

NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI.

COUNCIL'S MEETING NO. 02/2011-12 DATED 29.04.2011 AT 4-00 P.M.

Arrangement of business

ITEM NO.	SUBJECT	PAGE	ANNEXURE
01 (A-05)	Comments of NDMC – as required by MHA – on report of High Level Committee.	2 – 11	12 – 39

ITEM NO. 01 (A-05)

1. **Name of the Subject/Project :- Comments of NDMC – as required by MHA – on report of High Level Committee.**
2. **Name of the Department concerned :- Civil Engineering Department.**
3. **Brief for the Agenda Item :-**
 - 3.1. The Ministry of Home Affairs has sought NDMC's comments on the High Level Committee Report in respect of the three infrastructure projects taken up by the Council in connection with the Commonwealth Games, 2010. The Fourth Report of the High Level Committee covers games venues and NDMC had taken up the Shivaji Stadium and Talkatora Indoor Stadium for the Commonwealth Games, 2010. This Agenda Item is to bring to the notice of the Council, the relevant Chapters in the High Level Committee Report in respect of the NDMC and preliminary response of the concerned Department on the HLC Report as sought for by the MHA. Detailed comments on each of the items are being prepared and shall be submitted to the MHA, if necessary through Govt. of NCT of Delhi after receipt of the same from the concerned Incharge of the projects undertaken by the NDMC.
 - 3.2. In this regard, a brief history of projects appears necessary. The New Delhi Municipal Committee had established Talkatora Indoor Stadium and Shivaji Stadium. The Talkatora Indoor Stadium was constructed in 1974 for various indoor games, cultural and social activities. This was further upgraded for holding the events of Basketball during Asian Games of 1982. Thereafter, it has been used for various functions and activities after charging prescribed user charges.
 - 3.3. The Shivaji Stadium was initially constructed during the year 1960 as a sports venue for Hockey. This stadium was further upgraded for holding events of women hockey during Asian Games, 1982. The stadium was being sparingly used for National Hockey Tournaments and International Tournaments. It has been observed that the expense on its maintenance works out to be higher than the receipts from this stadium.

- 3.4. These two stadiums were therefore decided to be upgraded for the Commonwealth Games, 2010. While upgrading these two stadiums, the main emphasis was to develop these two stadiums in such a way that after the Commonwealth Games, 2010, the two stadia become remunerative projects, and to meet the day to day expenses on its establishment and maintenance, should also generate revenue. At the time of redevelopment, enough parking spaces were to be ensured and aim was to create office or commercial components in the buildings so that the felt shortage of office accommodation/commercial accommodation is also got attended to. With these twin objectives, the stadiums were redeveloped and proposals for the redevelopment were placed before the Council for necessary approval from time to time. After the projects were approved by the Council, the tenders were floated and approval of these tenders was also placed before the Council and after due approvals following codal formalities, the projects were implemented.
- 3.5. Providing of signages in the NDMC area was also taken up so as to complete the work of signages before the Commonwealth Games, 2010. The proposal for the same were put up to the Council from time to time and after due administrative approvals and financial sanction, the tenders were invited and placed before the Council. After due approval from the Council, the projects were taken up and completed before the Commonwealth Games.
- 3.6. The project of street scaping was also taken up and proposals were submitted to the Council for administrative approvals and financial sanction. After due approvals, tenders were invited and placed before the Council. These tenders were also executed within the time stipulated for their completion.
- 3.7. The fifth project to be taken up before the Commonwealth Games, 2010 was for street lights and the administrative approvals and financial sanction were obtained from the Council and tenders were invited. These tenders were placed before the Council and after due approval and following codal formalities, the work related to the Commonwealth Games was completed prior to the CWG, 2010.
- 3.8. As per the NDMC Act, 1994, audit of NDMC accounts through a statutory audit has been provided in section-59 of the NDMC Act. The said audit is to be completed by the Chief

Auditor and he submits his report to the Council for consideration and directions of the Council. The Chief Auditor has been asked to submit his report on the work taken up in the aforesaid five projects.

- 3.9. The Comptroller and Auditor General [CAG] of India had also taken up the audit of the expenditure incurred in respect of the above five projects. Required information was provided to the officers of the CAG and draft audit paras were duly replied and clarifications whenever sought by the CAG, were provided so that a proper audit could be made by the CAG. The CAG's report is awaited and will be placed before the Parliament. As and when any further information is required in connection with the expenditure incurred, the same shall be provided to the concerned Authorities.
- 3.10. Another Committee known as High Level Committee [H.L.C.] was constituted by the Government of India and whatever information was asked for, it was made available to HLC in connection with the above five projects. During the collection of information by the HLC, the information was supplied but no consultations were made by HLC and no clarifications/comments were sought by the HLC on the shortcomings, if any.
- 3.11. Thus, the expenditure incurred in the five projects as above which were approved by the Council and executed by the concerned Departments, is under scrutiny by the statutory audit of the Council i.e. Chief Auditor, by the CAG and by the HLC. The Chief Auditor and the CAG will scrutinize the expenditure incurred by the NDMC and as to whether there is any irregularity in incurring expenditure, while the HLC's mandate appears to be to prepare a report on each of the projects separately and point out deficiency, if any in progressing with the projects from the limited point of view of their utility connected with the Commonwealth Games. The HLC was not to give its views or comment on the long benefits of the projects, after the Commonwealth Games. Thus, the purpose of the three scrutinizing agencies is entirely different and it would be difficult to prepare a comprehensive report on objections, if any, by the three different Authorities scrutinizing the same projects as approved by the Council and executed within the parameters of the NDMC Act and the broader objects to be achieved by the Council from these five projects.

- 3.12. Since the report of the Chief Auditor or the CAG is not available and the Govt. of India has sought out comments on the HLC Report, it appears necessary that the Council is apprised of the sanction obtained from the Council for the execution of the work, views of Departments on the report of the HLC, the expenditure sanctioned for each of the projects, physical progress of each of the projects, expenditure incurred for the project, bills to be paid and action taken for deficiency, if any in execution of the project. Each of the five projects are discussed hereunder :-
- 3.13. Relevant Chapters, on upgradation of street lighting, street scaping and signages for Delhi including NDMC area as per Chapter-5, 6 & 7 of the Third Report of HLC – City Infrastructure are included in the **Annexed Booklet (See pages 1 – 95 in the Booklet)**. Chapter-9 & 10 of the Fourth Report of HLC – Games Venues, relating to Shivaji Stadium and Talkatora Indoor Stadium are also included in the Annexed Booklet **(See pages 96 – 149 in the Booklet)**. .
- 3.14. Brief preliminary comments of Project Incharge in NDMC on upgrading of street lighting, streetscaping, signages, Talkatora Indoor Stadium and Shivaji Stadium are as per **Annexures -I, II, III & IV (See pages 12 – 34 in the Agenda)**.
- 3.15. The Fourth Report of HLC covers games venues. It has 17 Chapters. Chapter-9 relates to Shivaji Stadium and Chapter-10 relates to Talkatora Stadium. Copies of these Chapters are contained in the annexed Booklet. Chapter-16 of this report gives the main findings. Large number of these findings are common to all the games venues. However, there are some specific findings in respect of Talkatora Indoor Stadium and Shivaji Stadium. Some of the extracts from the main findings which relates to all the games venues are at **Annexure-V (See pages 35 – 39 in the Agenda)**.
- 3.16. The Council like all other agencies are following the CPWD Manual and estimates of contracts, justified cost of the contracts, the process of tendering, the process for acceptance of the tenders are strictly as per the CPWD Manual. HLC has not pointed out any departure by the NDMC in following the CPWD Manual. The HLC has defaulted the Manual and have recommended modifications in Chapter-17 of the Report. Till the CPWD Manual is amended

on the basis of the recommendations of the HLC, the Council is bound to follow the said guidelines.

3.17. The CVC guidelines are also being followed in each case and HLC has not pointed out that the CVC guidelines has not been followed by the NDMC.

3.18. It can be seen from the Annexure-V covering the HLC's main findings that in respect of NDMC, it has commented on –

- (i) NDMC does not find place under the finding "undue gains to contractors". [Para-16.66].
- (ii) Wasteful expenditure on security of Rs.2.45 crores in respect of Shivaji Stadium. [Para-16.7].
- (iii) Wasteful expenditure in creation of assests not directly related to the conduct of games or not used for conduct of games. These include Rs.160 crores on Shivaji Stadium and Rs.32.98 crores on the upgradation of Talkatora Indoor Stadium and Rs.4.37 crores on Toughened Glass in Talkatora Indoor Stadium.

