar-2010	Corporate Office	OES-III/2008	Through Interview	7956.00	15514200.00	75000	67044.00	130735800
202	136	A-008	Richa Cottex Pvt.Ltd	1,950	26-Mar-2010	Office	OES-III/2008	Through Interview	7956.00	15514200.00	75000	67044.00	130735800
Total													30318711764

Appendix-5.3.2(a)
(Referred to in Paragraph 5.3.7.2)

Statement showing plot allotted for IT/ITES institution/Industry on a rebate of 25 percent on the prevalent sector rate

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
1	Abhinav Call Centre Private Limited	Noida/IP/2006-07/OES/01	8000	10.91	3750	5000	10000000
2	Naina Components Private Limited	Noida/IP/2006-07/OES/01	4000	4.25	3750	5000	5000000
3	Noida Management Systems Private Limited	Noida/IP/2006-07/OES/01	4000	5.10	3750	5000	5000000
4	Alok Arora	Noida/IP/2006-07/OES/01	4000	4.68	3750	5000	5000000
5	Anil Bedi	Noida/IP/2006-07/OES/01	4000	6.02	3750	5000	5000000
6	Lancet Infocom Private Limited	Noida/IP/2006-07/OES/01	20000	27.90	3750	5000	25000000
7	Superior Infotech Private Limited	Noida/IP/2006-07/OES/01	2500	3.33	3750	5000	3125000
8	Forest Impex Private Limited	Noida/IP/2006-07/OES/01	2100	2.81	3750	5000	2625000
9	Jam India Private Limited	Noida/IP/2006-07/OES/01	41000	37.21	3750	5000	51250000
10	Hi Life Fabricators Private Limited	Noida/IP/2006-07/OES/01	4000	4.00	3750	5000	5000000
11	Proposed Private Limited	Noida/IP/2006-07/OES/01	2100	3.88	3750	5000	2625000
12	Aks Software Limited	Noida/IP/2006-07/OES/01	8000	7.75	3750	5000	10000000
13	Adion Technologies Private Limited	Noida/IP/2006-07/OES/01	4000	7.32	3750	5000	5000000
14	Mindseye Infotech Private Limited	Noida/IP/2006-07/OES/01	2100	3.50	3750	5000	2625000
15	MKC Software Private Limited	Noida/IP/2006-07/OES/01	2100	3.86	3750	5000	2625000
16	Arit Solutions Private Limited	Noida/IP/2006-07/OES/01	8000	16.24	3750	5000	10000000
17	Viveks Absolute IT solutions	Noida/IP/2006-07/OES/01	4000	9.20	3750	5000	5000000
18	Proserve HR Solutions Private Limited	Noida/IP/2006-07/OES/01	8000	7.13	3750	5000	10000000
19	Gurmeet Singh	Noida/IP/2006-07/OES/01	8000	6.30	3750	5000	10000000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
20	Anikar Infrastructure Development Limited	Noida/IP/2006-07/OES/01	4000	4.04	3750	5000	5000000
21	Ashoka Habitat Private Limited	Noida/IP/2006-07/OES/01	4000	4.29	3750	5000	5000000
22	Ram Kishan Das	Noida/IP/2006-07/OES/01	4000	4.04	3750	5000	5000000
23	KGA Financial Consultants Private Limited	Noida/IP/2006-07/OES/01	10000	15.50	3750	5000	12500000
24	Blue Horizon IT solutions Private Limited	Noida/IP/2006-07/OES/01	8000	29.44	3750	5000	10000000
25	Hemant Ahuja	Noida/IP/2006-07/OES/01	8000	3.82	3750	5000	10000000
26	Vipin Kumar Malhan	Noida/IP/2006-07/OES/01	2100	2.52	3750	5000	2625000
27	Vinay Jain Pipes Private Limited	Noida/IP/2006-07/OES/01	2100	2.90	3750	5000	2625000
28	Anuj Garg	Noida/IP/2006-07/OES/01	2100	2.73	3750	5000	2625000
29	Inform Net Media Private Limited	Noida/IP/2006-07/OES/01	2100	4.00	3750	5000	2625000
30	AVV Creation Private Limited	Noida/IP/2006-07/OES/01	8000	18.00	3750	5000	10000000
31	Subhash Chander Khajuria	Noida/IP/2006-07/OES/01	2100	4.79	3750	5000	2625000
32	Stellar Informatics Private Limited	Noida/IP/2006-07/OES/01	4000	7.00	3750	5000	5000000
33	Divit Infosolutions	Noida/IP/2006-07/OES/01	4000	14.00	3750	5000	5000000
		Noida/IP/2006-07/OES/01 Total	204400				255500000
34	M/s Cisccon software & Technology	Noida/IP/2007-08/OES-I	2100	2.60	4900	6500	3360000
35	Satelite comusoft private Limited	Noida/IP/2007-08/OES-I	4000	32.61	4900	6500	6400000
36	Seven Star compusoft private limited	Noida/IP/2007-08/OES-I	3200	16.68	4900	6500	5120000
37	Meriton Infosoftware Private Limited	Noida/IP/2007-08/OES-I	3200	3.80	4900	6500	5120000
38	Balram Infosoftware Private Limited	Noida/IP/2007-08/OES-I	3200	4.02	4900	6500	5120000
39	TNS infosoftware Private Limited	Noida/IP/2007-08/OES-I	3200	3.77	4900	6500	5120000
40	Lotus computech private Limited	Noida/IP/2007-08/OES-I	3200	3.83	4900	6500	5120000

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
41	Minimax computer & Soft.pvt. Ltd.	Noida/IP/2007-08/OES-I	20000	46.18	4900	6500	32000000
42	Subhash Technology Private Limited	Noida/IP/2007-08/OES-I	3200	10.22	4900	6500	5120000
43	Krishna Computech International Pvt. Ltd.	Noida/IP/2007-08/OES-I	8000	9.67	4900	6500	12800000
44	Spacewalk IT Solutions pvt.ltd.	Noida/IP/2007-08/OES-I	5000	23.66	4900	6500	8000000
45	Delta Softpro Private Limited	Noida/IP/2007-08/OES-I	8100	20.72	4900	6500	12960000
46	Proposed Private Limited	Noida/IP/2007-08/OES-I	5000	7.71	4900	6500	8000000
47	Xpert Technosoft solutions private limited	Noida/IP/2007-08/OES-I	2100	3.72	4900	6500	3360000
48	Pansh Infotech private Limited	Noida/IP/2007-08/OES-I	2100	6.80	4900	6500	3360000
49	Mandeep Infolutions Private Limited	Noida/IP/2007-08/OES-I	2100	6.80	4900	6500	3360000
50	Mistic Infolutions Private Limited	Noida/IP/2007-08/OES-I	2100	6.80	4900	6500	3360000
51	Divine Softech Private Limited	Noida/IP/2007-08/OES-I	3990	4.80	4900	6500	6384000
52	Proposed Private Limited	Noida/IP/2007-08/OES-I	3990	4.57	4900	6500	6384000
		Noida/IP/2007-08/OES-I Total	87780				140448000
53	GC infratech P Limited	Inst/OES 2008(I)	1800	8.45	4900	6500	2880000
54	M/s Midway IT Solutions Private Limited	Inst/OES 2008(I)	5000	25.90	4900	6500	8000000
55	M/s Yonker Infotech Priavate Limited	Inst/OES 2008(I)	5000	26.29	4900	6500	8000000
56	ATC infotech Private Limited	Inst/OES 2008(I)	5000	12.62	4900	6500	8000000
57	Swift E Parks Private Limited	Inst/OES 2008(I)	5000	16.30	4900	6500	8000000
58	Shloka Realtors Private Limited	Inst/OES 2008(I)	5914.54	29.39	4900	6500	9463264
59	Jam Vision Tech Private Limited	Inst/OES 2008(I)	20000	48.41	4900	6500	32000000
60	Pioneer Distributors Private Limited	Inst/OES 2008(I)	1375	7.06	4900	6500	2200000
61	Sanjevni Infotech Private Limited	Inst/OES 2008(I)	1375	8.80	4900	6500	2200000
62	Unitron Softech Private Limited	Inst/OES 2008(I)	3713	12.83	4900	6500	5940800

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
63	Vibhor Infotech Networks Private Limited	Inst/OES 2008(I)	3350.99	9.06	4900	6500	5361584
64	Sai Baba Infosolution Private Limited	Inst/OES 2008(I)	1800	7.00	4900	6500	2880000
65	Realistic Softech Private Limited	Inst/OES 2008(I)	5000	17.50	4900	6500	8000000
66	Satkartar Softech Private Limited	Inst/OES 2008(I)	5000	25.00	4900	6500	8000000
67	Mahadev Infotech Private Limited	Inst/OES 2008(I)	5000	18.31	4900	6500	8000000
68	Vaishali Financial Services Private Limited	Inst/OES 2008(I)	5000	16.01	4900	6500	8000000
69	Panacea Systems Private Limited	Inst/OES 2008(I)	10000	29.76	4900	6500	16000000
70	Criston Technology Private Limited	Inst/OES 2008(I)	3000	13.40	4900	6500	4800000
71	Om Sai Infosoft Private Limited	Inst/OES 2008(I)	5000	17.50	4900	6500	8000000
72	Mega Soft Infrastructure Private Limited	Inst/OES 2008(I)	5000	13.85	4900	6500	8000000
73	New Era Software Private Limited	Inst/OES 2008(I)	3500	18.70	4900	6500	5600000
74	SB software Private Limited	Inst/OES 2008(I)	5025	42.38	4900	6500	8040000
75	Jask Exports Private Limited	Inst/OES 2008(I)	7935	27.82	4900	6500	12696000
76	Sandra Properties Private Limited	Inst/OES 2008(I)	2500	30.90	4900	6500	4000000
77	Proposed Private Limited	Inst/OES 2008(I)	3000	8.39	4900	6500	4800000
78	Chail Hotel Private Limited	Inst/OES 2008(I)	5000	14.00	4900	6500	8000000
79	Lunar Infotech Private Limited	Inst/OES 2008(I)	5000	35.36	4900	6500	8000000
80	Proposed Private Limited	Inst/OES 2008(I)	4000	7.85	4900	6500	6400000
81	Nehal Infosys Private Limited	Inst/OES 2008(I)	1508	3.90	4900	6500	2412800
82	Sirohi Infotech Private Limited	Inst/OES 2008(I)	5000	18.00	4900	6500	8000000
		Inst/OES 2008(I) Total	144796.53				231674448
83	Satya Basant Infrabuild Private Limited	Inst/OES 2008(II)	2100	8.91	5900	7800	3990000

