

**Minutes of the 3rd Meeting of Expenditure Finance Committee for the
 Financial Year 2018-19 held on July 6, 2018 at 11.30 A.M.**

The Hon'ble Dy. Chief Minister/ Finance Minister, Delhi Chaired the 3rd meeting of Expenditure Finance Committee (F.Y. 2018-19) on July 6, 2018 to consider the following Capital proposals of Departments of GNCT of Delhi :

S.N	Particulars of the proposal	Estimated cost (₹.. crore)
Directorate of Training & Technical Education		
1.	Construction of Stage-1 of Phase-II, Delhi Technological University at Bawana	291.88
Public Works Department		
2.	Construction of Signature Bridge at Wazirabad (Revision)	1518.37
Total		1810.25

02. Following attended the meeting:

I Members of Expenditure Finance Committee

- i. Sh. Satyender Jain, Hon'ble Minister, Health/PWD
- ii. Smt Renu Sharma, Pr. Secretary (Finance), GNCTD
- iii. Sh. Manoj Parida, , Pr. Secretary (PWD), GNCTD
- iv. Sh. Virender Kumar, Director (TTE), GNCTD
- v. Sh. Devinder Singh Nijjer, Spl. Secretary/Director(Planning), GNCTD
- vi. Sh. R.K. Aggarwal, Engineer-in-Chief, PWD
- vii. Sh. L.D.Joshi, Joint Secretary (Finance), GNCTD

II Other Senior Officers

- i. Dr. Dilraj Kaur, Secretary (Tourism), GNCTD
- ii. Sh. Neeraj Bharti, Spl. Secretary (Finance), GNCTD
- iii. Sh. B.R. Singh, Spl. Secretary (PWD), GNCTD
- iv. Sh. Shurbir Singh, MD, DTTDC, GNCTD
- v. Sh. C. Arvind, GM, DTTDC, GNCTD
- vi. Sh. Manu Amitabh, CPM(M), PWD, GNCTD
- vii. Sh. Shishir Bansal, CPM, DTTDC, GNCTD
- viii. Sh. N.K. Sarin, Ex. Engineer, DTTDC, GNCTD
- ix. Sh. P.S. Mehra, FC, DTTDC, GNCTD

03. The Pr. Secretary (Finance) apprised the Expenditure Finance Committee of the agenda items and thereafter, department concerned presented their proposals before the Committee.

A. Directorate of Training & Technical Education

Construction of Stage-1 of Phase-II, Delhi Technological University at Bawana

(I). Director, TTE has submitted that DTU Campus has a plot measuring 163.87 acres. First Phase of the campus was constructed in the year 1996 for a student intake capacity of 3000. Now, the student strength of the University has increased to 8500, therefore, considering the increase in intake and starting of new courses, it was decided to further develop the Campus in four (04) Phases. The instant proposal is for Phase-II of the Campus. It was decided to construct only five (05) buildings in stage-I viz. two (02) Academic Buildings, one (01) Hostel for Boys and two (02) Hostels for Girls. After construction, infrastructure will be made available for 3800 students in Academic Blocks and 990 students in hostel blocks. The work will be undertaken by PWD.

(II). The Chief Project Manager, PWD stated that estimated cost of construction of Stage-1 of Phase-II, Delhi Technological University is ₹291.88 crore. The preliminary estimate is based on DPAR 2012 + 11.5% cost index minus 9% for scheduled items and market rates for non-scheduled items with 1% each for contingencies, quality assurance, art work, consultancy, labour cess and ESI & EPF @ 4.25%. Academic Block consists of G+8 floors and Hostel Blocks will have Basement+G+11 floors. Total 93 numbers of trees are to be cut for which permission will be obtained from Forest Department after sanction of the project. Except final clearance of Building Plans from North DMC, all clearances are in place. Pre-construction activities will be completed within six (06) months and the project will be completed in 2 ½ years.

(III). Brief detail of the proposal submitted by the Department is as under;

S N	Components	Covered area (in.sqm)	Unit cost (₹/sqm)	Cost (₹.. crore)
i.	Institutional Building	37425	28312.00	136.83
ii.	Residential Building	16457	28312.00	45.88
iii.	Basement	5521	2618.00	18.18
iv.	Development work in building complex including Misc. Schemes / Components (Bulk services), furniture & Equipments, etc	-	-	68.26
v.	Provision for contingency, labour cess, third (3 rd) party quality control and Art work, ESI & EPF, etc	-	-	22.73
Total		59403	41558.00	291.88

(IV). It was observed by Hon'ble Minister (PWD) that for the projects of Government of Delhi, intimation about the project will be sufficient and no approval is required from MCD. PWD was directed to complete tendering process and pre-construction activities within in four (04) months and the entire project will be completed in 15 months. The Committee has directed that the Academic Block will invariably be completed in one (01) year.

