

TRUE EXTRACT FROM THE PROCEEDINGS OF THE SPECIAL BOARD MEETING OF THE CANTONMENT BOARD, SECUNDERABAD HELD AT THE OFFICE OF THE DEFENCE ESTATES OFFICER, A. P. CIRCLE, SECUNDERABAD ON 'SATURDAY' THE 20TH AUGUST 2016 AT 1430 HOURS.

THE FOLLOWING WERE PRESENT:

1. Brig. Ajai Singh Negi, President Cantonment Board
2. Smt. Sujatha Gupta, Chief Executive Officer & Member Secretary
3. Shri S Keshava Reddy, Vice-President, Cantonment Board
4. Col. Nieel P Hanvey, Nominated Member
5. Lt. Col. Alip Kumar Roy, GE South
6. Brig. K. Sathyanand, SEMO
7. Rep. of OC Station Work Shop, Nominated Member
8. Shri J Maheshwar Reddy, Elected Member Ward I
9. Smt. B Anitha, Elected Member Ward III
10. Kum. P Nalini Kiran, Elected Member Ward IV
11. Shri J Rama Krishna, Elected Member Ward V
12. Shri K Pandu Rangam Yadav, Elected Member Ward VI
13. Shri J Lokanatham, Elected Member Ward VIII

THE FOLLOWING WERE NOT PRESENT:

- Shri Ashok Kumar, DRO
- Smt. P Bhagya Sree, Elected Member Ward VII

SPECIAL INVITEES:

- Shri Ch. Malla Reddy, Hon'ble Member of Parliament, has not attended the meeting.
- Shri G. Sayanna, Hon'ble MLA, has attended the meeting.

Col. Atul Rajput, SM, Nominated Member sought leave of PCB and on temporary duty.

Before start of the meeting, COL. NIEEL P HANVEY, nominated member has taken Oath on becoming the member of the Board.

**LEASE OF COLLECTION RIGHTS OF OCTROI AND TOLL TAX
FOR THE YEAR 2016-2017**

(1) To consider the e-bids received for the lease of collection rights of Octroi and Toll Tax for the year 2016 – 2017.

The office of the Cantonment Board, Secunderabad vide tender notice No SCB/TS/Octroi/16-17/2400 and 2401 even dated 28-07-2016 invited the e-tenders for the lease of collection rights of Octroi and Toll Tax for the year 2016-2017. The comparative statement along with the rates received for last year are as under.

(i) Lease of Collection rights of Octroi :

Rate quoted for the year 2016-17			
S.No	Name of the Firm	Amount	Highest
1	S D Adobes India (P) Ltd.,	3,00,00,599-00	H1
2	Sri Vaishnavi Steels	2,60,00,000-00	H2
3	Morgan Enterprises	2,40,29,999-00	H3

(ii) Lease of Collection rights of Toll Tax :

Rate quoted for the year 2016-17			
---	--	--	--

S.No	Name of the Firm	Amount	Highest
1	Morgan Enterprises	5,00,03,999-00	H2
2	S D Adobes India (p) Ltd	6,02,00,999-00	H1
3	Sri Vaishanavi Steels	4,40,00,000-00	H3

The rate quoted by the highest bidder for the present period and the rate received for last year are as under.

Rate quoted for the year 2016-17			Rate received during 2015-16	
Desp	Name of the Firm	Amount	Name of the Firm	Amount
Octroi	S D Adobes India (p) Ltd.	3,00,00,599-00	Laxmi Motors	6,20,00,000-00
Toll	S D Adobes India (p) Ltd.	6,02,00,999-00	Morgan Enterprises	8,56,00,000-00

The bids for the year 2016-17 received as above are less by **Rs.3,19,99,401/-** in respect of Octroi and less by **Rs.2,53,99,001/-** in respect of Toll Tax in comparison to the previous year bids.

The relevant file is placed on the table.

