

CHAPTER VI : MINISTRY OF CULTURE

National Museum Institute

6.1 Delay and indecision of Ministry resulted in over five-fold escalation in construction cost of National Museum Institute Building

Ministry of Culture delayed, for more than a decade, the approval of construction agency for the National Museum Institute Building, resulting in escalation of costs by ₹ 75.40 crore and payment of penalty of ₹ 52.80 lakh to NOIDA authority.

The National Museum Institute of History of Art, Conservation and Museology (NMI) was set up under the administrative control of the Department of Culture in January 1989, and declared a deemed university¹ in April 1989.

NMI executed a lease deed in November 2001 for purchase of land measuring 12,000 sq. mtrs. from NOIDA authority for a lumpsum lease rent of ₹ 45.38 lakh. In terms of the lease deed, the building was to be completed within five years (i.e., by November 2006), failing which penalty of 4 *per cent per annum* would be levied.

NMI submitted a proposal in January 2003 to Ministry of Culture for construction of hostel, guesthouse and staff quarters. Ministry initially decided, in February 2003, to award the work to the Indian Tourism Development Corporation (ITDC), who submitted an estimate in January 2004 for ₹ 15 crore. In December 2004, however, Ministry decided to get the work done through the Central Public Works Department (CPWD), who submitted an estimate for ₹ 26.62 crore in November 2006, and revised estimate of ₹ 33.39 crore in October 2008. In March 2010, Ministry once again changed its mind and directed the National Council of Science Museums (NCSM) to submit a concept plan for the project. NCSM submitted the concept plan in October 2010 with an estimate of ₹ 61.02 crore. In June 2011 NCSM withdrew from the project. At the request of Ministry in October 2013, CPWD submitted fresh estimates for ₹ 82.27 crore in December 2013, which was revised to ₹ 90.40 crore in March 2014 by Standing Finance Committee (SFC) held under the chairmanship of Secretary (Culture). Ministry approved the proposals and sanctioned the amount to CPWD in August 2014. In the meantime, in July 2014, NOIDA authority

¹ On the recommendations of the University Grants Commission

levied penalty of ₹ 52.80 lakh on NMI for not completing construction of building within five years of execution of lease agreement.

In reply to the audit observation Ministry stated (June 2015) that the delay was on account of non-availability of funds. The reply is not acceptable, since, even as early as in February 2007, ₹ 50 lakh had been allocated to the project, and in the Draft Expenditure Finance Committee (EFC) proposal (February 2007) of the Ministry it was indicated that funds would be provided in phased manner from 2006-07 to 2009-10. Further none of the documents relating to deliberations of the Ministry had flagged non-availability of Funds.

Therefore, indecision of Ministry of Culture for more than a decade on selection of execution agency and award of work of construction of National Museum Institute Building resulted in increase of cost from ₹ 15 crore to ₹ 90.40 crore and also resulted in levy of penalty of ₹ 52.80 lakh by NOIDA authority.

Kalakshetra Foundation

6.2 Unfruitful expenditure on renovation of Koothambalam

Poor planning and increase of scope of work without approval of FC resulted in drastic increase in expenditure from ₹ 1.41 crore to ₹ 7.63 crore and further expenditure of ₹ 6.77 crore was assessed to complete the project.

Bharata Kalakshetra Auditorium called “Koothambalam” of Kalakshetra Foundation (KF) was constructed and inaugurated in the year 1985. KF decided (February 2006) to carry out up gradation of sound and light equipments at an estimated cost of ₹ 63 lakh. Subsequently at the time of approval of revised budget estimates for the year 2006-07, GB approved (September 2006) other improvements to the auditorium also and made provision of ₹ 140.55 lakh (₹ 80.55 lakh for improvement structure and ₹ 60 lakh for upgrading sound system) subject to Finance Committee (FC)’s direction. The matter was deferred (June 2007) by FC but the same was again approved by FC in July 2008.

In May 2009 the GB decided to form a Civil Works Advisory Committee (CWAC). All proposals of CWAC were to be placed before FC and GB for approval before calling for tenders. The CWAC engaged (September 2009) Centre for Architectural Research & Design (M/s CARD) as consultant architect for carrying out upgradation/expansion of various projects in KF. The consultant architect under clause 2.09 of the agreement was delegated with the

powers to invite, receive and analyse tenders and advise KF on appointment of contractors. On the recommendations of the consultant architect (after inviting limited tender enquiry from three contractors) KF awarded (July 2010) the work of addition, alteration and civil work of Koothambalam at a cost of ₹ 2.19 crore to M/s Chennai Engineers.

KF engaged three consultants² for up gradation of sound system, Stone sculpture work and up gradation of stage lighting system on nomination basis. Further sub consultant for Heating, Ventilating and Air Conditioning work (HVAC) and electrical work were appointed by M/s CARD. These five consultants in turn executed the various works through various contractor/suppliers on limited tender basis. The total value of the work awarded was ₹ 7.63 crore.

Audit scrutiny (January 2013) revealed that:

- The consultant architect has to prepare report on structural stability at concept design stage as envisaged in para 2.02 of the agreement. However, the structural stability test was carried out (September 2010) much after the commencement of civil works (July 2010) resulting in lot of deviations.
- Proceedings of CWAC verifying/authorising the estimate prepared by the consultants was not available on record and also not submitted to FC for approval before calling for tenders.
- The appointed consultants followed the limited tender enquiry for award of works to different contractors in contravention of Rule 150 of GFR.
- Accessories for upgradation of stage lighting and curtain system (₹ 0.70 crore), HVAC equipment (₹ 0.84 crore), electrical equipment (₹ 0.23 crore) procured in October 2010 were yet to be put into use due to non-completion of civil works.
- Sound equipments costing ₹ 1.46 crore procured (November 2009 to March 2011) much before the commencement of civil work (July 2010) for which the warranty period had expired and are being partially utilized in other auditoria.

