

### **ITEM NO. 03 (A-115)**

**1. Name of the subject/project:**

Sub.: S/R of Roads in NDMC Area

SH: Redevelopment of Shankar Market

**2. Name of the Department/departments concerned**

Civil Engineering Department, Road-I Division.

**3. Brief history & detailed proposal of subject/project**

- (a) Administrative Approval & Expenditure Sanction for Rs.19,73,000/- was accorded by the Council vide Resolution No. 3(xxi) dated 17 Jul.'01. The tenders were invited and the work was awarded to Sh. Vinod Kumar Maini for Rs. 10,03,002/- against the Estimated Cost of Rs. 11,69,541/- at 14.24% below the Estimated Cost on 10 Jan.'03 with stipulated date of start & completion as 20 Jan.'03 and 19 Apr.'03 respectively.
- (b) Originally, the provision of kota stone flooring alongwith green areas & fountain was to be constructed in the centre of open area between two market blocks. During the execution of work, at request of Shanker Market Traders Association, the site was inspected by the then Chairperson, NDMC alongwith the area MLA & other Sr. Officers of NDMC to discuss the demands of Traders Association wherein it was decided to pave all the open areas with kota stone slabs without leaving any katcha portion as it would be difficult to maintain the green area. The fountain was constructed of rectangular shape with garden benches on both sides of the fountain.
- (c) Accordingly the case was processed for accord of Approval in Principle by the Chairperson to get the Additional/ Extra work executed. The amount of additional/ extra work was expected to exceed the contract deviation limit of 20%. The case was forwarded to Finance Department for advise mentioning that the work is already going on at the site. Several observations were raised by Finance Department. Although, their replies were furnished by the Civil Engineering Department yet the Finance Department was not in agreement with the replies.
- (d) The efforts were also made to obtain the approval of Chairman by then concerned staff, who have since then retired, for the execution of Extra item/ additional quantities but approval of Chairman could not be obtained and during the course of that time the work

got completed on 30 Sep.'03. The case was again sent to Finance Department furnishing the reply of their observations but Finance Department returned the case and advised that case be placed before the Council seeking ex post facto approval to the deviation from the scope of work originally stipulated and also the reasons for not getting the contribution from the shopkeepers as decided earlier.

- (e) The actual expenditure of the work is Rs. 19,31,902/- against the agreement amount of Rs. 10,03,002/- which is exceeding the contract deviation limit of 20% on account of Extra item/ Additional quantities.
- (f) The extra item/ additional quantities statement which fall under the competency of EE, SE, CE(C) have been approved. The extra item-4 and additional quantity statement No.-4 amounting to Rs.98,900/- and Rs. 4,43,675/- respectively fall under the competency of Chairman, NDMC. Accordingly the case was submitted for ex post facto approval of the deviations beyond the permissible limit of 20% and for the approval of extra & additional quantities statement. After the advise of Finance Department, Competent Authority decided that the case be placed before the Council for seeking ex post facto approval because the approval in principle in this regard could not be obtained during the execution of work.
- (g) The overall expenditure is within the Administrative Approval & Expenditure Sanction of Rs. 19,73,000/-.
- (h) The case is placed before the Council because when the work was sanctioned in Jul.'01 the competency of approval was with Council.

**4. Financial implications of the proposed subject/project:**

The expenditure of deviation is within the Administrative Approval & Expenditure Sanction but the financial affect of deviation beyond 20% of contract amount works out to Rs. 7,29,000/-.

**6. Implementation schedule with timelines for each stage including internal processing.**

The work has been completed on 30 Sep.'03.

**7. Comments of the Finance Department on the subject with diary no. & date.**

The Finance Department vide diary No. 2502/Finance/R-Civil/2008 dated 27 Oct.'08 has given following comments:-

As per the Council's Resolution it was decided that 30% of the cost of Redevelopment work was to be borne by the shopkeepers and remaining 70% by NDMC. But the department has stated that the area MLA has deposited the contribution and no contribution has been received from shopkeepers. Further, as per the Council's resolution, there should be provision of lesser number of fountains and more green area/ flower beds but department has deviated the items of work with providing of Kota stone and fountains which resulted in deviations to the tune of more than 50%. Finance has further advised that as the work has been completed without seeking approval in principle of the Competent Authority for such deviations, the case needs to be placed before the Council for seeking ex post facto approval.

**8. Comments of the Department on comments of Finance Department.**

It was decided by the then Chairman, NDMC that the work be carried out from NDMC funds only and wherever possible the contribution from MLA funds may be obtained. The then Chairman, NDMC while approving the proposal recorded as under:

"For Shanker Market and Malcha Marg Market the respective MLAs have agreed to give some contribution. In other two places we may foot the bill on our own". Accordingly area MLA contributed Rs.3.5 lacs & the work was taken up without taking contributions from the Shopkeepers. Further, the tenders were invited based on the plan prepared by the CA wherein more open spaces were left. However, during inspection of the area by MLA & meeting with the shopkeepers, it was observed that it would be difficult to maintain green/katcha areas, as such, it was decided by Competent Authority to pave the entire area.

**9. Legal Implications of the subject/project**

There are no legal implications.

**10. Details of previous Council Resolutions, existing Law of Parliament and Assembly on the subject:**

Administrative Approval & Expenditure Sanction for Rs. 19,73,000/- was accorded by Council vide Resolution No. 3(xxi) dated 17 Jul.'01.

**11. Comments of the Law Department on the subject :**

Indication be given in the proposal as to why it needs Council approval.

**12. Comments of the Department on the comments of the Law Department**

The approval of Council is required because when the work was sanctioned in Jul.'01 the competency of approval was with Council.

**13. Certification by the Department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case**

N.A.

**14. Recommendations :**

The case is placed before the Council for consideration & ex post facto approval of the contract deviations beyond the permissible limit of 20% & approval of Additional Quantity Statement IV for Rs. 4,43,675/- & Extra Item No. 4 for Rs. 98,900/-. The expenditure is however within the Administrative Approval & Expenditure Sanction already accorded by the Council.

**COUNCIL'S DECISION**

Resolved by the Council to accord ex post facto approval for the contract deviations beyond the permissible limit of 20%.

Further resolved by the Council to approve the Additional Quantity Statement IV for Rs.4,43,675/- & Extra Item No. 4 for Rs.98,900/-.