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
84	Godawari Infotech Private Limited	Inst/OES 2008(II)	1014	2.91	5900	7800	1926600
85	Vigneshwara Projects Private Limited	Inst/OES 2008(II)	1014	5.00	5900	7800	1926600
86	North East Buildwell Private Limited	Inst/OES 2008(II)	1110	5.30	5900	7800	2109000
87	Krishna Murati Infotech Private Limited	Inst/OES 2008(II)	2130	5.37	5900	7800	4047000
88	Vrinda Infosoft Private Limited	Inst/OES 2008(II)	1014	3.23	5900	7800	1926600
89	Sai Ram Technology Private Limited	Inst/OES 2008(II)	1014	3.35	5900	7800	1926600
90	Swani Infotech Private Limited	Inst/OES 2008(II)	1014	4.61	5900	7800	1926600
91	MRM infotech Private Limited	Inst/OES 2008(II)	1014	3.15	5900	7800	1926600
92	Info Plus Software Private Limited	Inst/OES 2008(II)	1014	4.50	5900	7800	1926600
93	Umang Management Consultant Private Ltd.	Inst/OES 2008(II)	1950	5.50	5900	7800	3705000
94	Tripti Computer Software Private Limited	Inst/OES 2008(II)	1125.15	2.92	5900	7800	2137785
95	Paras Dev Infotech Private Limited	Inst/OES 2008(II)	1014	6.11	5900	7800	1926600
96	Keshav Infocom Private Limited	Inst/OES 2008(II)	5000	13.53	5900	7800	9500000
97	Omega Itech Services Private Limited	Inst/OES 2008(II)	5000	13.05	5900	7800	9500000
98	AKM Buildcon Private Limited	Inst/OES 2008(II)	3000	13.50	5900	7800	5700000
99	Whiteline Technologies Private Limited	Inst/OES 2008(II)	2040	13.74	5900	7800	3876000
100	DDP Softech Private Limited	Inst/OES 2008(II)	1014	3.29	5900	7800	1926600
101	Omkara Projects Private Limited	Inst/OES 2008(II)	2040	5.75	5900	7800	3876000
102	Aman Netcom Private Limited	Inst/OES 2008(II)	2040	7.32	5900	7800	3876000
103	Sherya Infosoft Private Limited	Inst/OES 2008(II)	1105.25	3.38	5900	7800	2099975
104	Cherry Infosoft Private Limited	Inst/OES 2008(II)	1040	5.45	5900	7800	1976000
105	Imperial Softech Private Limited	Inst/OES 2008(II)	1014	5.68	5900	7800	1926600
106	Walker Buildcon Private Limited	Inst/OES 2008(II)	1014	3.38	5900	7800	1926600

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
107	GC Cyber Park Private Limited	Inst/OES 2008(II)	2028	9.63	5900	7800	3853200
108	SBS infoweb Private Limited	Inst/OES 2008(II)	2040	5.77	5900	7800	3876000
109	Magka Imaging and Technology Co. Pvt.Ltd.	Inst/OES 2008(II)	1132	2.95	5900	7800	2150800
110	Cyber City Infotech Private Limited	Inst/OES 2008(II)	1014	3.38	5900	7800	1926600
111	Aarvak KPO Solutions Private Limited	Inst/OES 2008(II)	1014	3.90	5900	7800	1926600
112	SRM softech Engineering Private Limited	Inst/OES 2008(II)	1950	5.11	5900	7800	3705000
113	Diamond Valley Technology Private Limited	Inst/OES 2008(II)	1080	4.10	5900	7800	2052000
114	Edge Computech Private Limited	Inst/OES 2008(II)	1950	8.69	5900	7800	3705000
115	Cosmic Technosoft Private Limited	Inst/OES 2008(II)	2040	5.11	5900	7800	3876000
116	Nehal Infocom Private Limited	Inst/OES 2008(II)	1014	3.40	5900	7800	1926600
117	VVG infotech Private Limited	Inst/OES 2008(II)	1014	2.47	5900	7800	1926600
118	Vijay Darshan Infotech Private Limited	Inst/OES 2008(II)	1014	2.76	5900	7800	1926600
119	Sherya Technet Private Limited	Inst/OES 2008(II)	1020	3.38	5900	7800	1938000
120	Associated IT solutions Private Limited	Inst/OES 2008(II)	1014	3.38	5900	7800	1926600
121	VV infocom	Inst/OES 2008(II)	1014	3.40	5900	7800	1926600
122	Paradise Infotech Private Limited	Inst/OES 2008(II)	2028	8.69	5900	7800	3853200
123	Orange Info Park Private Limited	Inst/OES 2008(II)	2028	9.16	5900	7800	3853200
124	Horizon Infoplay Limited	Inst/OES 2008(II)	1365	25.00	5900	7800	2593500
125	Quality Softech Solutions Private Limited	Inst/OES 2008(II)	1014	5.00	5900	7800	1926600
126	Credible Technologies Private Limited	Inst/OES 2008(II)	1080	4.24	5900	7800	2052000
127	PR IT solutions Private Limited	Inst/OES 2008(II)	1014	3.62	5900	7800	1926600
128	RU Softech Private Limited	Inst/OES 2008(II)	2040	5.02	5900	7800	3876000

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
129	Swayambhu IT solutions Private Limited	Inst/OES 2008(II)	1120	4.02	5900	7800	2128000
130	ASR resorts Private Limited	Inst/OES 2008(II)	1014	4.24	5900	7800	1926600
131	Horizon Softech Private Limited	Inst/OES 2008(II)	2040	5.48	5900	7800	3876000
132	Decent Softech Private Limited	Inst/OES 2008(II)	3900	11.50	5900	7800	7410000
133	BGK Exports Private Limited	Inst/OES 2008(II)	1080	7.00	5900	7800	2052000
134	Accent Softech Private Limited	Inst/OES 2008(II)	1260	2.65	5900	7800	2394000
135	Maras Properties Private Limited	Inst/OES 2008(II)	3050	23.29	5900	7800	5795000
136	ILAM developers Private Limited	Inst/OES 2008(II)	5700	42.31	5900	7800	10830000
137	EEE Realty Private Limited	Inst/OES 2008(II)	2040	23.40	5900	7800	3876000
138	Akash Ganga Realty Private Limited	Inst/OES 2008(II)	5000	23.40	5900	7800	9500000
139	Redsea Realty Private Limited	Inst/OES 2008(II)	2040	23.40	5900	7800	3876000
140	Atishay Softech Private Limited	Inst/OES 2008(II)	2000	5.36	5900	7800	3800000
141	Highrise Infotech Private Limited	Inst/OES 2008(II)	2040	16.79	5900	7800	3876000
142	Applied Infosoft Private Limited	Inst/OES 2008(II)	1000	2.64	5900	7800	1900000
143	Delta IT projects	Inst/OES 2008(II)	5000	13.61	5900	7800	9500000
144	Supreme Tech Infrastructure Private Limited	Inst/OES 2008(II)	3000	13.50	5900	7800	5700000
		Inst/OES 2008(II) Total	113025.40				214748260
						Total	842370708

Appendix-5.3.2(b)
(Referred to in Paragraph 5.3.7.2)
Statement showing plot allotted for IT/ITES institution/Industry on a rebate of 25 percent on the prevalent sector rate

Sl. No.	Name of Allottee	Name of scheme under which allotment were made	Area Allotted (in sqm)	Proposed investment (in crore)	Rate at which allotted	Rate at which allotment to be made	Loss to the Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (col 7- col 6)*col 4
145	VRD softech Private Limited	Inst/OES/2015-16	2000	20.86	12120	16040	7840000
146	North Shore Technology Private Limited	Inst/OES/2015-16	2000	33.84	12120	16040	7840000
147	Best News company Private Limited	Inst/OES/2015-16	1924.5	21.15	12120	16040	7544040
148	GPL infrabuild Private Limited	Inst/OES/2015-16	2000	29.28	12120	16040	7840000
149	Techshapers IT solutions Private Limited	Inst/OES/2015-16	4000	13.33	12120	16040	15680000
150	Glow Softech Private Limited	Inst/OES/2015-16	4000	34.98	12120	16040	15680000
151	SKS developers Private Limited	Inst/OES/2015-16	9860	42.20	12120	16040	38651200
152	SS Technopark	Inst/OES/2015-16	59087	488.05	12120	16040	231621040
		Inst/OES/2015-16 Total	84871.5				332696280
153	Infosys Limited	OES/10/2013-14	100000	1354.00	9270	12260	299000000
		OES/10/2013-14 Total	100000				299000000
						Total	631696280
						Total (a+b)	1474066988