3.19. It appears from the report of the HLC that HLC is of the view that any expenditure on a project which was not used for Commonwealth Games, 2010 or not fully used for that purpose was a wasteful expenditure and accordingly in the main finding the HLC has termed entire expenditure of project cost of Rs.160 crores on Shivaji Stadium and Rs.32.98 crores on upgradation of the Talkatora Indoor Stadium and Rs.4.37 crores on Talkatora Indoor Stadium towards toughened glass is a wasteful expenditure. At the time of submitting the report, HLC was probably not aware of the special characteristic of the New Delhi Municipal Council area and the decision taken by the NDMC way back in late 1960 to go in for establishing remunerative projects in NDMC area to reduce dependence on Government loans, grants and municipal taxes. The long term investment in the NDMC area are revenue oriented investments and wasteful expenditure is avoided. The consistent policy of the Council to invest in remunerative projects is clear from the following investments :-

- (i) The Yashwant Place Complex is a composite remunerative complex, which has a Hotel Building, market complex, residential cum commercial complex, office complex and a cinema complex. All these properties have been given on licence fee basis and are generating substantial revenues to the Council. Other commercial / office complexes and market

complexes are Lok Nayak Bhawan, Mayur Bhawan, Chander lok Building, Mohan Singh Place, Shaheed Bhagat Singh Complex, Palika Place, Palika Bhawan, Palika Bazar, Super Bazar and similar other buildings.

- (ii) NDMC was aware of the shortage of office space in NDMC area, and the office complexes, constructed by NDMC, have been given on licence to various government departments to meet part of their requirement. The latest addition is the NDCC-II building, which was given on licence to Organizing Committee of Common Wealth games and part of it will now be taken on licence by Ministry of Home Affairs. Whenever there is occasion to invest, the investment is to generate revenues to meet the day to day requirement of the Municipal services and have no dependence on the loans or grants. Since 2000-01, the Council has no loan liability, and, due to prudent investment policy is generating surpluses from year to year.
- (iii) The NDMC is generating revenues not only from the commercial complexes but has also given on licence/lease plots for hotels, petrol pumps etc.
- (iv) NDMC is providing education, other than primary education and also running model schools through Navyug School Society. It is also engaged in other social activities like providing old age homes, working women hostel, school for handicapped children, air-conditioned Barat Ghars, Community Centres and other similar activities which are not normal municipal functions.
- (v) Parking problems in NDMC area had attracted attention of the Council. It had constructed Palika Parking, which is considered to be one of the well maintained independent underground parking unit. As the parking units are not remunerative units and to meet the expenditure of Palika Parking, it had been tagged with the Palika Bazar's underground market. Similarly three more multi level parking units are being developed at Sarojini Nagar, Baba Kharak Singh Marg and Kasturba Gandhi Marg, to ease the parking problem in these areas. To maintain the parking complexes, parties constructing these facilities on a PPP Model, have been authorized to derive rentals from part of the building so constructed in these complexes as per provision of Master Plan-2021. Even in the Mayur Bhawan and other such buildings, sufficient spaces are being provided for taking care of parking, not only for the office complexes but for the public as well.
- (vi) At the time of Asiad'82 Games, the NDMC took opportunity to invest in Hotel plots. NDMC has given, on licence four plots for construction of hotel buildings, which were required at the time of 1982 Asian Games.
- (vii) The toilet blocks, bus queue shelters, garbage stations have all been constructed, as remuneration projects. Parties managing these units have been given advertisement right to generate revenue for maintenance of these units. This has substantially reduced NDMCs expenditure on providing these facilities and is also generating revenues.

- (viii) Whenever a project is re-developed, NDMC visits it from its providing revenues as it is one of the key considerations. Chanakya Cinema was not generating enough revenue. The licensee was always in the court and not permitting any revision in the licence fee. With the change in the concept of cinema halls, it was decided to go in for a multiplex. A multiplex is being developed with sufficient commercial as well as the parking space, which are the two main considerations for re-developing this complex.
 - (ix) In the case of stadia also, it was decided to take the advantage of Common Wealth Games and re-develop them not only for the purpose of sports but for other activities and to make them self financing units and if possible to generate additional revenues, have a commercial component with enough parking facilities. These were not developed purely as games project but while renovating and making additions, the above stated objects had been one of the prime consideration.
- 3.20. The above policy of the Council to re-develop Talkatora Indoor Stadium and Shivaji Stadium as a remunerative project is clear from the very first 2005 Resolution of the Council. The Council estimated an expenditure of Rs.30.45 crores for the upgradation of the stadiums, even if not used for Commonwealth Games, and in the event these are used for the Commonwealth Games, then funds would be taken from the Delhi Government. Thus, the Council had taken a conscious decision to redevelop these two stadiums and if these are used for Commonwealth Games, funds would be taken from the Delhi Government, if the stadiums are not used for Commonwealth Games, the expenditure on redevelopment would be met by the Council.
- 3.21. Keeping in view of the above decision of the Council, the stadiums were redeveloped in such a way that even after the Commonwealth Games, the stadiums could be profitably used for other purposes to generate a regular income to meet the expenses on its maintenance and surplus, if any could be used for other municipal activities.
- 3.22. The existing structure in Talkatora Indoor Stadium after renovations has been offered to public for various functions and it is in great demand and NDMC has received over Rs.1 crore in the last three months. As regards the additional structure, it will be used for office or other similar activities by the NDMC itself or give it on licence basis to Sports Organization or other Government or similar Organization on licence fee basis. It is expected that the licence fee

received from this space may be above Rs.10 crores a year which would be sufficient to meet the expenses on maintenance of the Indoor Stadium Complex.

- 3.23. As regards the Shivaji Stadium, the revenue generated was about Rs.4.5 lacs a year, against which expenses on its maintenance were many times more than the revenue generated from this Complex. The Shivaji Stadium Complex had some built up units which were constantly under dispute and were not generating enough revenue and the redevelopment of the project as remunerative project was a hindrance due to these units. Action therefore was taken to have the units vacated and all those who were interested in alternate accommodation were provided alternate accommodation and unauthorized occupants were evicted after obtaining necessary orders from the Court. The Complex was thereafter redeveloped and has a capacity of car parking for 1200 cars and an office space about 6250 sq. mtrs. After the building is completed, it will add parking spaces in or near Connaught Place area. It will also make available about 6250 sq. mtrs for offices. This may generate more than Rs.6 crores a year. This will generate enough revenues to meet the expenses on maintenance of the Shivaji Stadium and surplus would be used for other municipal services.
- 3.24. The HLC has given a finding that an expenditure of Rs.32.95 crores in the Talkatora Indoor Stadium was a wasteful expenditure as it was not required for the Commonwealth Games. This is only an estimate of the HLC from CWG point of view, from the point of view of the NDMC, it was a useful expenditure and would generate enough revenues to the Council on year to year and also on long term basis. It may not be a useful expenditure for the Commonwealth Games, as per the HLC, but it is useful expenditure from the point of view of the Council and Council had approved incurring of this expenditure, keeping in view the long term gains from this expenditure to the Council.
- 3.25. Similar is the position of the Shivaji Stadium. The HLC feels that the expenditure on Shivaji Stadium was a wasteful expenditure as the Shivaji Stadium could not be used for Commonwealth Games. However, as far as the Council is concerned, this is a useful expenditure and will generate enough revenues, keeping in view of the situation of the premises, which is in the main business District Centre of Connaught Place.

- 3.26. The Council had resolved that if the stadiums are used for CWG, funds will be taken from Government. It thus follows from this resolution, that if stadiums are not used for CWG, funds received, if any will not be accepted and will be refunded. Since some finances have been provided by the Government for these two stadiums, if the Government feels that this expenditure was not required from the point of view of the Commonwealth Games, the matter shall be put up to Council for a decision.
- 3.27. As regards the providing of chairs in the Shivaji Stadium and the Talkatora Indoor Stadium, it may be pointed out that the chairs were installed pending approvals of the Competent Authority and payment so far made in both the stadiums is much less than the expenditure provided in the agreement. The case is being processed to take a final view in the matter.
- 3.28. Final payments have not been made. The HLC Report is being thoroughly scrutinized and if at any stage, it is found that money was not due or is to be recovered, the action for the same shall be taken before making the final payments.
- 3.29. Detailed reports are being prepared and shall be submitted to the MHA by the concerned Departments, if necessary through the Government of NCT of Delhi. If the Council so desired, the copies of these reports shall also be placed for information of the Council.
- 3.30. Project-wise details of administrative receipts, amount of the tenders, payments already made, present status of the project will be submitted on table of the Council.

