
HARYANA MASS RAPID TRANSPORT CORPORATION LIMITED

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**AGENDA FOR
35th MEETING**
(CONFIDENTIAL)

DATE	20.08.2019
TIME	10:15 AM
VENUE	CS's Committee Room, 4 th floor, Haryana Civil Secretariat, Chandigarh.

AGENDA FOR THE 34th MEETING OF THE BOARD OF DIRECTORS OF HMRTC.

Day & Date	Tuesday, 20.08.2019
Time	10:15 AM
Venue	CS Committee Room.

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Item No 35.1**To grant Leave of Absence to the Directors**

1. Leave of absence may be granted to the Directors who have not been able to attend the meeting.
2. It is brought to the notice of the Board that as per the Companies Act 2013, every Director is required to attend at least one Board meeting during the current Financial Year. In the absence of which the Director will automatically vacate the office, even though the leave of absence might have been granted by the Board. Leave of absence will be granted against specific requests.

Item No 35.2

Confirmation of minutes of the 34th Board Meeting of HMRTC held on 19.07.2019.

The approved minutes of the 34th meeting of the Board of Directors held on 19.07.2019 **(Annexure-I)** were circulated to all the Directors of the Corporation vide memo no. HMRTC/2019/AO/820-832 dated 25.07.2019. No observations have been received from any Director.

The Board is requested to confirm the same.

Item No. 35.3**Follow up action on the decisions taken in the 34th Board Meeting of HMRTC held on 19.07.2019.**

Action taken report on the decisions taken in the 34th Meeting of Board of Directors is as under:

Item No.	Subject	Decision Taken	Action Taken
34.1	Leave of Absence.	Leave of absence was granted to Sh. Devender Singh, IAS ACS Industries & Commerce Department, Sh. Narhari Singh Banger, IAS, MD HSIIDC and Sh. Manoj Singhal, Independent Director, HMRTC.	No action required.
34.2	Confirmation of minutes of the 33 rd Board Meeting of HMRTC held on 18.06.2019	The Board confirmed the minutes of 33 rd Board Meeting of HMRTC held on 18.06.2019.	No action required.
34.3	Follow up action on the decisions taken in the 33 rd Board Meeting of HMRTC	The Board noted the action taken report on the minutes of the 33 rd Board Meeting of HMRTC.	No action required.
34.4	Appointment of Smt. Keshni Anand Arora, IAS, Chief Secretary as Chairman of HMRTC	Board resolved to appoint Smt. Keshni Anand Arora, IAS, Chief Secretary as Chairman of HMRTC and authorize Managing Director to file the necessary documents & do all such acts, deeds and things that are incidental and necessary in this regard.	Further necessary action regarding filing of documents with RoC is being taken by the Company Secretary.
34.5	Appointment of Sh. Trilok Chand Gupta, IAS, Additional Chief Secretary to Govt. of Haryana, Transport Department as Director of HMRTC	Board resolved to appoint Sh. Trilok Chand Gupta, IAS, Additional Chief Secretary to Govt. of Haryana, Transport Department as Director of HMRTC and authorised Managing Director to file the necessary documents & do all such acts, deeds and things that are incidental and necessary in this regard.	Further necessary action regarding filing of documents with RoC is being taken by the Company Secretary.
34.6	Regarding taking over of Metro Systems developed by RMGL/RMGSL by HSVP	<ul style="list-style-type: none">Board resolved that the Finance Department may expedite its concurrence to the Draft Licence Agreement for Operations & Maintenance, to be executed with DMRC as the period of termination notice is expiring on 6th September, 2019.	Concurrence of Finance Department received vide U.O. no.11/26/2019-5FD-III/19415 dated 07.08.2019. The same has been placed before the Board as part of agenda item no. 35.4.

		<ul style="list-style-type: none"> • Further resolved that HSVP/HMRTC may prepare the reply of response letters of RMGL/RMGSL and issue their termination notices to RMGL/RMGSL as advised by Ld. Advocate General, Haryana. 	<p>Replies of response letters of RMGL & RMGSL, replies of termination notices and termination notices of HSVP/ HMRTC have been got prepared through the law firms engaged for the purpose. The replies and termination notices of HSVP/ HMRTC were discussed on 05.08.2019 by the committee under the chairpersonship of APSCM, Haryana-cum-CEO, GMDA. The committee found the replies and termination notices in order. The committee recommended getting the same approved from the Board and the Government. Accordingly, details are being put up before the Board as part of agenda item no. 35.4.</p>
		<ul style="list-style-type: none"> • Further resolved that a detailed note containing justification for continuation of the Metro system developed by RMGL/RMGSL and the plan of action for transition and making this Metro project a profitable venture be put on the relevant file for approval of the Govt. and for the Board. The financial liability may also brought out clearly. 	<p>A detailed note has been submitted on the relevant file on 05.08.2019 for approval of the Government.</p>

