

NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI.

COUNCIL'S MEETING NO. 09/2013-14 DATED 27.01.2014 AT 11-00 A.M.

Arrangement of business

ITEM NO.	SUBJECT	PAGE	ANNEXURE
01 (C-24)	Confirmation and signing of the minutes of the Council's Meeting No. 08/2013-14 held on 10.01.2014.	3	4 – 8
02 (B-15)	Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area. Tender ID No. 2013_NDMC_28315_1 Award of work ` 6,98,97,433/-	9 – 17	18 – 25
03 (B-16)	Annual Contract for laying of U/G LT Cables, Dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area. Tender ID No. 2013_NDMC_28323_1 Award of work ` 3,86,16,114/-	26 – 34	35 – 42
04 (K-05)	Liberalized Medical Health Scheme.	43 – 47	
05 (F-01)	Determination of municipal tax, rates, cesses and rebates for the year 2014-15 and other related matters.	48 – 52	53 – 58
06 (B-17)	Appointment of advisory firm for the formation of Electricity Cell within NDMC.	59 – 64	65 – 84
07 (B-18)	Purchase of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5 C duly ISI marked.	85 – 90	91 – 114
08 (L-04)	Open Auction in respect of premises at Main Gate of Lodhi Garden, New Delhi, allotted to M/s Aresko Restaurants Pvt. Ltd.	115 – 117	
09 (G-08)	Revision of the existing water tariff in NDMC area.	118 – 122	

10 (G-09)	Free Water Supply upto 20 KL per month to Domestic Consumers in NDMC area	123 – 127	
11 (G-10)	Targeted Subsidy on Consumption of Electricity to Domestic Consumers in NDMC area.	128 – 129	
12 (C-25)	Contracts/Schemes involving an expenditure of Rs.1 Lac but not exceeding Rs.200 lacs. (For information of the Council)	130	131 – 137
13 (C-26)	Action Taken Report on the status of ongoing schemes/works approved by the Council. (For information of the Council)	138	139 – 155
14 (L-05)	To obtain directions of the Council in the matter of Jagdish Kapila vs. NDMC in r/o. Shop No.M-24, Palika Bhawan, R.K.Puram, New Delhi.	156 – 160	
15 (L-06)	Information regarding allotment of 70 vacant units of NDMC through open bid process.	161 – 162	
	OTHER ISSUES		
	Resolution proposed by Sh. I.A. Siddiqui, Member, NDMC, regarding guidelines on extending ownership right to shop keepers, transfer policy, extension of licence, approval from lease hold to free hold, tehbazari etc.	163	
16 (K-06)	In- principle approval for appointment of all eligible applicants under compassionate appointment category on muster roll.	164 – 165	

ITEM NO. 01 (C- 24)

Confirmation and signing of the minutes of the Council's Meeting No. 08/2013-14 held on 10.01.2014. (See pages 4 - 8)

COUNCIL'S DECISION

Minutes confirmed subject to condition that the decision of the Council against Item No. 20 (H-02) be read as under :-

The Council has resolved that the proposal regarding policy for appointment/regularization of TMR / RMR / contractual workers etc. is approved in principle with the following amendments: -

1. RMR workers at present working in NDMC shall be regularized as Group 'D' in 6th CPC scale w.e.f. 01.04.2014 subject to availability of vacancies.
2. None of the employees RMR or TMR/contractual will be rendered ineligible on the basis of qualification and age as per RRs. This is a one-time relaxation only and not to be quoted as precedent. However, this relaxation will not be available to any other applicant or to employees of other organizations applying for the post of Group 'D' and they have to fulfil all the eligibility criteria as per the RR.
3. In case of educational qualification being 'Literate' as defined by the Govt the weightage will be 15 marks. In case of more educated employees, the qualification shall be measured as weightage given for selection procedure i.e. 5th class: 16 marks, 8th class: 18 marks, and 10th class and above: 20 marks.
4. Professional experience and training is defined as experience in the same profession in Autonomous Body, Local Body, Public Sector Undertaking etc. under any government Central or State or diploma for certificate in their respective profession.
5. The vacancies will be filled in a calibrated manner on the basis of vacancies available.

At the time of confirmation of minutes dated 29.02.2014, the Council directed that :

Minutes confirmed by the Council subject to the condition that in the decision of the Council taken against Item No. 01 (C-24) dated 06.02.2014, the following Para may be added:

6. "To grant RMR status to TMRs, who have completed 500 days as on 31.01.2014."

NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI

MINUTES OF THE COUNCIL'S MEETING NO. 08/2013-14 HELD ON 10.01.2014, AT 11-00 A.M. IN THE COUNCIL ROOM, PALIKA KENDRA, NEW DELHI.

MEETING NO.	:	08/2013-14
DATE	:	10.01.2014
TIME	:	11-00 A.M.
PLACE	:	PALIKA KENDRA, NEW DELHI.

PRESENT :

- | | | | |
|----|-------------------|---|-------------------|
| 1. | Sh. Ajay Maken | - | Presiding Officer |
| 2. | Jalaj Shrivastava | - | Chairperson |
| 3. | Smt. Tajdar Babar | - | Vice Chairperson |
| 4. | Sh. Dharmendra | - | Member |
| 5. | Sh. Ashok Ahuja | - | Member |
| 6. | Sh. I.A. Siddiqui | - | Member |
| 7. | Sh. Suka Ram | - | Member |
| 8. | Sh. Vikas Anand | - | Secretary |

Sh. Ajay Maken, MP (Lok Sabha), took oath of office as a Member of the Council and Presided over the meeting.

ITEM NO.	SUBJECT	DECISION
01 (C-21)	Confirmation and signing of the minutes of the Council's Meeting No. 07/2013-14 held on 27.11.2013.	Minutes confirmed.
02 (A-16)	Re-development of Kidwai Nagar (East), GPRA Project – Purchase of 10 Nos. Type-II Flats from NBCC-	Resolved by the Council for the following:- (i) That the NBCC modified the payment of

	Payment thereof.	<p>saleable area per DU's (sft) by increasing the area from 800 to 997 sq. ft., thereby increasing the cost of 10 Type-II unit to cost for 10 Nos. Dwelling units to `9,97,39,880/- (Rs. Nine crore ninety seven lac thirty nine thousand eight hundred eighty only) against the earlier demand of `8,00,32,000/- (Rs. Eight crore thirty two thousand only). The present amount i.e. Rs.,9,97,39,880/- (Rs. Nine crore ninety seven lac thirty nine thousand eight hundred eighty only) is exceeding 10% of the earlier accorded administrative approval and expenditure sanction by the Council for `8,00,32,000/-. Hence, revised A/A & E/S may be accorded by the competent authority for making payment to NBCC</p> <p>(ii) The payment initially will be made under the head of account 4605001 i.e. Advance to others-advance against project to the tune of `9,97,39,880/- in anticipation of revised A/A & E/S subject to adjustment under appropriate head of account i.e. 6-412-40-0-New Scheme-0-13, "Redevelopment of Kidwai Nagar (East), GPRA Project- Purchase of 10 Nos. Type-II Flats" from NBCC after getting the RE approved for the year 2013-14.</p> <p>(iii) For rest of the demands of NBCC i.e. charges for parking space and maintenance charges all out efforts shall be made separately with NBCC as per details mentioned above.</p> <p>(iv) It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.</p>
03 (A-17)	S/R of roads in NDMC area. SH:Resurfacing of roads in Golf Link & Bharti Nagar Colony.	Resolved by the Council to accord Administrative Approval and Expenditure Sanction amounting to `2,17,74,000/- (Rs. Two crore seventeen lac seventy four thousand only) for the work of "Sub: - S/R of roads in NDMC area. SH: -Resurfacing of roads in Golf Link & Bharti Nagar Colony".

		<p>The resolution is subjected to the condition that the Department shall ensure that the said roads have outlived their life and only those road portions will be resurfaced which are in need of resurfacing.</p> <p>The Council also advised that more emphasis/attention should be placed by the Department placed on the interior lanes and high density areas.</p> <p>It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.</p>
04 (A-18)	S/R of roads in NDMC area. SH:- Improvement to existing walkways by providing prefab c.c. slabs red grey combination creating green buffers in cross roads in Lodhi Colony, Jor Bagh Road and connecting road between Mausam Bhawan & Jor Bagh.	<p>Resolved by the Council to accord Administrative Approval and Expenditure Sanction amounting to `2,09,22,300/- (Rs. Two crore nine lac twenty two thousand three hundred only) for the work of "Sub: - S/R of roads in NDMC area. Sub Head:- Improvement to existing walkways by providing prefab c.c. slabs red grey combination creating green buffers in cross roads in Lodhi Colony, Jor Bagh Road and connecting road between Mausam Bhawan & Jor Bagh.</p> <p>The resolution is subjected to the condition that the Department shall ensure that the said walkways have outlived their life and are in need of improvement.</p> <p>The Council also advised that more emphasis/ attention should be placed by the Department on the interior lanes and high density areas.</p> <p>It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.</p>
05 (B-10)	Purchase of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5 C duly ISI marked.	<p>Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of `254 crores was sanctioned for purchase of cable, along with the present proposal with justification, in the next meeting of the Council.</p>
06 (B-11)	Addition / Alteration of electrical	Resolved by the Council that the approval is accorded

	installations in various Municipal Buildings. SH: Supply, Installation, Testing & Commissioning of CCTV Cameras in various Municipal Buildings & Electric Sub-stations in NDMC area).	<p>to award the work to the lowest tender of M/s Avana Integrated Systems Ltd at their total quoted cost of `3,44,76,165/- (Rupees Three Crores Forty Four Lacs Seventy Six Thousand One Hundred & Sixty Five only) for the work of Supply, Installation, Testing & Commissioning of CCTV Cameras in various Municipal Buildings & Electric Sub-stations in NDMC area & Annual Maintenance Contract at their total quoted amount of `32,33,000/-(Rupees Thirty Two Lacs & Thirty Three Thousand only) for 5 years.</p> <p>Further it was resolved by the Council to accord Administrative Approval & Expenditure Sanction amounting to `32,33,000/- (Rupees Thirty Two Lacs & Thirty Three Thousand only) for Annual Maintenance Contract of 5 years.</p> <p>It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.</p>
07 (B-12)	Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area.	Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of `254 crores was sanctioned for purchase of cable, along with the present proposal with justification, in the next meeting of the Council.
08 (B-13)	Annual Contract for laying of U/G LT Cables, Dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area.	Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of `254 crores was sanctioned for purchase of cable, along with the present proposal with justification, in the next meeting of the Council.
09 (T-03)	Naming/Renaming of roads in NDMC area.	Resolved by the Council that the requests for naming/re-naming of roads/street received by NDMC are rejected.
10 (E-06)	Approval of R.R's. of various post sanction by the Council Vide	Item withdrawn.

	Resolution. No. 20 (E-07) Dated: 24.02.2010 for Dental Clinic, Dharam Marg, Chanakya Puri, New Delhi.	
11 (D-04)	Revised Schedule for presentation of Revised Budget Estimates 2013-14 and Budget Estimates 2014-15	Resolved by the Council that the revised schedule for presentation and adoption of the Revised Budget Estimates 2013-14 and Budget Estimates 2014-15 as proposed in para (4) above is approved. It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.
12 (K-03)	वृद्ध, विधवा एवं विकलांग (सामाजिक आर्थिक सहायता) पेंशन योजना के अन्तर्गत विधवा एवं विकलांग लाभार्थियों को दिल्ली सरकार के अध्यादेश के अनुसार वृद्धि करने के संबंध में।	Resolved by the Council to approve the proposal of the department, as detailed in para 4 of the preamble. It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.
13 (C-22)	Contracts/Schemes involving an expenditure of Rs.1 Lac but not exceeding Rs.200 lacs.	Information noted. The Chairman offered that these information may also be uploaded in the official website of NDMC to enable the RWAs to stay informed about the progress of the works in their area.
14 (C-23)	Action Taken Report on the status of ongoing schemes/works approved by the Council.	
15 (D-05)	Re-appropriation of Funds in Budget Estimates 2013-14.	Resolved that the Re-appropriations in Budget Estimates 2013-14 authorized during 3 rd Quarter of 2013-14 as detailed in Annexure-I are approved in terms of Section 56 of the NDMC Act,1994, & Regulation 8 of the NDMC (Budget Estimates) Regulations, 2010.
16 (T-04)	Naming/Renaming of road in NDMC area.	Resolved by the Council that the lane known as 'A' Avenue from Brig. Hoshier Singh Marg to 3 rd Cross Road, Sarojini Nagar may be recommended for renaming as Ch. Dilsukh Marg.
17 (W-01)	Development of Multi Level Parking at Khan Market Area	Resolved by the Council that the payment be made to L&DO on account of allotment of land for MLP at Khan Market as per the quoted price.

18 (A-19)	Name of work:-Stg. of water supply system in NDMC area. Sub Head:-Improvement and Revamping the Existing Water Supply System Including Water Audit, Consumers Survey, GIS Mapping, Measures to Reduce NRW /UFW, Achievement of Service level Benchmark and Upgrading the System for Continuous Water Supply to the command area of NDMC.	DPR for uninterrupted water supply in NDMC along with the preliminary Estimate amounting to `153.10 Crores is accepted by the Council.
19 (E-07)	Sanction of Additional Staff for Palika Maternity Hospital, Lodhi Colony, New Delhi	The Council was informed that the agenda is placed for wider appreciation of the proposal but Council is requested for approval of only Group 'A' posts as for the remaining posts the Chairman is competent. Also it was informed that wherever DTL scales are proposed same will be converted to CPC scales. Resolved by the Council that as per detail given at para 4 of the preamble all Group 'A' additional staff is sanctioned and for those posts whose R.R's. stand approved by the Council will be filled immediately.
20 (H-02)	Policy for appointment / regularization of TMR / RMR / Contractual etc.	Without going into the agenda item at length, it was expressed by the Members that several points in the agenda item needed modification and detailed examination. It was further emphasized that the Members would strongly reiterate the policy decision on this issue as taken in year 2011.
21 (K-04)	Liberalized Medical Health Scheme.	The members expressed strong displeasure about table agendas being placed, as it gives little time for examination and discussions. It was explained that due to the events in the last few months, quite a few pending items had to be accommodated and that it would be our attempt in future to placed them as regular agenda.
22 (G-05)	Free Water Supply upto 20 KL per month to Domestic Consumers in NDMC area.	
23 (G-06)	Revision of the existing water tariff in NDMC area.	
25 (G-07)	Targeted Subsidy on Consumption of Electricity to Domestic	
		The members desired to defer all the Table Agenda

	Consumers in NDMC area.	items so placed, to be taken up in the next meeting.
24 (V-01)	Layout Plan in r/o Redevelopment of East Kidwai Nagar, New Delhi	However, on the express request of the Joint Secretary, MoUD, item No. 24(V-01) on the layout Plan of the East Kidwai Nagar was taken up and approved, being a Govt. of India proposal.
25 (B-14)	Appointment of advisory firm for the formation of Electricity Cell within NDMC.	Furthermore, as another exception, not being a policy matter it was resolved by the Council to accord approval to item No. 26(H-03) by giving one time exemption to 10 Nos. of Fireman promoted to the post of Leading Firemen, who failed to procure the HMV license, as per the pre-condition laid down in the RRs.
26 (H-03)	One time exemption to Firemen, promoted to the post of Leading Fireman in the pay scale of Rs.4000-6000 (pre-revised) Rs.5200-20200 + Rs.2400/- GP (6 th CPC) with one of the condition of RRs to procure the HMV driving licence within a period of two years and more, but could not to procure the same.	It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

Sd/-
(VIKAS ANAND)
SECRETARY

Sd/-
(JALAJ SHRIVASTAVA)
CHAIRMAN

ITEM NO. 02 (B-15)

1. Name of Work: - Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area.

Tender ID No. 2013_NDMC_28315_1

Award of work ` 6,98,97,433/-

2. Department: - Electricity Department

3. Brief History of the Proposal: - The power supply system in NDMC area is through complex net work of underground cables. HT Cables of various rating and sizes are laid underground in the entire NDMC area by various divisions of electricity department namely M/N, M/S, C-I, C-II, C-III, C-IV, C-VI, M-33KV & M/F which are the primarily user divisions, executing the work of cable laying at different locations and time, as per requirement generated from time to time. The works of cable laying are executed by these divisions only against sanctioned estimates. No cable laying work is undertaken unless the estimate of the work in hand is duly sanctioned by the Competent Authority.

For entering into an annual contract, quantity of cable to be laid is assessed on the basis of quantity received from different divisions to be executed against the sanctioned schemes during the period of contract. This is because of the fact that all estimates against which the cable is required to be laid are not readily available at the time of floating tender.

The annual contract would facilitate these divisions to execute the cable laying work immediately, without going in for individual estimate based tender in each division which otherwise not only entail time, cost but also detrimental to efficiency of the work in the department. The expenditure incurred in these works shall be charged to the respective approved estimates of the executing division.

4. Detailed proposal of the Subject: - Sealed percentage rate tenders were invited in two cover system from the contractors/firms registered with N.D.M.C. and having experience & valid contractor license through e-procurement solution for the work of Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area, by giving due publicity to the tender as per the codal provisions at an estimated cost of Rs.5,63,68,898/- put to NIT. To avoid monopoly & dependency on a single firm for work of this magnitude with due approval/NOC of the Finance & clearance from Vigilance, a

clause was provided in the NIT to divide the work among L-1, L-2 & L-3 firms in the ratio of 40%, 30% & 30% at the accepted rates of L-1 firm. It was also envisaged that in case any of the firm does not accept the offer, the corresponding proportionate share would be divided equally with the rest of the firms and EMD of such defaulting firm would be forfeited. However, during pre-bid conference, the participating firms objected to the forfeiture of EMD provision and accordingly, with due approval of competent authority, this provision was modified suitably to ensure healthy participation. In response to the tender enquiry, offers of the following three firms were received on due date of opening i.e.:28/01/2013.

1. M/s B.K. Power Enterprises
2. M/s Creative Entrepreneurs
3. M/s Nav Shakti Traders

The documents submitted by participating firms were examined in the division as well as in Planning Division and it was observed that all the above three firms fulfill the eligibility criteria as per terms, conditions & technical specifications of the NIT.

Subsequently, with due approval of CE (E-II), financial bids of the above three eligible firms were opened on 27-05-2013 and the position of the tendering firm emerged as under:-

S.No.	Name of firms	Quoted Amount (In `)	Remarks
1.	M/s Creative Entrepreneurs	6,98,97,433/-	25.25% below the justified rates (L-1)
2.	M/s B.K. Power Enterprises	7,10,24,811/-	24.05% below the justified rates (L-2)
3.	M/s Nav Shakti Traders	7,44,06,945/-	20.43% below the justified rates (L-3)

In view of above it is proposed to award the work to L-1, L-2 & L-3 firms in the ratio of 40%, 30% & 30% respectively on the basis of tendered cost of L-1 firm amounting to Rs. 6,98,97,433/- (Rupees Six Crore Ninety Eight Lacs Ninety Seven Thousand Four Hundred Thirty Three)

5. Financial Implication: - Rs. 6,98,97,433/- (Rupees Six Crore Ninety Eight Lacs Ninety Seven Thousand Four Hundred Thirty Three)

6. Implementation Schedule: - 12 Months

7. Comments of the Finance department: -

A) Diary No.1419/Finance Dated 19/07/2013

1. Department may place on record a copy of Preliminary estimate (PE) for the work. The details of date i.e. days, months and year, when the same was got approved be also brought on record.
2. The detail of last approved rates/annual tender rates on the basis of which the estimate has been framed be also brought on record.
3. Department may bring on record as to whether wide publicity was given to tender as per provision of para 17.1 of CPWD Manual or otherwise. From the cutting of newspaper placed in the file (P-15/C of file No.4) it is noticed that press publicity was given in one English newspaper and Hindi Newspaper of same publishing house. The reason as to why the different group of publishing house was not opted may be brought on record.
4. The relevant provision for security deposit kept in NIT. May be bought on record.
5. The appropriate class/category of contractor from whom tenders where invited be brought on record.
6. As per clause no. 7 notified under eligibility criteria of NIT, NDMC has discretion to appropriate the work amount L-I, L-II & L-III in the ratio of 40%, 30% & 30% at the accepted rates of L-I firm. This discretion need to be elaborated in advance.
7. Condition to appropriate in NIT in the absence of justification does not appear to hold good and clause to compelling reasons to forfeit EMD in such cases of discretion on refusal by L-2, L-3 is against the spirit of the tender process.
8. The detail monitoring system/strategy to complete the work at sanctioned cost and within the stipulated time be indicated. PERT/CPH chart of scheduled work be placed on record.