Appendix-5.3.3
(Referred to in Paragraph 5.3.9.1)

Statement showing details of Change in Shareholding (CIS) charges to be levied

Sl. No.	Plot No.	Name of allottee	Allotted area (In Sqm)	Allotment rate including location charges (In ₹ per sqm)	Total Land Premium (in ₹)	whether unit was functional	Change in shareholding percentage	Proportionate rate of CIS as per clause B-3 of Policy of 2009 (in percent)	CIS charges required to be recovered (In ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Col 6*col 9/100
1	01 Sector 143(B)	Anand Infoedge Private Limited	100980	4998	504698040	No	300 (100+100+100)	71.75	359597354
2	02 Sector 143(A)	DLF Commercial developers Limited	100256	3825	383479200	No	400 (100+100+100+100)	105	402653160
3	01 Sector 154	Surya Jyoti Software Pvt.Ltd.	20002.40	5096	101932230	No	50	7.5	7644917
4	A-92 Sector 153	Saks Developers Private Limited	9860	12362.40	121893264	No	100	15	18283990
5	2/3 Sector- 154	Mahadev Infotech Private Limited	5000	4998	24990000	No	50	7.5	1874250
6	A-61 Sector-136	Cherry Infosoft Private Limited	2040	5900	12036000	No	100	15	1805400
7	01 Sector-142	S.S. Technopark Private Limited	59087	12362.40	730457129	No	33.34	5	36522856
8	A-20 Sector- 136	Hirise Infotech Private Limited	2040	6136	12517440	No	33.33	5	625872
9	15 Sector-127	Sirohi Infotech Pvt. Ltd.	5000	4998	24990000	No	100	15	3748500
10	C-36 Sector-62	Pioneer Distributors Private Limited	1375	4998	6872250	No	100	15	1030838
11	A-43 Sector-136	VVG Infotech Private Limited	1014	6018	6102252	No	100	15	915338
Total								834702475	

Appendix-5.3.4
(Referred to in Paragraph 5.3.10.2)

Statement showing calculation of purchasable FAR amount

Sl. No.	Sector	Property No.	Name of Alottee	Area (Sqm.)	A.L Date	Allotment Rate (₹)	Date of Approval of Map	Admissible FAR Given	Land Rate at the time of Approval of Map	Value of Purchasable Factor	Value of Purchasable FAR
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	127	011 (Amalgamated with 127)	Square Infrastructure. Pvt. Ltd.	5,003	02-Jun-2009	7956.00	30.09.2013	2	65047.5	0.3	32543264.25
2	136	A-118	Royal Kapsons Realtors (P) Ltd/	1,002	02-Jun-2009	7956.00	25.10.2011	2	9655	0.3	967431
3	136	A-122	Prince Soft Solutions Pvt/ Ltd/	1,002	02-Jun-2009	7956.00	30.05.2019	2	97185	0.3	9737937
4	136	A-128	Rakesh Kumar Taneja	1,029	02-Jun-2009	7956.00	10.02.2016	2	85110	0.3	8757819
5	136	A-130	North Delhi Proj. P. Ltd.	1,029	02-Jun-2009	7956.00	03.04.2019	2	97185	0.3	10000336.5
6	136	A-131	JRD ENGINEERING As Per CIC Approval Dated.08.11.2011 M/S Planet Egate Services Pvt. Ltd.	1,029	02-Jun-2009	7956.00	28.10.2014	2	71880	0.3	7396452
7	136	A-143	P.C. Promoters (P) Ltd. As Per Cic Approval Dated 08.09.2010 Virat Promoters Pvt. Ltd.	5,293	02-Jun-2009	8112.00	13.01.2016	2	85110	0.3	45048723

Sl. No.	Sector	Property No.	Name of Allottee	Area (Sqm.)	A.L. Date	Allotment Rate (₹)	Date of Approval of Map	Admissible FAR Given	Land Rate at the time of Approval of Map	Value of Purchasable Factor	Value of Purchasable FAR	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
8	136	A-144	Redical Projects Pvt. Ltd.	3,152	11-Jun-2009	7956.00	24.06.2016	2	97185	0.3	{(Differential FAR 0.5* col 5)/admissible FAR 1.5}*col 11* col 10	30632712
9	127	008	Pushkar Powercon (P) Ltd/	11,978	06-Nov-2008	7956.00	25.08.2009	2	14400	0.3		17248320
10	16A	FC-24C	Carnoustie Management (P) Ltd.	5,700	06-Nov-2008	21600.00	12.04.2016	2	122100	0.3		69597000
11	127	18	Votive Probuild P. Ltd.	10,390	25-Nov-2008	8112.00	26.11.2009	2	14400	0.3		14961600
12	127	19	Unnati Infratech Pvt. Ltd.	1,000	25-Nov-2008	7956.00	14.01.2011	2	8580	0.3		858000
13	127	20	Kusum Infotech Pvt/ Ltd/	1,000	25-Nov-2008	7956.00	14.01.2011	2	8580	0.3		858000
14	127	012A	Kanha Softech (P) Ltd/	4,295	25-Nov-2008	7956.00	12.04.2010	2	14400	0.3		6184800
15	127	015A	Cosmic Softsolution P. Ltd.	5,002	11-Dec-2008	7956.00	09.12.2010	2	8580	0.3		4291716
16	16A	FC-24B	K.S. Developers (P) Ltd	3,050	13-Jan-2009	21600.00	03.12.2015	2	122100	0.3		37243918.8
										Total	296328029.6	

Appendix-5.3.5
(Referred to in Paragraph 5.3.15.5)
Statement showing undue favour due to extremely low fixation of rates.

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less		Location charges rate less recovered
														col 11 - col 9	col 12 - col 10	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
1	131	FH-09	Abhiraj Builders & Promoters (P) Ltd.	10088	26-Feb-09	OES/V/2008-09	3472	3100	372	15914	1909.68	12814	1537.68	129267632	15512115.84	
2	131	FH-08	Ajnara Farms & Services Ltd.	10059	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	128896026	6444801.3	
3	133	FH-13	All Seasons Solutions (P) Ltd.	10008	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	128242512	12824251.2	
4	127	FH-04	Anushriinfotech (P) Ltd.	10952	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	140338928	14033892.8	
5	128	FH-03	Apra Motels (P) Ltd.	10345	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	132560830	13256083	
6	131	FH-10	Aristo Financial Services Ltd.	10021	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	128409094	6420454.7	
7	128	FH-01	Comprehensive It Developers (P) Ltd.	10000	26-Feb-09	OES/V/2008-09	3472	3100	372	15914	1909.68	12814	1537.68	128140000	15376800	
8	127	FH-05	Constant Efineinfotech (P) Ltd. Transferred To Nirmal Singh On Dated 30.03.2011	10900	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	139672600	13967260	
9	133	FH-03	Dyna Infosoft (P) Ltd.	10074.4	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	129093361.6	6454668.08	
10	127	FH-08	Emirates Infrastructure (P) Ltd.	10920	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	139928880	13992888	
11	133	FH-14	Growell Services (P) Ltd.	10012	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	128293768	12829376.8	
12	128	FH-02	Md Web Designers (P) Ltd.	10000	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	128140000	12814000	

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
13	133	FH-04	Narayan International	10002.6	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	128173316.4	6408665.82
14	127	FH-07	Navneet Kumar Chaurasia	10912	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	139826368	13982636.8
15	127	FH-03	Nirmal Singh Transferred To M/S Anushriarealtchpvt. Ltd. On Dated 30.03.2011	10875	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	139352250	1393522.5
16	128	FH-04	Pradeep Chaudhary	10102	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	129447028	6472351.4
17	127	FH-01	Richa Bhardwaj	10960	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	140441440	14044144
18	127	FH-09	Sameer Gupta	10871	26-Feb-09	OES/V/2008-09	3472	3100	372	15914	1909.68	12814	1537.68	139300994	16716119.28
19	127	FH-06	Shashi Kant Chaurasia	10809	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	138506526	13850652.6
20	127	FH-02	Surpreet Singh Suri	10952	26-Feb-09	OES/V/2008-09	3410	3100	310	15914	1591.4	12814	1281.4	140338928	14033892.8
21	131	FH-07	VineetNayar	10083	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	129203562	6460178.1
22	131	FH-06	Wonder Buildtech (P) Ltd.	10019	26-Feb-09	OES/V/2008-09	3255	3100	155	15914	795.7	12814	640.7	128383466	6419173.3
			Total	228965										2933957510	
23	126	FH-004	Alka Das	10000	27-Jul-09	OES/V/2008-09	3410	3100	310	16996	1699.6	13896	1389.6	138960000	13896000
24	131	FH-05	Baba Global Ltd.	10056	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139738176	6986908.8
25	133	FH-11	Bhumi Buildspace Pvt. Ltd. Transferred To Greenera Farm Villas Pvt. Ltd. On Dated 28.11.2011	10019	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139224024	6961201.2
26	133	FH-07 & 08	Brilliant Builders (P) Ltd.	20070	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	278892720	13944636

