



SPORTS AUTHORITY OF INDIA

64th MEETING OF THE FINANCE COMMITTEE

SUPPLEMENTARY AGENDA

Date: July 9, 2013 (Tuesday)

Time: 11.00 a.m.

Venue: Conference Room, 1st Floor,
Sports Authority of India, SAI Head Office.
J. N. Stadium Complex (East Gate), Lodi
Road, New Delhi- 110 003

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Supplementary Agenda Item No. 1

Procurement of additional 8 sets of Fitness Equipment for various SAI Centres under Tolerance clause of existing contract No.SAI/ES/FE/2011-2012/IFB-010/ 07 placed with M/s. K&K Health Care, Noida

An Agenda item (Sr. No.15) regarding procurement of 15 sets of Fitness Equipment was taken up with the Finance Committee of SAI in its 63rd meeting held on 1st April, 2013 and the following decision was taken:

“Concurred for the approval of Governing Body, subject to the condition that proper Purchase Procedure as per GFR has been followed”

2. The extended validity of the bids for the above procurement was up to 30.4.2013 and the L-1 bidder expressed his inability to extend the bid further due to market fluctuations. Further it was expected that the meeting of the Governing Body will not held before 30.4.2013. Hence, after approval of the proposal by the Finance Committee, the matter was taken up with the Chairman, Governing Body, SAI seeking his approval on behalf of the Governing Body SAI.

3. The Chairman, Governing Body, SAI approved the proposal of Finance Committee on 17.04.2013 with the stipulation that the proposal be placed before the Governing Body in its next meeting. In pursuance to the approval accorded by the Chairman, Governing Body, SAI, a Contract Agreement and Notification of Award dated 30.04.2013 was placed on M/s K & K Healthcare, Noida (OEM – M/s Joong Chenn, Taiwan) for supply & installation of 15 sets of Fitness Equipment at a total cost of US\$ 6,25,905 (INR 3.52 Cr. approx.) + 4 years AMC at Rs.53,65,625/-. M/s K & K Healthcare acknowledged the Contract Agreement & Notification of Award and returned one copy duly stamped & signed in token of its acceptance vide their letter dated 09.05.2013. Further, the firm also submitted Performance Security Bank Guarantee vide their letter dated 16.05.2013, for a sum of Rs.40.56 Lakhs valid upto 30.06.2018.

3. Kind attention is drawn to Clause-2(w) of the subject Contract dated 30.04.2013 pertaining to “Variation of the quantities at the time of award/currency of the contract” of the contract which provides for coverage of Additional Quantity upto 50% of the ordered quantity as under:-

“At the time of awarding the Contract or during the currency of the Contract, the purchaser reserves the right to increase the number of sets up to fifty (50) per cent and decrease the number of sets up to twenty (25) percent, of the quantity of goods and services mentioned in the schedule (s) rounded off to next whole number, without any change in the unit price per set and other terms & conditions.”

4. In terms of the above provisions of Contract, an additional quantity of 08 sets can be covered at the same rates and terms & conditions within the currency of the contract. In this case, Letter of Credit in favour of M/s Joong Chenn, Taiwan (OEM) has been opened on 28.06.2013, hence, taking 90 days from the date of opening of Letter of Credit, the Delivery Period of Contract works out to 26.09.2013.

5. It has now been decided to provide Fitness Equipment at NS NIS Patiala, Sonapat, Bangalore & Kolkata. Additionally, the location of four (04) SAI Training Centre is under finalization by DG, SAI. The total value of procurement of additional quantity of 08 Sets of fitness equipment @ US\$ 41,727.00 per set works out to US\$ 3,33,816.00 equivalent to INR 2.00 Crores approx. + INR 28,35,000/- for 04 years AMC.