Resolution : The CEO briefed the Board on the purpose of convening a Special Board Meeting on the subject pertaining to leasing of rights of collection of Octroi & Toll Tax in Secunderabad Cantonment. The CEO stated that with reference to CBR No.2 dated 26.7.2016, tenders were invited through e- tendering for leasing out of collection rights of Octroi & toll tax for the year 2016-17. M/s. S D Abodes (India) Ltd. is H-1 who has quoted Rs.3,00,00,599/- for octroi and simultaneously, the same firm is H-1 for Toll tax and quoted Rs.6,02,00,999/-. The CEO apprised the Board the above H-1 bids are lesser than the previous year's bids by Rs.3,19,99,401/- in respect of octroi and by 2,53,99,001/- in respect of toll tax. The CEO proposed that action for retender should be taken due to the low bids received in the first attempt of tendering.

The PCB asked Board members to give their views on the bids received through the e-tender. Shri S Keshava Reddy, Vice President has drawn the attention of the Board to few issues concerning collection of Octroi and Toll tax in Secunderabad Cantonment. He requested the PCB to appreciate that the construction and operationalization of Outer Ring Road (ORR) resulted in reduction of traffic of goods carrying vehicles/transporters inside the Cantonment. In fact, most the trucks/commercial vehicles are only travelling through ORR. He has further stated that most of the vehicles are avoiding the Octroi/toll check posts by taking the bye-lanes of housing colonies as the existing check posts do not cover all the entry points in the Cantonment.

The Vice President further informed the Board that the contractors for the ongoing collection of Octroi/toll have submitted several representations regarding the fall in the revenue due to ongoing maintenance and development works in Secunderabad Cantonment undertaken by various agencies like HMRL, TRANSCO, Telecom authorities damaging the roads and junctions and also shifting the octroi posts frequently. He observed that the receipt of low bids is directly related to these factors and the Board must consider all these issues. Shri J Ramakrishna, Elected Member Ward V stated that in the past, there were proposals to completely abolish the collection of Octroi/Toll tax due to the problems being faced by the general public and complaints received on this account. He stated that the said proposal could not progress as the issue of payment of compensation by the State Govt. could not be finalised. Shri J Ramakrishna further argued that in the previous Board meeting, the Board has exempted the farmers from payment of Octroi in relation to vegetable

market in Secunderabad Cantonment and such exemption should be brought to the notice of Govt. of Telangana for seeking funds to offset the loss made by such welfare measure. The member further requested that the Board should take up the case of abolition vigorously with the State Govt. Notwithstanding, Shri J Ramakrishna has requested that a review of existing issues in Octroi/Toll collection should be undertaken and the coming up of ORR, HMRL works and cable laying in Cantonment area should be realistically analyzed to assess their impact on the revenue collection on account of Octroi & toll.

The member further stated that the office is not in a position to collect the Octroi/Toll to its staff as such exercise in the past proved to be extremely painful to the organization affecting the civic amenities in the area besides inconvenience to the female employees. The Vice President also supported the argument and reiterated that the only suitable option available with the Board is to lease out collection of octroi and toll tax.

The Nominated member Col. Haney has opined that despite the issues and concerns expressed, the fact that traffic is increasing day by day has also to be kept in view and being a Govt. organization, another attempt to call bids is recommended.

The PCB asked the members to appreciate fact that Octroi/toll is a major source of revenue for the Board at present and any decision has to be taken keeping in view the financial interests of the Board and its ability to undertake development works in the area. The elected members unanimously agreed that they understand the delicate financial position of the Board and also appreciate the requirement to retender on account of low bid received. But however, they requested the PCB to address the facts affecting the collection. The CEO advised the Board to undertake an exercise to decide on the requirement of introducing transit pass fee to prevent evasion of payment of Octroi by producing receipts of outstation delivery as being complained by the present contractors. The CEO requested that the location and number of check posts also needs to be reviewed by the Board in the changing scenario of traffic situation and road network.

The PCB directed that a committee of all elected members be constituted to study and submit a report on the check posts as well as transit pass fee. The Board resolved to re-invite the tenders for lease of collection of Octroi & Toll tax for the year 2016-17 and as requested by the elected members, a short tender as per the rules will be floated to ensure early finalization.

Sd/-
[SUJATHA GUPTA]
CHIEF EXECUTIVE OFFICER
& MEMBER SECRETARY

Sd/-
[BRIG. AJAI SINGH NEGI]
PRESIDENT
CANTONMENT BOARD

// True Extract //
Sd/-
OFFICE SUPERINTENDENT
OFFICE OF THE CANTONMENT BOARD
SECUNDERABAD