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
27	131	FH-02	Dharampalsatyapal Sons (P) Ltd.	10017	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139196232	6959811.6
28	128	FH-35	H. P. Agro Developers Pvt. Ltd. Transferred To Land And Life Farmlands (P) Ltd On Dated 23.11.2011	10014	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139154544	6957727.2
29	133	FH-12	Holostik Hospitality (P) Ltd.	10097	27-Jul-09	OES/V/2008-09	3472	3100	372	16996	2039.52	13896	1667.52	140307912	16836949.44
30	128	FH-05	Infics Infrastructures (P) Ltd.	10119	27-Jul-09	OES/V/2008-09	3410	3100	310	16996	1699.6	13896	1389.6	140613624	14061362.4
31	133	FH-09	Jagat Guru Real Estate Developers (P) Ltd.	10009	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139085064	6954253.2
32	133	FH-10	Khemkadisels& Services (P) Ltd.	10002	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	138987792	6949389.6
33	133	FH-06	Majestic Realtors (P) Ltd.	10024	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139293504	6964675.2
34	133	FH-02	Mehrishi Sales (P) Ltd.	10000	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	138960000	6948000
35	131	FH-11	Mu & Associates	10017	27-Jul-09	OES/V/2008-09	3472	3100	372	16996	2039.52	13896	1667.52	139196232	16703547.84
36	133	FH-05	Petal Resorts (P) Ltd.	10040	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139515840	6975792
37	131	FH-03	Rajiv Kumar	10087	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	140168952	7008447.6
38	128	FH-34	Shri Radhegovind Ice & Cold Storage (P) Ltd.	10014	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139154544	6957727.2
39	131	FH-04	Spiritural Infrastructure (P) Ltd.	10072	27-Jul-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139960512	6998025.6

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
40	133	FH-01	Optimist Computers (P) Ltd.	10011	3-Aug-09	OES/V/2008-09	3472	3100	372	16996	2039.52	13896	1667.52	139112856	16693542.72
41	126	FH-001	Ragini Project (P) Ltd.	12898	3-Aug-09	OES/V/2008-09	3410	3100	310	16996	1699.6	13896	1389.6	179230608	17923060.8
42	128	FH-12A&20	Experience Buildwell(P) Ltd.	20048.9	30-Oct-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	278598958.6	13929947.93
43	128	FH-25 & 26	Garrison Buildcons (P) Ltd.	20029.7	30-Oct-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	278333267	13916663.35
44	128	FH-27,28 & 29	Garrison Realtors (P) Ltd.	30052.9	30-Oct-09	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	417615654.2	29233095.8
45	128	FH-23,24 & 33	Handful Infradevelopers (P) Lt	30422.5	30-Oct-09	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	422750365.2	29592525.56
46	128	FH-11&22	Meadow Infra Develops Pvt. Ltd. Transferred To Vichiterlata On Dated 28.09.2010	20231.6	30-Oct-09	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	281138174.6	19679672.22
47	128	FH-14 & 19	Sapphire Infraproject(P) Ltd.	20048.9	30-Oct-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	278598958.6	13929947.93
48	128	FH-15 & 18	Sheshvata Infratech (P) Ltd.	20048.9	30-Oct-09	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	278598958.6	19501927.1
49	128	FH-12 & 21	Snerca Realtors Pvt. Ltd. To Vichiterlata On Dated 28.09.2010	20649	30-Oct-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	286938504	14346925.2
50	128	FH-07	Vijay Kumar	10000	30-Oct-09	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	138960000	6948000
51	133	FH-17	Challengerz Web Solutions Pvt. Ltd.	10029	18-Jan-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139362984	6968149.2
52	133	FH-16	County Devekopers (P) Ltd.	11544	18-Jan-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	160415424	8020771.2

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
53	133	FH-18	4	5	6	7	8	9	10	11	12	13	14	15	16
54	133	FH-15	Great Value Buildtech(P) Ltd.	13168	18-Jan-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	182982528	9149126.4
55	131	FH-01	Neris Developers (P) Ltd.	10269	18-Jan-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	142698024	7134901.2
56	128	FH-09	Aatish Designers (P) Ltd.	10019.3	18-Mar-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139228331.8	6961416.588
57	126	FH-003	Green Look Farm & Cottages (P)	10204	18-Mar-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	141794784	7089739.2
58	128	FH-36	M/S Indo Gulf Diagnostics & Research Centre (P) Ltd.	10250	18-Mar-10	OES/V/2008-09	3410	3100	310	16996	1699.6	13896	1389.6	142434000	14243400
59	128	FH-16	Taurus Promoters (P) Ltd.	10014	18-Mar-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139154405	6957720.252
59 A	128	FH-17	GLORY INFRABUILD (P) LTD Transferred To M/S Balaji Investment Management Pvt. Ltd. On Dated 22.02.2012	10054	26-Mar-10	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	139710384	9779726.88
60	128	FH-06	Glory Infrabuild (P) Ltd.	10100	26-Mar-10	OES/V/2008-09	3317	3100	217	16996	1189.72	13896	972.72	140349600	9824472
61	128	FH-08	Transferred To M/S Freedom Technobuildpvt. Ltd. On Dated 21.02.2012	10087.5	26-Mar-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	140175900	7008795
62	126	FH-002	Great Value Exim (P) Ltd.	10064	26-Mar-10	OES/V/2008-09	3255	3100	155	16996	849.8	13896	694.8	139849344	6992467.2
			Hilsun Estates (P) Ltd.	11845	26-Mar-10	OES/V/2008-09	3410	3100	310	16996	1699.6	13896	1389.6	164598120	16459812

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
63	128	FH-30,31&32	Mr. Guninder Jit Singh	30070	26-Mar-10	OES/V/2008-09	3255	3100	849.8	16996	694.8	417852720	20892636
64	128	FH-10A	Shiv Valley Steels & Alloys Pvt. Ltd. Transferred To M/S Everlike Real Estate & Developers Pvt. Ltd. On Dated 30.03.2011	10010	26-Mar-10	OES/V/2008-09	3317	3100	1189.72	16996	972.72	139098960	9736927.2
64A	128	FH-10	Shiv Valley Steels & Alloys Pvt. Ltd. Transferred To M/S Phks Recreation Pvt. Ltd. On Dated 30.03.2011	10010	26-Mar-10	OES/V/2008-09	3317	3100	1189.72	16996	972.72	139098960	9736927.2
			Total	582836								8099090446	
65	165	FH-23	Ajay Rastogi	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000
66	167	FH-21	Anand Prakash	10000	5-Jan-11	OES/V/2008-09	3745	3500	1228.92	17556	983.92	140560000	9839200
67	167	FH-19	D S Infra Projects (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000
68	167	FH-20	Gatkimfratech (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3745	3500	1228.92	17556	983.92	140560000	9839200
69	167	FH-13	Golden Triangle Beach Rosorts (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000
70	167	FH-3	Greenera Innovative Energies (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3850	3500	1755.6	17556	1405.6	140560000	14056000
71	164	FH-8	Himgiri Cars (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000
72	167	FH-14	Jankalyan Land Development Co. (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000
73	165	FH-18	Jayant Bhushan	10000	5-Jan-11	OES/V/2008-09	3675	3500	877.8	17556	702.8	140560000	7028000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
74	167	FH-12	Karni Shelter (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
75	165	FH-21	M.R. Marketing (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
76	165	FH-17	Manjaree A Devii	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
77	167	FH-11	Mek Developers Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
78	165	FH-22	Naveen Khandelwal	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
79	167	FH-8	Pacl India Ltd.	10000	5-Jan-11	OES/V/2008-09	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
80	167	FH-15	Pranay Kothari	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
81	167	FH-16	Pritisaraf	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
82	167	FH-17	S.S.Fuels (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
83	165	FH-19	Shanti Bhushan	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
84	167	FH-18	Surya Shopping Arcade (P) Ltd.	10000	5-Jan-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
85	167	FH-2	Yuvraj Construction And Leasing(India) Ltd.	10000	5-Jan-11	OES/V/2008-09	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
86	164	FH-7	Agarwal Associates (Promoters) Ltd	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
87	164	FH-5	Akc Hydropower (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
88	164	FH-4&18	Akg Infotech (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	28112000
89	162	FH-06	Anmol Bakers (P) Ltd.	10434	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	146660304	10266221.28
90	164	FH-38	Archit Steels (P) Ltd.	10000	30-Mar-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
91	164	FH-37	Ashwami Talwar	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
92	165	FH-15	Avinash Dawar	10248.2	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	144048699.2	7202434.96