4. **Detailed proposal on the subject/project :-**

Already covered under Para-3.

5. **Financial implications of the proposed project/subject :-**

This is a preliminary response to the comments of the High Level Committee Report and has no financial implications.

6. **Implementation Schedule :-**

Not applicable.

7. **Comments of the Finance Department on the subject :-**

NIL

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

NIL.

9. **Legal Implication of the Project :-**

NIL.

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

The approval of the Council and financial sanction for the five projects in this Agenda item have been taken from the Council, from time to time. The tenders were also got approved from the Council, from time to time, before being implemented.

11. **Recommendation of the Department :-**

Copy of the High Level Committee's Report concerning the five projects taken up by the Council at the time of Commonwealth Games, 2010 alongwith preliminary response from the Department are placed before the Council for perusal. Detailed comments are being prepared by the concerned departments and shall be sent to the M/o Home Affairs, Govt. of India, if necessary, through the Government of NCT of Delhi and the same shall be submitted to the Council, if so desired, for information.

COUNCIL'S DECISION

After detailed discussion, the Council directed that factually correct information should be prepared by the concerned department and then forwarded to the Ministry of Home Affairs, Govt. of India/Delhi Govt., in respect of the observations made by the High Level Committee (HLC).

The Council also directed that the information should be sent within the prescribed time frame.

(SANTOSH D. VAIDYA)
SECRETARY

(PARIMAL RAI)
CHAIRPERSON

Sub: Brief note on Upgradation of street lighting in NDMC area- Chronology of events.

Lighting of public places is an obligatory function of any Municipal body in the country. New Delhi Municipal Council, a Municipal body, governed by an act of Parliament, called **NDMC Act 1994**, also provides such facilities to the citizen of this area. Lighting of public streets and other public places is made an obligatory function of the Council under section 11 of the Act. A major revamp of the street lighting system was carried out in the year 1982-84 i.e. during the period **of ASIAD-82** & since then there have been many advancement in the field of lighting. Not only infrastructural changes happened in the lighting system but also energy efficiency became a major thrust area.

In NDMC, the street lighting system was quite old and had served the useful life of **15 years**, needing replacement. Considering this & the forthcoming Common Wealth Games 2010, it was decided that street lighting in NDMC area be upgraded on important prominent category 'A' roads.

In view of the forthcoming Common Wealth Games-2010, GNCT- Delhi constituted a committee under the Chairmanship of Director (Operation), DTL having members from NDMC, PWD, MCD, MES, DTL and BSES to formulate the specifications & performance standards for the Upgradation of street lighting. The street lighting requirements were deliberated and discussed at length and after lot of considerations, this committee finalized the reports/specifications for Upgradation of street lighting in the entire Delhi. Performance standards for the work of upgradation of street lighting in NCT Delhi were formulated by Government of NCT Delhi and circulated in **December, 2006**. The standards categorized roads in three categories namely category-A1, category-A2 and category-A3. For each category of road, the standards prescribed separate specifications of luminaries. These were binding on all the road owning agencies taking up upgradation work of street lighting in their respective areas. NDMC area being unique due to dense trees, thick foliage on its road having large enough variation in widths, specific design of poles, brackets and luminaries to achieve the required Lux level was needed. Also the standards for integrated street lighting project for Delhi mandated that NDMC will approve the design on case to case basis however, lighting level will need to be met as per specifications. Considering above, design based tenders rather conventional replacement mode tender were invited. Conventional mode of tenders would not have ensured that the required Lux level as set out in the standards, formulated by the NCT Delhi, are achieved.

Accordingly an estimate amounting to Rs.53,42,95,183/- was sanctioned by council vide resolution No. 9(B-38) **dt. 19.12.07** for upgradation of street lighting system in NDMC area under Phase I & II on 67 roads. Subsequently another estimate amounting to Rs. 29,45 Crores was also approved by the Council vide resolution No 08 (B-25) **dt. 31.12.08** for the work of upgradation of

street lighting under Phase III for remaining 83 main roads. The work was planned in phases. Under first and second phase, 67 main roads were covered.

Subsequently, in the meeting of empowered committee held on **19.01.2009** headed by Chairman, it was decided that all the roads in Phase I & II are very important roads and be categorized under category 'A'. First priority be given to the tendering process of category 'A' roads followed by the second tender for the remaining roads and imported luminaries be used for category 'A' roads. The empowered committee observed that keeping in view shortage of time with in which the work is to be completed, NDMC should invite tenders for this purpose only from the four firms short listed by PWD, Delhi for upgradation of road lighting on PWD roads.

Accordingly design based tenders for the work of Upgradation of street lighting were invited from four firms namely:

1. **M/s Keselac Schreder Pvt. Ltd.**
2. **M/s Space Age Switchgears Ltd.**
3. **M/s Philips Electronics India Ltd.**
4. **M/s Bajaj Electrical Ltd.(TRILUX)**

To clarify the tender conditions, a pre-bid conference was held in the Chamber of CE (E-II) on **19.03.2009**, wherein representatives of all the four firms participated. The clarifications sought by the firms were accorded and minutes of this pre-bid conference were communicated to all the firms on **02.04.2009**. Thereafter technical bids were opened on **29.04.2009**. After the scrutiny of the technical offer submitted by four tenderers, a TEC meeting was held in the Chamber of CE (E-II) on **13.05.2009**. During this meeting, no conclusion could be arrived at due to wide variations in the number of poles and other infrastructure offered to be installed by the different firms.

In order to have the expert opinion of the other Govt. departments, who were executing similar type of upgradation of street lighting works in their areas in Delhi, Chairman, NDMC approved the names of Sh. R.K. Sharma, Chief Engineer (Elect.) of MCD and Sh. J.M. Paswan, S.E. (Elect) of Delhi PWD to be a member of the TEC.

The 2nd meeting of TEC was held on **05.06.2009** in the Chamber of CE (E-II). During this meeting, certain informations/ clarifications were requested by the tendering firms. This meeting was attended by experts from PWD and MCD also as approved by the Chairman followed by the 3rd meeting of TEC which was held on **12.06.2009** in the Chamber of CE (E-II) and it was decided that price bids of the tenderer be opened after taking an undertaking from all the firms that they will not charge for any extra work/infrastructure required to be provided, in case the required levels of illumination as per NIT specifications are not met with their design. After taking the undertaking from all the firms, price bids were opened on **26.06.2009** in the office of EE (C-III). M/s Phillips

Electronics emerged the lowest tenderer at their quoted rate Rs. 34,40,46,038/- and the work was awarded to the firm after the approval of Council vide resolution no 11 (B-13) dt. **15.07.2009**.

During the execution of project work, 14 new roads were also considered for upgradation of street lighting & were covered with in the scope of existing contract as these were considered prominent in view of the forthcoming CGW-2010. The work on additional roads was awarded on **16.12.2009** (13 roads) and **12.05.2010** (One road) respectively. These were also upgraded with in the time schedule of the original work and no extension of time was granted for completing these roads. The total cost of project work for 81 roads measuring 102 Km, including additional roads, is Rs. 41 Crores.

The new street lighting has octagonal, GI poles of optimum height of 6m, 8m, 10m and 11m on roads depending upon the width and number of carriage ways in the roads. IP-66, energy efficient, advance HPSV, imported fittings have been used in the system for an efficient lighting system. The street lighting cable between poles is laid in DWC/HDPE pipes & GSM based SCADA system is being used to operate the lighting system.

Due to adoption of design based tendering method, not only the cost of lowest tenderer, M/s Philips Electronics India Ltd was 44.5% below the NTT's estimated cost mainly due to use of less no of poles/fittings (As against 6488 poles, a total of 4760 poles are now installed.) as a result of modern sound design techniques, advance luminaries etc. but also there is a substantial power saving of 40% equivalent to 1.43 MW of power, amounting to Rs. 2.87 Crores annually in energy savings besides savings in the cost of maintenance.

COMMENTS OF PROJECT (INCHARGE) ON STREETSCAPING OF ROADS AROUND GAMES VENUES IN NDMC AREA

1. The Host City Agreement was signed between Commonwealth Games Federation (CGF), IOA, Organizing Committee (OC), Delhi Government & Govt. of India on 05 Sep.'03.
2. As per Para 26.1 of the Host City Agreement, Joint Marketing Programme for commercial exploitation by the OC of the rights granted by the CGF was required to be developed by IOA, OC & Govt. of Delhi (Host City).
3. Accordingly several meetings were held under the Chairmanship of Chief Secretary, Govt. Of Delhi along with the representatives of Ministry of Youth Affairs and Sports, Govt. of India, OC (CWG) & other local bodies.
4. As streetscaping being a part of conceptual agreement which Govt. of Delhi signed with Organization Committee, Commonwealth Games so the work of streetscaping was to be done in a time bound manner and in co-ordination with all other agencies. Secretary, PWD had informed that the major portion of Games Venues have been identified alongwith respective road owning agencies.

