

Minutes of the 6th Meeting of Expenditure Finance Committee for the Financial Year 2015-16 held on March 14, 2016 at 11.45 A.M.

Hon.ble Finance Minister/ Dy. Chief Minister, Delhi Chaired the 6th meeting of Expenditure Finance Committee (CFY 2015-16) on March 14, 2016 to consider the following Capital Investment proposals of GNCT of Delhi:

S.N	Particulars of the proposal	Estimated cost (₹..in crore)
Department of Delhi Archives		
1.	Digitization and Micro-filming of archival records	29.49
Department of Tourism		
2.	Construction of Dilli Haat at Janakpuri (Revision)	116.21

2. Following attended the meeting:

I Members of Expenditure Finance Committee

- i. Sh. Kapil Mishra, Hon'ble Minister (Art & Culture/Tourism)
- ii. Sh. S.N. Sahai, Pr. Secretary (Finance), GNCTD
- iii. Sh. Keshav Chandra, Secretary (Tourism), GNCTD
- iv. Sh. V.C. Pandey, Secretary (Art & Culture), GNCTD
- v. Sh. B. K. Sharma, Director (Planning), GNCTD
- vi. Sh. L.D.Joshi, Dy. Secretary (Finance), GNCTD

II Other Senior Officers

- i. Sh. S.R. Kinra, Pr. Director, PWD, GNCTD
- ii. Sh. Santulan Chaubey, SSA, IT department, GNCTD
- iii. Sh. Sanjay Garg, Archivist, Archives Department, GNCTD

3. Pr. Secretary (Finance) apprised the Committee about the agenda items. It was apprised to the Committee that though item No.2 is above ₹100.00 crore, it is being placed for the consideration of Expenditure Finance Committee as per Cabinet Decision No.2307 dated 24.2.2016 vide which it has been conveyed that for proposals entailing expenditure above ₹100.00 crores – two stage processing shall be undertaken i.e. proposals to be first placed before the EFC for its evaluation and recommendations and thereafter, taken to the Cabinet for approval after incorporating the EFC recommendations in the Cabinet Note. Accordingly, the revised estimate for construction of Dilli Haat at Janakpuri was submitted for consideration of Expenditure Finance Committee before placing the same in the Cabinet.

4. Administrative Secretaries and other officers of the Departments concerned explained the components of the proposals for consideration of the Committee. Detail of appraisal and observation of the Expenditure Finance Committee are recorded below:

I. Department of Delhi Archives

A. Digitization and Micro-filming of archival records of Delhi Archives

5. Secretary, Art & Culture apprised the Expenditure Finance Committee that the objective of the current proposal is to preserve rich cultural heritage of Delhi by archiving all the old and heritage records by way of microfilming and digitization since Delhi Achieves has a repository of non-current records of GNCTD and is in possession of rich and unique collections of original records, maps and microfilms relating to events took place in 1785 onwards. It was stated that records of the department are frequently consulted by the research scholars, government departments and general public. The instant proposal is to make Achieves Department more modern and scientific so as to keep the records for a longer period and to have prompt access to and retrieval of records/ information. Secretary, Art & Culture made detailed submissions about the proposal and clarified the issues raised by Chairman/Members.

6. It was further apprised to the Committee that Technical Evaluation Committee (TEC) of IT Department has examined the proposal and has advised the department to take up the job of digitization / micro-filming of 04 (four) crore documents as a pilot project in one year. However, the department of Archives has expressed its inability to execute the work of four (04) crore documents in one year and informed the TEC that the work can be done only over a period of 2 ½ years. Thereafter, Department of IT has technically approved the proposal to in the TEC meeting held on 7.12.2015.

7. It was further submitted that the project was proposed to be executed on 'turn-key basis' through e-tendering. National Archives of Government of India technically examined the RFP and has conveyed its consent. Estimated cost is based on prevailing market rates and rates received for the pilot project by the department.