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
93	167	FH-1	Balaji Investment Management (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3920	3500	420	17556	2106.72	14056	1686.72	140560000	16867200
94	164	FH-26	Bharat BushanInfraTech (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
95	165	FH-10&11	Devyanshi Software (P) Ltd.	20007	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281218392	28121839.2
96	165	FH-28	Ebiz Com (P) Ltd.	10041	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	141136296	9879540.72
97	164	FH-34	Genuine Enterprises (P) Ltd.	10010	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
98	162	FH-03	Ginny Garg	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
99	128	FH-38	GRANITE ESTATES (P) LTD	10094	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	141881264	9931688.48
100	165	FH-13	GreatvalueBuildwell (P) Ltd.	10357.6	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	145586425.6	10191049.79
101	164	FH-30	Ideal Fittings (P) Ltd.	10840	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	152367040	10665692.8
102	164	FH-17	Inspire Infrastructure (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
103	167	FH-10	Integrity Infrastructure (P) Ltd.,	10000	30-Mar-11	OES 2010 (FH)	3920	3500	420	17556	2106.72	14056	1686.72	140560000	16867200
104	165	FH-26	KanhaPropmart (P) Ltd.	10000	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
105	165	FH-12	KunalInfraTech (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
106	164	FH-39	Magnolia Martinique Clothing (P) Ltd.	10000	30-Mar-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
107	164	FH-6	Mars Infrabuild (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
108	164	FH-31	Mohodar Farm House (P) Ltd.	9593.9	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	134851858.4	6742592.92
109	164	FH-21	N.Brijanand Securities (P) Ltd.	9983	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	140321048	9822473.36
110	164	FH-27	Narayani Builders (P) Ltd.	10010	30-Mar-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
111	162	FH-02 (File seized by CBI on 04.08.2015)	New Era-e-Solutions (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
112	164	FH-9	Plaggo Enterprises (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
113	167	FH-7	PPL Farms (P) Ltd	10000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	140560000	14056000
114	165	FH-6&7	Prashant Buildcon (P) Ltd.	20007	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281218392	28121839.2
115	165	FH-27	Prithvi Raj Batra	10000	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
116	165	FH-16	R.G. Assets & Properties (P) Ltd.	10104.9	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	142034474.4	7101723.72
117	165	FH-25	Rada Shelters (P) Ltd.	10000	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
118	164	FH-22	Rahul Gaur	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
119	162	FH-10	Ram KishorJalan	10502	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	147616112	10333127.84
120	164	FH-02 & 20	RavindraAlmirahs (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	28112000
121	164	FH-23	Realty Canvas (P) Ltd.	10010	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
122	164	FH-3&19	S.B. Cooler (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	28112000
123	162	FH-05	Sarvodya Developers (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3920	3500	420	17556	2106.72	14056	1686.72	140560000	16867200
124	164	FH-15	Satkar Hospitality Services (P) Ltd.,	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
125	165	FH-2&3	SDS Infrotech (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	281120000
126	165	FH-1&20	Seven Star Buildtech (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	281120000
127	162	FH-01	Shourya Bake Fresh (P) Ltd. Merged in M/s MMR Infrastructure Developers Pvt. Ltd. w.e.f. 01.04.2011 (yet to be taken on record)	10000	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
128	164	FH-32	Sisbro Motor & Workshop (P) Ltd.	10010	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
129	165	FH-8&9	Soni Exim (P) Ltd.	20007	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281218392	28121839.2
130	164	FH-35	Spectrum Developers (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
131	164	FH-28	Sterling Educational Stores (P) Ltd.,	10010	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
132	165	FH-29	STG Softek (P) Ltd.	10050.8	30-Mar-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	141273342	7063667.1
133	162	FH-09	Sunil Chopra	10260	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	144214560	7210728
134	167	FH-9	Superior Portfolio (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	140560000	9839200
135	128	FH-37	SURESH CHAND BANSAL & DEEPAK BANSAL	10043	30-Mar-11	OES/V/2008-09	3675	3500	175	17556	877.8	14056	702.8	141164408	7058220.4
136	164	FH-33	Swani Furniture Point (P) Ltd.	10010	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140700560	7035028
137	164	FH-36	Symbiosis Textile (P) Ltd.	12006	30-Mar-11	OES/V/2008-09	3745	3500	245	17556	1228.92	14056	983.92	168756336	11812943.52
138	164	FH-24	Symphon Marketing (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate	Difference in Location charges	Rate less recovered	Location charges rate less recovered
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
139	164	FH-16	Ummati Fortune Space Developers (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
140	165	FH-4&5	UmmatiInfraitech (P) Ltd.	20000	30-Mar-11	OES 2010 (FH)	3850	3500	350	17556	1755.6	14056	1405.6	281120000	28112000
141	165	FH-14	V.R. Brothers	10307.7	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	144885031.2	7244251.56
142	164	FH-25	Vardhman Properties Ltd	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
143	164	FH-01	Vertis Developers (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3920	3500	420	17556	2106.72	14056	1686.72	140560000	16867200
144	162	FH-07	Vikas Singh	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
145	162	FH-08	Virgin Infrastructures (P) Ltd.	10000	30-Mar-11	OES 2010 (FH)	3675	3500	175	17556	877.8	14056	702.8	140560000	7028000
146	162	FH-04	Weavetex Overseas	10010	30-Mar-11	OES/N/2008-09	3850	3500	350	17556	1755.6	14056	1405.6	140700560	14070056
147	164	FH-29	YashInfraarms& Developers (P) Ltd.	10307	30-Mar-11	OES 2010 (FH)	3745	3500	245	17556	1228.92	14056	983.92	144875192	10141263.44
			Total	925264										13005511487	
148	164	FH-010	AUSPICIOUS GARMENTS (P) LTD.	10000	16-Dec-11	OES 2010 (FH)	4334	3940	394	19770	1977	15830	1583	158300000	15830000
149	149A	FH-001	DR. VINAY SABHERWAL	10060	16-Dec-11	OES 2010 (FH)	4334	3940	394	19770	1977	15830	1583	159249800	15924980
150	149A	FH-002	EXPRESS EXIM PVT. LTD.	10060	16-Dec-11	OES 2010 (FH)	4412	3940	472	19770	2368.3858	15830	1896	159249800	19077641.02
151	164	FH-011	M/s NEW TRACK EXIM (P) LTD.	10000	16-Dec-11	OES 2010 (FH)	3940	3940	0	19770	0	15830	0	158300000	0

Sl. No.	Sector	Property No.	Name Of Allottee	Area (sqm)	Allotment Date	Scheme	Allotment Rate (₹)	Allotment Price	Location charges	Basic Rate applicable	Location charges on basic rate	Difference in basic rate col 11 – col 9	Difference in Location charges col 12 – col 10	Rate less recovered col 13 * col 5	Location charges rate less recovered col 14 * col 5
152	149A	FH-005	M/s SHRENIK PROPERTIES PVT. LTD.	10080	16-Dec-11	OES 2010 (FH)	4137	3940	197	19770	988.5	15830	791.5	159566400	7978320
			Total	50200										794666000	
153	164	FH-013	Suresh Kumar Wadhwa	10000	4-Sep-14	OES/V/2008-09	5801.25	5525	276.25	37928	1896.4	32403	1620.15	324030000	16201500
154	164	FH-012	Vijay Kumar Wadhwa	10000	4-Sep-14	OES/V/2008-09	5801.25	5525	276.25	37928	1896.4	32403	1620.15	324030000	16201500
155	149A	FH-004	Krishan Kumar Wadhwa	10050	16-Sep-14	OES/V/2008-09	5911.75	5525	386.75	37928	2654.96	32403	2268.21	325650150	22795510.5
156	164	FH-014	M/s Krona Builders Pvt. Ltd.	10000	16-Sep-14	OES 2010 (FH)	5801.25	5525	276.25	37928	1896.4	32403	1620.15	324030000	16201500
157	149A	FH-003	Om Prakash Wadhwa	10025	16-Sep-14	OES/V/2008-09	6077.5	5525	552.5	37928	3792.8	32403	3240.3	324840075	32484007.5
			Total	50075										1622580225	
			Total	1837340										26455805667	1876012302
Grand Total															
															28331817970

Appendix-5.3.6
(Referred to in Paragraph 5.3.17.3)
Statement showing loss to NOIDA due to reservation of plot without land availability.

Sl. No.	Name of Allottee	Property No.	Area in sqm	Area reserved before site plan	Date of allotment	Date of approval of site plan	Scheme No.	Allotment rate (in ₹ per sqm)	Prevailing rate after finalisation of site plan (in ₹ per sqm)	Loss to NOIDA (in ₹)
1	2	3	4	5	6	7	8	9	10 = {(9-8)*5}	
1	M/s Hilsun Estates (P) Ltd	FH 8/128	10064	10083.3	26.03.2010	24.05.2010	OES/V/ 2008-09	3255	3675	4226880*
2	Ms STG Softek (P) Ltd	FH 29/165	10050.75	10000	30.03.2011	20.07.2015	OES/V/ 2008-09	3675	6867	31920000
3	M/s Sarvodaya Developers (P) Ltd	FH 5/162	10010	10000	30.03.2011	31.07.2015	OES/2010	3920	7325	34050000
4	M/s Soni Exim Private Limited	FH 8 and 9/ 165	20007	20000	30.03.2011	29.07.2015	OES/2010	3850	7194	66880000
5	M/s Great Value Buildwell (P) Ltd (P) Ltd	FH 13/165	10357.60	10000	30.03.2011	20.07.2015	OES/2010	3745	6998	32530000
Total									169606880	

*column 4 taken instead of column 5 as the area decreases.