Following were the main points to be followed :

5. (a) Streetscaping to be done for roads within 2 Kms of competition venues by respective Road owning agencies.
(b) Streetscaping to be done on the key roads. The road owning agency having maximum key roads around venues to develop streetscaping plan and invite expression of interests for all the roads around that venue.
6. Concerned road owning agency was to execute the streetscaping work on its roads. **However the PWD will take action for appointing consultant for streetscaping of roads around all venues.**
7. As NDMC had already appointed a consultant for streetscaping around Talkatora Indoor Stadium, it was decided that PWD shall invite expression of interests for streetscaping around remaining venues which included Aurobindo Marg and BHS Marg in NDMC area.
8. Following NDMC roads were identified around games venues under Joint Marketing Agreement.
 - (a) Roads around Talkatora Stadium

- Mandir Marg
- Park Street
- Old R.K. Ashram Marg
- Udyan Marg

(b) Roads around Thyagraja Stadium

- Aurobindo Marg
- BHS Marg

9. M/s. Sikka Associates were appointed by PWD as consultant for streetscaping for major NDMC roads i.e. Aurobindo Marg & BHS Marg around Thyagraja Stadium.

10. The details of consultants appointed for various roads around games venues are as follows:-

S.No.	Name of Road	Name of Consultant
1.	Aurobindo Marg	Sikka Associates
2.	Brig. Hoshiyar Singh Marg	Sikka Associates
3.	Mandir Marg	M/s OASIS Designs
4.	Park Street	M/s Creators
5.	Old R.K. Ashram Marg	M/s OASIS Designs
6.	Udyan Marg	M/s OASIS Designs

11. After several rounds of consultation with different departments of NDMC the conceptual plans were developed by these consultants. The presentation of these streetscaping plans for roads around Commonwealth Games venues in NDMC was made on **14 May'09** and it was approved for NDMC area.

12. The Streetscaping plans for all the roads were placed before NDMC Council and these plans were approved by Council in Aug.'09/ Sep.'09.

13. The Salient features of approved Streetscaping plans were as follows.

- (a) Development of green buffer between the kerbstone and the edge of footpath.
- (b) Development of continuous, comfortable sidewalks & table top crossings on approaches to various properties for smooth pedestrian movement.
- (c) Improvement of cross drainage.
- (d) Improvement in geometrics of islands & central verges.
- (e) Horticulture works like grassing, Plantation, underground Water tanks, pumps & irrigation lines on both sides of roads, Bore wells etc.
- (f) Development of Surface parking for two & four wheelers & cycle tracks.

- (g) Improvement of central verge and its railings.
- (h) Development of bus bays.
- (i) Development of pedestrian plaza's & other pedestrian facilities like bollards, public conveniences, seating arrangements etc.
- (j) Pedestrian lights, parking area lights, uplighters etc.

14. Based on the approved plans Preliminary Estimates were prepared and sanctioned by Council as per the details given below:

S.No.	Name of Road	Preliminary Estimate sanctioned vide Agenda Item No.
1.	Roads around Thyagraj Stadium	
(a)	Aurobindo Marg	7(A-77) dated 31 Sep.'09 for Rs.6,23,83,5001.
(b)	Brig. Hoshiyar Singh Marg	08(A-78) dated 30 Sep.'09 for Rs. 4,91,55,900/-
2.	Roads around Talkatora Stadium	
(a)	Mandir Marg	13(A-103) dated 21 Jan.'09 for Rs. 6,14,97,900/-
(b)	Park Street	11(A-67) dated 21 Aug.'09 for Rs. 2,44,18,500/-
(c)	Old R.K. Ashram Marg	12(A-68) dated 21 Aug.'09 for Rs.2,07,21,900/-
(d)	Udyan Marg	10(A-80) dated 30 Sep.'09 for Rs.1,54,40,000/-

15. The tenders were awarded for these works between Aug.'09 & Oct.'09 and works commenced from Nov.'09 onwards. The scheduled works were completed in Sep.'10 before commencement of Games except some civil works of Aurobindo Marg which could not be completed due to DMRC work & Mandir Marg although their Horticulture works were completed.
16. The majority of issues of streetscaping of Delhi roads as per HLC report mainly pertain to MCD and PWD. These issues are as follows:-
- (a) Governance Issues
 - i. Mode of Engagement of Consultants

This does not pertain to NDMC. This mainly pertains to the process of engagement of consultants by PWD.

- ii. Award of 54% of total streetscaping work contract to single contractor M/s Satya Parkash and Bros. Pvt. Ltd. by PWD. The firm bagged four out of eight projects under PWD. This does not relate to NDMC.
- iii. Labour license by MBL Infrastructure Pvt. Ltd. Does not pertain to NDMC.
- iv. The only issue which pertains to NDMC is regarding Hort. Work of Aurobindo Marg of **Rs. 49.6 lacs**. The issue is regarding the eligibility criteria of Hort. Contractor. In fact the requisite eligible criteria certificates of the lowest bidder whom the work were awarded are already in file but were missed by HLC.

(b) Over payment to Consultants
Does not pertain to NDMC.

(c) Very high or incorrect estimate

This issue pertains mainly to PWD/MCD. The estimates for streetscaping of roads around venues in NDMC area were realistic and were prepared based on the approved conceptual plan. These estimates were checked in various departments of NDMC like Planning & Finance before they were approved by NDMC Council. HLC has not given any details/ documents substantiating their claim that estimates were very high or incorrect.

(d) Time overruns

- (i) HLC has made this observation without substantiating with any data. As far as NDMC works are concerned, the streetscaping works for roads around venues were completed before the Commonwealth Games except Aurobindo Marg in which case only 2% was left because of the DMRC work in progress. However slight delays were primarily on account of heavy, unprecedented & long spell of rainy season which hampered the progress of the work.
- (ii) The contention of HLC that because there were no cost overruns therefore estimates were unrealistically high is totally wrong assessment & has been made without substantiating with any data/ figures. Instead of appreciating that works were completed without any cost overruns, HLC has made totally weird conclusion that the estimates were high. Since there was no Escalation

clause in contracts having less than 18 months completion time so the question of cost overrun does not arise at all.

- (e) Less Participation from various agencies from getting the work
Does not pertain to NDMC.
- (f) Huge variation in Estimated Vs Actual Quantities
Does not pertain to NDMC.
- (g) Favouring of certain contractors
Does not pertain to NDMC.
- (h) Scope of work not executed
Does not pertain to NDMC.
- (i) Deliberate Delays
 - i. In NDMC area the scheduled streetscaping works were completed before commencement of the Games. There was no compromise on quality.
 - ii. Two works were checked by the Quality Control Department of NDMC. Third Party Quality checks were carried out by IIT & Delhi College of Engineering. Besides the materials were tested from independent laboratories. The Third Party Quality check report & material testing reports are enclosed with detailed parawise comments. Since the works of NDMC commenced from Nov.'09 & sufficient time was available so there was no question of rushing the work and compromising of the quality. The statement has been made by HLC without substantiating with any documentary proof and without seeing the records of NDMC thoroughly.
- (j) Huge Variations in Estimated Vs Recorded Quantities

Does not pertain to NDMC.
- (k) Excess profit earned by Contractors
 - i. It is very surprising to see HLC making such comments. The tenders have been accepted based on the justification of the market rates as per provisions 19.4.3 of CPWD manual.
- (l) Mismatch between physical & financial progress
Does not pertain to NDMC.

18. As far as above observations are concerned they are not based on any facts and figures and are merely on assumptions and presumptions made by HLC.

COMMENTS OF PROJECT INCHARGE NDMC (SIGNAGES) ON HLC REPORT

1. Common Wealth Games gave NDMC an opportunity to bring a new look to signages. When project was conceived in year 2008 signages were mainly constructed of concrete and MS angle/channel with MS sheet painted with blue paint / Engineering grade sheet. The signages did not meet the standards laid down by the IRC and International norms. NDMC area where major Central Govt. Offices including the seat of Central Government is located including the Embassies the importance of having proper signages could not be ignored for long and accordingly in 2008 a decision was taken by Council to provide good quality International standards road signage boards.