4. After due deliberations, keeping in view of the recommendation of Administrative Department on the requirement and its satisfaction regarding technical, administrative, operative, maintenance and financial aspects etc, the Expenditure Finance Committee has made the following recommendation on the proposal of the Training & Technical Education Department for construction of Stage-1 of Phase-II, Delhi Technological University at Bawana at an estimated cost of ₹291.88 crore;

- a. Proposal shall be placed before the Cabinet for approval and sanction.
- b. Project shall be completed as per approved scope of work within scheduled period at the sanctioned cost. No cost escalation will be considered in future.
- c. Compliance of pre-sanction / post-sanction guidelines / requirement circulated as Annexure to Government order no. PA/DSF/Misc/2012-13/Exp-4/538-45 dated 17.05.2012 during planning and execution period.

B. Public Works Department

Construction of Signature Bridge at Wazirabad (Revision)

(I). Pr. Secretary (Finance) has informed the Committee that since Directorate of Vigilance has made some observation on the Project, PWD was requested to examine the same before consideration of the proposal by the Expenditure Finance Committee. The department has submitted the file just 15 minutes before the meeting, therefore, Finance Department shall require some more time to process the proposal.

(II). Pr. Secretary, Public Works Department informed that the 'EFC Memorandum' submitted by the department 10 days back remain unchanged. No new facts were included in the memo and therefore requested the Committee to take up the issue for discussion. The Committee agreed to discuss the proposal.

(III). Since the contentious issues between PWD & DTTDC was referred to CPWD for an expert opinion, Engineer-in-Chief, PWD was asked to explain about the views expressed by CPWD on the matter. It was informed by E-in-C, PWD that CPWD has given its opinion in respect of items of Escalation cost, Lifts, Pylon Access System and Lease Charges and expressed that all the expenses are 'found to be in order'.

(IV). Thereafter, Pr. Secretary (PWD) has informed the Committee that both PWD & DTTDC has mutually agreed for the revised cost of ₹1518.37 crore for construction of Signature Bridge at Wazirabad. The break-up of the cost is agreed by PWD & DTTDC are as under;

S. N	Details of cost	Estimated cost (₹..in crore)
i.	Main Work (Bridge and Approaches)	1304.48
ii.	Soil Investigation & Hydraulic Model Study	0.81
iii.	Electrical Works	7.65
iv.	Road Signages	3.30
v.	Horticulture Works	3.72
vi.	Forest / Cutting of Trees	14.64
vii.	Lifts	12.80
viii.	Pylon Access System	17.90
ix.	Bridge Health Monitoring system	4.00
x.	Shifting of Services	38.62
xi.	Traffic management	1.13
xii.	Computerisation	0.11
	Sub-Total (A)	1409.16
xiii.	Lease Charges – DDA	11.00
xiv.	Contingencies	14.45
xv.	Quality Assurance	13.30
	Sub-Total (B)	1447.91
xvi.	Departmental Charges	70.46
	Grand Total	1518.37

(V). It was further stated that in respect of three (03) issues there is conflict between DTTDC& PWD;

(a) Payment of departmental charges @ 5% of the revised cost of the project without any capping

(b) Payment of consultancy charges and

(c) Interest earned on unutilised funds with DTTDC.

The Committee deliberated each of the aforesaid issues;

(a) Payment of departmental charges @ 5% of the revised cost of the project without any capping:

i. It was informed by DTTDC that the Council of Ministers in the year 2010 decided that the departmental charges will be frozen at ₹41.00 crore. Considering the substantial time over run and cost overrun, it was requested that departmental charges @ 5% of the total project cost shall be allowed. As per the terms of MoU also, departmental charges are admissible @ 5% of the total project cost which approximately works to about ₹71.00 crore.

- ii. Administrative department/PWD has recommended that Departmental charges @ 5% of the revised cost shall be allowed.
- iii. Finance Department also agreed with the views of PWD and added that since the departmental charges were capped as per decision of Cabinet, approval of Cabinet shall be obtained for allowing departmental charges on the revised cost of the Project.
- iv. The Committee directed that the matter may be placed before the Council of Ministers for final decision.

