

PMC for 400 MLD SWRO Desalination Plant at Perur, Chennai

325

Consortium Partners

SMEC International Pty. Ltd. (ACN-065440619/FCRN-F01483)

NJS Engineers India Pvt Ltd, India (CIN - U74210PN2007PTC129798)

Tata Consulting Engineers Limited, India (CIN- U74210MH1999PLC123010)

SMEC (India) Pvt. Ltd. (CIN: U93000DL1997PTC088574)



Ref: SSNT PMC 400 MLD / CMWSSB / 5061185/341

Date: 07<sup>th</sup> May 2021

To,

**The Superintending Engineer (Desalination)**

Chennai Metropolitan Water Supply and Sewerage Board,

Urban Administrative Building,

2<sup>nd</sup> Floor, No.75, Santhome High Road,

MRC Nagar, Raja Annamalaipuram,

Chennai 600 028

Tamil Nadu, India

**Sub:** JICA Assisted Project for Construction of 400 MLD Seawater Reverse Osmosis Desalination Plant at Perur and allied works (JICA Loan ID-P267)  
**Reply to CMWSSB for the Clarification requested from M/S.NJS Engineers India Pvt Ltd for payment received more than certified amount- Reg.**

- Ref**
1. Your Letter Ref: CMWSSB/SE(Desal)/400 MLD Plant/PMC/040/2021 dated 05.05.2021
  2. Your Letter no.CMWSSB/SE(Desal)/400 MLD Plant / PMC/2020, dated 13.01.2020
  3. Our Contract Agreement No.CNT/CON/DESAL/ICB/Gol/016/2018-19, dated 09.01.2020

Dear Sir,

This is in reference to your letter vide under ref.1, the consortium member (M/S.NJS Engineers India Pvt Ltd) has prepared the response in regard to excess USD payment received over and above the certified amount is enclosed with this letter for your kind information and perusal.

Thanking you and assuring our best services always.

Yours truly,

For Consortium of SMEC International Pty Ltd -TCE Ltd.-NJS Engineers India Ltd.-SMEC (India) Pvt. Ltd.

  
**S.Srinivasarao**  
Project Coordinator

Encl: As Above



**PMC Chennai Office Address:**

'A' 13th Floor, Purva Primus, No 236, Okhiampettai,  
Old Mahabalipuram Road, Thuraipakkam, Chennai, Tamil Nadu 600097

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## NJS ENGINEERS INDIA PVT. LTD.

ISO 9001 Certificate No. RQ91/9493

Flat No. 20, Third Floor, Surya Apartment,  
169/73, Luz Church Road, Mylapore, Chennai - 600004

Ref. NJSEI/Chennai/Desal/2021/AC-01

Date: 06.05.2021

To,  
The Superintending Engineer (Desalination), CMWSSB  
No. 1, Pumping Station Road, Chintadripet,  
Chennai - 600002

Dear Sir,

**Subject: Consultancy for " Design Preparation of Bid Documents & Evaluation of Bids for the Proposed Construction of 400 MLD Capacity Sea Water Reverse Osmosis Desalination Plant at Perur along East Coast Road, South of Chennai, Tamil Nadu and Construction Management and Supervision for the Proposed Desalination Plant and its Product Water Conveyance Pipeline from Plant and up to Porur and all allied works." (CMWSS Board) – Foreign Currency Payment – M/s NJS Engineers India Pvt Ltd received payment more than certified amount – clarifications required - Reg**

Ref.:

1. CMWSSB Letter No CMWSSB/SE(Desal)/400 MLD Plant / PMC-40/2021 dated 05.05.2021
2. NJSEI Letter No NJSEI/Chennai/Desal/AC-08A dated 07.11.2020
3. Contract No. CNT/CON/DESAL/ICB/GOI/016/2018-19 dated 09.01.2020

Dear Sir,

We are in receipt of the above letter (Ref 1) from CMWSSB vide which clarification has been sought on the excess USD payment received by NJSEI over and above the certified amount of CMWSSB and corrective action has been sought so that such lapses are avoided in future.

In this regard we would like to clarify that the approved invoices and statement of performances from CMWSSB are submitted to our Bank (ICICI Bank) and the payments are released accordingly by Bank after receipt of approval from JICA / Bank of India, Tokyo branch. Here it is observed that the confusion is with respect to the 5% retention money which is being deducted by CMWSSB however the bank is not considering the same while processing the payment We will be taking up the issue with our Bank and ensure that such things are avoided while processing our future payments.

As regard the excess payment received we have already communicated to CMWSSB vide our letter Ref 2, that we are ready to refund that money to CMWSSB in the form of Bank Guarantee (BG) valid till the end of the contract period. We have been awaiting the response from CMWSSB in this regard.

However in this regard we would like to bring to your kind attention the following points:

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Registered Office:

CIN:U74210PN2007PTC129798

18, Shailesh Society, Karvenagar, Pune 411052.

