

**PROCEEDINGS OF THE 23RD MEETING  
OF THE  
BUILDING AND WORKS COMMITTEE**

**HELD ON  
TUESDAY, 27th FEBRUARY 2018**



**INDIAN INSTITUTE OF INFORMATION TECHNOLOGY,  
DESIGN & MANUFACTURING (IIITDM)**

**KANCHEEPURAM**



INDIAN INSTITUTE OF INFORMATION TECHNOLOGY  
DESIGN AND MANUFACTURING (IIITD&M) KANCHEEPURAM

Chennai-127

Proceedings of the 23<sup>rd</sup> meeting of the Building and works Committee (BWC) held at 15:00 Hours on Tuesday, 27<sup>th</sup> February 2018, in the Board room, IIITDM campus

Members present

Prof. BanshidharMajhi	- Chairman
Prof. S.Narayanan	- Member
Prof. Alagusundaramoorthy	- Member
Dr. S.R. Pandian	- Member
Shri. K. Sundaresan	- Member & Secretary

Shri. A. Chidambaram, Joint Registrar, IIITDM Kancheepuram attended as invitee.

The Chairman welcomed the members to meeting.

Item No.1	<b>Confirmation of Proceeding of the 22<sup>nd</sup> Meeting of BWC</b>
Resolution 01/2018	The committee was informed that the Proceeding of the 22 <sup>nd</sup> meeting was circulated to all members vide letter No. No. IIITDM/7/2011/BWC/669 dated. 17.11.2017 and no comments received from the members. <b>The BWC resolved to confirm the minutes of the 22<sup>nd</sup> meeting.</b>
Item No.2	<b>Approval for fore closure of the Infrastructure works in progress in the permanent Campus of IIITDM Kurnool</b>
Resolution 02/2018	The committee was informed that after obtaining necessary approval of the Governing body of the society under the chairmanship of the Secretary,(HE),MHRD, New Delhi , AA & ES for the following works were accorded to CPWD for taking up the development of Infrastructure in the permanent campus of IIITDM Kurnool( <b>Annexure-1</b> ). Out of total sanction of Rs. 83.19 Cr., the work of Construction of Hostel No. III has not been started for want of sufficient funds. The remaining works for the sanctioned amount of Rs. 46.20 Cr., works have been commenced at site and the status of works is shown as below:

Sl.No	Name of work	AA & ES Amount in Crores	Tendered Amount in Crores	Amount released so far (up to 09/2016) to CPWD	Remarks/Status of work
1.	C/o Academic Building Built up Area=2649.00 Sq.m	14.40	10.42	7.80	The Building is Completed and ready for occupation.
2	C/o Hostel Block No.I (G+ 2)and Dining Block (G+2 ) Built up Area = 2879 Sq.m	10.90	6.04	2.80	RCC Structural work is nearing completion. The work is suspended since November 2017 for want of funds. '
3	C/o Bulk Services & Development for Academic Block & Hostel only	4.24	3.03	1.40	Work is nearing completion but suspended since November 2017 for want of funds.
4	C/o Hostel Block No.II (G+2) Built up Area = 3633.00 Sq.m	11.81	7.50	1.00	RCC Structural work is nearing completion. The work is suspended since November 2017 for want of funds.
5	C/o Hostel Block No.III (G+9) Built up Area = 11963.00 Sq.m	36.99	-	-	Tenders were received and rejected due to poor Response and shortage of funds. CPWD has requested for cancellation of AA & ES accorded earlier since more than a year has

					elapsed.
6	<b>C/o Multipurpose Sports complex</b> Built up Area = 1074.00 Sq.m	3.95	2.17	1.00	The work has just commenced and suspended for want of funds.
7.	<b>Providing Cross over to Hostel Block by filling the gorges.</b>	0.90	0.48	-	Work in progress and nearing completion.
	<b>Total</b>	<b>83.19</b>		<b>14.00</b>	
		<b>crores</b>		<b>Crores</b>	

A total amount of Rs.14.00 Cr. only has been deposited to CPWD so far against the sanctioned amount of Rs. 46.20 Cr. (excluding the Sl.No.5 i.e. C/O Hostel Block No.III). Due to non-allotment of funds during the current financial year 2017-18, progress of all the works were slowed down. As per the MoU signed with the CPWD, the Institute is required to ensure that adequate funds are available with CPWD at all times for execution and smooth progress of the work, but the same could not be achieved due to shortage of funds. Funds were last released during 09/2016 and almost one and half years have passed, no fund could be released to CPWD during last one and half years. It was anticipated that the Institute will receive funds from the allotted amount of Rs.30.00Cr. for the financial year 2017-18, but nothing is received so far and also it is not known when the funds are likely to be released from the Ministry.