Appendix-5.4.1
(Referred to in Paragraph 5.4.5.1)

Statement showing loss due to allotment of underdeveloped plots and delay in site plan by NOIDA

Sl. No.	Applicant Name	Whether IT Unit	Address	AREA (in m ²)	Total Rate (in ₹ per sqm)	Value of Plot at the time of allotment (in ₹)	Date of Allotment	Site Plan Date	Rate of Plot at the date of Site Plan (in ₹ per sqm)	Value of Plot at the date of Site Plan (in ₹)	Loss To Authority (in ₹)	Interest Earned (for Days)	Interest Earned (for Yrs)	Allotment Money (in ₹)	Int. Earned on Allotment money at the rate of 11% (in ₹)	Net Loss to the Authority (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7) (Col 5 * Col 6)	(8)	(9)	(10)	(11) (Col 5 * Col 10)	(12) (Col 11 - Col 7)	(13)	(14) (Col 13/365)	(15)	(16) (Col 15 * (1+0.11) ⁿ Col 14 - Col 15)	(17) (Col 12 - Col 16)
1	Swastic Tuff Glass Pvt Ltd	Industrial	A/12/84	5000	3286.5	16432500	17-Dec-07	18-Jun-09	5,712	28,560,000	12,127,500	549	1.50	8,216,250	13,96,428	1,07,31,072
2	Chetnasagar Softech LLP	Industrial	B4/83 B26A/85	3200 454	8463 11162.25	27081600 5067661.5	9-Jun-14 15-Nov-17	22-Feb-17 22-Feb-17	11,162 11,162	35,719,200 5,067,662	8,637,600 0	989 0	2.71 0.00	5,416,320 0	1,770,073 0	68,67,527 0
3	Sarveshwar Lamination Pvt Ltd.	Industrial	B9/85	3900	8463	33005700	9-Jun-14	12-Jun-15	10,017	39,066,300	6,060,600	368	1.01	6,601,140	732,413	53,28,187
4	RAF Stationers	Industrial	B30A/85	8000	2310	18480000	8-Jan-07	22-Dec-09	5,803	46,420,000	27,940,000	1,079	2.96	9,240,000	3,339,233	2,46,00,767
5	Proserve HR Solutions Pvt Ltd.	IT	03/90	5000	3900	19500000	9-Jan-07	22-Jul-09	6,136	30,680,000	11,180,000	925	2.53	5,850,000	1,771,062	94,08,938
6	Gobind Electronics Private Limited	Industrial	26/140	3200	3242	10374400	3-Sep-07	8-Jul-08	5,689	18,204,000	7,829,600	309	0.85	5,187,200	479,136	73,50,464
7	M/S Johnson Lift Pvt Ltd	IT	5/140A	2100	3975	8347500	8-Jan-07	7-Jul-08	6,254	13,133,400	4,785,900	546	1.50	2,504,250	423,108	43,62,792
8	Sharma and Bhati Garments Pvt. Ltd.	Industrial	8/138	2100	2205	4630500	9-Jan-07	30-Apr-08	3,355	7,044,975	2,414,475	477	1.31	2,315,250	338,306	20,76,169
9	Vee Pee Enterprises Private Limited	Industrial	11/140	2100	2152.50	4520250	8-Jan-07	8-Jul-08	5,689	11,946,375	74,26,125	547	1.50	22,60,125	3,82,617	70,43,508

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Applicant Name	Whether IT Unit	Address	AREA (in m ²)	Total Rate (in ₹ per sqm)	Value of Plot at the time of allotment (in ₹)	Date of Allotment	Site Plan Date	Rate of Plot at the date of Site Plan (in ₹ per sqm)	Value of Plot at the date of Site Plan (in ₹)	Loss To Authority (in ₹)	Interest Earned (for Days)	Interest Earned (for Yrs)	Allotment Money (in ₹)	Int. Earned on Allotment money at the rate of 11% (in ₹)	Net Loss to the Authority (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7) (Col 5 * Col 6)	(8)	(9)	(10)	(11) (Col 5 * Col 10)	(12) (Col 11 - Col 7)	(13)	(14) (Col 13/365)	(15)	(16) (Col 15 * (1+0.11) ⁿ Col 14 - Col 15)	(17) (Col 12 - Col 16)
10	M/S India TV Interactive Media (P) Ltd.	Industrial	B30/ 85	12000	2310	27720000	15-Feb-07	10-Jun-08	5,701	68,415,600	40,695,600	481	1.32	13,860,000	2,043,409	3,86,52,191
11	Cleave Global E-Services Pvt. Ltd.	IT	A13/84	5000	5096	25,480,000	17-Dec-07	3-Sep-09	6136	30680000	5,200,000	626	1.72	7,644,000	1,498,242	37,01,758
12	Skyhigh Technobuild (P)Ltd	IT	4/140	20000	5194	10,38,80,000	3-Sep-07	8-Jul-08	6254	12,50,80,000	2,12,00,000	309	0.85	3,11,64,000	28,78,584	1,83,21,416
13	Sukhvarsha Projects Pvt. Ltd.	Industrial	6&7/90	10000	2258	22,575,000	9-Jan-07	22-Jul-09	5612	561,20,000	335,45,000	925	2.53	11,287,500	34,17,241	3,01,27,759
14	PjsInfotech (P) Ltd	Industrial	A10/84	5000	2205	11,025,000	8-Jan-07	16-Nov-07	3287	164,35,000	54,10,000	312	0.85	5,512,500	514,351	48,95,649
15	Gamtech E-Technologies Pvt Ltd	IT	4/90	5000	3900	19,500,000	9-Jan-07	22-Jul-09	6136	3,06,80,000	1,11,80,000	925	2.53	58,50,000	17,68,883	94,11,117
16	MeritonInfosoft Pvt. Ltd.	IT	B14/ 83	3200	5096	1,63,07,200	3-Sep-07	5-Aug-08	6136	19635200	3328000	337	0.92	48,92,160	494838	28,33,162
															Total	18,57,80,791

Note: Column 2 indicate the name of present lessee.

Appendix-5.4.2
(Referred to in Paragraph 5.4.5.5)

Statement showing details of original and photocopies of vouchers of NOIDA

Plot No	Sector	Original		Photocopy	
		Voucher Date	Voucher Amount (in ₹)	Voucher Date	Voucher Amount (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)
3	90	24-12-10	1304710	25-05-18	592600
		07-05-11	497750	30-06-17	3547600
		18-03-10	67604	04-07-17	1756500
		25-06-09	1304710	09-12-14	600000
		25-06-08	1304710	16-12-14	4300
		28-12-07	2016410	09-12-14	600000
		24-01-07	3337500	08-08-14	4200000
				12-04-13	3867570
				24-06-10	1304710
				28-06-11	1304710
				28-12-07	2016410
				30-12-11	1304710
				24-12-10	1304710
				26-12-09	1304710
				25-06-09	1304710
				20-12-08	1304710
				24-01-07	3337500
				25-06-08	1304710
				07-05-11	497750
4	90	25-02-10	1792210	06-03-18	495000
		26-11-09	1630885	06-03-18	780000

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Plot No	Sector	Original		Photocopy	
		Voucher Date (3)	Voucher Amount (in ₹) (4)	Voucher Date (5)	Voucher Amount (in ₹) (6)
	(2)	05-03-10	222000	20-01-07	375
		10-03-10	21000	27-12-07	1510000
		08-05-09	978535	07-01-08	506510
		28-08-08	326000	04-07-08	978533
		04-07-08	978533	28-08-08	326000
		27-12-07	1510000	08-05-09	978535
		07-01-08	506510	26-11-09	1630885
		20-01-04	3337125	25-02-10	1792250
				05-03-10	222000
				10-03-10	21000
				04-07-10	978535
				29-12-10	978535
				11-11-11	978535
				21-01-12	326000
				14-10-13	326175
				20-01-14	326175
				09-09-15	4500000
				09-09-15	2500000
				16-09-15	2450000
				20-01-14	326175
				14-10-13	326175
				07-10-13	1957050
				16-08-13	960000
				21-01-12	326000
				26-11-09	1630885

Plot No	Sector	Original			Photocopy	
		Voucher Date (3)	Voucher Amount (in ₹) (4)	Voucher Date (5)	Voucher Amount (in ₹) (6)	
	(2)			08-05-09	978535	
				28-08-08	326000	
				04-07-08	978535	
				07-01-08	506510	
				27-12-07	1510000	
				20-01-07	3337125	
6--7	90	07-02-07	8851875	28-09-17	8667909	
				18-02-15	580000	
				06-08-14	1078890	
				28-04-14	2370550	
				28-04-14	1273137	
				16-09-14	2058000	
				02-05-13	3698990	
				27-12-11	1078890	
				23-03-11	2525000	
				24-03-11	575000	
				24-03-11	2075000	
				09-09-10	5000000	
112	155	15-05-19	18200000			
A1D	84	07-03-19	319500	28-06-19	5509100	
				12-11-18	5381275	
Total			4,85,07,567		10,90,97,684	

Appendix-5.4.3 (i)

(Referred to in Paragraph 5.4.6.4)

Details of undue benefit to Allottees due to under-fixation of mixed land use charges by NOIDA

Sr. No.	Name of Allottee	Block-Plot No./sector	Size of Industrial Plot	Land rate Industrial	Sector's commercial category	Sector rate of commercial for commercial portion (in ₹)	New Allotment Rate of the Industrial plot (for entire portion)(in ₹)	Differential Rate(in ₹)	Total area allowed as (commercial portion)	Undue Benefit to Allottees (in ₹)	Amount charged against Impact Fee (in ₹)	Short Recovered Impact Fee (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13
								(col 7-col 8)	(col 4*130% or 150%)*25%	(col 9*col 10)	(col 4*col 9)*10%	(col 11-col 12)
1	M/s Motherson Auto Limited (Mercedes Show Room)	D-11/08	4743.03	First 4000 @ Rs. 30610 next 743.03 @ Rs.28260	B	166000	30241.85	135758.15	1541.48	209269117.91	64390497.82	144878620.09
2	M/s Rajeev Brothers Private Ltd.	D-7/8	3870	First 3870 Sqm @Rs. 30610/Sqm.	B	166000	30610	135390	1257.75	170286772.50	52395930.00	117890842.50
3	M/s Koncept Automobiles Pvt. Ltd. (Mahindra Show Room)	A-9/2	1110	First 1110 Sqm @ Rs. 30610/Sqm	B	166000	30610	135390	360.75	48841942.50	15028290.00	33813652.50
4	M/s KK Marketing (Tata Motors Show Room)	B-123/5	1800	First 2157.98 Sqm @ Rs.30610/Sqm	B	166000	30610	135390	585.00	79203150.00	24370200.00	54832950.00
5	M/s ACE Honda (Naksha Enterprises Pvt. Ltd)	G-25/11	5276.81	First 4000 Sqm @ Rs.30610 next 1276.81 Sqm @ Rs. 28260/Sqm	B	166000	30041.38	135958.62	1714.96	233164036.82	71742780.56	161421256.26
6	M/s Allied Intertrade Co. Ltd.	A-10/6	833.26	First 833.26 Sqm @ Rs. 30610/Sqm	B	259000	30610	228390	312.47	71365594.28	19030825.14	52334769.14