² M/s Sound Wizard (upgradation of sound system), Umapathy Acharya (Stone Sculpture work), Sri Gautam Bhattacharya (Upgradation of stage lighting system and curtain system)

- Though GB approved (September 2006) ₹ 140.55 lakh, the work awarded to various contractors amounted to ₹ 7.63 crore without the approval of FC. KF sought (April 2012) for post facto approval from GB for the works on which an expenditure of ₹ 7.02 crore was already incurred. However, GB resolved that further work at Koothambalam be brought to a close as the proposal did not have sufficient information regarding necessity for renovation, specific approvals from Governing Board, process adopted for selection of Architect/Consultant, justification for not adopting the procedures in consonance with GFR etc.
- KF has assessed (June 2014) further expenditure of ₹ 6.77 crore for completion of balance work under Koothambalam project.

Ministry in its reply (February 2015) accepted the non-adherence of GFR norms and absence of clear idea at the inception about the works to be undertaken. It also accepted that though the architect submitted the specification, working drawings and abstract estimate, the estimate did not contain the quantity derivation and rate analysis as per CPWD format. However, the reply is silent about non-submission of work estimate by CWAC to FC before calling for tenders.

Thus due to poor planning and increase of scope of work without approval of FC resulted in drastic increase in expenditure from ₹ 1.41 crore to ₹ 7.63 crore and further expenditure of ₹ 6.77 crore was assessed to complete the project.

Centre for Cultural Resources and Training

6.3 Idle investment and avoidable payment of rent

Centre for Cultural Resources and Training was allotted a plot of land for establishment of its Regional Centre at Udaipur, Rajasthan in 1998. However even after spending ₹ 3.09 crore on the project the construction activity was yet to start leading to blocking of funds. In the meantime activities of the CCRT were carried out from rented premises leading to avoidable payment of rent to the tune of ₹ 1.19 crore.

Centre for Cultural Resources and Training (CCRT) established a Regional Centre (RC) at Udaipur, Rajasthan in 1994-95 in a rented premise with a view to diversify, decentralize and expand its activities. Based on the request (December 1995) of CCRT, the State Government allotted (March 1998) 2.28 hectare land on lease at a cost of ₹ 2.64 lakh. The lease deed was signed (August 1998) between CCRT and the Government of Rajasthan with the

stipulation that construction work of the building should be started within one year from the date of allotment of land.

CCRT approved the construction of boundary wall through CPWD in June 1999 at a cost of ₹ 7.44 lakh. Audit observed that after the construction of the boundary wall in August 2001, no further progress was made by CCRT until 2005 when it approved (May 2005) the construction of building at Udaipur. Subsequently on the request of CCRT, CPWD informed the estimated cost (approx.) of ₹ 3.85 crore for construction of building at Udaipur in July 2005.

State Government sent (May 2006) a notice to CCRT for cancellation of allotment of land as no construction had been carried out on the allotted land. CCRT requested the State Government to withdraw the notice explaining the reasons for delay. CCRT, however, without getting the response of the State Government, entered into an MoU with CPWD in March 2008 for construction of the building and released ₹ 2.71 crore to the latter during the period March 2008 to April 2010. Audit observed that in the meanwhile the land had been transferred to Urban Improvement Trust (UIT) in 2007.

When CCRT approached (October 2014) Urban Improvement Trust to get approval for digging of bore well, it found that the land had already been transferred to UIT in 2007 itself. Subsequently, CCRT/Ministry took up the matter with the State Government for restoration of land in its name. In March 2015, the State Government decided to restore the land to CCRT on payment of ₹ 21.10 lakh. The possession of land was formally handed over to CCRT after making payment of ₹ 21.10 lakh in June 2015.

Audit observed that final approval of the drawings was not obtained as on September 2015 from the UIT as the same were not as per the existing bye-laws. The modified drawings were yet to be submitted for approval (December 2015). CCRT spent ₹ 3.09 crore towards cost of land, construction of boundary wall and payment to CPWD.

Further the regional centre was functioning from rented accommodation and ₹ 1.19 crore had been spent towards rent from April 1998 to December 2015. This could have been avoided had the regional centre been made functional at the allotted land.

Thus, despite lapse of more than 17 years of allotment of land and incurring ₹ 3.09 crore as of October 2015 towards cost of land etc., the construction activity was yet to take off. Consequently, CCRT had to made avoidable payment of rent to the tune of ₹ 1.19 crore for the rented building.

CCRT stated (September 2015 and December 2015) that copy of the cancellation orders of June 2006 was not received in the Ministry or CCRT. However, after making the payment to UIT in June 2015, possession of land was restored to CCRT. It also stated that concerted efforts were being made to commence the construction at the earliest.

The fact that CCRT was not even aware of the status of land until 2014 indicates that it failed to handle the project in an efficient manner. This led to idle investment of ₹ 3.09 crore and avoidable expenditure of ₹ 1.19 crore towards rent.

The matter was reported to the Ministry (November 2015); their reply was awaited (December 2015).