		<ul style="list-style-type: none"> Further resolved that Ministry of Housing and Urban Affairs, Govt. of India may be requested to reconstitute the 1st Fare Fixation Committee for Rapid Metro Gurgaon Ltd. and include the name of present Chief Secretary, Haryana in the Committee. 	A reference has been sent to MoHUA vide memo no. 817 dated 22.07.2019 with the request to include the name of present Chief Secretary, Haryana in the Committee. The required particulars in the prescribed proforma have also been sent to MoHUA.
		<ul style="list-style-type: none"> Further resolved that MoHUA may be requested to defer the constitution of Fare Fixation Committee for the time being as RMGL/RMGSL have issued termination notices and the matter regarding takeover of Metro system developed by RMGL/RMGSL is under consideration. 	A reference has been sent to MoHUA vide memo no. 838 dated 01.08.2019 with the request to defer the constitution of Fare Fixation Committee for the time being.
34.7	Any other item with the permission of the Chairman	No other agenda item was taken up in the meeting.	No action required.
34.8	Construction of Depot Entry Line of Mundka-Bhadurgarh Metro section	This agenda was allowed to be withdrawn.	A detailed note was prepared and put up on 30.07.2019 on the relevant file. The file has been received back on 13.08.19 with the remarks that "CM has been apprised."
34.9	Financial Due Diligence of the concessionaires companies i.e. RMGL/RMGSL to ascertain the liabilities of GoH/HMRTC in case the Metro system developed by them is taken over	Board resolved that an audit team with the representative from Principal Accountant General, Haryana as its chairman and following as its members may be constituted by HMRTC:- (i) Sr. Officer from Local Audit Department. (ii) Chief Accountant Officer, HSVP. (iii) General Manager (Finance), HMRTC. (iv) Two professionals to be provided by Finance Department.	A reference has been sent to Principal Accountant General Haryana vide memo no.854 dated 05.08.2019. Copy of the reference has also been endorsed to Finance Department and CA, HSVP.

Board may take note of the same.

Item No 35.4

Regarding approval of replies of the response letters, termination notices of RMGL & RMGSL dated 07.06.2019 and approval of termination notices of HSVP/HMRTC.

1. The Board of HMRTC in its 34th meeting held on 19.07.2019 passed the following resolutions regarding the above cited matter:
 - (i) **"RESOLVED THAT** the Finance Department may expedite its concurrence to the Draft Licence Agreement for Operations & Maintenance, to be executed with DMRC as the period of termination notice is expiring on 6th September, 2019.
 - (ii) **FURTHER RESOLVED THAT** HSVP/HMRTC may prepare the reply of response letters of RMGL/RMGSL and issue their termination notices to RMGL/RMGSL as advised by Ld. Advocate General, Haryana.
 - (iii) **FURTHER RESOLVED THAT** a detailed note containing justification for continuation of the Metro system developed by RMGL/RMGSL and the plan of action for transition and making this Metro project a profitable venture be put on the relevant file for approval of the Govt. and for the Board. The financial liability may also brought out clearly.
 - (iv) **FURTHER RESOLVED THAT** Ministry of Housing and Urban Affairs, Govt. of India may be requested to reconstitute the 1st Fare Fixation Committee for Rapid Metro Gurgaon Ltd. and include the name of present Chief Secretary, Haryana in the Committee.
 - (v) **FURTHER RESOLVED THAT** MoHUA may be requested to defer the constitution of Fare Fixation Committee for the time being as RMGL/RMGSL have issued termination notices and the matter regarding takeover of Metro system developed by RMGL/RMGSL is under consideration".
2. As regards resolution number (i), concurrence of Finance Department was received vide U.O.no.11/26/2019-5FD-III/19415 dated 07.08.19 (**Annexure-II**).
3. Regarding resolution no. (ii), the replies of response letters, replies of termination notices of RMGL & RMGSL and termination notices of HSVP/HMRTC have been got prepared through the law firms engaged for the purpose. The draft of replies and termination notices of HSVP/HMRTC were deliberated in detail in the meeting held on 05.08.2019 by the committee under the chairpersonship of APSCM, Haryana-cum-CEO, GMDA. The replies and termination notices of HSVP/HMRTC were found in order. The Committee recommended that the replies and termination notices of HSVP/HMRTC may be got approved from the Board of HMRTC and Govt. before the same are issued. A copy of the minutes of the meeting held on 05.08.2019 is annexed as **Annexure-III**. Accordingly, the draft replies of response letters of RMGL & RMGSL, draft replies of termination notices of RMGL & RMGSL and termination notices of HSVP/HMRTC are annexed as **Annexure- IV, V, VI, VII, VIII** and **IX** for consideration and approval of the Board.
4. As regards resolution mentioned at (iii), a copy of the note put up on file for approval of the Government is annexed as **Annexure-X**.