2. The signage provided at that time in NDMC were grossly inadequate. The material used in those signages had been replaced worldwide with latest materials which was user friendly. This existing road signages had outlived their life. So the proposed signages made of retroreflective sheet and as per the norms laid down by IRC/ MORTH and best practices prevalent internationally were proposed to be used.

3. Accordingly a presentation on proposed road signages in NDMC Area was made and the design, placement, colour & size etc. of road signages of Pilot Project on Maulana Azad Road was approved.

4. A presentation of this road signage scheme was made to Council vide Agenda Item No. 26(A-38) dated **13 Feb.'08** and approval in principle was accorded by the Council.

5. Accordingly, the work of Pilot Project was awarded on 17 Aug.'08 and work commenced thereafter. The signages installed under Pilot Project on Maulana Azad Road were shown on 20 Sep.'08 to concerned authorities and DCP Traffic. Some suggestions were given by DCP (Traffic). Based on experience gained during execution of Pilot Project the detailed project report of main work was prepared.

6. The design of the signages was made Inhouse only. The material chosen was such that it did not require any painting etc. except cleaning.

7. Council approved to take up the work in a phased manner as under :-

(a) **Provision of three leafs signages on rotaries**

The case was sanctioned by Council vide Agenda Item No.05(A-72) dated **17 Dec.'08** for Rs.1,19,90,000/-. The work commenced on 23 Feb.'09 & was completed on 03 Oct.'09.

(b) **28 Major Corridors related to CWG-2010**

The work was sanctioned by Council vide Agenda Item NO. 4(A-90) dated **31 Dec.'08** for Rs.11,87,21,000/-. While according approval it was resolved by the Council that the tenders be issued in three packages. For the sake of convenience and to avoid procedural delays the Preliminary Estimates were combined for different packages. The Council after detailed deliberations and after getting comments from all the relevant departments like Planning, Finance and Legal Department accorded Administrative Approval & Expenditure Sanction directed that the work be carried out in different tender packages to have better competition as the agencies available in the market to carry out such large package work are very limited and this nature of work at such a scale was taken up for the first time in Urban Areas like Delhi. Also very limited time was available for execution of work due to Commonwealth Games-2010. The work commenced on **26 Jun.'09** & all the three packages were completed in **Aug.'10**.

(c) **Signages on remaining roads (other than roads covered under 28 Corridors related to CWG-2010)**

The work was sanctioned by the Council vide Agenda Item No. 19(A-107) dated 21 Jan.'09 for Rs.12,78,10,000/-. It was resolved by Council that the tenders be issued in three packages in view of position explained above, prioritizing the work for each tender in order of preference and importance. The work commenced in Oct.'09 & the work scheduled to be completed before Games have been completed.

8. The details of tenders awarded for different packages with latest status is as follows:-

Sl. No.	Project	Contractor	No. of agencies participated	Date of award of work	Date of Completion	Remarks
1.	2	3	4	5	6	7
1.	Pilot Project	M/s. Krishna Murari Gupta	03	07.08.08	30.01.09	Work completed
2.	Three leaf project	M/s. Anil Engineering Works	05	13.02.09	03.10.09	Work completed
3.	28 Corridors Phase-I Work-1	M/s. Fibrefill Engineers	04	12.06.09	29.08.10	Work completed
4.	28 Corridors Phase-I Work-2	M/s. CBM Industries	04	12.06.09	25.08.10	Work completed
5.	28 Corridors Phase-I Work-3	M/s. CBM Industries	04	12.06.09	27.08.10	Work completed

Sl. No.	Project	Contractor	No. of agencies participated	Date of award of work	Date of Completion	Remarks
6.	Other than 28 Corridors Phase-II Work-1	M/s. Fibrefill Engineers	05	30.10.09	--	90% Work completed
7.	Other than 28 Corridors Phase-II Work-2	M/s.ve Nippon	05	30.10.09	--	90% Work completed
8.	Other than 28 Corridors Phase-II Work-3	M/s. M.K. Sings	04	07.10.09	--	90% Work completed

As can be seen from the above table, works of eight packages were awarded to six different agencies. All these packages have been awarded work based on open competitive bidding & several agencies participated as can be seen from column 4 above & in line with decision taken by Council. The works from Sl. No. 1 to 5 have been completed & for Sr. No. 6 to 8 the works scheduled to be completed before games have been completed. By issuing tenders in different packages basic objective of competitive rates and timely completion of works has been achieved as explained above.

9. Brief comments on the issues raised by HLC are as follows:-

(a) **Comparison of signage scheme of PWD with NDMC**

It is pertinent to mention here that basic design of signage scheme for NDMC area is different from that of PWD as the character of roads, wealth of huge trees / plantation & being Lutyens Bungalow Zone NDMC required special type of signages not interfering with its basic character. As a result of this unique situation the signage scheme in NDMC area is totally **shoulder mounted** whereas in case of PWD it is mostly having road signages on gantries & on cantilevers which obviously has been done due to its very wide roads as compared to NDMC roads. HLC has failed to appreciate these facts. It has generalized the matter without studying the basic concepts of signage schemes of NDMC & PWD & their different design & placement due to different character of roads in their respective areas.

(b) **Use of Type-XI sheet in Pilot Project and reversion from Type-XI sheet to Type-IX Sheet & thereby incurring wasteful expenditure of 41.2 lacs.**

(i) Nowhere in NDMC area type-XI sheet has been used. So there is no question of reversion from type-XI to type-IX sheet. This fact can be verified from HLC's own statement made at para 7.11 (Page 127). From the very beginning i.e. in Pilot Project type-IX sheet has been used confirming to

ASTM D4956-07 and at no stage the change in type of sheet has been made in NDMC area. The type of sheet and design used and approved in Pilot Project has been adopted in rest of signage scheme in NDMC area.

- (ii) Since the signage scheme of Pilot Project was adopted in toto for remaining areas of NDMC so there is no question of any infructuous expenditure of Rs. 41.2 lacs as concluded by HLC. The HLC has made this observation based on records of PWD & not NDMC.

(c) **Removal of Type-IV Signage & replacement with Type-IX signage**

In NDMC area no type-IV signages have been removed and replaced with type-IX signage. In NDMC area majority of signages were made of RCC & only small portion constituted non-retro-reflective type made of posts of MS angle/ channel with MS sheet painted with letters/ engineering grade sheet letters. Most of these signages had outlived their life. Again the observation has been made by HLC for NDMC work based on records of PWD.

(d) **Non-recognition of signage work as specialized work**

- (i) As per para 17.2.1 of CPWD manual the signage work fall under the category of specialized items/ jobs. So keeping in view the provisions of manual & being highly specialized work the tenders were issued to specialized agencies and accordingly several offers were received & thereby having good competition as per details attached.
- (ii) HLC has not gone through provisions of the CPWD works manual where it is clearly stated that signage work is a specialized work & therefore needs special treatment & cannot be effectively carried out by general civil contractors. **As per para 17.2.1 of CPWD works manual signage work is a specialized work.** Agencies need to have specialized skilled in conformity with ASTM and requisite infrastructure facilities as well as experience to carry out signage work being a highly specialized job. HLC has failed to appreciate the fact it is not a normal painting of signages which could have been done by erection agencies but specialized work with a seven years warranty clause.
- (iii) Moreover to ensure good quality sheets are purchased by the agencies and ensuring the quality on ground would have extremely difficult with normal erection contractors without any experience of signage works because of the scale & number of signages being used and availability of cheaper

substandard sheets in the market which do not meet the specifications of ASTM & IRC.

(e) **The purchase of sheet by NDMC directly from the manufacture and then issue to the Erection contractors for preparation of signages**

The suggestions of HLC that NDMC should have purchased RR sheets directly from manufacturers and then issued it to the general contractors for providing signages defies logic & it does not appear to have come from persons who have professional & thorough knowledge about works procedure. The suggestion is similar to purchase of bricks, cement, aggregate by department & then issue these to contractors for construction of buildings. This suggestion does not make any sense & tenders are not issued in this manner. Had this been done, there would have been cost and time overruns in the project besides coordination problems. The suggestion cannot be followed in specialized works like signages as defined in CPWD works manual.

(f) **The methodology adopted by NDMC for preparation of signage not as per IRC**

(i) The technique adopted by NDMC for preparation of sign boards is as per IRC 67-2001 & MORTH specifications. The scheme has been executed strictly based on specifications & norms laid down in ASTM D4956-07, IRC 67-2001 (Para 5.9) & MORTH specifications (section 801) in which it is clearly stated that messages i.e. legends, letters, numerals & borders etc. shall be of cut out of retro-reflective sheet to be pasted on retro-reflective sheet as per ASTM D4956-07. The retro-reflective signages are made by pasting cut out letters from retro-reflective sheet with pressure sensitive adhesive over the retro-reflective sheeting base conforming to ASTM D4956-07 standards and as recommended by Ministry of Road Transport and Highway (MORTH) specifications for roads Section 801.3 & IRC 67-2001 (Para 5.9).