B) Diary No.1536/Finance Dated 16/08/2013

Finance Department is of the following views:

- It is observed that in this case, proper laid out codal procedure of CPWD Manual, has not been followed before inviting Tenders. The Department has, in response to the query raised by Finance at NP-52 (S.NO.1) not brought on record the AA & ES for executing this work.
- In case this work falls under A/R & M/O norms, it would be covered under item 2(a) of Delegation of Financial Powers (DOFP), wherein only the E-in-C/Secretary has full powers of sanction in consultation with associate finance observing all codal formalities. If the work does not fall within the approved norms of the Council, the same would be covered under item 1 of the DOFP, sanction of which would lie within the competency of the Chairperson/Council. Neither has been obtained and therefore this is a call for a tender without a sanction.
- As per Section 2.1 of CPWD Manual, Administrative approval, Expenditure sanction, Technical sanction and allotment of Fund (in that order) should precede any call for Tender. This is also supported by GFR 132 but has not been followed.
- There was no emergency involved to justify short-circuiting a well laid out codal procedure and even if there were, the Department should have initiated the case within a suitable time-frame well in advance.
- It is to be appreciated that after an estimate is prepared by the Department, the same is independently checked for ascertaining the veracity by Planning wing and in this way an approximate cost is arrived at, of a Tender. This cannot be a post-facto exercise. The Approximate cost put to Tender, in this way, has an impact on the Price Bids (higher approximate costs will invite higher bids & vice versa). Comparison of the bids received are then compared with the Sanction Estimate (how much above/lower, as the case may be) as well as the justified latest market cost (which is prepared after the bidding and checked by the Planning Wing). In this case no Sanctioned Estimate cost is available for such comparisons.
- Besides, it is observed that the Tender was opened on January 24, 2013 with a bid validity of 120 days with a minimum validity of 3 months of EMD (1/C & 7/C respectively). File Website Downloaded Copy of NIT). The price bid was opened on 27.05.13 (NP-42) i.e. after original original validity period and sent to finance for the first time on 17.07.13. Attention is drawn towards para 20.3.1 (Timely processing of tenders) of the CPWD Manual which has been grossly violated in this case. There is no record on file (all files from 1 to 7) pertaining to the validity of the case, both offer as well as EMD.

In view of the above, the Finance Department is unable to concur with this proposal, which lies within the competency of the Council and it is advised that the Department should follow the laid out codal provisions for calling a Tender and awarding a work.

C) Diary No.1714/Finance Dated 01/09/2013

The replies furnished by the Department to our observations are not satisfactory and we observed as under:

In response to advise of Finance department at P-54/N, the department has again referred the case in Finance with clarification to observations which are neither convincing nor satisfactory on the following grounds:-

1. In SOQ (Scheduled of Quantity) 3,17,932/- mtr. Cable is proposed. However, no detail of sanctioned estimate against which these quantity of cable is being laid are on record. The department in its reply has stated that quantity taken in the NIT is based on the requirement received from the different divisions which are based on the estimate issued by Planning division having A/A & E/S & T/S. If it is the case, the department should have placed on record the sanctioned estimate and details of A/A & E/S & T/S obtained by Planning Division the same has not been placed on record by the department.

2. It is again pointed out that the Price Bid in this case was opened after original validity expired. The consent letter of validity obtained at 149-154/C seems to have been obtained after back-dating as earlier, there was neither any consent letter on the file nor approval for extending the validity was obtained.

In view of above, Finance re-iterates its earlier advise at page 54/N with the advice to follow the laid out codal provision for calling a tender and awarding the work.

D) Diary No. 1799/Finance dated 24.09.2013

"The tender case of the Department regarding Annual Contract for Laying of UG HT cables, dismantling, dismantling & relaying of HT cables of all sizes, including supplying & lying of HDPE pipes in NDMC area is examined in Finance Departments in the light of clarification to observation of Finance and recommendation of department.

Keeping in view the facts brought on record that (a) The works of cable laying would be executed only against sanctioned estimated (b) rates quoted by the L-1 firm amounting to Rs.6,98,97,433/- are 25.25% below the justified cost of Rs.9,35,12,891/- as checked by planning division at p-48-49/N (C) the rates are found reasonable , justified and competitive , the departments may process the case further for consideration of competent authority for award of work to L-1, L-2, L-3 firms in the ratio of 40%, 30%, 30% at the accepted rates of the L-1 firm as per condition of approved NIT.

Further, department is advised to finalize the tender within original validity period and in exceptional cases, where the validity of tender is extended , the due approval of competent authority be obtained on file. The Deptt. may record certificates while seeking approval of Competent Authority:-

1. Certification that the justification has been prepared on current prevailing market rates as per codal provision.
2. Certification that rates are competitive, reasonable and within proximity of trend of similar nature of work.
3. Since the rates of lowest firm is too below. The justified rates, the quality of work may be ensured as per stipulation of NIT.
(This issue with the approval of FA)"

E) Diary NO 2003/Finance Dated 27/09/2013

"Departments may process the case further. The observation of Finance and replies may also be incorporated in draft agenda for approval."

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

A)

1. The quantity taken in the schedule of quantity of NIT are based on the requirement received from the different divisions which has been assessed by them on the basis of the work to be executed during the period of contract. (Requirement received from Different divisions are enclosed in the circular and correspondence file).
2. The details of last approved rates/annual tender rates on the basis of which the estimate has been framed is enclosed in the detailed estimate file at page 11 to 17/C.
3. Wide publicity was given to the tender as per provision of para 17.1 of CPWD Manual. The request for publication of press notice is sent to Director (PR) NDMC for getting the same published in leading newspaper as per prevailing practice. Department has no control over the group of publishing houses.

4. The relevant provision for security deposit kept in NIT is given on NDMC form no. 6 clause no. 19 as well as clause no. 1A of clauses of contract.
5. The tenders have been invited from the eligible contractors having relevant experiences and valid contractor license, as per the eligibility conditions of NIT.
6. This being an annual rate contract having considerable quantity of works involve, to reduce dependency and monopoly of a single firm, provision has been made in the NIT to distribute the work amount three agencies namely L-1, L-2 & L-3 in the ratio of 40%, 30% & 30% respectively. This provision has been duly pre disclosed in the NIT.
7. The forfeit EMD has since been modified as per the minutes of the pre-bid meeting held in the chamber of CE (E-II) on 17th January 2013 at page 15-16/N.
8. After getting the sanction from the Competent authority, the work award letter shall be issued to the firms and in the work award letter, it will be clearly mentioned that the copy of the work order alongwith bills shall be submitted in C-I (Electric) division before passing the bill by the respective divisions. No PERT/CPH chart is applicable in this case being annual contract for laying of cables.

B)

1. Being an annual contract for laying of cables, the quantity is taken in the schedule of quantity of the NITY are based on the requirement received from the executing divisions which are duly signed by the concerned executive engineer. These quantities received from the different divisions are assessed on the basis of the nodal procedures of CPWD manual have been overruled.
2. Moreover, the subject cited work do not falls under A/R & M/O norms. As such it is not covered under item 1 & 2(a) of delegation of financial powers.
3. Being an annual cable laying contract and the quantities taken in the NIT are based on the requirement received from the different divisions, which is ultimately derived on the basis of the estimate issued to them from the Planning division having A/A, E/S, T/S and allotment of funds.
4. All the nodal procedures have been adopted vide initiating the subject cited case.

5. This is annual cable laying contract, the quantities taken are assessed on the basis of work to be executed by different divisions against the subject cited annual contract.
6. This is being a voluminous tender and keen scrutiny is being done at every stage including AAO (C-I), Sr. Draftsman (C-I), AO(E-I), EE(P), SE(P), ACE(E-I) and concerned SE(E)-I and ACE(E)-II as well as HOD. In order to send the case in Finance department in a crystal clear manner and free from all the ambiguities.

Further it is to inform that as per NIT the validity of this tender was 120 days which was duly extended by taking the consent letter from the participating firms enclosed in Tender documents file at Page 149-154/C. Also special care was taken for the validity of the EMD which is as under: -

S.No.	Name of Firm/Agency	Amt (in `)	Details of EMD
1.	M/s Creative Entrepreneurs Ltd.	` 11,27,378.00	FDR No. 32771758107 dated 16/01/2013 drawn on State Bank of India, Sector-4, Rohini, New Delhi Sector-14 (Extn) Madhuban Chowk, Rohini, New Delhi-110085.
2.	M/s B.K. Power Enterprises.	` 11,27,378.00	FDR No. 913040003593579 dated 18/01/2013 drawn on Axis Bank Ltd., Ravissance House, Ground Floor & 1 st Floor, 1 Ring Road, Lajpat Nagar-IV, New Delhi-110024
3.	M/s Nav Shakti Trader	` 11,27,378.00	FDR No. 32774430571 dated 17/01/2013 drawn on State Bank of India, Sector-4, Rohini, New Delhi Sector-14 (Extn) Madhuban Chowk, Rohini, New Delhi-110085.

C)

(i) The power supply system in NDMC area is through complex net work of underground cables. Cables of various rating and sizes are laid underground in the entire NDMC area and include 33 KV, 11KV & 440 volt cables. Various divisions in electricity department namely D/N, M/N, D/S, M/S, C-I, C-II, C-III, C-IV, C-VI, M-33KV, M/F, R/L, BM-I & BM-II are the primarily user divisions, executing the work of cable laying at different locations and time, as per requirement generated from time to time. The works of cable laying are executed by these divisions only against sanctioned estimates. No cable laying work is undertaken unless the estimate of the work in hand is duly sanctioned by the Competent Authority.

For entering into an annual contract, quantity of cable to be laid, has been accessed on the basis of quantity received from different divisions, as enclosed in the requirement file, enclosed herewith. This is because of the fact that all estimates against which the cable is required to be laid are not readily available at the time of floating tender. The department's reply has therefore clearly mentioned that NIT is based on the requirement received from the executing division accessed on the basis of works to be executed by different divisions during the period of the contract.

It is affirmed and reassured to finance that all the estimates of work under which cable laying shall be undertaken would have A/A & E/S of the Competent Authority and the annual contract would facilitate these divisions to execute the cable laying work immediately, without going in for individual estimate based tender in each division which otherwise not only would entail time, cost but also detrimental to efficiency of the work in the department. The expenditure incurred in these works shall be charged to the respective approved estimates of the executing division.

(ii) The Original Validity of the offers of the three participating firms was valid till 27.05.13 & financial bid was also opened on the same date. As the validity of the offers of the eligible participating firms i.e. M/s B.K. Power Enterprises, Creative Entrepreneurs and M/s Nav Shakti Traders expiring on 27.05.13, these firms were requested vide letter dated 15-05-2013(CP-149-151) to extend the validity, for three months. In response to this letter, confirmation was received from the firms vide their letters detailed is as under:-

Name of Agency	Letter reference No. & date	Diary No. & Date
M/s B.K. Power Enterprises	BKPE/NDMC/L/20-13/17 Dated 20-05-2013	R-300/EE (E) (C-I) Dated 20.05.2013 (Page no. 152 of tendered document file)
M/s Creative Entrepreneurs	Dated 17-05-2013	R-290/EE (E) C-I Dated 17.05.2013 (Page no. 153 of tendered document file)
M/s Nav Shakti Traders	Dated 17-05-2013	R-292/EE (E) C-I Dated 17.05.2013 (Page no. 154 of tendered document file)

Validity of the offers of all three participating eligible firms was valid as on the date of price bid opening. From the above, it is in-correct to say that price bid was opened after the

expiry of initial validity. Further the letters extending validity of the offers as received from the firms, were appropriately diarized in the division without any back dating.

D)

1. All out efforts shall be made to finalize the tender within original validity period and where the validity of tender is extended, due approval of competent authority shall be obtained.
2. The justification has been prepared on current prevailing market rates as per codal provision.
3. The rates are competitive, reasonable and within proximity of trend of similar nature of work.
4. The Quality of work executed by the contractors shall be ensured as per specifications of NIT

9. Legal implication of the Subject: - NIL

10. Details of previous Council resolution:-

- (i) Item No. 06(B-05) of council meeting No. 06/2013-14 held on 07/10/2013. – Deferred. The Council directed that the department concerned will further explain about the project in the next meeting of the council.
- (ii) Item No. 02(B-08) of council meeting No. 07/2013-14 held on 27/11/2013. – Deferred.
- (iii) Item No. 07(B-12) of council meeting No. 08/2013-14 held on 10/01/2014. - Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of Rs.254 crores was sanctioned for purchase of cable, along with the present proposal with justification, in the next meeting of the Council.

Clarifications to the observations of council are as under:-

1. Copy of council Reso. No.11 (B-15) dated 20-08-2008 according A/A and E/S for the preliminary estimate for re-vamping Electrical System of NDMC up to 11 KV, amounting to Rs.336.09 Crores is enclosed at **Annexure-'A' (See pages 18 – 25)**

2. In the above preliminary estimate, the cost of material which includes L.T. Cable, H.T. Cable, L.T. Pillar, Capacitor Bank, Electronic Meters, Dry type transformers, Oil type transformers, V.C.B Panel, L.T. Board etc. was Rs.252 Crores including provision of 760 K.M of H.T. & L.T. Cable valued Rs.91.94 Crores.

3. The present proposal for laying of cables against various sanctioned schemes related to not only revamping of electrical system but also deposit works, maintenance schemes & works related to DERC guidelines for which sanctioned estimates are either in hand or in planning stage. As on date, sanctioned estimates for laying 274 km of HT & LT Cable are in hand for execution & details in this regard are tabulated below:

SI. No.	Total qty. of HT/LT cable in PE for revamping of Electrical system	Approx. qty. of HT & LT cable in other schemes such as Deposit, Maintenance, DERC works etc.	Total qty. of cable required (1+2)	Cable purchased from 2008 to 2013	Cable laid against system Revamping estimate till date	Balance required against revamping works (yet to be laid)	Qty. of cable sanctioned estimate in hand
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	760 km	200 km	960km	464 km	264 km	496 km	274 km

The above position has also been apprised to Hon'ble members of Council.

11. Comments of Law Department:- " No legal issue is involved in this matter at this stage".

12. Comments of the Department on the Comments of Law Department: Nil

13. Certification by the Department:

All Central Vigilance Commission (CVC) guidelines have been followed.

14. Recommendation: - The case may be placed before the Council for awarding the work of Annual Contract for laying of U/G HT Cables, dismantling, Dismantling and relaying of HT Cables

of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area to the following three firms (L-1, L-2 & L-3) in the ratio of 40%, 30% & 30% respectively computed on the basis of tendered cost of L-1 firm amounting to **Rs. 6,98,97,433/- (Rupees Six Crore Ninety Eight Lacs Ninety Seven Thousand Four Hundred Thirty Three)** on the terms, conditions & specifications of NIT:

1. M/s Creative Enterprises for **Rs. 2,79,58,973/- (Rupees Two Crore Seventy Nine Lacs Fifty Eight Thousand Nine Hundred Seventy Three)** being 40% of the tendered amount of L-1 firm.
2. M/s B.K. Power Enterprises for **Rs.2,09,69,230/- (Rupees Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty)** being 30% of the tendered amount of L-1 firm.
3. M/s Nav Shakti Traders for **Rs. 2,09,69,230/- (Rupees Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty)** being 30% of the tendered amount of L-1 firm.

Since the work is of urgent nature, approval is solicited to award the work in anticipation of the confirmation of the minutes of council meeting.

15. Draft resolution:- Resolved by the council that the approval is accorded to award the work of Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area to the following three firms (L-1, L-2 & L-3), in the ratio of 40%, 30% & 30% computed on the basis of tendered cost of L-1 firm amounting to Rs. 6,98,97,433/- (Rupees Six Crore Ninety Eight Lacs Ninety Seven Thousand Four Hundred Thirty Three) on the terms, condition & specifications of the NIT:

1. M/s Creative Enterprises for Rs. 2,79,58,973/- (Two Crore Seventy Nine Lacs Fifty Eight Thousand Nine Hundred Seventy Three) being 40% of the tendered amount of L-1 firm.
2. M/s B.K. Power Enterprises for Rs. 2,09,69,230/- (Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty) being 30% of the tendered amount of L-1 firm.
3. M/s Nav Shakti Traders for Rs. 2,09,69,230/- (Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty) being 30% of the tendered amount of L-1 firm.

Since the work is of urgent nature, approval is accorded to award the work in anticipation of the confirmation of the minutes of council meeting.

COUNCIL'S DECISION

Resolved by the Council that approval is accorded to award the work of Annual Contract for laying of U/G HT Cables, dismantling, dismantling and relaying of HT Cables of all sizes, including supplying & laying of HDPE Pipes and supply & making of H.T. st. th. Joint boxes & indoor end termination in NDMC area to the following three firms (L-1, L-2 & L-3), in the ratio of 40%, 30% & 30% computed on the basis of tendered cost of L-1 firm amounting to `6,98,97,433/- (Rupees Six Crore Ninety Eight Lacs Ninety Seven Thousand Four Hundred Thirty Three) on the terms, condition & specifications of the NIT:

1. M/s Creative Enterprises for `2,79,58,973/- (Two Crore Seventy Nine Lacs Fifty Eight Thousand Nine Hundred Seventy Three) being 40% of the tendered amount of L-1 firm.
2. M/s B.K. Power Enterprises for `2,09,69,230/- (Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty) being 30% of the tendered amount of L-1 firm.
3. M/s Nav Shakti Traders for `2,09,69,230/- (Two Crore Nine Lacs Sixty Nine Thousand Two Hundred Thirty) being 30% of the tendered amount of L-1 firm.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

ANNEXURES

8 pages

Annexure ends

ITEM NO. 03 (B-16)

1. Name of Work: - Annual Contract for laying of U/G LT Cables, Dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area.

Tender ID No. 2013_NDMC_28323_1

Award of work ` 3,86,16,114/-

2. Department: - Electricity Department

3. Brief History of the Proposal: - The power supply system in NDMC area is through complex net work of underground cables. LT Cables of various rating and sizes are laid underground in the entire NDMC area by various divisions of electricity department namely D/N, M/N, D/S, M/S, C-I, C-II, C-III, C-IV, R/L, BM-I & BM-II which are the primarily user divisions, executing the work of cable laying at different locations and time, as per requirement generated from time to time. The works of cable laying are executed by these divisions only against sanctioned estimates. No cable laying work is undertaken unless the estimate of the work in hand is duly sanctioned by the Competent Authority.

For entering into an annual contract, quantity of cable to be laid is assessed on the basis of quantity received from different divisions to be executed against the sanctioned schemes during the period of contract. This is because of the fact that all estimates against which the cable is required to be laid are not readily available at the time of floating tender.