Sr. No.	Name of Allottee	Block-Plot No./sector	Size of Industrial Plot	Land rate Industrial	Sector's commercial category	Sector rate of commercial for commercial portion (in ₹)	New Allotment Rate of the Industrial plot (for entire portion)(in ₹)	Differential Rate(in ₹)	Total area allowed as (commercial portion)	Undue Benefit to Allottees (in ₹)	Amount charged against Impact Fee (in ₹)	Short Recovered Impact Fee (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13
								(col 7-col 8)	(col 4*130% or 150%)*25%	(col 9*col 10)	(col 4*col 9)*10%	(col 11-col 12)
7	M/s Namoli Apparels Pvt. Ltd	A-108/5	1800	First 1800 Sqm @ Rs. 30610/Sqm	B	166000	30610	135390	585.00	79203150.00	24370200.00	54832950.00
8	M/s Sawalka Autotech Pvt Ltd.	C-11/1	2155.53	First 2155.53 Sqm @ Rs 30610/Sqm	B	166000	30610	135390	700.55	94847092.18	29183720.67	65663371.51
9	M/s Gautam Budh Cars Pvt Ltd.	B-127/5	1800	First 1800 Sqm @ Rs 30610/Sqm	B	166000	30610	135390	585.00	79203150.00	24370200.00	54832950.00
10	M/s Sawhney Brothers	A-18/6	7645.49	First 4000 Sqm @ Rs. 30610/Sqm, next 3645.49 Sqm @ 28260/Sqm	B	166000	29489.48	136510.52	2484.78	339199190.06	104368981.56	234830208.50
Total											97,53,31,570.50	

Appendix-5.4.3 (ii)
(Referred to in Paragraph 5.4.6.4)
Details of undue -benefit to Allottees due to non-recovery of Mixed land use charges by NOIDA

Sl. No.	Name of the Allottee	Block-Plot No./sector	Size of Industrial Plot	Land rate Industrial	Sector's commercial category	Sector rate commercial (in ₹)	New Allotment Rate of the Industrial plot (in ₹)	Differential rate (in ₹)	Total area allowed as commercial portion	Undue benefit to Allottees (in ₹)
1	2	3	4	5	6	7	8	9	10	11
								(col 8- col 9)	(col 4 * 1.5 or 1.3 * 25%)	(col 9 * col 10)
1	M/s Bhargava Refrigeration India Pvt. Ltd. (Rahul Fashion Pvt Ltd.)	D-3/8	3870	First 3870 Sqm @ Rs. 30610	B	166000	30610	135390	1257.75	170286772.5
2	M/s Surinder Kumar Verma	B-123/5	208	First 208 Sqm @ Rs.30610/Sqm	B	259000	30610	228390	78	17814420.0
3	M/s Seema Engineering & Commercial CO. Pvt. Ltd.	A-110/5	800	First 800 Sqm @ Rs.30610	B	259000	30610	228390	300	68517000.0
4	M/s D.K. Pratap Singh Exports (Suzuki Show Room)	B-125/5	1800	First 1800 Sqm @ Rs. 30610/Sqm	B	166000	30610	135390	585	79203150.0
5	M/s Nishan (M/s Super Cassetts Industries)	C-26/3	2040	First 2040 Sqm @ Rs. 30610/Sqm	B	166000	30610	135390	663	89763570.0
6	M/s Hyundai (M/s Super Cassetts Industries)	C-27/3	2106	First 2106 Sqm @ Rs 30610/Sqm	B	166000	30610	135390	684.45	92667685.5
7	M/s Hero (M/s Choyal Plastics Pvt. Ltd.)	A-3/10	820	First 820 Sqm @ Rs 30610/Sqm	B	259000	30610	228390	307.5	70229925.0
8	M/s Sayvik Overseas Pvt. Ltd (M/s Harish Wire Industries)	A-4/10	820	First 820 Sqm @ Rs 30610/Sqm	B	259000	30610	228390	307.5	70229925.0

Sl. No.	Name of the Allottee	Block-Plot No./sector	Size of Industrial Plot	Land rate Industrial	Sector's commercial category	Sector rate commercial(in ₹)	New Allotment Rate of the Industrial plot(in ₹)	Differential rate(in ₹)	Total area allowed as commercial portion	Undue benefit to Allottees(in ₹)
1	2	3	4	5	6	7	8	9	10	11
							(col 8- col 9)	(col 4 *1.5 or 1.3 *25%)	(col 9 *col 10)	
9	M/s Automobile Sterling	D-4/8	3870	First 3870 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	1257.75	170286772.5
10	M/s Allottee (Shah & Company)	A-109/5	800	First 800 Sqm @ Rs. 30610/Sqm	B	259000	30610	228390	300	68517000.0
11	M/s Hy Fy Tyres Pvt Ltd (Nexa Show Room)	C-7/10	820	First 820 Sqm @ Rs. 30610/Sqm	B	259000	30610	228390	307.50	70229925.0
12	M/s India International House Ltd.	F-40/6	796.05	First 796.05 Sqm @ Rs. 30610/Sqm	B	259000	30610	228390	298.52	68178697.31
13	M/s Wasan Shoes Ltd.	A-79/2	1480	First 1480 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	481.00	65122590.0
14	M/s Mahendra (Alliance Fabrics Private Limited)	C-6/10	802	First 802 Sqm @ Rs 30610/Sqm	B	259000	30610	228390	300.75	68688292.5
15	Vinayak Enterprises (M/s Honda)	D-2/10	820	First 820 Sqm @ Rs 30610/Sqm	B	259000	30610	228390	307.50	70229925
16	M/s Cheverlet (SKS Dying and Printing Mills Pvt. Ltd.	G-24/11	1146	First 1146 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	372.45	50426005.5
17	M/s Rohan Moters Ltd. (Maruti Vehicles Show Room)	C-8/1	2242	First 2242 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	728.65	98651923.5
18	M/s Rohan Moters Ltd. (Maruti Vehicles Show Room)	C-9/1	2211	First 2211 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	718.58	97287869.25

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Name of the Allottee	Block-Plot No./sector	Size of Industrial Plot	Land rate Industrial	Sector's commercial category	Sector rate commercial(in ₹)	New Allotment Rate of the Industrial plot(in ₹)	Differential rate(in ₹)	Total area allowed as commercial portion	Undue benefit to Allottees(in ₹)
1	2	3	4	5	6	7	8	9	10	11
							(col 8- col 9)	(col 4 *1.5 or 1.3 *25%)		(col 9 *col 10)
19	M/s Shubhkamma Buildtech (Automobile Show Room)	A-80/2	1800	First 1800 Sqm @ Rs. 30610/Sqm	B	166000	30610	135390	585	79203150.0
20	M/s Nawab Motors	C-24/08	803	First 803 Sqm@ Rs. 30610/ Sqm	B	259000	30610	228390	301.13	68773938.75
21	Marwah & Associates (Mahindra First Choice)	B-122/5	1800	First 1800 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	585.00	79203150.0
22	Dinesh Enamelled Wire Industries Pvt.Ltd. (Nimbus Hyundai Show Room)	A-111/5	800	First 800 Sqm @ Rs. 30610/Sqm	B	259000	30610	228390	300.00	68517000.0
23	M/s Marwan Electronics Equipment Pvt. Ltd. (Maruti Show Room)	B-124/5	1800	First 1800 Sqm @ Rs 30610/ Sqm	B	166000	30610	135390	585.00	79203150.0
24	M/s Verve Automobiles Pvt. Ltd.(Honda Show Room)	H-5/63	4000	First 4000 Sqm @ Rs 30610/ Sqm	B	166000	11290	154710	1300.00	201123000.0
25	M/s Deutsche Motors Pvt. Ltd.	H-8/63	1000	First 1000 Sqm @ Rs 30610/ Sqm	B	259000	11290	247710	375.00	92891250.0
26	M/s JPC Infra Pvt. Ltd. (Toyota Show Room)	H-3/63	4000	First 4000 Sqm @ Rs 30610/ Sqm	B	166000	11290	154710	1300.00	201123000.0
										235,63,69,087

Appendix-5.4.4

(Referred to in Paragraph 5.4.6.5)

Statement showing Allottees using commercial connections on industrial plots of NOIDA