(ii) Besides the maintenance of cut-out sheets as recommended by MORTH/ IRC is simple and economical as any damaged letter/ messages can be easily replaced instead of entire sheet of overlay signage. In overlay method which is not recommended in IRC 67-2001 or MORTH specifications if any damage / vandalism occurs the entire sheet of board will have to be replaced which will be very expensive as compared to the cut-out method adopted in NDMC area based on MORTH specifications.

(g) **Condition 7A of NIT allowing only authorized converters of manufacturers to bid for the tender thereby restricting the competition**

- (i) The condition 7A has been correctly mentioned in NIT to ensure that bidder is a authorized converter and being a specialized job & not the one who has stopped working sometime back and is not update with the latest techniques of specialized job involved in making of these signages as per ASTM standards. This condition ensures the quality of the product and is aimed to ensure agencies with latest equipment and techniques are eligible.
- (ii) This condition of NIT alongwith other conditions were challenged by M/s Design Dialogues (India) Pvt. Ltd. in Hon'ble Delhi High Court vide writ petition No. WP(C) No.-9884 of 2009. The condition 7A i.e. current day certificate of authorized convertership was deliberated in detail in judgement delivered on 08 Jul.'09 by Hon'ble Delhi High Court. During deliberations it was stated that both the leading manufacturers which are located abroad i.e. 3M and Avery Dennison have 49 converters all over India who were sufficiently in large number eligible to bid for the tenders. The conditions 7A refers to the requirement of bidder being authorized converter in relation to Micro Prismatic Retro-reflective sheeting and not necessarily restricted to Type-IX sheet.
- (iii) The Hon'ble Court in its order dated 08 Jul.'09 has stated clearly that there is nothing unreasonable or arbitrary about clause 7A in as much as there are large number of authorized converters who would all be entitled to participate in said tender. **The Hon'ble Court categorically stated in its judgement that the requirement of bidder being a authorized converter is neither unreasonable nor arbitrary and Hon'ble Court has upheld the clause 7A of the NIT.** There are certain stipulations/ conditions which are necessary before a person is designated by the manufacturer as an authorized converter. These stipulations include experience in fabrication of sign boards apart from other conditions.
- (iv) The Hon'ble Court has stated in its judgement that the condition of requiring an authorized converter to submit the bid **is a step in direction of selecting the best.** This not only ensures quality but also reliability & the capability of the bidder for completing the work in time. The court was therefore of the view that there is nothing unreasonable or arbitrary about clause 7A of the eligibility criteria & writ petition of Design Dialogues (India) Pvt. Ltd. challenging the condition 7A alongwith other conditions of NIT **was dismissed by the Hon'ble Court.**
- (v) Section 17.2 of CPWD works manual envisages that specialized items/ works are those that requires special T&P and /or specialized skill and it is necessary

that tenders for specialized jobs/ **works are issued to the firms who deal in specialized items/ works for which tenders are invited.**

- (vi) Accordingly work of signage has been categorized as specialized work at Sr. No. 41 of the Annexure-I of Para 17.2.1.
 - (vii) So the High Level Committee has totally gone wrong in its interpretation of contract conditions vis-à-vis the specialized & complex nature of work & various provisions of CPWD works manual. The High Level Committee has failed to appreciate that this condition was absolutely necessary to achieve quality work on ground which has also been upheld by Hon'ble Delhi High Court.
- (h) **Justification of tenders by considering rates of other than lowest bidders who quoted in span of one & half year in Item rate contract**
- (i) The methodology adopted by HLC for calculating impact of 7.45 Crores shown in Annexure 7E is totally unacceptable as it appears to have been done without having a knowledge of tendering process. What has been done, is that in seven packages which have been awarded during the span of 1½ years, the lowest rates of each item, of all tenders received, including the rates of unsuccessful bidders, have been taken for calculating the impact which is totally incorrect way of calculation the impact and shows lack of knowledge of tendering process.
 - (ii) It effectively means, we should have awarded the work of signage to different agencies to make signboards i.e. for items like excavation, RCC, Steel, sheet, ACM, tape etc. would have to be carried out by different agencies to fabricate & install one signboard if the logic of HLC is taken into consideration. Every tender has to be assessed based on the justification of tender as a whole as per provisions of CPWD manual **in item rate contract.**
 - (iii) In competitive bidding system it is not possible to determine the rates which would be quoted by bidders at different stages and at different times over a period of time. Therefore reasonability of rates for each tender has to be assessed on the basis of justified rates as per Para 19.4.3 of CPWD Manual. The justification is prepared based on the market rates of labour & materials etc. prevailing that time as **per para 19.4.3.1 of CPWD manual** and its acceptance or otherwise is determined accordingly.
 - (iv) The justification of each tender has to be prepared as per provisions of CPWD manual based on the market rates as has been done in the instant case and the decision whether to accept or not is determined with respect to justified rates only for

particular tender & not based on what rates would be quoted by bidder say in next six months to one year or more. This practice is followed throughout the country for competitive bidding system for item rate contract. Since these packages were issued in a phased manner and accepted at different times within a span of 14 months. So the calculation made by High Level Committee based on rates received after last tender which was accepted after 14 months, is totally incorrect way of evaluation of tenders and not based on the practice followed for acceptance of tenders as per provisions of CPWD manual.

- (v) It is an accepted fact that as and when the consumption of particular item increases with the increased usage the rates go down and same thing has happened in the case of NDMC as all tenders were based on competitive bidding system and justification was prepared based on prevailing market rates as per provisions of CPWD manual. So there is no question of excess payment as HLC has gone wrong in its observations without following the code of practice on such matters recommended by CPWD works manual.

(i) **Awarding of work equally to authorized converters of two different manufactures**

- (i) The conclusion of HLC that both the manufacturers got equal works awarded is totally wrong & has been drawn by HLC without going into the correctness of figures supplied to them. The observations have been made by HLC based on data reproduced by them in table-5 (Page-143 of the report). The first package (NDMC three leaf) has been shown as **Rs. 6.49 Crores whereas it is only Rs. 0.65 Crores.**
- (ii) It is not proper on the part of HLC to combine works awarded by PWD, NDMC & make such sweeping remarks as both departments are separate entities and bidding process has taken place **separately, independently at different stages & in different set of ground conditions.** As can be seen from Table-2 (Page-124) of HLC report the tenders in NDMC area **were received much before the tenders were accepted by PWD.** NDMC being autonomous civic body has its own set of procedures in place for tendering based on CPWD manual. This comparison by HLC is similar to one where tenders are accepted by various organizations throughout the country at different stages under different set of conditions & at different times. If the packages awarded by NDMC are seen (Sr. No. 1 to 7 table-5, page-143 of HLC report) the work awarded to authorized converters of 3M is **Rs.12.59 Crores** and to the agencies who are authorized converters of Avery Dennison is **Rs. 5.93 Crores** which no way is equally divided and shows incorrectness in compiling of figures & making sweeping remarks by HLC based on these figures.

- (j) **Increased size of signboards giving benefit to the contractors & incurring extra expenditure due to consumption of more than twice the retro-reflective sheet in boards**
- (i) HLC should have gone through the best practices followed worldwide for using the road signages and code of practice for road signages, IRC 67-2001 and Supplementary Technical Advice before making such comments. Instead HLC has relied heavily on some verbal Advice of so called highway expert whose name has not been revealed in the report.
 - (ii) In introduction itself of this Supplementary Technical Advice it has been stated that **"IRC 67-2001 is the official guide to design manufacturing & installing traffic signals in India. It is a good introduction to this complex subject but these are some confusions, contradictions & omissions which this note seeks to resolve. It provides technical advice which supplements & the some cases modifies the guidance given in the IRC code"**.
 - (iii) The IRC 67-2001 code provides for separate definitions plate to be attached to the mandatory & cautionary boards as per para 13.4.2 & plate 1.
 - (iv) Instead of having separate plates at the bottom of circle & triangle specified by IRC 67-2001 combined board has been designed as per para **16 of supplementary Technical Advice** issued by IRC & keeping in view the general aesthetics & International best practices followed in other countries like Singapore, Malaysia, US & other European Countries.
 - (v) Also as per clause 16 of code of practice of Supplementary Technical advice a sign can be mounted on Yellow or Grey boards to make them more prominent. So the contention of HLC that twice the area of board has been used is incorrect and misplaced in view of above.
 - (vi) The conclusion drawn by HLC that consumption of retro-reflective sheeting is more than twice has not been backed by any calculation or data and is factually incorrect. In NDMC various types of boards installed & area of sheet used vis-à-vis area occupied by letters, symbols, borders etc. in these boards are strictly as per IRC 67/2001 & Supplementary Technical Advice issued by IRC. The contention of excess consumption of sheet by HLC is incorrect & not as per provisions of various codes/ instructions issued by IRC/ MORTH & best International Practices.
 - (vii) Also the conclusion that 50% of contract value is a wasteful expenditure is incorrect as indicated in the report of HLC. Besides the calculations have been made by HLC

based on 50% of contract value saying that 50% of sheet has been used in excess whereas the sheet component is **less than 25% of the cost of signage as stated by HLC itself as para 7.42 (page 137) of the report.** It shows inferences drawn by HLC are not justified.