The annual contract would facilitate these divisions to execute the cable laying work immediately, without going in for individual estimate based tender in each division which otherwise not only entail time, cost but also detrimental to efficiency of the work in the department. The expenditure incurred in these works shall be charged to the respective approved estimates of the executing division.

4. Detailed proposal of the Subject: - Sealed percentage rate tenders were invited in two covers system from the contractors/firms registered in N.D.M.C. having experience & valid contractor licence through e-procurement solution for the work of "Annual Contract for laying of U/G LT Cables, dismantling, Dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area" by giving due publicity to the tender as per the codal provisions at an estimated cost of Rs.3,19,66,982/- Put to NIT. To avoid monopoly & dependency on a single firm for the work of this magnitude with due approval/NOC of the Finance &

clearance from Vigilance, a clause was provided in the NIT to divide the work among L-1, L-2 & L-3 firms in the ratio of 40%, 30% & 30% at the accepted rates of L-1 firm. It was also envisaged that in case any of the firm does not accept the offer, the corresponding proportionate share would be divided equally with the rest of the firms and EMD of such defaulting firm would be forfeited. However, during pre-bid conference, the participating firms objected to the forfeiture of EMD provision and accordingly, with due approval of competent authority, this provision was modified suitably to ensure healthy participation. In response to the tender inquiry, offers of the following four firms were received on due date of opening i.e. 28/01/2013

1. M/s B.K. Power Enterprises
2. M/s Creative Entrepreneurs
3. M/s Nav Shakti Traders
4. M/s Vichitra Construction Pvt. Ltd.

The documents submitted by participating firms were examined in the division as well as in Planning Division and observed that all the above four firms fulfill the eligibility criteria as per the terms, conditions & technical specifications of the NIT.

Subsequently, with due approval of CE (E-II), financial bids of the above four eligible firms were opened on 27-05-2013 and the position of the tendering firm emerged as under:-

S.No.	Name of firms	Quoted Amount (In `)	Remarks
1.	M/s Vichitra Construction Pvt. Ltd.	3,86,16,114/-	30.16% below the justified rates (L-1)
2.	M/s B.K. Power Enterprises	4,12,37,406/-	25.42% below the justified rates (L-2)
3.	M/s Creative Entrepreneurs	4,21,96,416/-	23.69% below the justified rates (L-3)
4.	M/s Nav Shakti Traders	4,44,34,104/-	19.64% below the justified rates (L-4)

In view of above it is proposed to award the work to L-1, L-2 & L-3 firms in the ratio of 40%, 30% & 30% respectively on the basis of tendered cost of L-1 firm amounting to Rs. 3,86,16,114/- (Three Crore Eighty Six lacs Sixteen Thousand One Hundred Fourteen)

5. Financial Implication: - Rs.3,86,16,114/- (Three Crore Eighty Six lacs Sixteen Thousand One Hundred Fourteen)

6. Implementation Schedule: - 12 Months

7. Comments of the finance department: -

A) Diary No.1333/Finance Dated 19/07/2013

1. Department may place on record a copy of Preliminary estimate (PE) for the work. The details of date i.e. days, months and year, when the same was got approved be also brought on record.
2. The detail of last approved rates/annual tender rates on the basis of which the estimate has been framed be also brought on record.
3. Department may bring on record as to whether wide publicity was given to tender as per provision of para 17.1 of CPWD Manual or otherwise. From the cutting of newspaper placed in the file (P-15/C of file No.4) it is noticed that press publicity was given in one English newspaper and Hindi Newspaper of same publishing house. The reason as to why the different group of publishing house was not opted may be brought on record.
4. The relevant provision for security deposit kept in NIT. May be brought on record.
5. The appropriate class/category of contractor from whom tenders were invited be brought on record.
6. As per clause no. 7 notified under eligibility criteria of NIT, NDMC has discretion to appropriate the work among L-I, L-II & L-III in the ratio of 40%, 30% & 30% at the accepted rates of L-I firm. This description need to be elaborated in advance.
7. Condition to appropriate in NIT in the absence of justification does not appear to hold good and clause to compelling reasons to forfeit EMD in such cases of description on refusal by L-2, L-3 is against the spirit of the tender process.
8. The detail monitoring system/strategy to complete the work and sanctioned cost and within the stipulated time be indicated. PERT/CPH chart of scheduled work be placed on record.

B) Diary No.1537/Finance Dated 08/08/2013

"Finance Department is of the following views"

- It is observed that in this case, proper laid out codal procedure of CPWD Manual, has not been followed before inviting Tenders. The Department has, in response to the query raised by Finance at NP-45 (S.NO. 1) not brought on record the AA & ES for executing this work.

- In case this work falls under A/R & M/O norms, it would be covered under item 2(a) of Delegation of Financial Powers (DOFP), wherein only the E-in-C/Secretary has full powers of sanction in consultation with associate finance observing all codal formalities. If the work does not fall within the approved norms of the Council, the same would be covered under item 1 of the DOFP, sanction of which would lie within the competency of the Chairperson/Council. Neither has been obtained and therefore this is a call for a tender without a sanction.

- As per Section 2 .1 of CPWD Manual, Administrative approval, Expenditure sanction, Technical sanction and allotment of Fund (in that order) should precede any call for Tender. This is also supported by GFR 132 but has not been followed.

- There was no emergency involved to justify short-circuiting a well laid out codal procedure and even if there were, the Department should have initiated the case within a suitable time-frame well in advance.

- It is to be appreciated that after an estimate is prepared by the Department, the same is independently checked for ascertaining the veracity by Planning wing and in this way an approximate cost is arrived at, of a Tender. This cannot be a post-facto exercise. The Approximate cost put to Tender, in this way, has an impact on the

Price Bid (higher approximate costs will invite higher bids & vice versa). Comparison of the bids received are then compared with the Sanction Estimate (how much above/lower, as the case may be) as well as the justified latest market cost (which is prepared after the bidding and checked by the Planning Wing). In this case no Sanction Estimate cost is available for such comparisons.

- Besides, it is observed that the Tender was opened on January 24, 2013 with a bid validity of 120 days with a minimum validity of 3 months of EMD (1/C & 7/C respectively). File Website Downloaded Copy of NIT). The price bid was opened on 27.05.13 (NP-38) i.e. after original original validity period and sent to finance for the first time on 17.07.13. Attention is drawn towards para 20.3.1 (Timely processing of tenders) of the CPWD Manual which has been grossly violated in this case. There is no record on file pertaining to the validity of the case, both offer as well as EMD.

In view of the above, the Finance Department is unable to concur with this proposal, which lies within the competency of the Council and it is advised that the Department should follow the laid out codal provisions for calling a Tender and awarding a work.

C) Diary No.1691/Finance Dated 01/09/2013

The replies furnished by the Department to our observations are not satisfactory and we observed as under:

In response to advise of Finance department at P-47/N, the department has again referred the case in Finance with clarification to observations which are neither convincing nor satisfactory on the following grounds:-

1. In SOQ (Scheduled of Quantity) 1,10,662/- mtr. Cable is proposed. However, no detail of sanctioned estimate against which these quantity of cables is being laid are on record. The department in its reply has stated that quantity taken in the NIT is based on the requirement received from the different divisions which are based on the estimate issued by Planning division having A/A & E/S & T/S. If it is the case, the department should have placed on record the sanctioned estimate and details of A/A & E/S & T/S obtained by Planning Division. The same has not been placed on record by the department.

2. It is again pointed out that the Price Bid in this case was opened after original validity expired. The consent letter of validity obtained at 199-206/C seems to have been obtained after back-dating as earlier, there was neither any consent letter on the file nor approval for extending the validity was obtained after back dating as earlier, there was neither any consent letter on the file nor approval for extending the validity was obtained.

In view of above, Finance re-iterates its earlier advice at page 47/N with the advice to follow the laid out coda provision for calling a tender and warding the work.

D) Diary No.1800/Finance Dated 24/09/2013

"The tender case of the Department regarding Annual Contract for Laying of UG LT cables, dismantling, dismantling & relaying of LT cables of all sizes, including supplying & lying of HDPE pipes in NDMC area is examined in Finance Departments in the light of clarification to observation of Finance and recommendation of department.

Keeping in view the facts brought on record that (a) The works of cable laying would be executed only against sanctioned estimated (b) rates quoted by the L-1 firm amounting to Rs.3,86,16,114/- are 30.16% below the justified cost of Rs.5,52,95,856/- as checked by planning division at p-42/N (C) the rates are found reasonable , justified and competitive , the departments may process the case further for consideration of competent authority for award of work to L-1, L-2, L-3 firms in the ratio of 40%, 30%, 30% at the accepted rates of the L-1 firm as per condition of approved NIT.

Further, departments is advised to finalize the tender within original validity period and in exceptional cases, where the validity of tender is extended , the due approval of competent authority be obtained on file. The Deptt. may record certificates while seeking approval of Competent Authority:-

1. Certification that the justification has been prepared on current prevailing market rates as per codal provision.
2. Certification that rates are competitive, reasonable and within proximity of trend of similar nature of work.
3. Since the rates of lowest of similar nature is too below. The justified rates, the quality of work may be ensured as per stipulation of NIT.
(This issue with the approval of FA)"

E) Diary NO 2004/ Finance dated 27/09/2013

"Departments may process the case further. The observation of Finance and replies may also be incorporated in draft agenda for approval".

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

A) Parawise replies to the observation raised by Finance Department at P-45/N are as under:-

1. The quantity taken in the schedule of quantity of NIT are based on the requirement received from the different divisions which has been assessed by them on the basis of the work to be executed during the period of contract. (Requirement received from Different divisions are enclosed in the circular and correspondence file).
2. The details of last approved rates/annual tender rates on the basis of which the estimate has been framed is enclosed in the detailed estimate file at page 11 to 17/C.
3. Wide publicity was given to the tender as per provision of para 17.1 of CPWD Manual. The request for publication of press notice is sent to Director (PR) NDMC for getting the same published in leading newspaper as per prevailing practice. Department has no control over the group of publishing houses.

4. The relevant provision for security deposit kept in NIT is given on NDMC form no. 6 clause no. 19 as well as clause no. 1A of clauses of contract.

5. The tenders have been invited from the eligible contractors having relevant experiences and valid contractor license, as per the eligibility conditions of NIT.

6. This being an annual rate contract having considerable quantity of works involve, to reduce dependency and monopoly of a single firm, provision has been made in the NIT to distribute the work among three agencies namely L-1, L-2 & L-3 in the ratio of 40%, 30% & 30% respectively. This provision has been duly pre disclosed in the NIT.

7. The forfeit EMD has since been modified as per the minutes of the prebid meeting held in the chamber of CE (E-II) on 17th January 2013 at page 13-14/N.

8. After getting the sanction from the Competent authority, the work award letter shall be issued to the firms and in the work award letter, it will be clearly mentioned that the copy of the work order alongwith bills shall be submitted in C-I (Electric) division before passing the bill by the respective divisions. No PERT /CPH chart is applicable in this case being annual contract for laying of cables.

B) Parawise replies to the observation raised by Finance Department at P-47/N are as under:-

1. Being an annual contract for laying of cables, the quantity is taken in the schedule of quantity of the NIT are based on the requirement received from the executing divisions which are duly signed by the concerned executive engineer. These quantities received from the different divisions are assessed on the basis of the works to be executed by different divisions during the period of contract. As such no codal procedures of CPWD manual have been overruled.

2. Moreover, the subject cited work do not falls under A/R & M/O norms. As such it is not covered under item 1 & 2(a) of delegation of financial powers.

3. Being an annual cable laying contract and the quantities taken in the NIT are based on the requirement received from the different divisions, which is ultimately derived on the basis of the estimate issued to them from the Planning division having A/A, E/S, T/S and allotment of funds.

4. All the codal procedures have been adopted vide initiating the subject cited case.

5. This is annual cable laying contract, the quantities taken are assessed on the basis of work to be executed by different divisions against the subject cited annual contract.
6. This is being a voluminous tender and keen scrutiny is being done at every stage including AAO (C-I), Sr. Draftsman (C-I), AO(E-I), EE(P), SE(P), ACE(E-I) and concerned SE(E)-I and ACE(E)-II as well as HOD. In order to send the case in Finance department in a crystal clear manner and free from all the ambiguities as far as possible.

Further it is to inform that as per NIT the validity of this tender was 120 days which was duly extended by taking the consent letter from the participating firms enclosed in Tender documents file at Page 199-206/C. Also special care was taken for the validity of the EMD which is as under: -

S.No.	Name of Firm/Agency	Amt (in `)	Details of EMD
1.	M/s Vichitra Construction Pvt. Ltd.	` 6,39,340.00/-	FDR No. 239877 dated 23/01/2013 drawn on Canara Bank, New Delhi Vikas Puri Branch 2455.
2.	M/s B.K. Power Enterprises.	` 6,39,340.00/-	FDR No. 913040003589376 dated 18/01/2013 drawn on Axis Bank Ltd., Ravissance House, Ground Floor & I st Floor, 1 Ring Road, Lajpat Nagar-IV, New Delhi-110024
3.	M/s Creative Entrepreneurs	` 6,39,340.00/-	FDR No. 32771790322 dated 16/01/2013 drawn on State Bank of India, Sector-4, Rohini, New Delhi Sector-14 (Extn) Madhuban Chowk, Rohini, New Delhi-110085.

In view of the replies given above, the case may please be sent to Finance department for an early concurrence please.

C) Parawise reply is as under:-

(i) The power supply system in NDMC area is through complex net work of underground cables. Cables of various rating and sizes are laid underground in the entire NDMC area and include 33 KV, 11KV & 440 volt cables. Various divisions in electricity department namely D/N, M/N, D/S, M/S, C-I, C-II, C-III, C-IV, C-VI, M-33KV, M/F, R/L, BM-I & BM-II are the primarily user divisions, executing the work of cable laying at different locations and time, as per requirement generated from time to time. The works of cable laying are executed by these divisions only against sanctioned estimates. No cable laying work is undertaken unless the estimate of the work in hand is duly sanctioned by the Competent Authority.

For entering into an annual contract, quantity of cable to be laid, has been accessed on the basis of quantity received from different divisions, as enclosed in the requirement file, enclosed herewith. This is because of the fact that all estimates against which the cable is required to be laid are not readily available at the time of floating tender. The department's reply has therefore clearly mentioned that NIT is based on the requirement received from the executing division accessed on the basis of works to be executed by different divisions during the period of the contract.

It is affirmed and reassured to finance that all the estimates of work under which cable laying shall be undertaken would have A/A & E/S of the Competent Authority and the annual contract would facilitate these divisions to execute the cable laying work immediately, without going in for individual estimate based tender in each division which otherwise not only would entail time, cost but also detrimental to efficiency of the work in the department. The expenditure incurred in these works shall be charged to the respective approved estimates of the executing division.

(ii) The Original Validity of the offers of the four participating firms was valid till 27.05.13 & financial bid was also opened on the same date. As the validity of the offers of the eligible participating firms i.e. M/s Vichitra Construction Pvt. Ltd. M/s B.K. Power Enterprises, Creative Entrepreneurs and M/s Nav Shakti Traders was expiring on 27.05.13, these firms were requested vide letter dated 15-05-2013 (CP-199-202) to extend the validity, for three months. In response to this letter, confirmation was received from the firms vide their letters detailed is as under:-

Name of Agency	Letter reference No. & date	Diary No. & Date
M/s Vichitra Construction Pvt. Ltd.	Dated 16.05.2013	R-286/EE (E) (C-I) Dated 17.05.2013 (Page No. 203 of tendered document file)
M/s B.K. Power Enterprises	bkpe/ndmc/1/20-13/16 Dated 20.05.2013	R-301/EE (E) C-I Dated 20.05.2013 (Page No. 204 of tendered document file)
M/s Creative Entrepreneurs	Dated 17.05.2013	R-291/EE (E) C-I Dated 17.05.2013 (Page No. 205 of tendered document file)
M/s Nav Shakti Traders	Dated 17.05.2013	R-293/EE (E) C-I Dated 17.05.2013

		(Page No. 206 of tendered document file)
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Validity of the offers of all four participating eligible firms was valid as on the date of price bid opening. From the above, it is in-correct to say that price bid was opened after the expiry of initial validity. Further the letters extending validity of the offers as received from the firms, were appropriately diarized in the division without any back dating.

In view of above clarifications, the file may again be sent to finance for concurrence please

D)

1. All out efforts shall be made to finalize the tender within original validity period and where the validity of tender is extended, due approval of competent authority shall be obtained.
2. The justification has been prepared on current prevailing market rates as per codal provision.
3. The rates are competitive, reasonable and within proximity of trend of similar nature of work.
4. The Quality of work executed by the contractors shall be ensured as per specifications of NIT

9. Legal implication of the Subject: - NIL

10. Details of previous Council resolution:-

- (i) Item No. 07(B-06) of council meeting No. 06/2013-14 held on 07/10/2013. – Deferred. The Council directed that the department concerned will further explain about the project in the next meeting of the council.
- (ii) Item No. 03(B-09) of council meeting No. 07/2013-14 held on 27/11/2013. – Deferred.
- (iii) Item No. 08(B-13) of council meeting No. 08/2013-14 held on 10/01/2014. – Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of Rs.254 Crores was sanctioned for purchase of cable, along with the present proposal with justification, in the next meeting of the Council.

Clarifications to the observations of council are as under:-

1. Copy of council Reso. No.11 (B-15) dated 20-08-2008 according A/A and E/S for the preliminary estimate for re-vamping Electrical System of NDMC up to 11 KV, amounting to Rs.336.09 Crores is enclosed at **Annexure-'A' (See pages 35 – 42)**

2. In the above preliminary estimate, the cost of material which includes L.T. Cable, H.T. Cable, L.T. Pillar, Capacitor Bank, Electronic Meters, Dry type transformers, Oil type transformers, V.C.B Panel, L.T. Board etc. was Rs.252 Crores including provision of 760 K.M of H.T. & L.T. Cable valued Rs.91.94 Crores.

3. The present proposal for laying of cables against various sanctioned schemes related to not only revamping of electrical system but also deposit works, maintenance schemes & works related to DERC guidelines for which sanctioned estimates are either in hand or in planning stage. As on date, sanctioned estimates for laying 274 km of HT & LT Cable are in hand for execution & details in this regard are tabulated below:

SI. No.	Total qty. of HT/LT cable in PE for revamping of Electrical system	Approx. qty. of HT & LT cable in other schemes such as Deposit, Maintenance, DERC works etc.	Total qty. of cable required (1+2)	Cable purchased from 2008 to 2013	Cable laid against system Revamping estimate till date	Balance required against revamping works (yet to be laid)	Qty. of cable sanctioned estimate in hand
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	760 km	200 km	960km	464 km	264 km	496 km	274 km

The above position has also been apprised to Hon'ble members of Council.

11. Comments of Law Department:- " No legal issue is involved in this matter at this stage".

12. Comments of the Department on the Comments of Law Department: Nil

13. Certification by the Department:

All Central Vigilance Commission (CVC) guidelines have been followed.

14. Recommendation: - The case may be placed before the Council for awarding the work of Annual Contract for laying of U/G LT Cables, dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area. to the following three firms (L-1, L-2 & L-3) in the ratio of 40%, 30% & 30% respectively computed on the basis of tendered cost of L-1 firm amounting to **Rs.3,86,16,114/- (Three Crore Eighty Six lacs Sixteen Thousand One Hundred Fourteen)** on the terms, conditions & specifications of NIT:

1. M/s Vichitra Construction (P) Ltd. for **Rs.1,54,46,446/- (Rupees One Crore Fifty Four Lacs Forty Six Thousand Four Hundred Forty Six)** being 40% of the tendered value.
2. M/s B.K. Power Enterprises for **Rs.1,15,84,834/- (Rupees One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty Four)** being 30% of the tendered value.
3. M/s Creative Enterprises for **Rs. 1,15,84,834/- (Rupees One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty Four)** being 30% of the tendered value.