Phone-020-60501963, Fax : 25459533, Email: puneoffice@njsei.com

Website: www.njsei.com



- 1) How CMWSSB is going to pay back the retention money at the end of the Contract period and in which currency? It is expected that the payment will be made in USD only as per the terms of the contract.
- 2) How CMWSSB is going to get this retention money reimbursed from JICA at the end of the Contract period when the retention money is finally released to PMC and when the contract is completed / closed and the loan term starts.
- 3) To resolve this issue, we suggest a meeting to be held between JICA/CMWSSB and PMC so that clear solution can be sought from JICA on repayment of retention money issue

We presume that there will be procedural issues at a later date in this aspect.

Hence in order to mitigate all the uncertainties in this regard it is suggested that an amendment in discussion and concurrence from JICA is introduced only with respect to the FC payments to PMC that full payment is released by CMWSSB for the FC invoices. The 5% retention money ( in equivalent INR) as per contract is paid by the respective JV partners, on receipt of the payment, in the form of a Bank Guarantee which is valid till the end of the contract period. The same can be returned by CMWSSB on completion of the PMC contract period.

Your kind response in this regard is requested.

Yours faithfully,

*Prodrift S. S.*

Authorized Signatory  
NJS Engineers India Pvt. Ltd.

Encl: NJSEI Letter (Ref2 ) dated 07.11.2020



# NJS ENGINEERS INDIA PVT.LTD.

ISO 9001 Certificate No. RQ91/9493  
Flat No. 20, 3<sup>rd</sup> Floor, Surya Apartment, 169/73 Luz Church Road,  
Mylapore, Chennai - 600004  
Ph.: 080-4113 1655 Email: bangaloreoffice@njsei.com

Ref. NJSEI/Chennai/Desal/ AC-08A

Date: 07.11.2020

To,  
The Superintending Engineer (Desalination), CMWSSB  
No. 1, Pumping Station Road, Chintadripet,  
Chennai - 600002

**Subject: Consultancy for " Design Preparation of Bid Documents & Evaluation of Bids for the Proposed Construction of 400 MLD Capacity Sea Water Reverse Osmosis Desalination Plant at Perur along East Coast Road, South of Chennai, Tamil Nadu and Construction Management and Supervision for the Proposed Desalination Plant and its Product Water Conveyance Pipeline from Plant and up to Porur and all allied works." (CMWSS Board)**

Ref.:

1. Contract No. CNT/CON/DESAL/ICB/GOI/016/2018-19 dated 09.01.2020
2. Letter No NJSEI/Chennai/Desal/ AC-07C dated 28.10.2020

Dear Sir,

We would like to inform you that we have received our Foreign Currency invoice payment for running bills for Feb'20, April'20, May'20 & June'20 on 30.10.2020

The details are as:

Sl No.	Invoice No.	Invoice for the Month	Date of Invoice	Invoice Amt in USD	Amt Received in USD
1.	CDP-I/FC/001/007	Feb'2020	08.07.2020	11801	11785
2.	CDP-I/FC/002	Mar'2020	08.07.2020	-	
3.	CDP-I/FC/003/008	Apr'2020	08.07.2020	26225	26209
4.	CDP-I/FC/004/009	May'2020	08.07.2020	19144	19128
5.	CDP-I/FC/005/010	June'2020	08.07.2020	30946	30930
			<b>Total</b>	<b>88116</b>	<b>88052</b>

The copy of the bank advises are enclosed for your kind reference.

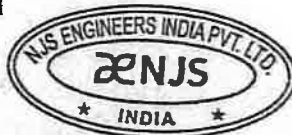
On receipt of the above payment we have submitted to CMWSSB the cheque of INR 1,88,376 equivalent to the applicable TDS vide our letter Ref No 2. We hereby request you to please arrange to deposit the TDS amount to the Income Tax department on time to avoid interest or any penalty.

We would also like to inform you that payment has been received on the total invoice value however the 5% Retention Money deduction as per Clause 6.5 of the Contract has not been considered by bank. In this regard we will be happy to pay back the applicable 5% Retention Money (USD 88116 x 5% = USD 4406) in equivalent INR ( INR 3,25,926) at the exchange of 1 USD = 73.9732 INR as on 30.10.2020. Hence we request CMWSSB to kindly advise us on how this payment can be done.

Yours truly,

For NJS Engineers India Pvt. Limited

*Pradip Saha*



Authorized Signatory

Enclosed: Copy of Bank advices received from Bank

Registered Office:

CIN : U74210PN2007PTC129798  
18, Shailesh Society, Karvenagar, Pune 411052,  
Phone-020-60501963, Fax : 25459533, Email : [puneoffice@njsei.com](mailto:puneoffice@njsei.com)  
Website: [www.njsei.com](http://www.njsei.com)