The SE, CPWD had intimated that the deposits made so far to CPWD is exhausted and requested the Institute to deposit the balance amount for the execution of ongoing works. He had also suggested that in the event of non-releasing of deposit to CPWD the ongoing works may be either suspended or fore closed with immediate effect to stop creation of further liability and also cautioned that suspension of work may create contractual and legal obligations (**Annexure-2**), for which the CPWD had been requested not to take any action regarding foreclosure till 30-11-2017 (**Annexure-3**). However CPWD has suspended all the ongoing works during November, 2017 to avoid further liability.

This was discussed in the 22<sup>nd</sup> BWC meeting and resolved to recommend to the Governing body/MHRD to foreclose the ongoing works to avoid contractual and legal obligations. However the BWC has advised to

seek time from CPWD till 31-12-2017 and request for necessary details regarding liability and contractual implications likely to arise on account of foreclosing of ongoing works from CPWD and place the issues before the GB/MHRD for consideration. Accordingly CPWD had been requested to postpone the action of foreclosing till 31-12-2017 and furnish the contractual implications on foreclosure. Accordingly CPWD had furnished the financial implications as follows(**Annexure -4**):

- 1) If the total period of suspension is less than 30 days, the agencies shall be entitled to an extension of time equal to the period of suspension plus 25%.
- 2) If the total period of suspension exceeds 30 days, the agencies shall, in addition to the extended time period, be entitled to reasonable compensation in respect of salaries and/or wages paid by the agencies to their employees and labour at site remaining idle during the period of suspension plus 2% to cover indirect expenses of the contractor.
- 3) In addition to the above, the agencies in general are preferring to go to arbitration for expenses like equipment and machinery idling charges during the suspension period and also for the escalation of prices.

The MHRD had been constantly requested to release at least an amount of Rs.20 Crores as an interim release of funds in order to resume the suspended on going works so that minimum required buildings viz. Hostels and dining block to enable shifting of institute during the forthcoming academic session i.e July 2018. (**Annexure -5 & 6**). But still no funds are received so far. In the meantime in anticipation of receipt of funds, CPWD had been further requested to keep the suspension order alive till 28-02-2018 (**Annexure- 7**)

The Executive Engineer, CPWD has further informed that (**Annexure-8**)

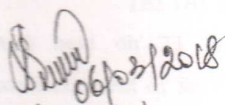
- 1) As per agreement conditions at clause No.15, if total period of suspension exceeds 90 days, the agencies shall be entitled to reasonable compensation in respect of salaries and/or wages paid by the agencies to their employees and labour at site remaining idle in consequence adding to the total there of 2% to cover indirect expenses of the contractor.
- 2) The agencies in general prefer to go to arbitration for expenses like equipment and machinery idling charges, electricity bills, camp office rent etc., during the suspension period and also for escalation of prices.
- 3) Various agencies requesting to close the contract, settle the dues and make payment for the value of work done. A copy of letter received from one of the agencies requesting for foreclosing of work has also been enclosed.

funds by explaining the ground situation at site of work and compensation to be paid to agencies due to suspension of works for want of funds. (Annexure-9)

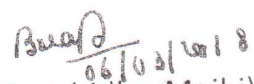
The committee has also been informed that CPWD has intimated that during the transition period of suspension an amount of Rs.3.50 crores has been spent beyond the deposit already made, due to unavoidable urgent nature of works and the exact amount of work done can be assessed only after measuring the work done fully so far.

It has been also been briefed to the committee that if the work is foreclosed now the site would become an abandoned site and exposed steel rods in the RCC structure would get rusted and the incomplete buildings may become a shelter for antisocial activities unless required tight security arrangements are made at the campus. Moreover for restarting the balance work, fresh tender will have to be called for, which would cost more to the exchequer due to time and cost overrun.

The BWC, after due deliberation, resolved to keep the works under suspension till 31-05-2018 or till the date of receipt of funds from the Ministry whichever is earlier and also suggested that the Institute may pursue with the MHRD for releasing of funds through all possible means and also good offices of the Govt. of Andhra Pradesh.

  
(K. Sundaresan)

Member & Secretary, BWC

  
(Prof. Banshidhar Majhi)

Chairman, BWC, IIITDM