Since the work is of urgent nature, approval is solicited to award the work in anticipation of the confirmation of the minutes of council meeting.

15. Draft resolution:- Resolved by the council that approval is accorded to award the work of Annual Contract for laying of U/G LT Cables, dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area to the following three firms (L-1, L-2 & L-3), in the ratio of 40%, 30% & 30% respectively on the basis of tendered cost of L-1 firm amounting to Rs. 3,86,16,114/- (Three Crore Eighty Six lacs Sixteen Thousand One Hundred Fourteen) on the terms, condition & specifications of the NIT:

1. M/s Vichitra Construction (P) Ltd. for Rs. 1,54,46,446 (One Crore Fifty Four Lacs Forty Six Thousand Four Hundred forty six) being 40% of the tendered value.
2. M/s B.K. Power Enterprises for Rs. 1,15,84,834 (One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty four) being 30% of the tendered value.
3. M/s Creative Enterprises for Rs. 1,15,84,834 (One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty four) being 30% of the tendered value.

Since the work is of urgent nature, approval is accorded to award the work in anticipation of the confirmation of the minutes of council meeting.

COUNCIL'S DECISION

Resolved by the Council that approval is accorded to award the work of Annual Contract for laying of U/G LT Cables, dismantling, dismantling and relaying of LT Cables of all sizes, including supplying & laying of HDPE pipes in NDMC area to the following three firms (L-1, L-2 & L-3), in the ratio of 40%, 30% & 30% respectively on the basis of tendered cost of L-1 firm amounting to `3,86,16,114/- (Three Crore Eighty Six lacs Sixteen Thousand One Hundred Fourteen) on the terms, condition & specifications of the NIT:

1. M/s Vichitra Construction (P) Ltd. For `1,54,46,446/- (One Crore Fifty Four Lacs Forty Six Thousand Four Hundred forty six) being 40% of the tendered value.
2. M/s B.K. Power Enterprises for `1,15,84,834 (One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty four) being 30% of the tendered value.
3. M/s Creative Enterprises for `1,15,84,834 (One Crore Fifteen Lacs Eighty Four Thousand Eight Hundred Thirty four) being 30% of the tendered value.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

ANNEXURE

8 pages

Annexure ends

ITEM NO. 04 (K-05)**1. Name of the Project / Subject:**

Liberalized Medical Health Scheme

2. Name of Department:

Welfare Department

3. Brief History of the Project:

The Competent Authority NDMC, approved Liberalized Medical Health Scheme for working employees/pensioners and their dependents on CGHS rules & rates with private hospitals. In the first stage NDMC, empanelled Max Group of Hospitals & Batra Hospital & thereafter from time to time NDMC empanelled more hospitals in Delhi & NCR. This proposal was approved by the Council vide Reso. No. 04(K-1) dated 31/05/2007, whereby the CGHS rates +5% was allowed to the Max Group of Hospitals for the treatments/test ect. mentioned in the CGHS list and a rebate of 35% over the Hospital treatment rates. But subsequently vide Reso. No. 27 (K-6) dated 19/12/2007, this rebate was removed for Max Group of Hospitals. Various hospitals were empanelled from time to time till 2012. In 2013 the it was observed that Medical reimbursement has gone very high & it was decided that this condition of 5% extra rates to Max Hospital be waived off for which Max Group of Hospitals but they did not agree. NDMC adopted CGHS pattern & invited Hospitals which were empanelled with CGHS on CGHS Terms & Conditions. The Hospitals which agreed, were/are empanelled. However one Non CGHS Hospitals was also empanelled because of its vicinity with NDMC boundaries as it agreed on CGHS terms & condition. Till date 06 Super Specialty Hospitals, 22 NABH accredited Hospitals, 28 Non NABH accredited Hospitals, 36 Eye Care Centers & 15 Diagnostic Centers & Labs have been empanelled.

4. The Salient features are of the Scheme are as under:

- Hospitals are paid CGHS rates in three categories Super Specialty, NABH & NON NABH.
 - The treatments which are not in the CGHS list reimbursement is made.
 - Since NDMC started its own dental centers, no dental Hospital was empanelled.
- (A) Referral system was introduced w.e.f 01/06/2013 in which the Hospitals are to entertain cases referred by any Govt. Doctor, but subsequently this condition was removed for Pensioners their dependents in case of NABH/Non NABH Hospitals.
- (B) The referral is valid for 6 months.
- (C) In case of emergency no hospital shall refuse admission or demand any advance payment from the beneficiary or his family member and shall provide credit facilities to the patient on production of a valid NDMC medical card. The refusal to provide the treatment to bonafide beneficiaries in emergency cases without valid ground would attract disqualification for continuation of empanelment.
- (D) Any treatment which has been started prior to 30/05/2013, will continue till 31/12/2013, without need for any referral.
- (E) Any reference to any test in empanelled Lab/Diagnostic Centre by any Empanelled hospital will not require further referral.
- (F) The present contributions of the employees as per CGHS as under:

S.No.	Grade pay drawn by the officer	Contribution (Rupees per month)
1	Upto Rs. 1,650/- per month	50/-
2	Rs. 1,800/-, Rs. 1,900/-, Rs. 2000/-, Rs. 2,400/- and Rs. 2800/- per month	125/-
3	Rs. 4,200/- per month	225/-

4	Rs. 4,600/-, Rs. 4,800/-, Rs. 5,400/- and Rs. 6,600/- per month	325/-
5	Rs. 7,600/- and above per month	500/-

(G) Entitlement of wards in empanelled Hospitals as per CGHS as under:

S.No.	Ward entitlement	Pay drawn in pay band
1	General Ward	Upto Rs. 13,950/-
2	Semi-private ward	Rs. 13,960/- to Rs. 19,530/-
3	Private ward	Rs. 19,540/- and above

But there was lot of resentment among working employee who have been representing through unions. Therefore a committee was constituted by the Competent Authority to examine the issues related to Medical Health Scheme and Referral system of NDMC and an office order dated 27/09/2013 was issued by the Director (P) vide which Sh. I.A. Siddiqui was appointed as the Chairman of the committee with Director (Finance/Accounts), Director (Welfare) as Members & Jt. Director (Welfare) as Member Secretary.

The committee submitted its recommendation which are as under :

- i. The condition of referral in respect of Non-NABH/NABH empanelled hospitals be removed.
- ii. Referral system in respect of Super-specialty Hospital is recommended.
- iii. In case the Non-NABH/NABH empanelled Hospital feels that the condition of the patient is such that it can not be effectively managed by them, then they should be

authorized to refer the patient to Super-specialty Hospital with specific recommendations for better management of the case.

- iv. If any tests are prescribed in OPD by a doctor of empanelled hospital costing up to Rs. 500/- the same can be done without taking any permission but if the cost exceed Rs. 500/- the same would require referral from a Govt. Doctor.
- v. Since Dental Centre has been established by the NDMC there is no requirement of empanelment of dental hospitals, however the beneficiaries be made reimbursement at CGHS Non NABH/NABH rates for any treatment which is not for beatification /cosmetic purpose. The treatments can also be obtained from the empanelled hospital on payment basis at CGHS, Non NABH/NABH rates.
- vi. The removal of referral system of officers with GP 7600/- and above cannot be accepted because this will amount to discrimination with other categories of employees.
- vii. The doctors making referrals are specifically required to mention on the referral slip to which category hospital the patient is referred i.e. Non NABH/NABH/Superspecialty.
- viii. Services rendered by empanelled hospitals are required to be monitored by way of obtaining feed back from the employees who have availed the facilities from these hospitals.
- ix. Frequent yoga classes be organized on Saturday & Sunday for NDMC employees/their dependents.
- x. Separate modalities be worked out for providing medical health facilities to the employees wording on TMR/RMR/Contract basis and for the employees working with NSES, SKS, etc.

5. Financial implication of the proposed project/subject.

Approx Rs. 36 Lacs annually (Only OPD consultation facility of Rs. 58/- for 60,000/- beneficiaries) and approx Rs. 3 corers for tests upto Rs. 500/- by each beneficiaries.

6. Implementation schedule with timelines for each stage including internal Processing Finance Department has agreed to the proposal that for NABH/Non NABH Hospitals conditions of referral should be removed and if tests prescribed more than Rs. 250/- the same would required referral. No IPD treatment (except emergency) be allowed without referral.

7. Comments of the Finance Department on the subject with diary No. and dated.

Finance Department has concurred the proposal vide dairy No. 1897/Finance/R-Welfare dated 20/09/2013.

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

The recommendation of committee are that referral should be required for tests costing more **then Rs. 500/- inserted of Rs. 250/- in case of OPD prescription.**

9. Legal implication of the subject / project:

No legal implication

10. Detail of previous Council Resolutions, existing law of Parliament and Assembly on the subject.

Resolution No. 04 (K-1) dated 31st May 2007 & Resolution No. 27 (K-6) dated 19th December 2007.

11. Comments of Law Department on the subject/project

No legal issue involved.

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

N.A

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

No violation of CVC guidelines

14. Recommendation

- i. The condition of referral in respect of Non-NABH/NABH empanelled hospitals be removed.
- ii. Referral system in respect of Super-specialty Hospital is recommended.
- iii. In case the Non-NABH/NABH empanelled Hospital feels that the condition of the patient is such that it can not be effectively managed by them, then they should be authorized to refer the patient to Super-specialty Hospital with specific recommendations for better management of the case.
- iv. If any tests are prescribed in OPD by a doctor of empanelled hospital costing up to Rs.500/- the same can be done without taking any permission but if the cost exceed Rs. 500/- the same would require referral from a Govt. Doctor.
- v. Since Dental Centre has been established by the NDMC there is no requirement of empanelment of dental hospitals, however the beneficiaries be made reimbursement at CGHS Non NABH/NABH rates for any treatment which is not for beatification /cosmetic purpose. The treatments can also be obtained from the empanelled hospital on payment basis at CGHS, Non NABH/NABH rates.
- vi. The removal of referral system of officers with GP 7600/- and above cannot be accepted because this will amount to discrimination with other categories of employees.
- vii. The doctors making referrals are specifically required to mention on the referral slip to which category hospital the patient is referred i.e. Non NABH/NABH/Superspecialty.
- viii. Services rendered by empanelled hospitals are required to be monitored by way of obtaining feed back from the employees who have availed the facilities from these hospitals.

- ix. Frequent yoga classes be organized on Saturday & Sunday for NDMC employees/their dependents.
- x. Separate modalities be worked out for providing medical health facilities to the employees working on TMR/RMR/Contract basis and for the employees working with NSES, SKS, etc.

COUNCIL'S DECISION

Deferred.

ITEM NO. 05 (F-01)1. **Name of the subject/project**

Determination of municipal tax, rates, cesses and rebates for the year 2014-15 and other related matters.

2. **Name of the Department**

Property Tax Department

3. **Detailed history of the subject and proposal for consideration of Council**

4. Requirement of Sub-Section (2) of Section 55 of the New Delhi Municipal Council Act, 1994(hereinafter referred to as the "ACT") is that the Council has to determine the rates of various municipal taxes, rates and cesses for the year 2014-15 on or before 15th February 2014.

5. Section 60 of the Act mandates that the Council shall levy certain obligatory taxes specified under Section 60(1) of the Act and may levy certain discretionary taxes as specified under Section 60 (2) of the Act.

6. Executive instructions from the Central Government, as approved by the Hon'ble Supreme Court of India, provide that Council is entitled to Service Charges on land & building being properties of the Union, constructed on or after 26th Jan., 1950.

07. In Resolution No.06 (F-1) dated 31.01.2013 Council has determined rates of various municipal taxes, rates and cesses for the year 2013-14 and permissible rebates as per **Annexure-I**

(See pages 53 – 58)

8. The property tax is a percentage of the rateable value of lands and buildings and valuation of land and buildings under the Annual Rent Bye Laws of 2009. This Bye Law is under consideration of the Delhi High Court, where in so far no stay on the payment of taxes has been given by the Court so far.

9. It is for the consideration of the Council that the rates of property tax may continue to be the same as in 2013-14. Similarly, the rates of taxes on vehicles and animal, theatre tax, tax on advertisements other than the advertisements published in the newspaper, duty on transfer of property, tax on building payable along with the application for sanction of the building plan may be the same as in 2013-14. The tax on sale, supply and consumption of electricity may @ 5% of tariff fixed by DERC for consumption, sale or supply of electricity or on sale of surplus electricity. The rates of taxes, rates and cesses for the year 2014-15 are proposed for consideration for the Council as under:

(A) Property Tax

	Lands and buildings or part thereof	Rate of Tax
i.	Where the rateable value does not exceeds Rs.10 Lacs	20% of the rateable value
ii.	Where the rateable value exceeds Rs.10l Lacs but does not exceeds Rs.20 lacs.	Rs.2,00,000/- plus 25% of the amount by which the rateable value exceeds Rs.10 lacs.
iii.	Where the rateable value exceeds Rs.20 lacs	Rs.4,50,000/- plus 30% of the amount by which the rateable value exceeds Rs.20 lacs.

(B) Tax on vehicles and animals: As per Schedule –II of the Act at NIL rate.

(C) Theatre tax: As per Schedule – III of the Act as NIL rate.

(D) Tax on advertisements other than advertisements published in the Newspapers: As per Schedule-IV of the Act at maximum rate.

(E) Duty on transfer of property: Duty on transfer of property on the instruments specified in Sec. 93(2)(b) and on instructions presented for mutation under Sec.74, at the following rate:-

- (a) 2% in case the transferee is a woman to the extent of her share in the property.
- (b) 2.5% in case the transferees are persons other than women.

(F) Tax on building payable along with the application for sanction of the building plan.

As per Schedule-V of the Act.

(G) Tax on sale or supply of Electricity:

The tax may be @ 5% of tariff fixed by DERC for consumption, sale or supply of electricity or on sale of surplus electricity.

10. Section 124 of the NDMC Act provides that the Council may by resolution passed in this behalf exempt either wholly or in part from the payment of any taxes levied under this Act and any class of person or any class of property or goods. Under this provision, the Council has been giving rebate on the payment of tax and not from the levy of tax. These rebates for the year 2014-15 may be as under:

- (i) a rebate of 50% of the tax calculated on the rateable value upto Rs.5 lacs of lands and buildings used or to be used and occupied or to be occupied for residential purposes;
- (ii) a self occupancy rebate of 25% of the property tax payable after allowing the rebate at (i) above, in respect of self occupied residential properties singly owned by a Sr. citizen who is sixty years or more in age as on 01.04.2014 or by a women or a physically challenged person, irrespective of their age or jointly owned by any of these categories;

Provided that no portion of the building owned by such a Sr. citizen or women or physically challenged person is on rent or is used for commercial purposes and the building is actually owned and occupied by these categories;

- (iii) a rebate of 50% of the tax determined on rateable values upto Rs.1 lac, for properties other than residential properties;

- (iv) a rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above;

Provided that no such rebate shall be available on the portions on rent or used for commercial purposes;

- (v) on the net tax payable, after rebate as above from (i) to (iv), a prompt payment of rebate of 10% of the net tax may be allowed, if the tax is paid, along with a return U/s-77 of the NDMC Act by 30th September, 2013 and 5% if the tax is paid after 30st September, 2014 but on or before 31st December, 2014;

Provided that the date of payment of tax with rebates can be extended by the Chairperson, generally or in specific case on facts of the case.

SERVICE CHARGES

11. Properties of the Union constructed prior to 26th of Jan., 1950 are subject to property tax and those constructed on or after 26th January 1950 are exempt from the levy of property taxes. Under orders of the Govt. of India, as approved by the Hon'ble Supreme Court, Service Charges are payable on all such properties. There has been a change in the valuation of such properties in the Bye-laws of 2009. If the property tax and service charges are paid as per these bye-laws of 2009, the rebates under para-10(v) property tax and service charges would be admissible at the same rates as to the private properties.

12. **Rebate on self occupied residential properties for earlier year 2010 to 2013.**

Federation of Association of Babar Road, Diplomatic Enclave, Golf Link and Jor Bagh have represented that they had not opted for payment of property taxes on filing of returns for the years 2010-11, 2011-12 and 2012-13 as they were disputing the validity of the Bye Laws of 2009 and has now sought rebate for the self occupied residential properties, if they pay the tax under the Annual Rent Bye Laws of 2009.

12.1 As aforesaid, rebate for payment of tax is available under section 124 of the NDMC Act.

The request of federation is only in respect of the self occupied residential properties. If they make the payment for the relevant years from 2010-11 to 2012-13 for the self occupied residential properties under Bye Law of 2009. The Council may agree for the grant of rebate of 25% to the Senior Citizen, handicap and women, if no portion of building is on rent and the payment is made before 31.3.2014 and additional rebate of 10% for prompt payment may also be agreed to, in respect of these properties, if the payment is made before 31.3.2014. This rebate of 10% will also be available to all the self occupied residential properties not limited to only those owned and occupied by Senior Citizens, handicapped and women. This is the rebate on the additional amount to be paid by them and not on the payment already made in respective years, provided that it does not result in excess or refund.

13. **Financial implication of the proposed subject**

This is a statutory requirement.

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

Not applicable.

15. **Comments of the Finance Department**

N.A

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

N.A

17. **Legal implications of the subject/project**

This is a legal requirement.

18. **Details of previous Council Resolution, existing law or Parliament and Assembly on the subject**

In 2013-14, the rates and rebates were approved in Resolution No.06 (F-1) dated 31.01.2013

19. **Comments of the Law Department on the subject/project**

This is a requirement of statute and as such no legal implications.

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

NIL

21. **Recommendations**

Council may approve the proposals as contained in Paras - 09 to 12.1 and permit implementation, in anticipation of confirmation of minutes of the meeting.

Chairperson has seen the proposal and approved its being placed before the Council in its next meeting.

COUNCIL'S DECISION

Resolved by the Council to approve the proposals of the department contained in Paras - 09 to 12.1 of the preamble.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

ITEM NO. 06 (F-01)1. **Name of the subject/project**

Determination of municipal tax, rates, cesses and rebates for the year 2013-14 and other related matters.

2. **Name of the Department**

Property Tax Department

3. **Detailed history of the subject and proposal for consideration of Council**

4. Requirement of Sub-Section (2) of Section 55 of the New Delhi Municipal Council Act, 1994(hereinafter referred to as the "ACT") is that the Council has to determine the rates of various municipal taxes, rates and cesses for the year 2013-14 on or before 15th February 2013

5. Section 60 of the Act mandates that the Council shall levy certain obligatory taxes specified under Section 60(1) of the Act and may levy certain discretionary taxes as specified under Section 60 (2) of the Act.

6. Executive instructions from the Central Government, as approved by the Hon'ble Supreme Court of India, provide that Council is entitled to Service Charges in lieu of property taxes, on the property of the Union,

07. In Resolution No.06 (F-1) dated 09/02/2012 Council has determined rates of various municipal taxes, rates and cesses for the year 2012-13 are as under:-

(A) Property Tax

	Lands and buildings or part thereof	Rate of Tax
i.	Where the rateable value does not exceeds Rs.10 Lacs	20% of the rateable value
ii.	Where the rateable value exceeds Rs.10Lacs but does not exceeds Rs.20 lacs.	Rs.2,00,000/- plus 25% of the amount by which the rateable value exceeds Rs.10 lacs.
iii.	Where the rateable value exceeds Rs.20 lacs	Rs.4,50,000/- plus 30% of the amount by which the rateable value exceeds Rs.20 lacs.

