

DELHI DEVELOPMENT AUTHORITY
Contractor's Registration Board
1st Floor, Vikas Minar, New Delhi-110002

No. F.4(8)72/Misc/Secy./CRB/2016/Pt.I/ 210

Dated 16-5-2017

Office Order No. 29/2017

Whereas M/s Emaar MGF Construction Pvt. Ltd. ECE House, 1, Kasturba Gandhi Marg, New Delhi, a Special Purpose Company (SPC) constituted by the consortium members (i) Emaar Properties PJSC (ii) Emaar MGF Land Pvt. Ltd. (iii) MGF Development Ltd. (iv) Discovery Estates Pvt. Ltd. was prequalified for development of Commonwealth Games Village on Public Private Participation mode by the Delhi Development Authority. Neither the SPC nor its consortium members are presently registered with DDA in any category.

Whereas M/s Emaar MGF Construction Pvt. Ltd. was assigned the construction of Residential project of Commonwealth Games Village 2010 on public private participation (PPP) Mode vide Project Development Agreement (PDA) dated 14.09.2007.

Whereas CE (EZ & CWG) vide letter No. F.4(5)2015/CE(CWG)/DDA/135 dated 27.08.2015 has reported to this office that the agency M/s Emaar MGF Construction Pvt. Ltd. has acted in unprofessional manner as developer while developing the Commonwealth Games Village Residential Project under Project Development Agreement (PDA) dated 14.09.2007.

In accordance with the terms and conditions of the PDA clause 1.1.3 at page 5, the SPC was to obtain all applicable permits. It was their responsibility to get approval of building plans from the Regulatory Authority i.e. Building Department of DDA. They have submitted the building plans to the Regulatory Authority in Aug. 2007 and the approval of the same was granted on 18.03.2008. The building plans submitted by them were for a total construction area of 2,05,140. Sq. mtr. having residential component of 203087.25 sqm and 2052.75 sqm for club and community facilities.

In accordance with the applicable Building Bye Laws, the SPC was required to notify the building department of DDA for plinth level inspection in Performa B-I as per above laws. No such notice was given by them to the building section at that level of building.

The completion plan was submitted to the Regulatory Authority i.e. Building Section of DDA under building Bye Laws 7.5.2 on 31.03.2010.

Thereafter, during inspection by the building section, it was noticed that instead of 1161 apartments, total apartments constructed by the company were 1168 and the construction done by them was not in accordance with the sanctioned building plans and the area constructed in both the cases i.e. for residential component and for club and community facilities was increased from the sanctioned building plans. The area of the residential component constructed approx. 2,25,206.29 sq. mtr. and for the club and community facilities is 3032.60 sq. mtr. Approx against the sanctioned area of 2,03,087.25 sq. and 2052.75 sq. mtr. Respectively.

Whereas in view of above a show cause notice was served upon M/s Emaar MGF Construction Pvt. Ltd. vide this office letter no. F.4(8)72/action case /2015/sevy.(CRB)/551 dated 28.08.2015.

The reply to the said show cause notice was received from the agency on 10.09.2015 and copy of the same was sent to CE (EZ & CWG) for submission of his specific moments.

The comments of CE (EZ & CWG) were received on dated 14.09.2015 wherein he has reiterated his earlier recommendation dt. 27.08.2015 and recommended that the SPC, M/s Emaar MGF Construction Pvt. Ltd. alongwith all its consortium members should be debarred /black listed for participation in any PPP contract in the Govt. Department for a period of 5 years.

The case was placed before the Contractors Registration Board's meeting held on 18.09.2015 and was deliberated at length. During the discussion it is concluded that the M/s Emaar MGF Construction Co. Pvt. Ltd., alongwith all its consortium members were failed to comply clauses 1.1.3, 8.1 & 8.7 of the PDA, thereby acted in unprofessional manner as a Developer.

The CRB after careful consideration of all the evidences on the record unanimously decided that special purpose company (SPC) i.e. M/s Emaar MGF Construction Co. Pvt. Ltd., ECE House, 1, Kasturba Gandhi Marg, New Delhi-110001 alongwith its consortium members (i) Emaar Properties PJSC (ii) Emaar MGF Land Pvt. Ltd. (iii) MGF Development Ltd. (iv) Discovery Estates Pvt. Ltd. be blacklisted by the DDA from participation in any contract of PPP mode in all government departments for a period of 3 year from the date of issue of this order.