8. Details of the proposal submitted by the department are as under:

S.N	Particulars	Amount (₹.....in crore)
1.	Digitization cost	5.00
2.	Microfilming	17.00
3.	Testing of Micro-film	0.13
4.	Software development	3.45
5.	Digitization of library (barcode)	0.10
6.	Capacity building/training cost	0.02
7.	Infrastructure set up Cost	3.50
8.	Contingency @ 1%	0.29
	Total	29.49
9.	Target date of completion (from the date of commencement of project)	2 ½ years
10.	Expected date of commencement of benefit	1 st quarter of 2016-17
11.	Yearly operation cost (Revenue/Recurring)	₹1.69 crore
12.	Manpower Cost During implementation of Project After completion	₹19.92 lac/ p.a ₹11.76 lac /p.a
13.	Provision of funds 1 st year 2 nd year 3 rd year	₹10.91 crore ₹12.45 crore ₹6.13 crore

9. During deliberations of the proposal, Pr. Secretary, Finance observed that the Project of Delhi Archives is not a Capital Project, but basically a Revenue Project. Therefore, it was suggested that in future also all such projects beyond ₹15.00 crore, to be executed on 'turn-key basis', though Revenue in nature shall be placed before EFC for consideration and appraisal. However, expenditure sanction shall continue to be issued as per delegated Financial Powers. EFC agreed with the suggestion and directed Finance Department to issue a separate Order in this regard.

10. Considering the recommendation of Administrative Department on the requirement and its satisfaction regarding technical, administrative, operative, maintenance and financial aspects etc., Expenditure Finance Committee approved and sanctioned the proposal of 'Digitization and Micro-filming of archival records of Delhi Archives' at an estimated cost of ₹29.49 crore. This is subject to the followings:

- i. NIT shall be invited and project shall be completed as per approved scope of work at the sanctioned cost of ₹29.49 crore within 2 ½ years. No cost escalation will be considered in future.
- ii. Administrative department is directed to initiate requisite action after for constitution of PMU, recruitment of manpower, furniture, equipments and future maintenance following due procedure and compliance of all codal formalities as per rules .

II. Department of Tourism

A. Construction of Dilli Haat, Janakpuri (Revision)

11. Secretary, Tourism apprised the Expenditure Finance Committee that the project for development of Delhi Haat, Janak Puri, being executed by DTTDC was earlier sanctioned in the 2nd meeting of EFC held on 20.12.2011 at an estimated cost of ₹79.96 crore, to be financed in the following pattern:

Government of India (GOI)	-	₹25.00 crore
Government of Delhi (GNCTD)	-	₹25.00 crore
DTTDC	-	₹29.96 crore

12. Initially, the project was conceived as an simple infrastructure project. Later on specification of the project was updated after various discussions and deliberations to make it a Tourism centric infrastructure. Provisions such as an Air-conditioned Auditorium on the basis of a local survey, security and surveillance CCTV and baggage Scanner for security purpose as per directions of Delhi Police has been included. In addition, during the execution of the work DTTDC has to undertake additional works as per requirement of the site like shifting of services, additional RCC work etc. Due to change in specifications/modification of design time and again, the project cost increased from ₹79.96 crore to ₹116.21 crore. As per initial estimation, project should have been completed by 20.11.2013. But due to various changes during implementation, the project got delayed and now targeted to be completed by June, 2016. Following are the major reasons for increased cost and revised funding pattern submitted by the department;

S.N	Component	Cost (₹...cr)
1.	Interior, HVAC, furniture works for auditorium	11.48
2.	Escalation due to increase in cost of labour and material during execution of works payable as per agreement and other Miscellaneous expenses due to actual requirement	19.13
3.	Service Tax payment due to not inclusion of DTTDC in 'Govt. Bodies'	1.79
4.	Payment made to BSES, MCD, DTC and Forest Department, Govt. of Delhi for shifting of services and tree cutting permission	2.02
5.	Additional security and surveillance CCTV and baggage Scanner works etc. Delhi Police requirement	1.83
Total		36.25