(B) Tax on vehicles and animals: As per Schedule –II of the Act at NIL rate.

(C) Theatre tax: As per Schedule – III of the Act as NIL rate.

(D) Tax on advertisements other than advertisements published in the Newspapers: As per Schedule-IV of the Act at maximum rate.

(E) Duty on transfer of property: Duty on transfer of property on the instruments specified in Sec. 93(2)(b) and on instructions presented for mutation under Sec.74, at the following rate:-

(a) 2% in case the transferee is a woman to the extent of her share in the property.

(b) 2.5% in case the transferees are persons other than women.

(F) Tax on building payable along with the application for sanction of the building plan: As per Schedule –V of the Act.

8. Council had also resolved to allow in 2012-13 rebates for payment of tax in respect of properties paying tax under the Annual Rent Bye Laws-2009 are as under:-

- (i) a rebate of 50% of the tax calculated on the rateable value upto Rs.5 lacs of lands and buildings used or to be used and occupied or to be occupied for residential purposes;
- (ii) a self occupancy rebate of 25% of the property tax payable after allowing the rebate at (i) above, in respect of self occupied residential properties singly owned by a Sr. citizen who is sixty years or more in age as on 01.04.2012 or by a women or a physically challenged person, irrespective or their age or jointly owned by any of these categories;

Provided that no portion of the building owned by such a Sr. citizen or women or physically challenged person is on rent or is used for commercial purposes and the building is actually owned and occupied by these categories;

(iii) a rebate of 50% of the tax determined on rateable values upto Rs.1 lac, for properties other than residential properties;

(iv) a rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above;

Provided that no such rebate shall be available on the portions on rent or used for commercial purposes;

(v) the Chairperson is authorized to give rebate of not more than 20% of the tax payable by owner or tenant, for the shops occupied by him in Blocks A – H, K – N in Connaught Place as may be decided by Chairperson;

Provided that this rebate shall not be available to premises occupied by Banks or for office and commercial purposes or multiplex;

As resolved by the Council this rebate would be available for 2010-11, 2011-12 & 2012-13 also.

(vi) on the net tax payable, after rebate as above from (i) to (v), a prompt payment of rebate of 10% of the net tax may be allowed, if the tax is paid, along with a return U/s-77 of the NDMC Act by 30th September, 2012 and 5% if the tax is paid after 30st September, 2012 but on or before 31st December, 2012;

Provided that the date of payment of tax with rebates can be extended by the Chairperson, generally or in specific case on facts of the case.

9. It is proposed for consideration for the Council that the rate of taxes and rebates for the year 2013-14 may remain the same as in the year 2012-13. Accordingly the rate of municipal taxes, rates, cesses for the year 2013-14 are proposed as under:-

(A) Property Tax

	Lands and buildings or part thereof	Rate of Tax
i.	Where the rateable value does not exceeds Rs.10 Lacs	20% of the rateable value
ii.	Where the rateable value exceeds Rs.10Lacs but does not exceeds Rs.20 lacs.	Rs.2,00,000/- plus 25% of the amount by which the rateable value exceeds Rs.10 lacs.
iii.	Where the rateable value exceeds Rs.20 lacs	Rs.4,50,000/- plus 30% of the amount by which the rateable value exceeds Rs.20 lacs.

(B) Tax on vehicles and animals: As per Schedule –II of the Act at NIL rate.

(C) Theatre tax: As per Schedule – III of the Act as NIL rate.

(D) Tax on advertisements other than advertisements published in the Newspapers: As per Schedule-IV of the Act at maximum rate.

(E) Duty on transfer of property: Duty on transfer of property on the instruments specified in Sec. 93(2)(b) and on instructions presented for mutation under Sec.74, at the following rate:-

(a) 2% in case the transferee is a woman to the extent of her share in the property.

(b) 2.5% in case the transferees are persons other than women.

(G) Tax on building payable along with the application for sanction of the building plan: As per Schedule –V of the Act.

10. The rebates for the year 2013-14 are also proposed on the same lines as for the year 2012-13, which are as under:-

- (i) a rebate of 50% of the tax calculated on the rateable value upto Rs.5 lacs of lands and buildings used or to be used and occupied or to be occupied for residential purposes;
- (ii) a self occupancy rebate of 25% of the property tax payable after allowing the rebate at (i) above, in respect of self occupied residential properties singly owned by a Sr. citizen who is sixty years or more in age as on 01.04.2013 or by a women or a physically challenged person, irrespective or their age or jointly owned by any of these categories;

Provided that no portion of the building owned by such a Sr. citizen or women or physically challenged person is on rent or is used for commercial purposes and the building is actually owned and occupied by these categories;

(iii) a rebate of 50% of the tax determined on rateable values upto Rs.1 lac, for properties other than residential properties;

(iv) a rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above;

Provided that no such rebate shall be available on the portions on rent or used for commercial purposes;

(v) the Chairperson is authorized to give rebate of not more than 20% of the tax payable by owner or tenant, for the shops occupied by him in Blocks A – H, K – N in Connaught Place as may be decided by Chairperson;

Provided that this rebate shall not be available to premises occupied by Banks or for office and commercial purposes or multiplex;

As resolved by the Council this rebate would be available for 2010-11, 2011-12 & 2012-13 & 2013-14 also.

(vi) on the net tax payable, after rebate as above from (i) to (v), a prompt payment of rebate of 10% of the net tax may be allowed, if the tax is paid, along with a return U/s-77 of the NDMC Act by 30th September, 2013 and 5% if the tax is paid after 30st September, 2013 but on or before 31st December, 2013;

Provided that the date of payment of tax with rebates can be extended by the Chairperson, generally or in specific case on facts of the case.

SERVICE CHARGES

11. Properties of the Union constructed on or after 26th January 1950 are exempt from the levy of property taxes. Under orders of the Govt. of India, as approved by the Hon'ble Supreme Court, Service Charges are payable on all such properties. There has been a change in the valuation of such properties in the Bye-laws of 2009. If the property tax and

service charges are paid as per these bye-laws of 2009, the rebates under para-10(vi) property tax and service charges would be admissible at the same rates as to the private properties.

12. **Rebate for prompt payment of tax for the additional demand raised in 2012-13 .**

- (i) The Council has been resolving to grant rebates at the time of payment of taxes but these are relevant and available only for the year for which the Council has determined the rate of taxes.
- (ii) No Resolution of the Council is available to give rebates for the prompt payment of taxes, where the demand is raised in a year of assessment for more than one year. In such cases it is claimed by the tax payer that since the demand has not been raised in the year of assessment, they are finding it difficult to make the payment in one go and that they have already suffered the benefit of its payment in the Income Tax assessment, for the relevant years.
- (iii) The Council's Resolution relates to the grant of rebate only where the tax payer has made payment under self assessment through the return and such rebate is 10% if tax is paid by 30th of Sept. and 5% if the tax is paid between 1st of Oct., to 31st of Dec., through self assessment under the new Bye Laws. No rebate is available for the additional demand on scrutiny of such returns or where fresh demand is raised for more than one year. Payment of Property Tax Bye Laws have a provision for grant of installment in such cases, where the demand is more than two years such demand cannot be enforced in one go and tax payer is entitled to pay in installments. Even when the demand is of two years or of current year, the tax payer has a right to approach the Chairperson for grant of installment and the Chairperson can give installments on such conditions as he may consider necessary.
- (iv) It is proposed that in respect of the additional demand already raised or to be raised in the year 2012-13, on the scrutiny of the Returns under new Bye Law or where demand is raised for more than two years in 2012-13, the Council may resolve to give 5% rebate on such additional demand, if the same is paid on or before 31st of March, 2013. This rebate shall be available only if the additional demand is paid prior to 31st of March 2013. This rebate is not intended to work out excess payment or to give refund, where the additional demand has already been paid.

- (v) Other rebates granted by the Council for payment of tax with Self Assessment Returns shall not be available.
- (vi) In respect of Government of India properties, particularly CPWD managed properties, service charges demand has been raised and if such demand is paid before 31st of March, 2013, 5% rebate shall also be available on such demand if the demand is paid by 31/03/2013.

13. **Financial implication of the proposed subject**

This is a statutory requirement.

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

Not applicable.

15. **Comments of the Finance Department**

In the budget speech presented by the Chairperson on the recommendations of the Finance no change in tax was proposed. As such no comment from Finance Department now appears necessary.

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

Nii

17. **Legal implications of the subject/project**

This is a legal requirement.

18. **Details of previous Council Resolution, existing law or Parliament and Assembly on the subject**

In 2012-13, the rates were approved in Resolution No.06(F-1) dated 09/02/2012

19. **Comments of the Law Department on the subject/project**

This is a requirement of statute and as such no legal implications.

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

NIL

20. **Recommendations**

Council may approve the proposals as contained in Paras - 09 to 12 (i to vi) and permit implementation, in anticipation of confirmation of minutes of the meeting.

Chairperson has seen the proposal and approved its being placed before the Council in its next meeting.

Agenda has been seen by the Chairperson for being placed before the Council as an Urgent Item of business from the Chairperson for the Council.

COUNCIL'S DECISION

Resolved by the Council to accord approval to the proposals as contained in Paras - 09 to 12 (i to vi) of the agenda and to permit implementation of the same in anticipation of confirmation of minutes of the meeting.

ITEM NO. 06 (B-17)**1. Name of the Subject/Project:**

Appointment of advisory firm for the formation of Electricity Cell within NDMC.

2. Name of the department/ departments concerned

Power Department

3 Brief history of the subject/project

The NDMC is a Municipal Council entrusted with the distribution of electricity to the consumers in NDMC area Under Section 195 to 201 of the NDMC Act 1994. The NDMC has obligations of a Licensee under the Indian Electricity Act 1910 in respect of the New Delhi area.

The Electricity Act (EA) 2003 enacted in June 2003 & repealed the Indian Electricity Act 1910. Section 86 (1) (a) of the EA 2003 vests the responsibility of determination of tariff to the Delhi Electricity Regulatory Commission accordingly, NDMC filing petition for Determination of Aggregate Revenue Requirement (ARR) & Retail Supply Tariff on Year to Year basis under Multi Year Tariff regime. The first Petition for Determination of Retail Supply Tariff for area was filed by NDMC for the FY 2005-06. DERC vide order dated 02.11.2005 passed an order on ARR applicable for NDMC area. While according approval for Retail Supply Tariff DERC issued directives under chapter-IV of the order, the following directives were issued by DERC under clause 4.2.

- Details of offices and land, fully occupied by Electricity Department in terms of area of land and area of office along with the original cost of these assets.
- Details of offices occupied by Electricity Department in other NDMC buildings. The details shall include the name of office, name of building, total area of building, area occupied by Electricity Department, area occupied by other NDMC departments, area rented to others along with details of prevailing rent in such buildings.
- Treatment of rent by Electricity Department in NDMC's books of accounts (Budget Estimates).

Therefore, DERC asked NDMC for compliance of the directives issued by Hon'ble Commission on the petition FY 2005-06 & 2006-07 which are placed at **Annexure A & B (See pages 65 – 71)**. On the basis of methodology adopted by DERC under MYT regime DERC set long term performance targets by segregated costs into two categories on the basis of controllable & uncontrollable parameters. The controllable parameters include O&M expenses, employee expenses, AT&C losses, Administration and General Expenses & Quality of supply. Any financial losses arising out of the underperformance with respect to the targets specified to the Commission for the controllable parameters are to be born by NDMC. Since, the directives issued by Hon 'ble Commission pertains to controllable parameters & hence no enhancement allowed over and above the base year cost i.e. trued up by Commission in its order for FY 2006-07. DERC in the first MYT order dated 07.03.2008 for FY 2008-11 mentioned that NDMC have not submitted the details of:-

- Actual Employee Expenses
- Administration and General Expenses
- Repairs & Maintenance expenses
- O&M expenses
- Separately account of the cost of works carried out by Civil Engineering Department for Electricity Department and also to provide the complete details of such works and associated costs & at the end of the year bringing out clearly the percentage of Civil Engineering Department booked to Electricity Department viz to viz all the other departments.

Keeping in view repeated directives on year to year basis as enclosed here with from **Annexure 'C' (See pages 72 – 79)** Chairman NDMC constituted a Committee for separate accounting of Electricity Business required for Determination of Retail Supply Tariff for NDMC area. The Committee after due deliberation in the various meeting, suggested draft order prepared by the legal consultant in the year 2008 is acceptable broadly with some modifications & suggestions. However the final outcome of the report is awaited.

4. Detail Proposal on the subject/project

To sort out long pending issue before the Regulator, which is badly impact on NDMC Retail Supply tariff proposal for formation of Electricity Distribution strategic business unit was obtained from M/S SBI CAPS in the month of Nov. 2013, so that Regulator may be convinced on the issue by way of appointment of M/S SBI CAP, who is a wholly owned subsidiary State Bank of India, which is the largest bank of India. The firm is providing its services in power sector & cover the complete range of transaction including bid advisory,

reforms and restructuring, policy & strategic advisory, regulatory advisory, regulatory support, fund mobilisation & due diligence services & securitization.

M/s SBI CAP working similar nature of work with Govt. of Manipur & also appointed by PPCL for merging of IPGCL on nomination basis.

5. Financial implications of the proposed project/subject

An amount of Rs. 150 lakh (exclusive statutory levies & taxes including service tax) is payable to SBI CAP which is inclusive of third party consultants to be engaged by it & out of pocket expenses to be incurred by SBI CAP or third party consultants.

6. Implementation schedule with timeliness for each stage including internal processing.

Time frame as envisaged by SBI CAP is as follows-

S.NO	MILESTONE	TIMELINE
1	Award of mandate and payment of inception fee	Zero date
2	Submission of draft fixed assets register	Zero date +3 months
3	Submission of draft report	Zero date +4 months
4	Submission of final report	Zero date +5 months
5	Implementation of SBU structure	Zero date +6 months

7. Comments of the Finance Department on the subject

Finance Department vide diary no. D-2427/Finance dated 11.12.2013 made the following observation on the proposal of department:-

1. The Department may certify that the scope of work given in the offer submitted by SBICAAP covers all the requirement of DERC for preparing and furnishing the information on behalf of NDMC.
2. The outcome of the Committee constituted by the Chairman vide orders dated 15th March, 2013 for examining the need and possibility of framing a separate Electricity Cell may also be brought on record.

3. The basis and justification for proposing the amount Rs.1.5 crore excluding taxes on account of consolidated fees to the advisory firm for principle approval needs to be clarified and brought on record.
4. The Department is also advised to submit their recommendation with specific proposal.

8. Comments of the Department on comments of Finance Department

Para wise reply given as under on the observation made by Finance Department on 11.12.13:-

1. The scope of work mentioned by SBI CAP in the offer is in accordance to that which is required by DERC in the directives issued on the Petition filed by NDMC for Aggregate Revenue Requirement since 2005-06 to onward. A team of officers from SBI CAP cross examined required scope of work after having the meeting with electricity department and account department. Hence scope of work is as per the requirement of DERC.
2. The report/recommendation of the said Committee was put up before Chairman NDMC, which was send to Finance Department through Adviser (Power) vide no. RP-85/Advisor (Power)/13 dated 24.09.2013.
3. SBI CAP was issued a order for the similar work amounting to Rs.1.85 Cr. by Govt. of Manipur vide no. 2/12(35)/SBICAP©/2012-ED(PURCH)/1814-25 dated 14 June 2013 copy placed at **Annexure 'D' (See pages 80 – 82)**. However the rates may be negotiated with the firm.
4. Keeping in view directives of the Regulatory Authority efforts were made by the Department for separate accounting of Electricity Business by way of constituting a Committee could not provide a solution to comply with DERC directives issued on the separate accounting for Electricity Business required for Determination of Retail Supply Tariff applicable in NDMC area.

9. Final View of Finance Department

Finance Department vide no. D-2544/Finance dated 02.01.2014 made following observation on the Department reply.

1. The proposal of the department is for obtaining in-principle approval for engaging M/s SBI CAP for advisory on formation of strategic business unit structure for electricity distribution in NDMC at page 3/N. The proposal involves Rs. 1.5 crores plus statutory levies & taxes including service tax which is payable by NDMC and it is further on nomination basis. It is viewed that ABBAS should have all the details of accounts on the subject matter as NDMC has already switched over on double entry accounts base system. The views on A.O(ABBAS) have not been found on record after bringing on record the requisite information needed for the purposes.
2. The proposal is for seeking AIP for appointment of M/s SBICAP on nomination basis. There may be various other firms doing such works/business. In case of consultancy by nomination, the department needs to justify the same as per provision of GFR Rules/ GFR 176; otherwise, the proposal needs to be regulated as per relevant rules of GFR.
3. Keeping into consideration the above points and if it is found necessary to engage a firm for the work, it is necessary to decide/spell out clearly the scope of work to be outsource and accordingly proper justification of rates needs to be worked out.
4. A Sub-Committee was constituted for examining the need and possibility of forming a separate electricity cell. The outcome of the report/outcome of the said Committee has not been brought on record in response to observation no.2 of the Finance Department. It may also be brought on record whether the views of the said Sub-Committee have been obtained with regard to instant proposal.
5. CE(E-I) may also give his recommendations.

10. Clarification of the Department on the Final view of Finance Department

Para wise reply given as under on the observation made by Finance Department on 02.01.14:-

1. In compliance of DERC regulation 2007 regarding terms & conditions for determination of wheeling tariff & retail supply tariff, a petition for true up & aggregate revenue requirement (ARR) required to be filed by NDMC on year to year basis. The data required for filing the petition as per detail given below is circulated among the department but the information even after implementation of double entry system is not being provided
 - a. Detail of actual expenses and revenue on Power Purchase along with the copy of the bills.
 - b. Detail of actual employee expenses, administration and general expenses repair and maintenance expenses.
 - c. Detail of slab wise sales & revenue, revenue from various component of tariff.
 - d. Compliance on the directives issued by the Commission on O&M expenses in tariff order for FY 2007-08, 2009-10, 2010-11 & 2011-12.
 - e. Scheme wise details of capital schemes carried out in the FY 2012-13 & proposed for FY 2014-15.
 - f. Directive issued by Commission to separately account the cost of works carried out by Civil Engineering Department for Electricity Department and provide the details of such works and associated cost at the end of the year bring out clearly the percentage expenditure of Civil Engineering Department booked to Electricity Department viz a viz all other departments.
 - g. Division of distribution business into wheeling and retail supply-segregation of accounts.
 - h. Scheme wise completion and consequent capitalization of assets in consonance with Commissioning/Commercial Operation of the respective schemes.
 - i. Break-up opening block of assets and assets capitalized during the year.
 - j. Record of revenue collected on account of fixed charges and energy charges separately along with slab wise no. of consumers and sanctioned load.