The M/s Emaar MGF Construction Pvt. Ltd. was filed a petition in the High Court against the blacklisting of the agency. The Hon'ble High Court vide order dated 16.02.2016 directed the board that board to give opportunity of personal hearing and till then the impugned order shall be kept in abeyance. Accordingly office order No. 20/2016 dated 26.02.2016 was issued to keep in abeyance the office order no. 88/2015 dated 14.10.2015. As directed by Hon'ble High Court, the letter keeping in abeyance the black listing was also uploaded on website.

In compliance of Hon'ble High Court order dated 16.02.2016 the Contractor Registration Board gave the personal hearing to both the parties in this case on 03.02.2017. A letter dt. 06.02.17 has been received from the M/s Emaar MGF Construction Pvt. Ltd. regarding point raised by the agency in the

personal hearing. A letter dated 06.02.2017 has been received from CE(CWG) regarding reply of point raised by the agency in personal hearing. CE(CWG) stated that there are no new facts produced by the agency to defend the case.

The case was placed before the Contractors Registration Board meeting held on 21.02.2017 and after hearing both the parties board decided after due deliberation and discussion that special purpose company M/s Emaar MGF Construction Co. Pvt. Ltd. and all its consortium members should be debarred for further business with DDA for a period of 3 years from the previous office order dt. 14.10.2015. Further it was also discussed and decided that case be also recommended to MOUD for circulating the back listing/ debarring from the business in other Govt. departments by the Ministry.

M/s Emaar MGF Construction Pvt. Ltd.
ECE House, 1, Kasturba Gandhi Marg,
New Delhi-110001.

And consortium members:

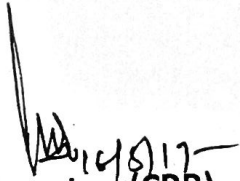
1. M/s Emaar Properties PJSC, Emaar Business Park, Shk. Zayed Road, P.O. Box 9440, Dubai, UAE.
2. M/s Emaar MGF Land Pvt. Ltd., ECE House, 1st floor, 28, K.G. Marg, New Delhi-110001
3. M/s MGF Development Ltd., MGF House, 17-B, Asaf Ali Road, New Delhi-110002.
4. M/s Discovery Estates Pvt. Ltd., MGF House, 17-B, Asaf Ali Road, New Delhi-110002.

(Nahar Singh)
Secretary(CRB)

Copy to:-

1. PS to VC/DDA.
2. PS to EM/DDA.
3. PS to FM/DDA.
4. CVO/DDA.
5. CLA/DDA.
6. CE(HQ)/Chairman (CRB)
7. Director (Delhi Division), Ministry of Urban Development, Government of India, Nirman Bhawan, New Delhi-110011 with the request that copy of this order be circulated in all Government Department for information and necessary action.
8. All CEs, Dirs (Hort.), N&S, Project Manager (Flyover) Group I & II and Directors (MM). They are requested to circulate the same orders among, SEs, EEs (Civil & Elect.) and Dy. Director (Hort.).

9. Director (System) with the request to upload the order on DDA website.
10. All CAU's/DDDA.
11. A.O.(Works)-I, II, III/DDA.
12. DGW/CPWD, Nirman Bhawan, New Delhi.
13. GM/ISBT, Kashmere Gate, Delhi.
14. Engineer-in-Charge, Military Engineer Services (MES) Head Office at Room No. 143, Kashmir House, Rajaji Marg, New Delhi-1110011.
15. FO to DDW (W), Department of Telecom, Sanchar Bhawan, New Delhi.
16. SDE (Civil), Civil Wing, BSNL, Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001.
17. Commissioner Income Tax, New Delhi.
18. Income Tax Office, Contractor Circle, New Delhi.
19. Commissioner, STCC, New Delhi.
20. Commissioner, Labour, New Delhi.
21. Chief Engineer (Northern Railway), Kashmere Gate, Delhi.
22. Chief Engineer, DSIDC, Lajpat Nagar, New Delhi.
23. Delhi Metro, School Block, Shakarpur, Delhi.


Secretary(CRB)