Sl. No.	Property ID	Name of Allottee	Block-Plot No./Sector	Plot Size	Electricity Account ID	Load	Supply Type	Commercial Category of Plot (in ₹)	Commercial Rate of Plot as on 31.03.18 (in ₹)	Industrial Rate of plot as on 31.03.18 (in ₹)	Differential Rate (Col 10-Col 11) (in ₹)	Undue benefit to Allottee (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13 Col 12* Col 5
1	40004921	Banaras Beads Limited (Punjab National Bank)	C-41/58	1150.5	7395654204	30	22	C	159000	22600	136400	156928200
2	40001038	Style Dyers	B-15/1	384	140986000	44	22	B	259000	35210	223790	85935360
3	40002159	Hitkaris	B-47/6	214	5069886000	55	22	B	259000	35210	223790	47891060
4	40002208	Ajanta Art Dyers	B-99/6	316	6559886000	56	22	B	259000	35210	223790	70717640
5	40002229	Dinesh Chandra Gupta	B-122/6	316	6875333000	7.5	20	B	259000	35210	223790	70717640
6	40002816	Usha Arora	E-88/9	372	1161866000	12	22	B	259000	35210	223790	83249880
7	40002853	SmtShakuntla Bansal	F-51/9	416	4261866000	6	20	B	259000	35210	223790	93096640
8	40000488	PremNath	G-117/9	52	3361866000	4	20	B	315000	35210	279790	14549080
9	40003617	Dutta Enterprises	C-303/10	114	8671866000	7.5	20	B	259000	35210	223790	25512060
10	40005005	Mukesh Garments	B-30/59	800	8154263000	21	22	C	240000	22600	217400	173920000
11	40005489	Santech International	D-74/63	800	8425263000	55	22	B	259000	22600	236400	189120000
12	40006151	VarshaGoyal	B-41/2	416	2239886000	55	22	B	259000	35210	223790	93096640
13	40004938	Suman Autos	C-60/58	2626.5	9267766000	49	22	C	159000	22600	136400	358258692
14	40006254	Bedi Auto Industries	C-48/2	208	2539886000	31	22	B	259000	35210	223790	46548320
15	40006260	Vijay Kumar	C-31/2	228	2930986000	24	22	B	259000	35210	223790	51024120
16	40006295	Pushp Auto Industries	C-87/2	208	6639886000	23	22	B	259000	35210	223790	46548320
17	40006309	Capstone InfosoftLip	C-95/2	216	5111333000	50	22	B	259000	35210	223790	48338640
18	40006390	Renu Gupta	D-49/2	416	2620986000	71	22	B	259000	35210	223790	93096640
19	40006455	Brij Enterprises	D-74/2	416	3839886000	55	22	B	259000	35210	223790	93096640

Performance Audit Report on “Land Acquisition and Allotment of Properties in NOIDA”

Sl. No.	Property ID	Name of Allottee	Block-Plot No./Sector	Plot Size	Electricity Account ID	Load	Supply Type	Commercial Category of Plot (in ₹)	Commercial Rate of Plot as on 31.03.18 (in ₹)	Industrial Rate of plot as on 31.03.18 (in ₹)	Differential Rate (Col 10-Col 11) (in ₹)	Undue benefit to Allottee (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13 Col 12* Col 5
20	40007109	Madhu Lalwani	D-37/63	2000	235263000	62	22	B	166000	22600	143400	286800000
21	40009328	Mishra Enterprises	C-26/65	450	2035263000	33	22	C	240000	22600	217400	97830000
22	40011744	Alka Arora	H-155/63	1800	7855263000	55	22	B	166000	22600	143400	258120000
23	40000297	Anil Kumar Gupta	C-12/9	55.75	7561866000	4	20	B	315000	35210	279790	15598293
24	40000301	Sanjeev Devgun	C-16/9	55.75	7361866000	5	20	B	315000	35210	279790	15598293
25	40000483	Mahesh Chand	G-111/9	54	2151866000	2	20	B	315000	35210	279790	15108660
26	40000564	Balaji Enterprises	H-67/9	52	2061866000	7.5	20	B	315000	35210	279790	14549080
27	40002149	Priya Plastic	B-35/6	210	6953353107	20	22	B	259000	35210	223790	46995900
28	40002731	Aman Enterprises	D-19/9	56	8351866000	5	20	B	315000	35210	279790	15668240
29	40002775	Suman Enterprises (Suman Agarwal)	B-55/64	105	6438662000	5	20	C	240000	22600	217400	22827000
30	40008042	Surender Singh	C-276/63	250	1248766000	24.12	22	B	259000	22600	236400	59100000
31	40000597	Ashok Kumar (Super Steel Fabricated)	H-102/9	208	4161866000	5	20	B	259000	35210	223790	46548320
32	40000307	Om Prakash (Ranbir Wood Works)	C-22/9	55.75	3961866000	5	20	B	315000	35210	279790	15598293
33	40003206	Vinod Kumar	C-40/10	114	611986000	28	22	B	259000	35210	223790	25512060
34	40003509	Cosmo Industries	C-423/10	114	3081866000	5	20	B	259000	35210	223790	25512060
35	40006279	Satpal (Pravesh Industries)	C-60/2	260	7239886000	55	22	B	259000	35210	223790	58185400
36	40002724	Avtar Singh	D-9/9	56	9261866000	2	20	B	315000	35210	279790	15668240
37	40003579	Jaswant Singh (Satkar Engineering)	C-399/10	114	5371866000	13	22	B	259000	35210	223790	25512060
38	40006265	Mahender Singh	C-57/2	208	3684333000	18.05	22	B	259000	35210	223790	46548320

Sl. No.	Property ID	Name of Allottee	Block-Plot No./Sector	Plot Size	Electricity Account ID	Load	Supply Type	Commercial Category of Plot (in ₹)	Commercial Rate of Plot as on 31.03.18 (in ₹)	Industrial Rate as on plot as on 31.03.18 (in ₹)	Differential Rate (Col 10-Col 11) (in ₹)	Undue benefit to Allottee (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13 Col 12* Col 5
39	40009583	Swati Enterprises	G-210/63	250	818766000	18	22	B	259000	22600	236400	59100000
40	40000969	Savitri Gupta (Praveen Gupta)	E-98/7	112	6981333000	8	20	B	259000	35210	223790	25064480
41	40004841	Feel Good (India) Exports Pvt Ltd	A-108B/58	410	5215263000	63	22	C	240000	22600	217400	89134000
42	40007114	Shreekrishna Overseas	D-20/63	1000	268766000	32	22	B	259000	22600	236400	236400000
3358624271												

Appendix-5.4.5
(Referred to in Paragraph 5.4.7.1)

Statement showing change in shareholding charges not recovered by NOIDA

Sl. No.	Name of Allottee	Sector	Block	Plot No	Area (in sqm)	Category of Plot (IT/ Ind.)	Date of CIS	Whether unit was Functional	Chargeable rate of CIS (in per cent)	Percentage change in shareholding	Value of Plot on the date of allotment (in ₹)	Unrecovered Chargeable CIS (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13
1(1)	Sukharsha Projects Ltd	90		6&7	10000	Ind	30/12/2011	No	10	100	22575000	2257500
1(2)					10000	Ind	30/10/2014	No	5	100	22575000	1128750
2	M/s SJR Inpox Pvt Ltd	80	A	18	7645	Ind	03/02/2011	Yes	8	100	10272512	821801
3	PJS Infotech Pvt Ltd.	84	A	10	5000	Ind	09/06/2011	No	10	100	11025000	1102500
4	Gantech E-Technologies Pvt. Ltd.	90		4	5000	IT	18/01/2016	No	10	100	19500000	1950000
5	NPB Softech Pvt. Ltd.	84	A	7	5000	IT	14/06/2018	No	10	100	25480000	2548000
6(1)	Swastic Tuff Glass Pvt LTD	84	A	12	5000	Ind	18/09/2014	No	5	100	16432500	821625
6(2)							15/02/2017	No	5	35	16432500	287569
7(1)	Meriton Infosoft Pvt. Ltd.	83	B	14	3200	IT	13/08/2015	No	10	100	16307200	1630720
7(2)					3200	IT	20/06/2018	No	10	100	16307200	1630720
8	Regal Garments Pvt. Ltd.	63	J	7	2100	Ind	04/04/2015	No	5	100	6888000	344400
9	Gracious Designers Pvt. Ltd.	83	B	55	1000	Ind	14/09/2016	No	5	100	7656750	382838
10	Ampus Garments Pvt. Ltd.	88	B	109	618	Ind	28/11/2011	No	10	100	3601395	360140

Sl. No.	Name of Allottee	Sector	Block	Plot No	Area (in sqm)	Category of Plot (IT/ Ind.)	Date of CIS	Whether unit was Functional	Chargeable rate of CIS (in per cent)	Percentage change in shareholding	Value of Plot on the date of allotment (in ₹)	Unrecovered Chargeable CIS (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13
11 (1)	Nanak Kripa Electronics Pvt. Ltd.	63		461	1000	Ind	10/01/2013	Yes	8	100	3200000	256000
11 (2)					1000	Ind	25/11/2013	Yes	4	100	3200000	128000
12	KENT RO Systems Ltd.	87	A	7	20600	Ind	16/03/2018	No	5	100	151957754	7597888
13	Delta Soft Pro Pvt. Ltd	85	C	17 & 18	8100	IT	27/07/2012	No	10	100	40483800	4048380
14	Proserve HR Solutions Pvt Ltd.	90		3	5000	IT	15/09/2011	No	10	100	19500000	1950000
15 (1)	Saheba Designs Private Limited	63	D	247/19	1000	Ind	22/12/2010	No	8	90	3280000	236160
15 (2)							18/03/2011	No	8	100	3280000	262400
16	Gobind Electronics Private Limited	140		26	3200	Ind	16/07/2013	No	5	100	10374400	518720
17	Chetnasagar Softech LLP	85	B	26 A	3654	Ind	25/10/2017	No	5	100	31504462	1575223
18	PHPL Industries Private Limited	138		20	2112.5	Ind	14/03/2018	No	5	100	17452418	872621
19	OSE Infrastructure Pvt. Limited	67	C	1	101175	Ind	02/07/2019	No	5	100	402170625	20108531
20	CBS International Projects Pvt. Ltd.	90		1	102949	IT	10/03/2017	No	5	100	527695064	26384753
Total											7,92,05,238	

Note: Value of Plot on the date of allotment (Column 12) has been taken based on respective allotment letters.

**© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
<https://cag.gov.in>**

<https://cag.gov.in/ag2/uttar-pradesh>