- k. Provisional/audited accounts.
 - l. Detail of non-tariff income.
 - m. Separate records/accounts for electricity as a separate entity.
2. The SBI Capital Market Limited, SBI CAP is wholly owned subsidiary of State Bank of India, which is the largest Commercial Bank of India. In the Power Sector, the services of SBI CAP cover the complete range of transaction including bid-advisory, reforms & restructuring, policy & Strategic Advisory Regulatory Advisory, Regulatory Support & hence SBI CAP is fully convergent to assignment further nomination for consultancy to SBI CAP is based on that the Firm is already engaged by PPCL for merging of IPGCL & by Govt. of Manipur for the similar work on nomination basis.
 3. The Scope of work placed on the firm is for compliance of DERC directives year to year from 2005-06 to onward including the assessment of scope of work decided/deliberated various meetings with SBI CAP team with CEE-II, Addl. CE-I & II & ABBAS officials. Regarding the rates for the assignment Finance Department may called the Firm for the negotiation.
 4. With reference to report/recommendation of the Chairman of the Committee placed at **Annexure 'E' (See pages 83 – 84)** for kind perusal i.e. report of the Committee is under finalization and excepted to be submitted during the month i.e. January 2014. However, in the mean time a proposal for constitution of "Electricity Cell in NDMC along with draft order vide no. D/84/Advisor (Power)/13 dated 23.09.2013 was initiated by the office which was referred to FA/Advisor (L & J) by Chairman, NDMC for further examination.
 5. The rates offered by SBI cap for the Advisory for the Formation of Electric Distribution- Strategic Business Unit are on higher side, therefore, the case is submitted for according A.I.P. for engaging SBI Cap (on nomination basis) as consultant and to hold negotiations with representative of SBI Cap by negotiation Sub-Committee in the Chamber of F.A. comprising of Financial Advisor (In Chair), CE(E-II), ACE(E-I), ACE(E-II), SE(E-V), SE(E-II) & Law Officer.

11. Legal implication of the subject/project

Comments of the Law Department may be seen.

12. Comments of the Law Department on the subject/project

The appointment of Consultant can be limited to furnishing information of accounting to DERC. It can't be for formation of electricity cell in NDMC. There is no such mandate from Council for form a Electricity Cell in NDMC. It has to be legally examined as to whether such a cell is possible under the NDMC Act.

13. Comments of the Department on the comments of Law Department

The purpose of appointment of Advisory firm is exclusively to comply the Directives of DERC issued by them, while approving the Retail Supply Tariff for Distribution of Electricity in NDMC area since 2005-06.

14. Recommendations

The case is put up before the council for :-

- (i) For appointment of SBI CAP as Advisory firm on nomination basis for Formation of Electricity Cell within NDMC.
- (ii) To hold negotiation with them and award the work after obtaining approval of the competition authority/Chairman.
- (iii) For obtaining AA & ES for Rs. 150 Lac exclusive Govt levy & service tax as applicable

15. Draft Resolution**COUNCIL'S DECISION**

Resolved by the Council to approve the following :-

- (i) For appointment of SBI CAP as Advisory firm on nomination basis for Formation of Electricity Cell within NDMC.
- (ii) To hold negotiation with them and award the work after obtaining approval of the competent authority/Chairman.
- (iii) For obtaining administrative approval and expenditure sanction amounting to `150 Lac exclusive Govt levy & service tax as applicable.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

ANNEXURES

20 PAGES

ANNEXURE ENDS

ITEM NO. 07 (B-18)

1. **Name of Subject/Project:** Purchase of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5 C duly ISI marked.
2. **Name of the Department** : ELECTRICITY DEPARTMENT
3. **Brief History of the subject/Project:** A case for the procurement of 24.5 Km of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C duly ISI marked was processed against the sanctioned estimates duly approved by Chairperson/Secretary/CE(E)II as per **ANNEXURE "A" (See pages 92 - 93)**.
4. **Detailed Proposal of the Subject/Project:**
Tenders were invited through e-procurement system from the manufacturers for the purchase 24.5 Km of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C duly ISI marked by giving wide publicity to the NIT as per the codal provisions. In first call, tender opened on 25.10.2012, only two offers were received but none of the firms were found eligible as per NIT requirement. Tenders were accordingly re-invited with due approval of competent authority. In second call five firms responded up to due date of opening i.e. on 04.12.2012 and after opening of price bid, the L-I tenderer backed out and therefore the tenders were dropped and EMD submitted by the L-I firm M/s Alpha Communication Ltd was forfeited as per terms & conditions of the NIT. The tenders were re-invited in third call. In response to the Tender Enquiry, offers of the following firms were received on 05.06.2013 due date.

1. M/s. Suraj Cables
2. M/s. Windsor Cables Pvt. Ltd.
3. M/s. Dynamic Cables Pvt Ltd.
4. M/s. Gupta Power Infrastructure Limited
5. M/s. Bright Cables Private Ltd
6. M/s. Havells India Ltd.

The offers of the above firms were scrutinized and subsequently examined by the planning division, following four firms were found eligible as per NIT requirement.

1. M/s. Suraj Cables
2. M/s. Windsor Cables Pvt. Ltd.

3. M/s. Dynamic Cables Pvt Ltd.
4. M/s. Bright Cables Private Ltd

The following firms were not found eligible:-

1. M/s. Gupta Power Infrastructure Limited (**As per Terms & Conditions of NIT, the firm did not submit the ISI license for the last at least five years**)
2. M/s. Havells India Ltd (**As per Terms & Conditions of NIT, the firm offered negative tolerance for armour size in GTP.**)

With the approval of CE(E)II dt.19.08.13, the price bids of Four eligible firms namely, M/s Suraj Cables, M/s Windsor Cables Pvt. Ltd., M/s Dynamic Cables Pvt. Ltd. & M/s Bright Cables Private Ltd were opened on 26.08.2013. The position of each tendering firm is as under:

Name of the Firm	Rates as per offer of the firm (Rs.)	Estimated cost put to tender (Rs.)	Remarks
1. M/s. Suraj Cables	QR- <u>1,77,38,000.00</u> CR- 2,09,26,937.64 L-I		The total computed cost of L-I firm, M/s. Suraj Cables. is 6.75% below than the estimated cost put to tender based on DGS&D rate contract dt.13.07.2012.
2. M/s. Windsor Cables Pvt. Ltd.	QR- <u>1,87,71,900.00</u> CR-2,21,46,712.18	QR- <u>1,89,76,287.33</u> CR- 2,24,41,149.00	
3. M/s. Dynamic Cables Pvt Ltd	QR- <u>1,88,18,450.00</u> CR- 2,17,40,112.52		
4. M/s Bright Cables Private Ltd	QR- <u>1,83,75,000.00</u> CR- 2,17,27,457.50		

As can be seen from the above table, M/s. Suraj Cables has emerged as the lowest eligible tendering firm, with their quoted Ex-works rate Rs.7,24,000.00 per Km + ED @ 12.36% Extra or as applicable + VAT@ 5% Extra, thus making computed cost of

Rs.8,54,160.72 per Km and a total computed cost Rs.2,09,26,937.64, say: Rs.2,09,26,938.00 for the purchase of 24.5 Km of 1.1 KV LT XLPE Cable of size 400 sq.mm/3.5C. The firm vide their Letter No.SC/NDMC/BID-10/2013-14 dt.1530.05.2013 placed at CP-485 in the file, has offered their rate with present rate of ED is @ 12.36% Extra and VAT @ 5% Extra and Extra as applicable at the time of dispatch .

Justification statement has been prepared based on DGS&D rate contract Validity from 16.07.13 to 31.08.14, LPR placed on M/s Grandeur (India) Pvt. Ltd & lowest current market rate taken from M/s Gupta Power Infrastructure Ltd., tabulated as under:-

Descrip tion of Items	As per offer of L-I firm M/s Suraj Cables	Estimated basic rate based on DGS&D rate contract No. XLPE- LT/ES-4/RC- B1040000/0512/34/0446 1/1392/42737 dt. 13.07.12	As per DGS&D rate contract No. XLPE- LT/ES-4/RC- B1040000/1213/34/0525 8/1397/48009 placed on M/s Hitesh Industries dt. 08.08.13	As per the LPR placed on M/s Grandeur (India) Pvt. Ltd S.O.No.25/D	As per the lowest current market rate taken
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	(Ex works rate) (Rs.)	(Validity from 27.12.11 to 31.12.12) (Ex works rate) CP-52-78 is estimate file (Rs.)	(Validity from 16.07.13 to 31.08.14) (Ex works rate) (Rs.) CP-835-864 in the file	P/EE(S-I)/2012-13 dt.09.03.12 (Ex works rate) (Rs.) CP-865-866 in the file	from M/s Gupta Power Infrastructure Ltd. dt. 02.09.13 (Ex works rate) (Rs.) CP-870-872 in the file
1.1 KV LT XLPE Cable of size :400 sq.mm /3.5 C duly ISI marked. QTY: 24.5 KM	7,24,000.00 per km	7,74,542.34 Per Km	8,41,346.00 Per Km	7,24,559.58 Per Km	9,96,000.00 Per Km
<p>Remarks :</p> <p>The Ex-works rate of lowest firm M/s Suraj Cables is 6.53% below Estimated basic rate based on DGS&D rate contract No. XLPE-LT/ES-4/RC-B1040000/0512/34/04461/1392/42737 dt. 13.07.12,</p> <p>13.95 % below the current DGS&D rate contract No. XLPE-LT/ES-4/RC B1040000/1213/34/05258/1397/48009 placed on M/s Hitesh Industries 08.08.13,</p> <p>0.08 % below LPR placed on M/s Grandeur (India) Pvt. Ltd S.O.No.25/DP/EE(S-I)/2012-13 dt.12.09.12 and</p> <p>27.31% below the lowest current market rate taken from M/s Gupta Power Infrastructure Ltd. dt. 02.09.13</p>					

Therefore the rate of lowest tendering firm M/s. Suraj Cables is competitive, reasonable and hence justified

The case was examined by the Planning and subsequently concurred by **Finance vide Dy. No. 2404/Finance/R-Elect dt.22.11.2013.**

5. Financial Implications of the proposed subject/Project:

Rs.2,09,26,938.00 (Rupees Two Crore Nine Lakh Twenty Six Thousand Nine Hundred and Thirty Eight only) inclusive of taxes, duties etc.

6. Implementation Schedule with timeline for each stage including processing:

Commencing with **14.5Kms** within Two Months from the date of issue of supply order and completion @ 10Km per month thereafter and **completion in Three months** from the date of issue of supply order.

7. Comments of the Finance Department on the subject.

1. As per quantity of cable mentioned in detail of estimate at p-2/C in estimate file, it has been observed that 2000 mtrs. of cable is being purchased for repair of Under Ground Cable & G.S Pillar in south of Rajpath. This quantity was being procured under sanction estimate of special repair pertaining to year 2012-13 whereas the current year is 2013-14. Similarly, 4651.50 mtrs. Of cable is being purchased against stock-ceiling which pertains to previous year. Whether the stock ceiling for the current year have been got approved is so, how much quantity of cable has been taken in the current year for repair of Under Ground Cable & G.S Pillar in south of Rajpath and against stock ceiling needs to be brought on record.

2. As per justification statement prepared by the department, the quoted rate of L-I firm are found 13.95 % below the DGS&D rate contract. However, it is not clear as to whether the specification of the cable is comparable with the specification of cable notified in the NIT. The department may clarify.

3. A comparative online statement is not available in the file, the same may be placed on record.

4. The case may also be got checked from AO(Electric) and the check-list of the case at p-881-882/C may also be got signed from him in support of its correctness.

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

1. The quantity of cable 2000 meters is being purchased against the sanctioned estimate placed at page 2/C in the Estimate File, for the work of "Repair of underground cable at GS Pillar in South of Raj Path Area during 2012-13" and the cable is still required and the same has also been confirmed on telephone from the concerned D/S Division. Further, a similar sanctioned estimate for the year 2013-14 has also been received in Electric Store-I, in which cable requirement of 1200 meters has been taken and the same is placed in the file at page CP-884 to 888.

When the NIT was initiated in August 2012 for this purchase, there was a provision of 4651.5 Meters of LT XLPE 400 sq.mm/3.5C Cable, however, during the current year in the proposed stock ceiling for the year 2013-14, there is a provision of 3861 meters cable (50% of the average for the last three years) (copy placed at CP-889 to 890). However, we are in receipt of many small estimates which are to be carried out against deposit works by D/N and D/S divisions for which the balance quantity of 790.5 meters shall be utilized. The sanctioned estimates duly approved by Chairperson/CE(E)II as per **ANNEXURE "B"** (See pages 94 - 107).

2. The specifications of cable on DGS&D Contract Rates are similar to the specifications of the cable being procured through our NIT. As desired by ACE(E)I on pre-page 80/N, a comparison chart of specifications i.e. DGS&D and NDMC has been prepared and placed at CP-893 for reference.

3. Comparative Online statement is already placed in the file at page 829/CP.

4. The case has also been got checked from AO(E-II), including signatures on the check list in support of its correctness.

9. Final view of the Finance Department:

In view of the clarification and certification submitted by the department (at page 80 & 85/N), the Finance Department concur in the proposal of the department to place the supply order on the L-1 firm M/s Suraj Cables for the supply of 1.1 KV LT XLPE Cable 400 sq.mm/3.5C, Qty 24.50 Kms at their quoted rates of Rs.7,24,000/- per Km + ED @ 12.36% or as applicable + VAT @ 5% thus making the total computed cost of the cable as Rs.8,54,160.72 per Km thereby total computed cost of the supply as Rs.2,09,26,938/- (Two crore nine lakh twenty six thousands nine hundred thirty eight only), as per the terms and

conditions of the NIT. The department is hereby advice to charge the proposed expenditure against the approved stock-ceiling for the year 2013-14.

Clarification of the Department:- It is submitted that the proposed expenditure will be initially charged against the Budget Head Electric other items under chart of A/C code No.4301030, Function code 07, Field code 220 in the budget book Volume No.1 at page No.184 and finally will be charged to the respective works.

10. Legal Implication of the Subject/Project:

No legal implications are involved.

11. Details of previous Council Resolution, existing law of Parliament and Assembly on the Subject:-

Council vide item no. 05(B-10) in it's meeting held on 10-01-2014 has noted – **" Deferred with the direction that the department would place before the Council the earlier agenda item by which an amount of Rs. 254 Crores was sanctioned for purchase of cable alongwith the present proposal with justification in the next meeting of the Council."**

In this regard, it is submitted that the Council vide Reso. No. 11 (B-15) dated 20-08-2008 had accorded A/A and E/S for the preliminary estimate for re-vamping Electrical System of NDMC up to 11 KV, amounting to Rs.336.09 Crores (enclosed at **Annexure 'C' See pages 108 - 110**).

In the above preliminary estimate, the cost of material includes L.T. Cable, H.T. Cable, L.T. Pillar, Capacitor Bank, Electronic Meters, Dry type transformers, Oil type transformers, V.C.B Panels, L.T. Board etc. were Rs.252 Crores including provision of 760 K.M of H.T. & L.T. Cable valued Rs.91.79 Crores.

The Stores department had procured various sizes of LT & HT cables 464 Kms. (approx.) against the various sanctioned estimates, placed at **Annexure "D" (See pages 111 - 114)** and the balance material will be procured in due course of time in phase manner after receiving the sanctioned estimates. The present proposal for the procurement of above subject cited LT cable (24.5Km.) is also against the sanctioned estimates as per details appearing in **annexure " A"(See pages 92 - 93)**.

The above position has also been apprised to Hon'ble member Sh. Ashok Ahuja.

12. Comments of department on comments of the Law Department:

--NIL--

13. Final view of the Law Department:

No legal implications are involved.

14. Certification by the Department:

All Central Vigilance Commission (CVC) guidelines have been followed while processing the case.

15. Recommendations of the Department:

The case may be placed before the Council for the purchase of 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C duly ISI marked from the eligible lowest tendering firm, M/s. Suraj Cables with their Ex-works rate Rs.7,24,000.00 per Km + ED @ 12.36% Extra or as applicable + VAT@ 5% Extra, thus making computed cost of Rs.8,54,160.72 per Km length of cable. The total computed cost for the purchase of 24.5 Km 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C worked out to Rs.2,09,26,937.64, say: Rs.2,09,26,938.00 on the terms, conditions and specification of NIT. Since the material requirement is of urgent nature, approval may also be accorded to place Supply Order on the firm in anticipation of the confirmation of the minutes of the Council meeting.

- 16. Draft Resolution:** Resolved by the Council that the approval is accorded for the purchase of 24.5 Km 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C duly ISI marked from the eligible lowest tendering firm, M/s. Suraj Cables with their Ex-works rate Rs.7,24,000.00 per Km + ED @ 12.36% Extra or as applicable + VAT@ 5% Extra, thus making computed cost of Rs.8,54,160.72 per Km length of cable. The total computed cost for the purchase of 24.5 Km 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C worked out to Rs.2,09,26,937.64, say: Rs.2,09,26,938.00 on the terms, conditions and specification of NIT. Approval is also accorded to place Supply Order on the firm in anticipation of the confirmation of the minutes of the Council meeting.

COUNCIL'S DECISION

Resolved by the Council that approval is accorded for purchase of 24.5 Km 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C duly ISI marked from the eligible lowest tendering firm, M/s. Suraj Cables with their Ex-works rate `7,24,000.00 (Rs. Seven lacs twenty four thousand only) per Km + ED @ 12.36% Extra or as applicable + VAT@ 5% Extra, thus making computed cost of `8,54,160.72 (Rs. Eight lac fifty four thousand one hundred sixty paise seventy two only) per Km length of cable. The total computed cost for the purchase of 24.5 Km 1.1 KV LT XLPE Cable of size: 400 sq.mm/3.5C worked out to `2,09,26,937.64, (Rs. Two crore nine lac twenty six thousand nine hundred thirty seven paise sixty four only) say: `2,09,26,938.00 (Rs. Two crore nine lac twenty six thousand nine hundred thirty eight only) on the terms, conditions and specification of NIT.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

Annexures

91 – 114

Annexure edns

ITEM NO. 08 (L-04)**1 Name of the Subject:**

OPEN AUCTION IN RESPECT OF PREMISES AT MAIN GATE OF LODHI GARDEN, NEW DELHI ALLOTTED TO M/S. ARESKO RESTAURANTS PVT. LTD

2 Name of the Department:

Estate-I Department

3. Brief History of the Subject:

The restaurant at Lodhi Garden initially allotted to M/s. Hotel Shaleen (Pvt.) Ltd through tender vide Committee Reso. No.69 dt. 25.2.1983 @ Rs.12,640.80 @ Rs.5/- Psft for the cover area i.e. 159.55 sqft and Rs.020 P Psft for the open are of 20,300 sqft. The licence deed for the same was executed on 21.5.1983.

Right from the start, there were disputes between NDMC and the licensee on various issues. In Dec, 1984 the allotment was cancelled primarily because the licensee had not been paying the monthly licence fee. On the advice of the FA and as per approval of the Chairperson the case was placed before the Council vide its Reso. No.3(xxvii) dated 23.10.1999 which was approved to restoration of all original facilities including passage and entrance from the Lodhi Road. Also withdrawal of all court case by Shaleen Restaurant as well as NDMC upon payment of 50% i.e. 22.30 lacs with a furnishing of a Bank Guarantee for the balance payment of Rs.22.30 lacs payable in 36 installments.

In the year 2000, M/s. Aresko Restaurant Pvt. Ltd vide letter dt. 5.5.2000 intimated that M/s. Hotel Shaleen have decided to transfer rights to them to run the restaurant. Thereafter, the premises was transferred in the name of M/s. Aresko Restaurants Pvt. Ltd for built up area of 2618 sqft and open space of 16300 sqft for sitting purposes surrounded by the boundary wall in

accordance to the Reso. No.6 dt. 18.3.1999 for a period from 2.5.2000 to 5.7.2003 and thereafter renewed upto the period ending 4.7.2013.

M/s. Aresko Restaurants Pvt. Ltd vide dated 7.5.2013 have applied for further renewal of the licence for a period of ten years w.e.f 5.7.2013. The case was processed. The current licence fee which is being paid is Rs.59,213/- per month.

In this regard, in terms of para 6 (i) of the Council Reso. No.3 (xxi) dated 30.8.2000 on the expiry of present term of licence of hotels/cinema and other similar commercial complexes, the licence shall not be renewed. The fresh licence shall be as per provision of Section 141(2) of the NDMC Act, 1994.