- (viii) If critical analysis of boards installed by NDMC is carried out it can be seen that these boards have hardly any space left which can be said to have used excess sheet e.g. Informatory signs, Place identification signs, mandatory & cautionary signboards. Therefore HLC appears to have gone wrong in their assessment and is without understanding the concepts of signage scheme properly. There is no wasteful expenditure & signboards have been provided strictly as per norms in vogue.

COMMENTS OF PROJECT INCHARGE

STADIA PROJECT

1. TALKATORA INDOOR STADIUM

Talkatora Indoor Stadium was initially constructed in 1974 for various indoor games and for cultural and social activities for public at large. This stadium was further upgraded for holding the event of Basket Ball during Asian Games 1982. This stadium remains in use for various activities through out the year.

2. SHIVAJI STADIUM

Shivaji Stadium was initially constructed during 1960 as a sports venue for Hockey. This stadium was further upgraded for holding the event of Women hockey during 1982 Asian Games. This stadium primarily remains in use for various national Hockey Tournament apart from holding some international tournament.

3. NDMC STADIA FOR COMMONWEALTH GAME-2010.

The host agreement for holding Commonwealth Games 2010 in Delhi was signed during 2003. After the Commonwealth Games 2010 were allotted to Delhi, 1st meeting of the Core Group of officers was held on 20-10-2004 under the Chairmanship of Chief Secretary Govt. of Delhi. During the meeting it was stated that final selection of the venues may take some time but all the departments should prepare their action plan keeping in mind the venues which were used for Asian Games 1982, as these venues were in all probability going to be used for commonwealth games with some modifications and Up-Gradations. Accordingly the proposal amounting to Rs.30.45 Crores for Imp./Up-Gradation of both the Stadias was initiated. The proposal was scrutinized at various levels as per procedure of NDMC and finally placed before Council for approval during its meeting held on 22-07-2005, for Up-Gradation of the two NDMC Stadias to international level even if these are not used during Commonwealth Games 2010 considering that in any case the Stadias have to be up-graded for their continuous use for various Sports/Games as Commonwealth Games cannot be only focus for redevelopment. Also as per New Delhi Municipal Council Act- 1994 maintenance of the Stadias is function of the council. Accordingly the Council approved the proposal of the Department vide Reso. No. 10(A-9) dated 22-07-2005. At the same time the venue appraisal Study was conducted by M/S EKS international Consultant of OC and the presentation on the same was made on 08-06-2005 in the Office of V.C. DDA when all stake holders were present. During the presentation M/S EKS made some

observations for not using NDMC Stadias as per Original Program i.e. using Talkatora Indoor Stadium for Table Tennis and Shivaji Stadium for Women Hockey. The Concern of M/S EKS was adequately addressed in the above said Council Resolution.

The Venue Appraisal report of M/S EKS was under study with V.C. DDA and OC. Finally Chairman organizing Committee vide their letter No.CWG/2010/NCT of Delhi/Sports venues dated 23-12-2005 conveyed the decision of the Executive Board of the 2010 Commonwealth Games informing that both the venues of NDMC were approved for events as under:-

1. Talkatora Stadium - Competition Venue Boxing
2. Shivaji Stadium - Training Venue Hockey

The venue brief for Talkatora Indoor Stadium and Shivaji Stadium were received from OC, Commonwealth Game-2010 in Nov 2006 and May 2007 respectively. After receipt of the venue brief the Architect Consultant appointed by NDMC was asked to prepare return brief and detailed concept plan/ drawings to be submitted to OC/ EKS for their approval. Series of the meetings were held with EKS (International Consultant of OC) to get the concept plan/ drawings and return venue brief approved. During the process of approval of concept plan/ drawings it was found that the existing Talkatora Indoor Stadium was not sufficient to accommodate space requirement of various functional areas but there was essentially requirement of a facility block and underground parking adjacent to the existing stadium required to be connected through under ground tunnel for security reasons.

Similarly in case of Shivaji Stadium, after receipt of venue brief in the month of May-2007, return brief and concept plan was prepared by the Department and also keeping in view the decision taken in the Empowered Committee held on 18-10-2007 the proposal was submitted to OC/ M/S EKS for their approval. In the concept plan there was a complete proposal for demolition of Existing Stadium and reconstruction of the same to meet the requirements of Venue Brief. There were also commercial structures including Clock Tower Restaurant required to be demolished for implementation of concept plan. There was also a Municipal water underground reservoir and ESS adjacent to the Existing Stadium which were also coming in the alignment of the New Proposed Stadium. These Facilities were also accommodated in the underground parking area of the concept plan.

After getting the concept plan and return venue brief approved from OC/ EKS, the concept plans were submitted to DUAC and other statutory bodies for their approval. The DUAC approval for Talkatora Indoor Stadium and Shivaji Stadium was received on 05.07.2007 and 02.01.2008 respectively. Simultaneously the department started preparing the detailed estimate and tender document for both the stadia. After fulfilling all the codal formalities the tender for various works were awarded between Nov 2007 and May 2008. The work of Talkatora Indoor Stadium started during Dec 2007 and was completed well before the Commonwealth Games-2010. Successful test events were held in Talkatora Indoor Stadium during March 2010 and July 2010. Though the work of Shivaji

Stadium started in June 2008 the same could not be completed for Commonwealth Games due to following reasons.

1. There were Shops, Restaurants, Kiosks etc. falling in the alignment of the project. While making arrangements of their allotment, cancellation or its shifting, the allottee of Clock Tower Restaurant went to the court against NDMC. The delay in clearance of Court case and possession of encumbrance free site caused major constraint in completion of the work as per planned schedule.
2. The existing Elect-Sub Station and Municipal under Ground Reservoir/ Water Boosting Station on this plot of land, feeding adjoining area were also to be constructed in the basement of Shivaji Stadium and were to be made functional before demolishing the existing utility and clearing this site for construction of stadium.
3. The project site is very restrictive and that needed extra efforts due to double handling of materials as well as shortage of space for execution and stacking of construction material.
4. Extra ordinary rains during the year 2010.

It is also to mention that the construction of the stadias including facility block and under ground parking was not merely intended for conducting CWG-2010 for a limited duration of 10 days but keeping in mind future legacy value and requirement/ needs of public of Delhi City at large.

It is further added that the Talkatora Indoor Stadium after the conduct of the Commonwealth Games is extensively used for various social, cultural, sports activities. From Nov 2010 to March 2011 revenue of Rs.100 Lacs (approx.) has already been generated which is many times more than the average revenue earned for the same duration earlier. This could be possible because of the improved version of Stadium including additional facilities and underground parking. The facility of the stadium has been appreciated by various Sports Federation, Social and other Organizations and Public who have used the stadium after CWG-2010. The stadium is functioning as a multipurpose venue to fulfill the various need/ requirement of public at large thus NDMC as local body has fulfilled its obligatory function as per NDMC Act.

The newly constructed Shivaji Stadium complex comprises of the following facilities

- a. International size Hockey pitch and warm-up area.
- b. Facility block (ground + four floors) having total area of 6250 Sqm.
- c. Two level under ground parking for 1200 cars.
- d. Commercial shops below the seating tiers.

The Hockey pitch and warm-up area along with the ground floor will be used for various hockey events and four floors of facility block, under ground parking (1200 cars) and commercial shops shall be used for offices/ commercial purposes which will generate substantial revenue being strategically located in the heart of city. The facility of parking provided in the complex will also resolve the acute shortage of parking in surrounding Connaught Place area, thus NDMC as local body intend to fulfill its obligatory function as per NDMC Act.