(b) Payment of consultancy charges

- i. DTTDC has also claimed additional consultancy charges of ₹30.00 crore to be paid to them.
- ii. Administrative department/PWD did not agree to the request since as per MOU Consultancy charges are to be met from departmental charges
- iii. As per terms of MOU, Consultancy charges are to be met from departmental charges, therefore, the request of DTTDC was rejected by the Committee

(c) Interest earned on unutilised funds with DTTDC

- i. M.D., DTTDC informed that it has earned about ₹37.00 crore as interest on the deposits of the PWD, which it has utilized for making additional payments to Project Consultants. As per terms of 'MOU' between PWD and DTTDC, interest earned on the deposits being made by PWD from time to time shall not be paid by DTTDC. It was also informed by DTTDC that they have paid the income tax on the interest. It has requested that the interest earned by DTTDC may not be deducted by PWD while releasing funds.
- ii. Administrative department/PWD suggested that interest earned should be adjusted in the revised project cost. Engineer-in-Chief, PWD stated that in CPWD no interest is paid to client department for any deposit work.
- iii. Finance/Planning Department also informed that as per existing guidelines interest earned on funds deposited with the Work Executing agency shall either be adjusted against future release of funds or remitted to the Government.
- iv. The Committee was of the view that the matter should be decided as per MoU and shall be placed before the Cabinet for decision.

(VI). Pr. Secretary (Finance) observed that while approving the proposal, the Cabinet has decided not to pay Lease Charges to DDA and still DTTDC has paid these charges to DDA. It was informed by M.D., DTTDC that lease charges included in the estimate are already partially paid to DDA and they did not propose to make any further charges. It was informed that DTTDC has already written to DDA in this

regard. It was suggested that DTTDC may take up the matter with DDA for recouping the charges already paid by them.

(VII). During deliberations Pr. Secretary (Finance) & Director (Planning) have requested the Committee that the observations made by Vigilance Department should be enquired into by PWD/Vigilance. The same was agreed to by the Committee.

(VIII). It was observed by the Chairman that the issues related to vigilance or CAG paras are important and any wrong doing on the part of contractor/agency/individual should be dealt with as per the CPWD Manual and other laws of the land. PWD and DTTDC should ensure necessary action against the contractor/agency/individual, if found guilty. If any vigilance issue is found against any government official, the Directorate of Vigilance should go ahead with necessary disciplinary action as may be warranted.

(IX). The Committee noted that 95% work of the project is already completed and the work cannot be stopped at this stage as it will jeopardize the public interest. Further, the social cost of non-completion of the project will be more and public will suffer if the project is delayed any further. Also, further delay will result in more cost escalation. Furthermore, the Hon'ble Delhi High Court is also monitoring the progress of the project. Therefore, it should be ensured that the project is completed and put for public use by 31st October 2018 positively. The complaint raised in the Vigilance Report and CAG paras and CRR1 may be dealt separately and independent action be taken against the guilty contractor/entity as the case may be.

5. After due deliberations, keeping in view the recommendations of the Administrative Department on its satisfaction regarding technical, administrative, operative, maintenance and financial aspects etc, the Expenditure Finance Committee has made the following recommendation on the proposal of the Public Works Department for revision of cost of construction of Signature Bridge at Wazirabad from ₹1131.00 crore ₹1518.37 crore;

- a. Proposal shall be placed before the Cabinet for approval and sanction as detailed in para (IV) & (V).
- b. Project shall be completed as per approved scope of work within scheduled period at the sanctioned cost. No cost escalation will be considered in future.
- c. Observations of the EFC detailed in paras (VII), (VIII) & (IX) regarding vigilance issues may be acted upon by the Administrative Department and the Cabinet be apprised accordingly.

6. Thereafter, meeting ended with vote of thanks to the Chair.


(L.D. Joshi)
Joint Secretary (Finance)

NO.F.2(5)/2017-18/012457176/Fin/Infra/Sinfra/21410²¹⁴⁷ Dated: 07/07/2018

1. Secretary to the Dy. Chief Minister/ Finance Minister for appraisal of Hon' ble Minister, Delhi.
2. Secretary to the Minister (PWD) for appraisal of Hon' ble Minister, Delhi.
3. Pr. Secretary, Public Works Department, Delhi Secretariat, New Delhi
4. Pr. Secretary, Directorate of Training & Technical Education, Muni Maya Ram Marg, Pitampura, Delhi.
- ✓ 5. Engineer-in-chief, PWD, MSO building, ITO, New Delhi.
6. Director, Planning Department, Delhi Secretariat, New Delhi
7. Programmer, Finance Department.
8. Concerned file/Guard file.


6/7/2018

(L.D. Joshi)
Joint Secretary (Finance)