6. **Proposal:**

The above proposal for coverage of additional quantity of 08 sets of Fitness Equipment costing US\$ 3,33,816.00 equivalent to INR 2.00 Crores approx. + INR 28,35,000/- for 04 years AMC under the Clause-2(w) of the subject contract is submitted for consideration & concurrence of the Finance Committee. The total amount of procurement of additional 08 sets of Fitness Equipment will be Rs. 2,28,35,000/- approx.

The meeting of the Governing Body has not taken place so far. The Agenda note on the above lines will be submitted to the Governing Body in its next meeting.

Contract Value (15 Sets)	:	USD 6,25,905 = INR 3.52 Cr. approx. + INR 53,15,625 (for 04 years AMC)
Total Value of the Contract (for 23 sets)	:	USD 9,59,721 = INR 5.75 Cr. approx + INR 82,50,625 (for 04 years AMC)
Contract Delivery Period	:	26.09.2013 (90 days after opening of LC)

Concurrence of the Finance Committee is solicited for procurement of additional quantity of 8 sets of fitness equipment costing US\$ 3,33,816.00 equivalent to INR 2.00 Crores approx. + INR 28,35,000/- for 04 years AMC.

Supplementary Agenda Item No. 2

Proposal for Engagement of Public Work Organization (PWO) for undertaking Capital works in SAI Centers.

It is submitted that SAI is provided mandate to get the new infrastructure work executed mainly through CPWD. Some works have also been entrusted to NBCC and some State Construction agencies.

It is observed over the period of time that CPWD is not able to provide the services to the satisfaction of SAI. There have been inordinate delays in several works leading to increase in project cost due to escalation.

It is also observed that in North Eastern Region, CPWD has failed miserably in execution of works and some infrastructure works had to be cancelled due to time and cost overrun.

A need is felt by SAI to explore the possibilities of entrusting construction works to other Govt. construction agencies/Public Sector Enterprises who are excelling in providing services in the infrastructure field.

Accordingly, National Project Construction Corporation Ltd. (NPCC) has been approved by the Chairman, Governing Body of SAI and Hon'ble Ministers of State (I/C)YA&S for execution of SAI Capital works. The decision taken by the Chairman of Governing Body has been concurred / ratified by the 63rd FCM held on 1st April 2013.

However, for small Capital and Maintenance works NPCC Ltd may not have the resources and the presence in various SAI Centers to provide the services satisfactorily. Complaints are being received from the SAI Centers regarding inefficient services being provided by CPWD with regards to quality and time.

In view of the above it is proposed that the centre in charge of SAI Centers may be permitted to get the works executed from any of the PWOs (Centre/State) in their area as provisioned under GFR 2005(Para 126) to avoid delay and dependence on any one construction agency.

Concurrence of Finance Committee is solicited for execution of Infrastructure Works through any Public Works Organization at the discretion of Center In-charge SAI Regional Centers and Academic Institution.

Supplementary Agenda Item No. 3

Approval for estimates of Rs. 471.90 lakhs submitted by CPWD towards replacement of Synthetic Hockey Surface at SAI Regional Centre, Lucknow

Background/Justification

The existing Hockey surface was laid during the year 2003, by executive agency UPSKNN Ltd. It has been extensively used since 2005 to 2010 by the 21 Nos National Hockey Campers. Due to poor condition of the existing Hockey surface, it is now being used by the trainees only and now requires immediate replacement.

Accordingly, CPWD was asked to submit the estimate for replacement.

The estimate provides for replacement of existing hockey surface according to the standards of International Hockey Federation as per following details:

1. Dismantling/demolishing the old synthetic hockey surface and undulated portion of bituminous base.
2. Base Coarse: For giving hard, non porous and smooth surface one layer of 5cm thick dense bituminous concrete is taken.
3. Synthetic Hockey Surface: Global category synthetic hockey surface FIH approved with cast in situ shock pad minimum 10mm thick in one hockey field including markings on the surface all complete as per requirement/specification laid down by FIH.
4. Replacing old MS drain cover with new MS flat drain cover to prevent injury to players.