Keeping in view, the legacy use of both stadia complexes, the investment made by the department in reconstructing/ developing both the stadia is fully justified and the money invested shall be recovered back as a result of long term revenue returns.

SOME OF THE MAIN FINDINGS IN CHAPTER 16 OF FOURTH REPORT

Period of inaction

16.2 It has been observed that even in case of Games venues, there was a long period of inaction on the part of all stakeholders, viz. Ministry of Youth Affairs & Sports, OC, Venue Owners, Sport Federations. Despite most of the Games Venues getting identified in the year 2003 itself, no preparatory action was taken by the Venue Owners. Consequently, nothing was done in 2004; 2005 went in Baseline Survey and 2006 in the process of favouring EKS and initiating the preparation of Venue Briefs. By the time Venue Briefs were finalised, 2007 was virtually coming to an end. In a few cases (Yamuna Velodrome – July 2008) the process took still longer.

Delay in finalisation of Venue Briefs

16.3 The Venue Owners and /or their consultants unduly delayed submission of 'Return Briefs'. These were prepared in a perfunctory manner and were submitted between January 2007 and April 2009; thereby considerably delaying the whole process. Thereafter, the Assessment Report of EKS was reduced to an academic exercise without much value since work on various venues had already commenced based on preliminary estimates and ever changing work specifications. This is evidenced by the large number of works which were taken up at various Games Venues during the stage of construction based upon 'new' requirements. Construction of a tunnel in the Jawahar Lal Nehru Stadium for ingress and egress of athletes from the Field of Play during the Opening and Closing ceremonies is one such instance.

Delay in Completion

16.4 The final selection of Competition and Training Venues by OC was done only in December, 2005. This delay was compounded by the delay in preparation and finalisation of Venue Briefs. Consequently, the process of award and commencement of work at various Games Venues was inordinately delayed and the 'emergency' clause in various contracts got activated. Thus, despite being forced to accept a 'steep increase' in project cost (ranging between 5 to 10%) and accepting very high tenders, not a single Games Venue could be completed on schedule.

In respect of the Talkatora Stadium, the date of the commencement of the construction has been indicated as 8th December 2007. Target date for completion -October 2009 and date of completion – June 2010.

Procedures compromised

16.5 As a result of delays and inaction, a number of compromises were made in the established procedures by all executing agencies. It did not matter whether it was the CPWD, DDA, NDMC, PWD, RITES or EIL.

Wasteful expenditure on security

16.7 It defies logic why the Ministry of Home Affairs decided to spend over 30 crore on installation of sophisticated cameras and other security gadgets at 14 Training Venues where large number of spectators were not expected. 'Threat' perception could have been managed through other less expensive means during the duration of the Games. The legacy value of the expensive security apparatus installed is also not clear.

The wasteful expenditure on security in relation to Shivaji Stadium has been shown as 2.45 crores.

No dearth of money syndrome

16.8 As in other CWG projects, Games Venues were also constructed and upgraded in such a manner where it appeared that money was not a constraint at all; estimates could be revised at will and cost escalation was the 'normal' thing. Budget was revised at will. In almost all projects significant cost escalation has been observed. It appears as if to economise was 'criminal' and to splurge was 'civil'! A glaring instance is the cost of seats that have been installed in various Competition and Training Venues which range between 1165 per chair installed in the Upper Tier of Jawahar Lal Nehru Stadium to 7781 per chair in the still incomplete Shivaji Stadium. Details are at **Table 3** below.

Table 3 : Cost Comparison of Seats at various CWG Competition & Training Venues

Name of Venue	Competition or Training Venue	Name of Executing Agency	Unit cost of chair
Shivaji Stadium	Training Venue	NDMC	Initial contracted price of Rs. 1730/- per chair. However actual cost paid Rs. 7781/- per chair
Talkatora Stadium	Competition Venue	NDMC	Initial contracted price of Rs. 3850/- per chair. However actual cost paid Rs. 5000/- per chair for 2704 chairs and Rs. 4000/- per chair for 446 chairs

Manipulation of Justified Cost

16.19 Table 4 above shows that the tendered cost was higher than the estimated cost in the range of 12% to 66%, but has invariably, in almost all cases, been shown below 10% with respect to the 'justified cost' worked out by the Department post opening of the bid. The justified cost has been worked out in a non transparent manner. Artificially inflating the cost, assuming premium on labour costs for overtime and transportation, providing for inadmissible escalation, arbitrarily obtaining and applying market quotations and providing premium for compressed time frame while preparing the justified cost point to manipulation with a view to avoid re-tendering and accepting higher tendered cost.

Note : In Table 4, NDMC does not figure.

Shivaji Stadium

16.51 Shivaji Stadium, which was a training venue for Hockey, was taken up by NDMC for total reconstruction at an estimated cost of 80.85 crore. Contract was awarded to an ineligible party, a Chinese company which had not executed any work in India at an exorbitantly high cost of 160.27 crore. The work was promptly sub-contracted to M/S Simplex for about 80 crore. In the meanwhile NDMC officials obtained administrative approval for 185 crore. At least for the CWG'2010, such an investment was not necessary. The stadium work was not completed and, hence, not used at all during the Games. It was also seen that an ineligible consultant was appointed. An exorbitant price was fraudulently paid for chairs causing a loss of 5.69 crore.

Talkatora Stadium

16.52 Talkatora Indoor Stadium was the competition venue for the Boxing event. An ineligible firm was appointed as consultant and the contract for construction was awarded to M/S Simplex on a single tender basis. Administrative approval and Expenditure sanction was obtained for an astronomical 150 crore. The contract amount was 72.18 crore against the estimated cost of 38.8 crore.

Cost of Delay

16.58 It has been observed that none of the Games Venues could be completed in time and could be completed only in 2010. Had work on these projects commenced a year earlier and these projects got completed in 2009, based on the construction cost index published by CPWD, the total cost of all Games venues would have been at least 800 crore less. Thus, the cost of delay is estimated at 800 crore.

Financial Oversight

16.59 CPWD Works Manual does not prescribe any financial screening or scrutiny or vetting of the cost estimates prepared by its own officers. The Manual refers to various principles, procedures etc. which are to be adhered to by their officers while preparing rough cost and detailed cost estimates and while obtaining technical sanction and administrative approval. The Manual does not provide for nor envisages a formal internal check of such estimation exercise by an authority different from the one who prepared the estimate.

Undue Gain to Contractors

16.66 Several instances have come to light where contractors have been recipients of what HLC feels are 'undue gains'. These amount to about 256.23 crore. This has been calculated on the basis of those limited contracts which were scrutinised by HLC teams and are, therefore, illustrative rather than exhaustive.

As per this report no undue gains have been given by NDMC to its contractors.

Wasteful Expenditure

16.67 Certain types of assets not directly related to conduct of Games, unnecessary and/or not used have been categorized as 'wasteful expenditure'. These include, inter alia, provision for basement parking; construction of new wrestling stadium in Indira Gandhi Sports Complex; construction of unnecessary works at Dr. Karni Singh Shooting Range; providing for lights of 1500 lux at training venues where no TV coverage was envisaged; installation of expensive security cameras and gadgets at Training Venues and seating arrangements at Training venues. Thus, as per HLC estimates, about 574 crore was 'wasteful expenditure'. Details are as under:

S.No.	Venue	Amount (in crore)
6.	Shivaji Stadium	160.00
9.	Talkatora Stadium	
	Upgradation	32.98*
	Toughened Glass	4.37

* Provision of Rs.20 crore is considered adequate for providing certain basic facilities for athletes.

It can be seen from the Chapter 16 covering the main findings that HLC's main findings in respect of the Council related to –

- (i) Wasteful expenditure on security of Rs.2.45 crores in respect of Shivaji Stadium (Para 16.7).
- (ii) Wasteful expenditure in creation of assets not directly related to the conduct of games or not used for conduct of games. These include Rs.160 cr. On Shivaji Stadium and Rs.32.98 crores on the upgradation of Talkatora Stadium and Rs.4.37 crores on Toughened Glass.
- (iii) The additional payment for the chairs in Talkatora Stadium and Shivaji Stadium and
- (iv) That administrative approval and expenditure sanctioned for Talkatora Stadium have taken at Rs.150 crores against contract amount of Rs.72.18 crores and estimated cost of Rs.38.8 crores. These specific findings are clarified as under :-

In respect of observations of the HLC in Chapter 9 and 11, detailed reply is being drafted to be sent to the government. However, in respect of the specific findings in chapter 16, the position has been explained by the concerned department and is explained hereunder.