Accordingly, it was considered appropriate to give the property at the gate of Lodhi Garden in open auction at the prevailing market rates as the difference between the licence fee being received from M/s. Aresko Restaurants Pvt. Ltd and the market rate of comparable properties is huge. So in order to safeguard revenue, M/s. Aresko Restaurants Pvt. Ltd has already been informed through a written communication as per decision taken by the competent authority that the property in question will be put to open auction with First Right to Refusal to the present occupant/licensee and they have also been informed to pay damages at the rate of Rs.6,81,614/- per month after the expiry of the licence. Further, decision of the Council taken in some other cases of Estate Department like Taj Man Singh Hotel is consistently for open tendering or for open auction of premises with First Right to Refusal to be given to the licensee. This was followed as principle even in the present case till the Council itself, in some future meetings, deviates from its own earlier decision/resolution and revises or amends the relevant Section 141(2) of NDMC Act.

4. Detailed proposal on the Subject:

In view of the brief history of the case, the Department proposes that the open auction may be called for the said premises with First Right to Refusal to the existing licensee.

5. Financial implication of the proposed Subject:

After engagement of an expert/agency for carving out eligibility criteria/terms and conditions of the auction. The Department will fetch a considerably/suitably amount of licence fee per month.

6. Implementation schedule with timeliness for each stage including internal processing:

NA

7. Comments of the Finance Department on the subject with diary number and date:

NA

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

NA

9. Legal implication of the subject:

10. Details of previous Council Resolutions on the subject:

11. Comments of the Law Deptt on the Subject:

12. Comments of the Department on the comments of the Law Deptt:

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

Not applicable

- 14. Recommendations:**

The above proposal is placed before the Council for information and view, if any, please.

COUNCIL'S DECISION

The information was noted. However, it was advised by the Council that the Department may put the premises for open auction, without giving First Right to Refusal to the existing licensee.

ITEM NO. 09 (G-08)

1. Name of the Subject/Project:

Revision of the existing water tariff in NDMC area.

2. Name of Department

Commercial Department

3. Brief history of the subject/project

The issue of charges for the supply of water derives its force from Section 64 of NDMC Act, 1994. The said section is re-produced as under:-

“Charge for supply of water – (1) A charge shall be levied for the water supplied to any land or building by measurement at such rate as shall from time to time be prescribed by the Council in the behalf.

The Council may prescribe such conditions as it may think fit regarding the use of the water and regarding the charges to be paid for water consumed whilst a meter is out of order or under repair.

Provided that no condition prescribed under this sub-section shall be inconsistent with this Act or with any bye-law made thereunder.

Any sum payable by a person, who is charged for water supplied, and not paid when it becomes due shall be recoverable as an arrear of tax under this Act.

In prescribing charges for water supplied by measurement under sub-section (1), it shall be lawful for the Council to prescribe different rates in respect of different classes of lands and buildings.”

Vide Resolution No.3 (x) of the Council dated 25.09.1998 NDMC had taken the decision that NDMC will adopt the tariff on the analogy of Delhi Jal Board. The DJB has enhanced its existing water tariff by 10% with effect from 01.01.2014 vide its Resolution No.94 dated

30.12.2013. The water tariff in NDMC area was last enhanced in August 2009 for Domestic category of consumers and in January 2011 for the Non-domestic category of consumers. The revenue from water tariff during FY 2012-13 was `163 crores and in the current FY it is expected to be ` 146 crores. Therefore, there is need to revise the water tariff keeping in mind the increasing cost of purchasing water required by NDMC and also to regulate its demand and ensure its proper utilisation.

The Council is also informed that vide Resolution No.9 (G-03) dated 04.9.2013, the water tariff in respect of Dhobi Ghats in NDMC area was rationalized keeping in view the socio-economic background of the dhobis. The rationalized tariff is being implemented w.e.f. September, 2013 billing cycle.

4. Financial implications of the proposed project/subject

- (i) A comparative view of the instant water tariff rates/fixed monthly access charges (service charges) of NDMC and DJB is as under:-

Water tariff in NDMC area (w.e.f. August 2009)		Revised Tariff Structure (Water) of DJB Water charges (rate applicable w.e.f. 01.01.2014 in DJB jurisdiction)			
A. Category I (Domestic)		1. Category –I (Domestic) Metered Water Connections			
1. Fixed monthly access charges (service charge)					
(i) upto 200 sq meter premises	Rs 40/- per connection per month	Water consumption (kilolitre)	*Service charge	volumetric charge (per kilolitre)	
(ii) Above 200 sq meter premises	Rs 120/- per connection per month			0-10	66.55
2. Volumetric Water Consumption charges		10-20	133.10	3.99	
Water consumption upto 6 kl	charges per kilo litre per month	20-30	199.65	19.97	
	0 plus 50%	>30	266.20	33.28	

above 6 kl & upto 20 kl	Rs 2/-	towards sewerage maintenance charges																						
above 20 kl & upto 30 kl	Rs 7/-																							
above 30 kl	10/-																							
B. Non-Domestic w.e.f. Jan 2011																								
Charges per month for supply of water			2. <u>Mixed use category (Category – 1A)</u>																					
<table border="1"> <thead> <tr> <th>Water Consumption (kilolitre)</th> <th>Fixed charges</th> <th>Volumetric charge per kilolitre</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>400/-</td> <td>10/-</td> </tr> <tr> <td>10-25</td> <td>600/-</td> <td>20/-</td> </tr> <tr> <td>25-50</td> <td>700/-</td> <td>50/-</td> </tr> <tr> <td>50-100</td> <td>800/-</td> <td>80/-</td> </tr> <tr> <td>> 100</td> <td>900/-</td> <td>100/-</td> </tr> </tbody> </table>			Water Consumption (kilolitre)	Fixed charges	Volumetric charge per kilolitre	0-10	400/-	10/-	10-25	600/-	20/-	25-50	700/-	50/-	50-100	800/-	80/-	> 100	900/-	100/-	Service Charge – same as above Rate per Kl – Double of above			
Water Consumption (kilolitre)	Fixed charges	Volumetric charge per kilolitre																						
0-10	400/-	10/-																						
10-25	600/-	20/-																						
25-50	700/-	50/-																						
50-100	800/-	80/-																						
> 100	900/-	100/-																						
Plus water disposal charges @60% of volumetric charge			3. <u>Commercial /industrial category (category-II)</u>																					
2. Additional water disposal charges in respect of the hotels, banquet halls, hospitals and malls shall be as under:-			Rates for water charges (Rupees per month)																					
<ul style="list-style-type: none"> Hotels / Guest Houses 			<table border="1"> <thead> <tr> <th colspan="3">Volumetric Water Consumption Charges per month</th> </tr> <tr> <th>Monthly Consumption (kilolitre)</th> <th>*Service charge</th> <th>Volumetric charge per kilolitre</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>532.40</td> <td>13.31</td> </tr> <tr> <td>10-25</td> <td>798.60</td> <td>26.62</td> </tr> <tr> <td>25-50</td> <td>931.70</td> <td>66.55</td> </tr> <tr> <td>50-100</td> <td>1064.80</td> <td>106.48</td> </tr> <tr> <td>>100</td> <td>1197.90</td> <td>133.10</td> </tr> </tbody> </table>	Volumetric Water Consumption Charges per month			Monthly Consumption (kilolitre)	*Service charge	Volumetric charge per kilolitre	0-10	532.40	13.31	10-25	798.60	26.62	25-50	931.70	66.55	50-100	1064.80	106.48	>100	1197.90	133.10
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50-100	1064.80	106.48																						
>100	1197.90	133.10																						
<ul style="list-style-type: none"> 0-50 rooms : Rs..2,000/- per month 51-100 rooms : Rs.10,000/- per month >100 rooms :over 100 rooms, for every additional block of 50 rooms or its part: Rs.2,500/- per block (over Rs. 10,000/-) 			4. Govt. Institutions /office (Category –IIA)																					
<ul style="list-style-type: none"> Banquet :Rs. 10,000/-per month per Banquet function site 			For properties having 2000 sq yds or more plot size are, rebate applicable will be the same as applicable to the Commercial/Industrial Category-C with a provision of 10% rebate on total bill amount if any of the two services i.e. Rain Water Harvesting and Waste Water Recycling exist in functional form and 15% if both exists, which is required to be certified as functional by the EE(Commercial)																					
<ul style="list-style-type: none"> Hospital, Nursing home 			Sewerage Maintenance Charge – 60% of Water Consumption Charge																					
			Water Cess Charge - @2 Paise per Kl																					

<p>0-25 beds : Rs.1,500/- per month 26-50 beds : Rs.2,000/- per month 51-100 beds : Rs.10,000/- per month > 100 beds : over 100 beds, for every additional block of 50 beds or its part : Rs. 2500/- per block (over Rs. 10000/-)</p> <ul style="list-style-type: none"> • Malls, Cineplex : Rs. 10,000/- per month <p>3. A rebate of 15% on the total bill amount will be allowed for adopting water harvesting of the re-cycling of water measures in respect of government institutions.</p> <p>4. All other fees charges, penalties, concession not specified in new tariff shall remain unchanged till any modification.</p>	<p>Late Payment Surcharge – 5% of total bill amount</p>
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- (ii) Another important issue to be considered is that presently a fixed water tariff of Rs.2/- per month is being charged from all NDMC employees residing in Municipal accommodation as per Notification dated 01.04.1991 of Delhi Administration, Local Self Govt. Deptt. This is below even the cost of printing the water bill and not in sync with the times.

It is, therefore, proposed that the water tariff for municipal employees residing in Municipal accommodation be revised as follows :-

Category of Municipal employee	Proposed Water Tariff (in `)
--------------------------------	------------------------------

Group 'A'	100.00
Group 'B'	50.00
Group 'C'	25.00
Group 'D'	Nil

5. Implementation schedule with timeliness for each stage including internal processing.

The tariff increase would be applicable from February, 2014 billing cycle.

6. Comments of the Finance Department on the subject

Finance Department is of the view that the Draft Agenda as prepared by the Department appears to be in order. The same may be submitted to the Competent Authority for his orders for placing the same in the Council meeting.

7. Comments of the Department on comments of Finance Department

8. Legal implication of the subject/project

None

9. Comments of the Law Department on the subject

This Agenda is in conformity with earlier Resolution of the Council to follow DJB Tariff in NDMC area and only addition is to have a fixed charge for NDMC employees of Category 'A' to 'C' and free to Category 'D'.

This has no legal issue pl.

10. Comments of the Department on the comments of Law Department

11. Details of previous Council Resolutions, existing law of Parliament and Assembly on the subject.

Resolution No.3 (x) of the Council dated 25.09.1998.

Resolution No. 20 (G-I)of the Council dated 28.04.2008.

Resolution No.9 (G-03) of the Council dated 04.09.2013.

The proposal was placed before the Council as a Table Agenda vide Item No. 23 (G-06) in the meeting held on 10.1.2014. The Members desired that this Agenda be placed before the Council at its next meeting.

12. Recommendations

The water tariff of Delhi Jal Board which has come into force w.e.f. 01.01.2014 may be implemented for both the domestic and commercial categories of consumers in NDMC area w.e.f. February, 2014 billing cycle alongwith the proposal contained in Para 4 (ii).

13. Draft Resolution

The water tariff of Delhi Jal Board which has come into force w.e.f. 01.01.2014 may be implemented for both the domestic and commercial categories of consumers in NDMC area w.e.f. February, 2014 billing cycle alongwith the proposal contained in Para 4 (ii).

Also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

COUNCIL'S DECISION

The Council resolved to approve the recommendation of Commercial Department for revising the tariff of non-domestic category of consumers at par with commercial/non-domestic tariff as notified by the DJB from time to time.

ii) As regards the domestic category, the Council decided that the tariff structure as well as the rates be revised in a phased manner in 5 years and the following tariff structure was approved:-

SLAB (In KL)	TARIFF (In Rs.)(Per KL)	Fixed charge (In Rs.)
0-10	2.00	50.00
10-20	2.50	50.00
20-30	8.00	150.00
30-40	12.00	150.00
>40	15.00	150.00

However, the present sewerage maintenance charge would continue i.e. 50% of the volumetric charges.

iii) Council further resolved to revive the water tariff for Municipal employees residing in municipal accommodation as follows :-

Category of Municipal employee	Proposed Water Tariff (in `)
Group 'A'	100.00
Group 'B'	50.00
Group 'C'	25.00
Group 'D'	Nil

iv) The Council further resolved that the above tariff structure will come into force w.e.f. April, 2014 billing cycle.

ITEM NO. 10 (G-09)**1. Name of the Subject/Project:**

Free Water Supply upto 20 KL per month to Domestic Consumers in NDMC area

2. Name of Department

Commercial Department

3. Brief history of the subject/project

Delhi Jal Board has passed a resolution dated 30.12.13 (copy enclosed as Annexure 'A') that domestic consumers using upto 20 kilolitre per month would be exempted from payment of water bill. However, consumption beyond 20 KL per month would be billed as per existing tariff for full water consumption. Accordingly, it is proposed that domestic consumers in NDMC area using upto 20 Kilolitre per month consumption would also be exempted from payment of water bill. However, consumption beyond 20 KL per month would be billed as per existing tariff for full water consumption.

4. Financial implications of the proposed project/subject

As per data available for the current financial year, around 10,600 consumers have been billed upto 20 kilolitre per month. This figure does not include the bulk connections, i.e. households located in multi-storeyed apartment societies, numbering approx. 500 in NDMC area because the data of the individual households catered to by the bulk connections is not presently available. However, once the data becomes available, the households found to be eligible for free water supply would also be considered, if allowed by Delhi Jal Board.

The following are submitted for consideration of the Council

- (a) Domestic consumers using upto 20 Kilolitre per month may be exempted from payment of water bill. The water bills on zero payment basis for such consumers will be generated and sent to the consumers for record basis.

- (b) As per available record, NDMC is supplying 369.53 million litres of water in one quarter to approx. 10,600 households, having maximum consumption upto 20 KL per month. The cost of purchase of 370 million litre of water from DJB, at the present rate, works out to Rs.56.83 lac, excluding cess but including sewerage maintenance charge, which the Delhi Jal Board may not charge from NDMC. This figure is a broad estimate and the actual may vary from one billing cycle to the other. It is also possible that more consumers may apply for multiple connections to avail this benefit. Further, the individual households catered to by bulk connections may also be included in this scheme in future, subject to the policy of Delhi Jal Board with reference to bulk connections. Therefore, it is proposed to place the demand upon Delhi Jal Board for supplying the minimum quarterly of 370 million litres of water to NDMC per quantity without charge.
- (c) Domestic consumers using water beyond 20 Kilolitre per month may be billed as per existing tariff for full water consumption under the slab system.
- (d) Group 'D' employees of NDMC residing in Municipal accommodation would also be eligible for the benefit of this scheme.
- (e) In case of un-metered water connections, the consumers shall approach the Water Supply Division of NDMC for installation of water meter and NDMC shall install the water meter within 15 days of receipt of the application. In case the consumers do not apply for installation of water meter, the benefit of free water supply shall not be extended to them.
- (f) Where water bills are raised on provisional basis upon the Government and municipal employees residing in Type-I & Type-II quarters, including servant quarters of NDMC officers' accommodation, such government employees may be considered for free water supply upto 20 KL per month per household.
- (g) NDMC will submit the actual figures to Delhi Jal Board on billing cycle basis for providing water supply without charge.

5. Implementation schedule with timeliness for each stage including internal processing

Once approved, the proposal would be implemented w.e.f January, 2014 billing cycle.

6. Comments of Finance Department on the subject

Finance Department is of the view that the draft agenda as prepared by the Department appears to be in order. The same may be submitted to the competent authority for his orders for placing the same in the Council meeting.

7. Comments of the Department on comments of Finance Department

8. Legal implications of the subject/project

Nil

9. Comments of Law Department on the subject

It is clear from the other Agenda itself that in 1998, Council had taken a decision to adopt water tariff as per rates of DJB. The agenda is to comply with earlier Resolutions of the Council and has no legal issue pl.

10. Comments of the Department on the comments of Law Department

11. Details of previous Council Resolutions, existing law of Parliament and Assembly on the subject.

The proposal was placed before the Council as a Table Agenda vide Item No. 22 (G-05) in the meeting held on 10.1.2014. The Members desired that this Agenda be placed before the Council at its next meeting.

12. Recommendations

- (a) Domestic consumers using upto 20 Kilolitre per month may be exempted from payment of water bill. The water bills on zero payment basis for such consumers will be generated and sent to the consumers for record basis.
- (b) As per available record, NDMC is supply 369.53 million litres of water in one quarter to approx. 10,600 households, having maximum consumption upto 20 KL per month. The cost of purchase of 370 million litre of water from DJB, at the present rate, works out to Rs.56.83 lac, excluding cess but including sewerage maintenance charge, which the Delhi Jal Board may not charge from NDMC. This figure is a broad estimate and the actual may vary from one billing cycle to the other. It is also possible that more consumers may apply for multiple connections to avail this benefit. Further, the individual households catered to by bulk connections may also be included in this scheme in future, subject to the policy of Delhi Jal Board with reference to bulk connections. Therefore, it is proposed to place the demand upon Delhi Jal Board for supplying the minimum quantity of 370 million litres of water to NDMC per quarter without charge.
- (c) Domestic consumers using water beyond 20 Kilolitre per month may be billed as per existing tariff for full water consumption under the slab system.

- (d) Group 'D' employees of NDMC residing in Municipal accommodation would also be eligible for free water supply.
- (e) In case of un-metered water connections, the consumers shall approach the Water Supply Division of NDMC for installation of water meter and NDMC shall install the water meter within 15 days of receipt of the application. In case the consumers do not apply for installation of water meter, the benefit of free water supply shall not be extended to them.
- (f) Where water bills are raised on provisional basis upon the Government and municipal employees residing in Type-I & Type-II quarters, including servant quarters of NDMC officers' accommodation, such government employees may be considered for free water supply upto 20 KL per month per household.
- (g) NDMC will submit the actual figures to Delhi Jal Board on billing cycle basis for providing water supply without charge.

13. Draft Resolution

- (a) Domestic consumers using upto 20 Kilolitre per month may be exempted from payment of water bill. The water bills on zero payment basis for such consumers will be generated and sent to the consumers for record basis.
- (b) As per available record, NDMC is supply 369.53 million litres of water in one quarter to approx. 10,600 households, having maximum consumption upto 20 KL per month. The cost of purchase of 370 million litre of water from DJB, at the present rate, works out to Rs.56.83 lac, excluding cess but including sewerage maintenance charge, which the Delhi Jal Board may not charge from NDMC. This figure is a broad estimate and the actual may vary from one billing cycle to the other. It is also possible that more consumers may apply for multiple connections to avail this benefit. Further, the

individual households catered to by bulk connections may also be included in this scheme in future, subject to the policy of Delhi Jal Board with reference to bulk connections. **Therefore, it is proposed to place the demand upon Delhi Jal Board for supplying the minimum quarterly of 370 million litres of water to NDMC per quantity without charge including sewerage charges.**

- (c) Domestic consumers using water beyond 20 Kilolitre per month may be billed as per existing tariff for full water consumption under the slab system.
- (d) Group 'D' employees of NDMC residing in Municipal accommodation would also be eligible for free water supply.
- (e) In case of un-metered water connections, the consumers shall approach the Water Supply Division of NDMC for installation of water meter and NDMC shall install the water meter within 15 days of receipt of the application. In case the consumers do not apply for installation of water meter, the benefit of free water supply shall not be extended to them.
- (f) Where water bills are raised on provisional basis upon the Government and municipal employees residing in Type-I & Type-II quarters, including servant quarters of NDMC officers' accommodation, such government employees may be considered for free water supply upto 20 KL per month per household.
- (g) NDMC will submit the actual figures to Delhi Jal Board on billing cycle basis for providing water supply without charge.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.