Financial Implication

The estimates amounting to Rs. 471. 90 lakhs has been received from CPWD towards replacement of the existing Synthetic Hockey surface.

Concurrence of Finance Committee is solicited for replacement of Synthetic Hockey Surface at SAI Regional Centre, Lucknow at the estimated cost of Rs. 471.90 lakhs.

Supplementary Agenda Item No. 4

Providing and Laying of Synthetic Athletic Track at SAI Regional Centre Lucknow at an estimated cost of Rs. 889.99 lakh

Background/Justification

The proposal for laying of 8 lane Synthetic Athletic Track at SAI Regional Centre, Lucknow was approved by the Finance Committee of SAI in its meeting held on 14th Dec'2007 and in the Meeting of the Governing Body of SAI held on 11th Jan'2008. Synthetic Athletic Track is a necessity not only for athletics but for all the disciplines and conduct of national camps as it is required for conditioning and fitness. One of the major problem being faced by the trainees and the national campers is that with little rain, the ground gets flooded and the soil becomes swampy for few days, thereby restricting the trainees to train. Further, when the ground gets dried it becomes so hard that becomes difficult to train with spikes. The hardness of the ground results in injuries which certainly has an impact on the performance.

The discipline of athletics was given an impetus in the year 2012 by introducing the discipline for boys also. In the past this discipline was implemented only for girls and there were only 05 girls. The strength of athletes was increased to 10 girls and 15 boys in 2012-13 and in 2013-14 there are 25 boys and 12 girls. Apart from this athletes have also been covered under day boarding scheme and Come and Play scheme. The performance of the athletes of STC Lucknow has improved manifolds. During the year 2012-13 the athletes created four new meet records with 3 gold, 3 silver and 8 bronze medals at Junior National and youth Athletic Championships. With laying of synthetic athletic track not only the performance of athletes will improve but also the national campers.

Financial Implication

The estimates for Rs. 889.99 lakhs for providing Synthetic Athletic Track has been submitted by U.P. Samaj Kalyan Nirman Nigam Limited.

Concurrence of Finance Committee is solicited for providing Synthetic Athletic Track at SAI Regional Centre, Lucknow at the estimated cost of Rs. 889.99 lakhs.

Supplementary Agenda Item No. 5

Approval of estimates for Rs. 201.32 lakh received from CPWD towards Construction of New Compound Wall along-with concertina fencing in place of existing boundary wall at SAI NSWC Gandhinagar

Justification:

The compound wall was constructed by State Government during the year 1975-76 and foundation /strength of existing compound wall 1 m to 2m high is very weak due to its vintage damaged at many places. It cannot take the additional load, if the height of existing boundary wall is increased. The height of existing boundary wall is very low and people easily jump and enter into premises. Lot of trespassing is taking place mostly nearby villagers who cut well maintained trees and it branches they are also involve in petty theft.

Thus, due to security and safety point of view, it is necessary to reconstruct new boundary wall 3 mtr high in place of existing boundary wall 1 m to 2 mt high along-with concertina fencing.

Financial Implicaiton

The estimates amounting to Rs. 201.32 lakhs has been received from CPWD for construction of New Compound Wall along-with concertina fencing in place of existing boundary wall for SAI NSWC Gandhinagar.

Concurrence of Finance Committee is solicited for construction of Construction of New Compound Wall along-with concertina fencing in place of existing boundary wall at SAI NSWC Gandhinagar at an estimated cost of Rs. 201.32 lakhs.

Supplementary Agenda Item No. 6

Settlement of outstanding due of M/s Nelco India Pvt. Ltd., Meerut (firm) towards supply of Pole Vaults (UCS) as preferred article to Sports Authority of India(For information)

In the 63rd meeting of the Finance Committee held on 01.04.2013, the subject issue was discussed vide Item No. 07. The following was taken in the said meeting:

“It was intimated during the meeting that no conspiracy has been established in this case, thus the payment of Rs. 32 Lakhs can be made to the supplier after taking into consideration the advice of Lawyer by DG, SAI as he has now powers for this purpose.”