Revised Funding Pattern:

	Source	Amount (₹..in crore)	Funds released (₹..in crore)	Balance fund (₹..in crore)
1.	Government of India	24.36	13.36	11.00
2.	Government of Delhi (i) Share of GNCTD (ii) Grant	36.48 20.00	25.00 -	11.48 20.00
3.	DTTDC's Own Source	35.37	35.37	-
Total		116.21	73.73	42.48

13. Finance department has observed that costs escalation is due to insufficiently accurate projection, planning, execution and handling of project from conceptualisation to execution, even when it has long and vast experience of such projects. Shortcomings on the part of DTTDC and subsequent changes in scope of the work / components lead to increase in cost. However, considering recommendation of Administrative Department on the requirement and its satisfaction regarding technical, administrative, operative, maintenance and financial aspects etc, following suggestion has been made by Finance Department before the Expenditure Finance Committee for its consideration and recommendations;

- i. The revised cost of ₹116.21 crore for construction of Dilli Haat at Jankpuri may be considered for approval due to reasons specified by Tourism department/DTTDC as mentioned in table above.
- ii. An amount of ₹11.48 crore can be sanctioned as share of GNCTD for the Project out of the funds provisioned under the Plan Scheme 'Tourism Infrastructure' under MH-3452 where there is a provision of ₹15.00 crore in the current financial year.

iii. DTTDC may be advised to meet the balance amount of ₹20.00 crore from its own sources or avail loan from financial institutions instead of seeking grant from GNCTD since this is revenue generating project of DTTDC.

14. Keeping view the submission made by the Administrative department and suggestion of Finance department, the Expenditure Finance Committee has proposed to make the following recommendation on the the proposal of the Tourism department for construction of Dilli Haat at Jankpuri:

- i. Project shall be approved at the revised cost ₹116.21 crore and shall be completed by June 2016. No further cost escalation and extension of time will be considered in future.
- ii. An amount of ₹11.48 crore can be released as share of GNCTD for the Project
- iii. DTTDC shall be advised to meet the balance amount of ₹20.00 crore from its own sources
- iv. The Administrative department and the Executing agency shall comply with the Circular No.1(9)/2015-16/Fin./E-IV/Infra/012318065/DSIV/3850-3984 dated 10.8.2015 regarding entrustment of departmental works and settlement of advances thereof

15. The Administrative department is advised to place the matter before the Cabinet for approval of the revised cost after incorporating the EFC recommendations in the Cabinet Note

16. Meeting ended with vote of thanks to the Chair.


23/3/2016
(L.D. Joshi)

Deputy Secretary (Finance)
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1027-1038

Dated: 23/03/2016

1. Secretary to the Finance Minister/Dy. Chief Minister/Minister, Education for appraisal of Hon. Finance Minister / Dy.Chief Minister, Delhi.
2. Secretary to the Minister, Art & Culture/Tourism for appraisal of Hon. Minister, Delhi.
3. Secretary, Tourism Department, GNCTD, Vikas Bhawan-II, New Delhi
4. Secretary, Art & Culture Department, GNCTD, Delhi Secretariat, New Delhi
5. Secretary, IT Department, GNCTD, Delhi Secretariat, New Delhi
6. Secretary, Public Works Department, GNCTD, Delhi Secretariat, New Delhi
7. Engineer-in-chief, PWD, MSO building, ITO, New Delhi.
8. Director, Planning Department, GNCTD, Delhi Secretariat, New Delhi
9. PS to Pr. Secretary (Finance), GNCTD.
10. PA to Spl. Secretary (Finance), GNCTD.
11. Programmer, Finance Department
12. Concerned file/Guard file.


23/3/2016
(L.D. Joshi)

Deputy Secretary (Finance)