COUNCIL'S DECISION

Council resolved to approve the proposal of the Department subject to acceptance of the scheme by the DJB.

ITEM NO. 11 (G-10)**1. Name of the Subject/Project:**

Targeted Subsidy on Consumption of Electricity to Domestic Consumers in NDMC area.

2. Name of the Department

Commercial Department

3. Brief history of the subject/project

The Govt. of NCT of Delhi has taken the decision vide No.2098 dated 31.12.2013 that 50% targeted subsidy on tariff slabs issued by DERC for the financial year 2013-14 to all domestic consumers consuming upto 400 units only per month for the period 1st January, 2014 to 31st March, 2014 would be provided. Further, no subsidy shall be provided to domestic consumers consuming more than 400 units, even on slabs upto 400 units.

A copy of letter no. F.11(111)/2012/Power/17 dated 02.01.2014 of Dy Secretary (Power) GNCTD issued to Secretary, DERC conveying this decision is enclosed as Annexure 'A'.

4. Detailed proposal on the subject/project

It is proposed to give subsidy to consumers in NDMC area consuming upto 400 units only per month for the period 1st January, 2014 to 31st March, 2014. Further, no subsidy shall be provided to domestic consumers consuming more than 400 units, even on slabs upto 400 units, with the proposal that the revenue loss that would be incurred by NDMC for the period 1st January, 2014 to 31st March, 2014 on account of the subsidy would be claimed by NDMC from the Govt. of NCT of Delhi on actual basis.

5. Financial implications of the proposed project/subject

As per data available for the current financial year 29147 domestic consumers have been billed upto 400 units per month. As per record available, NDMC is supplying 12985818.21 KW of energy in one quarter to 29147 domestic consumers using upto 400 units in a month, amounting to `4,52,47,080/-. After allowing 50% subsidy to these consumers, the net energy charges in a quarter would be `2,26,23,540/-, thereby involving a short fall of

Rs.2,26,23,540/- in a quarter for NDMC. This figure is a broad estimate and the actual shall vary from month to month.

6. Implementation schedule with timeliness for each stage including internal processing

Once approved, the benefit of subsidy would be implemented w.e.f. January, 2014 billing cycle.

7. Comments of Finance Department on the subject

The Draft Agenda as prepared by the Department appears to be in order. The point regarding recovery of revenue loss from GNCT of Delhi that would be incurred by NDMC on account of subsidy is already incorporated in the Draft Agenda.

For the working out the financial implications, as pointed out by Secretary, NDMC in advance, the Department may be directed accordingly.

8. Comments of the Department on comments of Finance Department

The financial implications of the proposal have already been worked out and given in Para (5) above.

9. Legal implication of the subject/project

None.

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

The proposal was placed before the Council as a Table Agenda vide Item No. 25 (G-07) in the meeting held on 10.1.2014. The Members desired that this Agenda be placed before the Council at its next meeting.

11. Comments of the Law Department on the subject/project

There is no reduction in tariff fixed by DERC. The same upto 400 KWH for domestic consumer would be received by NDMC, partly as subsidy from Govt. of NCT of Delhi and partly from consumer. Hence no revenue effect.

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

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

14. Recommendations

The proposal is placed before the Council for discussion and decision.

15. Draft Resolution

COUNCIL'S DECISION

Council resolved to approve the proposal of the Department subject to acceptance of the scheme by the GNCTD.

ITEM NO. 12 (C-25)

CONTRACTS/SCHEMES INVOLVING AN EXPENDITURE OF RS. 1 LAC BUT NOT EXCEEDING RS. 200 LACS.

Section 143 (d) of NDMC Act, 1994 provides that every contract involving an expenditure of Rs.1 lac but not exceeding Rs.200 lacs under clause 143 (c) shall be reported to the Council. In pursuance of these provisions, a list of contracts entered/executed upto December, 2013, have been prepared.

A list of the contracts, entered into for the various schemes, is accordingly laid before the Council for information. **(See pages 131 - 137)**.

COUNCIL'S DECISION

Information noted.

ITEM NO. 13 (C-26)

ACTION TAKEN REPORT ON THE STATUS OF ONGOING SCHEMES/WORKS APPROVED BY THE COUNCIL.

In the Council Meeting held on 28.8.1998, it was decided that the status of execution of all ongoing schemes/works approved by the Council indicating the value of work, date of award/start of work, stipulated date of completion & the present position thereof be placed before the Council for information.

The said report on the status of the ongoing schemes/works upto November, 2013, had already been included in the Agenda for the Council Meeting held on 10.01.2014.

A report on the status of execution of the ongoing schemes/works awarded upto December, 2013, is placed before the Council for information. **(See pages 139 - 155).**

COUNCIL'S DECISION

Information noted.

ITEM NO. 14 (L-05)**1 Name of the Subject:**

To obtain directions of the Council in the matter of Jagdish Kapila vs. NDMC in r/o. Shop No.M-24, Palika Bhawan, R.K.Puram, New Delhi.

2 Name of the Department:

Estate Department -I

3. Brief History:

Shop No.M-24, Palika Bhawan, R.K.Puram, New Delhi, was allotted to Mrs. C.K.Kalpana on tender basis on 1.6.2004 for a period of 10 years on payment of monthly licence fee of Rs.5344/- for running the trade of Consultancy/Travel Agency i.e. booking of tickets on commission basis. A Licence Deed dated 14.2.2005 was executed between NDMC and Smt. C.K.Kalpana which was valid upto the period ending 10.6.2014.

Clause No.23 of this Licence Deed does not allow to transfer the allotted premises or any part thereof to be used by any other persons for any purpose whatsoever without the previous consent in writing of the licensor and in default thereof shall be liable for rejectment. The licensee shall not introduce any partner nor the licensee shall transfer possession of the premises or any part thereof permanently or temporarily to any body else or otherwise carry on the business in the premises with any other person or assign, transfer, change or otherwise alienate his/her interest in the premises.

Thereafter Smt. Kalpana entered into partnership with Shri Jagdish Kapila on 11.1.2006 which was subsequently dissolved on 9-9-2006 without the prior permission of the department. However, such transfers were freely allowed in terms of Reso. No.6 dated 18.3.1999 as a Estate Policy with the approval of the competent authority. Shri Jagdish

Kapila had applied for transfer of licence in his name first time on 23/1/2007. Also there was a complaint of Smt. C.K. Kalpana, allottee, about submission of documents by Sh. Jagdish Kapila with forged signature. Hence, decision was taken to take over the possession of the said shop being unauthorised occupant through forcible eviction vide orders of the Chairperson dt. 14.3.2007. The matter continuously remained in litigation since 2007 onwards. Thus the court of Sh. Ashish Aggarwal, Civil Judge, Tis Hazari passed an order on 28.3.2007 restraining NDMC for dispossession without due process of law and finalization of his application for transfer of licence in his name. However, the licence of the said shop was cancelled on 18.9.2007 due to unauthorised occupancy by Shri Jagdish Kapila followed by filing of petition in the court of the Estate Officer under sec. 5 & 7 of the P.P. Act 1971. Thereafter, Sh. Jagdish Kapila filed a contempt petition vide Suit No. 125/2007 against the NDMC. Vide orders dated 22.4.2008 of the Civil Judge the proceedings of the Estate Officer was stayed under section 5 & 7 of the P.P. Act 1971 till the application for regularisation is decided by the defendant no.1 NDMC. The contempt was also disposed off considering the above directions of the court. Accordingly, Smt. C.K. Kalpana, the allottee and Sh. Jagdish Kapila were both given an opportunity of hearing by the Director (Estate-I) on 14.5.2008, 21.5.2008 & 6.6.2008. Smt. C.K. Kalpana however given her NOC in favour of Sh. Jagdish Kapila. Finally, the transfer in the name of Sh. Jagdish Kapila was agreed upon by the Chairman vide his orders dt. 23.11.2010 upto the period ending 31.3.2015. The cancellation order dated 18.9.2007 was also revoked w.e.f. 23.11.2010. Shri Jagdish Kapila was asked to complete the formalities like deposit of dues and security deposit vide letter dt. 5.1.2011, 27.7.2012 and 17.8.2012 under acknowledgement. Sh. Jagdish Kapila later on completed all the required formalities such as clearance of outstanding dues, security deposit of Rs.70,600/- and submission of documents. Before the licence deed could be executed it was ascertained that one FIR No. 149 dt. 8.7.2011 with the Sarojini Nagar Police Station under section 447 of the IPC about trespassing pending in connection with the suit premises. NDMC was not made a party in

this matter. Sh. Jagdish Kapila also did not disclose about this FIR to the department. This status was also informed to the Ld. Court of Civil Judge. Meanwhile, the Ld. Court of Civil Judge had passed an order dt. 27.2.2013 "NDMC have received the payment from the plaintiff. Despite the receipt of the payment, the licence deed is not yet been issued to the plaintiff. If there is any FIR pending against the plaintiff, the NDMC should have brought this fact to the notice of this court earlier. Now the NDMC has taken the entire payment from the plaintiff. NDMC is directed either to refund the entire payment to the plaintiff or issue the licence deed to him". On the direction of the court, an application on behalf of the Defendant NDMC was filed under section 151 CPC with the prayer that the licence deed in respect of Shop No. M-24, Palika Bhawan may not be executed in the name of the plaintiff pending the aforesaid proceedings mentioned above.

Consequently, the court of Civil Judge directed the NDMC to inform the court whether the department shall execute the licence deed or shall refund the amount to Sh. Jagdish Kapila with interest.

Hence, in order to review the earlier orders dt. 23.11.2010 about transfer of licence in the name of Sh. Jagdish Kapila, the case was again submitted that there was no clause in the mutually agreed terms and conditions with Smt. C.K. Kalpana (allottee) for transfer of the premises to any other person and secondly, the directions of the Delhi High Court delivered in March 2012 in Gole Market cases not supporting such transfers without the prior permission of the NDMC. In order to take decision on either of the two issues submitted above it was decided to place the case before the Council.

Meanwhile, on 11.12.2013 the court was informed that the said matter is going to be placed before Council in its forthcoming meeting. But the Court of Civil Judge passed an orders on 11.12.2013 directing the NDMC to refund the amount with interest to plaintiff

since 4.3.2013. On the last date of hearing i.e. 9.1.2014 the defendant NDMC has filed a written submission in Suit No. S-135/2009 tilted as Jagdish Kapila Vs. NDMC with the prayer to review the earlier direction to refund the entire amount to the plaintiff with interest till the Council may reach to any logical conclusion in the matter. The matter is however now coming up on 20.2.2014.

4. Detailed proposal on the Subject:

Hence in view of the brief history of the case, the directions of the council is sought on either of the following proposals :

(i) whether the licence deed in respect of Shop No. M-24, Palika Bhawan may be executed in favour of Sh. Jagdish Kapila in terms of the earlier approval of the Chairman dated 23.11.2010 & the pending FIR.

OR

(ii) the amount paid by Sh. Jagdish Kapila may be refunded with interest w.e.f. 4.3.2013 considering the (i) direction of the Civil Judge dated 27.2.2013 & 11.12.2013, (ii) the judgment delivered in March 2012 in Gole Market case.

5. Financial implication:

Financial implication shall be worked out after the decision of the council on either of the proposal as proposed.

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

The decision taken in this regard by the Council would be complied immediately by the department in anticipation of the confirmation of the minutes in the next meeting of the Council.

7. Comments of the Finance Department on the subject:

The Financial implication in this case shall be worked out after the decision of the council on either of the proposal as proposed. Hence, no concurrence is obtained from Finance Department.

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

Not applicable in view of comments submitted in Para 7 above.

9. Legal implication of the subject

No legal issue is involved in the Agenda Item to be placed before the Council. However, it appears from clause No. 23 of the licence deed dated 14.2.2005 that transfer on partnership deed are not permissible. The said clause is reproduced hereunder :

That the licensee shall not permit the allotted premises or any part thereof to be used by any other person for any purpose whatsoever without the previous consent in writing of the licensor and in default thereof shall be liable for ejection. The licensee shall not introduce any partner nor shall the licensee transfer possession of the premises or part thereof permanently or temporarily to anybody else or otherwise carry on the business in the premises with any other person or assign, transfer, change or otherwise alienate his/her/their interest in the premises.

(a) At the time of considering application for transfer, it appears that the sub-committee was influenced by Resolution dated 18.3.1999 which permits transfer deed but escaped Clause 23 of the licence deed. The Resolution of 18.3.1999, it appears can we invoked, if such a Clause is available in the licence deed. The licence deed has been

drafted after 18.3.1999 and has supersede the Council's Resolution of 1999 and department has not followed the Resolution of 18.3.1999 at the time of licence deed.

(b) Since the Chairperson has already approved the transfer and there is no order available on file not to implement the directions of the Chairperson, it would be difficult to claim before the Court that due to an FIR filed by third person, the department is not executing the licence deed, particularly when the department had asked Shri Jagdish Kapila to complete the formalities and pay the dues. If the department feels the Chairperson orders needs a review due to Clause 23 in the licence deed and the FIR, the matter may be put up to the Chairperson to review his orders and if the orders are not reviewed, the licence deed has to be executed.

10. Details of previous Council Resolutions on the subject:

No such resolution is available referring the above subject.

11. Comments on the Law Deptt.

On receipt of the comments of the Law Department dated 7.11.2013 the matter was placed before the Chairman who vide his orders dated 9.12.2013 had directed to take the entire issue to Council again for directions. Hence, the present agenda is accordingly placed before the Council

12. Comments of the Department on the comments of the Law Deptt:

The comments of the Estate-I Department is same which is mentioned in Para 11 above.

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

There are no guidelines on the subject.

14. Recommendations:

The case is placed before the Council for its consideration and guidance for line of action in this case.

15. Draft Resolution

Suitable decision will be taken by the Council after due consideration on the subject matter which will be applicable in anticipation of the confirmation of the minutes of the meeting in the next meeting.

COUNCIL'S DECISION

Resolved by the Council that the licence in respect of Shop No. 24, Palika Bhawan, R.K. Puram, New Delhi may not be renewed further. As regards the issue regarding refund of licence fee to Sh. Jagdish Kapila, the Council was of the view that since Sh. Jagdish Kapila is in occupation of said Shop since the year 2007, the licence fee may not be returned and should be treated as usage charges of the said shop.

ITEM NO. 15 (L-06)**1 Name of the Subject:**

INFORMATION REGARDING ALLOTMENT OF 70 VACANT UNITS OF NDMC THROUGH OPEN BID PROCESS.

2 Name of the Department:

Estate-I Department

3. Brief History of the Subject:

As per policy of the Council, NDMC Estate-I Department allots its vacant units through open bid basis after wide publicity in newspapers. The policy was approved by the Council vide Reso. No. 36 (L-VI) dt. 17.10.2007 and is in line with Section 141(2) of NDMC Act, 1994. At present 75 units are vacant and the worthy Chairman, NDMC has approved the proposal of the Estate-I Department to put these vacant units on open bidding. Thereafter, with the approval of authority, the shops of Hanuman Mandir Complex were excluded from the list in view of proposed project of Hanuman Mandir Complex and 70 units were finally put for open bid. The schedule for selling of the bid form is from 13.1.2014 to 4.2.2014 from NDMC facilitation centres at SBS Place and Palika Bhawan. The bidding process is scheduled to be held on 6.2.2014, 7.2.2014 and 10.2.2014 to 12.2.2014 in Conference halls of Convention Centre.

4. Detailed proposal on the Subject:

In view of the Council Reso. No. 36 (L-VI) dt. 17.10.2007 , the Estate Department is going to put the 70 vacant units on open bid basis.

5. Financial implication of the proposed Subject:

NA

6. Implementation schedule with timeliness for each stage including internal processing:

NA

7. Comments of the Finance Department on the subject with diary number and date:

NA

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

NA

9. Legal implication of the subject:

10. Details of previous Council Resolutions on the subject:

11. Comments of the Law Deptt on the Subject:

12. Comments of the Department on the comments of the Law Deptt:

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

Not applicable

14. Recommendations:

The above proposal is placed before the Council for information, and view, if any, please.

COUNCIL'S DECISION

The Information was noted.

RESOLUTION MOVED BY SHRI I. A. SIDDIQUI, MEMBER, NDMC U/S 23 OF THE NDMC ACT, 1994 REGARDING GUIDELINES ON EXTENDING OWNERSHIP RIGHT TO SHOP KEEPERS, TRANSFER POLICY, EXTENSION OF LICENCE, APPROVAL FROM LEASE HOLD TO FREE HOLD, TEHBAZARI ETC.,DATED 27.01.2014.

In the absence transparent guidelines on extending ownership right to shop keepers, transfer policy, extension of licence, approval from lease hold to free hold, tehbazari etc., there is confusion and resentment among hundreds of affected persons. The situation is being exploited by concerned agencies to harass and define the rules as per their convenience.

It is necessary to define the rules and frame clear, transparent and user friendly policy to settle and dispose large number of cases awaiting resolution since long.

The Council is requested to take a decision in the matter so that users do not suffer.

COUNCIL'S DECISION

The Council directed the department to constitute a Committee, involving the members of the Council, Law Department and Estate Department for looking into the matter.

ITEM NO. 16 (K-06)**1. Name of the subject/project:**

In- principle approval for appointment of all eligible applicants under compassionate appointment category on muster roll.

2. Name of the deptt./deptts. concerned:

Welfare Department

3. Brief history of the subject/project:

- (i) After enactment on NDMC Act, 1994 the NDMC has been following guidelines issued by the DoPT on service matter. The DOPT vide OM No. 14014/6/94-Esst.(D) dated 09-10-1998 mentioned that compassionate appointments can be made upto a maximum of 5% of vacancies falling under direct recruitment quota in any Group 'C' or 'D' post.
- (ii) It is also mentioned in the DOPT OM, while the ceiling of 5% for making compassionate appointment against regular vacancies should not be circumvented by making appointment of dependent family member of Government servant on casual/daily wage/ad-hoc/contract basis against regular vacancies, there is no bar to considering him for such appointment if he is eligible as per the normal rules/orders governing such appointments.

4. Detailed proposal on the subject/project :

- (i) NDMC has reduced to hold periodic meetings of the Committee for compassionate appointments and approx. 400 cases of our deceased employees and the applications from their wards are pending. One-time Council decision is sought to wipe out the entire pendency by offering one member of their family who can be accommodated on temporary muster roll,

to be preferentially selected and appointed ahead of other candidates for total 230 days in a year. This selection would be for every family a one-time exercise and disentitle the family from seeking the second muster roll appointment on similar compassionate grounds. Further, depending on the qualifications of the family member, and our need, such wards shall be suitably employed, trained further within NDMC, and be eligible for appropriate employment as our responsibility.

5. Financial Implications of the proposal

No additional financial implication is involved, since they will be taken one TMR on requirement basis.

6. Implementation schedule with timelines for each stage including internal proceedings

7. Comments of the Finance Department on the subject:

Finance Department has concurred and found it to be a appreciable step.

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

9. Final views of Finance Department:

10. Legal implication of the subject/project:

No legal implication.

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

12. Comments of Law Department on the subject/project:

No legal issues involved and the agenda seems to be in order.

13. Comments of the Department on the comments of Law Department:

14. Final view of Law Department

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

Not applicable

15. Recommendations:

The case is placed before the Council for Consideration.

COUNCIL'S DECISION

The Council resolved to approve in-principle, appointment of all eligible applicants under the compassionate appointment category as Casual Workers / Daily Wages.

CHAIRPERSON

PRESIDING OFFICER