2. In pursuance to the above decision and the last order of UPSMSEF Council Kanpur dated 26.02.2013, the payment of Rs. 32 lakhs towards full & final settlement against the contract has been made to M/s Nelco India Pvt. Ltd., Meerut vide **cheque no. 0003644 dated 27.05.2013**. The compliance report in this regard has been filed with UPSMSEF, Kanpur on 29.05.2013 by SAI Counsel and as per the order sheet dated 29.05.2013, the UPSMSEF has closed the Claim Petition No. 19/2010 of M/s Nelco against SAI.

Submitted for the kind information of the Finance Committee.

Supplementary Agenda Item No.7

To take the ONGC Guest House located in Mayiladuthurai city for SAI on rent

Sports Authority of India has established a STC in Mayiladuthurai in the year 2007. The land provided by State Govt. of Tamil Nadu. The STC has facilities for Athletics, Basketball, Hockey, Kabaddi, Volleyball, Weight lifting etc. The total investment so far is roughly Rs. 12.00 crores. Altogether, we have 113 athletes including residential 81 and non-residential 32 for the six disciplines. There are 8 coaches appointed in the Centre. The achievements of the sports trainees during the last year are as follows:

S.No.	Discipline	Residential						Non-Residential					
		State			National			State			National		
		G	S	B	G	S	B	G	S	B	G	S	B
01	Athletics	10	8	15	3	2	1	2			1		
02	Basketball	1	3		2								
03	Hockey					2							
04	Volleyball					1		1					
05	Weightlifting	2	5	2	1		1						1
06	Kabaddi					1	1						
	TOTAL	13	16	17	6	6	3	3	-	-	1	-	1

The Hon'ble Member of Parliament of Mayiladuthurai, Shri Mani Shankar Iyer, requested SAI to take the ONGC Guest House located in Mayiladuthurai city for SAI on rent. The Regional Director, SAI was asked to make a visit and report on the feasibility of taking the ONGC Guest House on rent. The Regional Director has informed that SAI has no use of this Guest House at Mayiladuthurai. The detail of the Guest House is given below: -

Total Area of the Guest House

S. No.	Name of the description	Measurement
1.	East to West side	37.40 meters
2.	North to South side	24.50 meters

Ground Floor:

S. No.	Name of the description	Measurement
1.	Varandha	6.90 * 6.10 meters
2.	Dining Hall	5.80 * 3.60 meters
3.	VIP Room	3.60 * 7.60 meters
4.	Store Room with toilet	10 * 10 feet
5.	Manager Room	4.10 * 3 meters
6.	Centre Varandha	3.65 * 2.10 meters
7.	Kitchen	6.25 * 2.75 meters 3.30 * 3.60 meters
8.	Back side Cook Rest Room	3.30 * 4.65 meters
9.	Driver Rest Room	3.60 * 4.10 meters

1st Floor:

S. No.	Name of the description	Measurement
1.	VIP Suit Room Hall Dining Hall Bath Room	7.90 * 3.85 meters 6 * 3.60 meters 4 * 3.10 meters 3.85 * 2.05 meters
2.	Room No. 2 with toilet attach	3.60 * 4.35 meters 5 * 3 feet (toilet & bath room)
3.	Room No. 3 with toilet attach	4.60 * 3.45 meters 5 * 5 feet (toilet & bath room)
4.	Dining Hall for Room No. 2, 3	3.70 * 4.20 meters
5.	Hall	6.80 * 2.45 meters

Rent & Other Expenditure:

S. No.	Name of the description	Measurement
1.	Monthly Rent for the Whole Guest House	Rs. 45,000/- per month
2.	Maintenance Charges	Rs. 36,000/- per month
3.	Electricity & Telephone Charges	As per the usage.

Finance Committee may take an appropriate decision.