5. The status of resolutions mentioned at (iv) and (v) has already been given in item no. 35.3.
6. Board is apprised that RMGL/RMGSL vide letter bearing No. 125 and 126 dated 26.06.2019 **Annexure- XI & XII** have informed that as per Article 25.4 & 33.4 of the contracts, HSVP is required to verify the divestment requirements as set forth in sub article 25.2 & 33.2 of the contract. It has been informed that since 15 days have expired from the date of issue of termination notices (i.e. 07.06.2019) and HSVP has not taken any step to verify the divestment requirements, RMGL/RMGSL is entitled to assume that HSVP is satisfied with or has no objection of the Concessionaire compliances with the divestment requirements. Further mentioned that RMGL /RMGSL is ready to handover the project to HSVP or its nominated person on the 90th day of the termination notices and on such date, HSVP is obligated to issue a vesting Certificate in the format specified in Schedule-I of the contract. RMGL/RMGSL further mentioned that any loss or damage caused to the project or any loss or damage suffered or incurred by RMGL/RMGSL on account of HSVP delay in taking over the project as per the terms of the contract shall solely be the responsibility of and to the account of HSVP, and RMGL/RMGSL shall not be responsible for operation maintenance, management, safety, security or any other responsibilities in relation to project from the date the termination takes effect.
7. Board is also apprised that RMGL/RMGSL vide letter bearing No.144 and 145 dated 01.08.2019 **Annexure-XIII & XIV** has submitted representations regarding handover package containing details of matters listed in scheduled "H" of the contract including premises details, contracts, commercial leases, system details, daily operation details, organizational structures, employees, drawings, planning and building permit correspondence, railway system building, plant and equipment, manuals etc. It has been requested to inform them in writing in the next ten (10) days as to which of these contracts, if any, that HSVP would not takeover or discontinue with post termination of the Concession Contract becoming effective. If HSVP does not wish to take over any of these contracts, RMGL will take suitable steps for terminating these contracts in accordance with the terms thereof. In the absence of any response in the next (10) days, it will be assumed that HSVP would take over all these contracts on existing terms as part of the Project handover. It has also been mentioned that concessionaire completed all requirements for divestment/handover of the Metro Link to HSVP or its nominee in terms of the Contract. Further, the Contract shall stand terminated upon expiry of ninety (90) days from the date the Termination Notice was delivered to HSVP. i.e. from 12.00 AM 9th September. HSVP has been called upon

to take immediate and effective steps for taking over the Metro Link from this date. In case HSVP fails to do so, RMGL & RMGSL have the right and the discretion to stop operation and maintenance of the Metro Link forthwith and take such other steps as it may consider necessary for protection of its rights and interests.

8. Board may take note of concurrence of Finance Department and pass an appropriate resolution. Similarly, Board may also pass appropriate resolution regarding status mentioned in para 6 & 7 above.
9. Board may pass the following resolutions regarding replies of response letters of RMGL/RMGSL and issue their termination notices:

“RESOLVED THAT draft replies of response letters of RMGL & RMGSL, draft replies of termination notices of RMGL & RMGSL and termination notices of HSVP/HMRTC are annexed as Annexure- IV, V, VI, VII, VIII and IX are approved.

RESOLVED FURTHER THAT the draft replies of response letters of RMGL & RMGSL, draft replies of termination notices of RMGL & RMGSL and termination notices of HSVP & HMRTC are annexed as Annexure- IV, V, VI, VII, VIII and IX may also be got approved from the Government before the same are issued.”

Item No 35.5

Any other item with the permission of Chairman.

Regarding payment of amount to M/s Shardul Amarchand Mangaldas & Co. and M/s Rajesh Goel & Co. law firms engaged for dealing with the termination notices dated 07.06.2019 issued by RMGL/RMGSL.

Board is apprised that vide letter dated 14.08.2019 and 08.08.2019, M/s Shardul Amarchand Mangaldas & Co. and M/s Rajesh Goel & Co., law firms engaged for preparation of replies of response letters and termination notices of HSVP/HMRTC have requested for payment of amount INR 20,22,880/- and INR 9,49,000/- (Total INR 29,71,880/-) as their professional fees. The matter is being processed.

Board may take note of it.