

**GOVERNMENT OF INDIA
NORTH EASTERN COUNCIL SECRETARIAT
NONGRIM HILLS, SHILLONG – 793003**

Subject: Forwarding of Inspection Report.

In inviting a reference to the above subject, as requested by the concerned Sector, the physical inspection of the project “**Orchid Lake Resort Development, Umiam, Meghalaya**” was carried out in Meghalaya. The inspection report duly signed by the Consultant (CE) is enclosed herewith. The project was sanctioned on 5th March 2014 at a total cost of Rs. 760.61 lakhs (NEC’s share 684.55 lakhs and State Share Rs. 76.06 lakhs). Two instalments totalling Rs. 547.64 lakhs were released by the NEC. Time overrun is 20 months.

The inspection, inter alia, mentioned that:

- NEC has released two installments totaling Rs. 547.64 lakhs and the cost for civil works as per administrative approval is Rs. 547.28 lakhs.
- Till date it could be seen that the civil works were still in progress. Hence the executions of works were slow and also the project has suffered from time overrun of about 20 months
- The Implementing department informed that they will be able to complete the work before February 2018.
- It could be seen that no precise action was taken with respect to the observations made in the previous inspections done from NEC. However, the Govt. of Meghalaya has sent a clarification to NEC vide letter NO. M/D Tour/42/2014/137 dated 4/ 08/2017 on which the concerned Sector has to take a call.
- The erecting of walls in first and second floor had been constructed, plastering works for first floor and second floor has been done except for toilets, fitting of pipes for sanitary works and piping works for water supply has been done.
- Works in progress were fixing of tiles for toilets, floor finishing works in terrace and truss works.

Since the project has already suffered from time overrun of 20 months, the concerned Sector should take up with the implementing agency to ensure that the commitment to complete everything by February, 2018 is strictly ensured because this appear to be a bit over-optimistic. It appears unbelievable that the balance NEC’s share of Rs.136.91 lakhs and the balance State share of Rs. 76.06 lakhs can be spent or utilised within just another two months or so.

Enclosure: As above


U.O.No.NEC/EM/INSPECTION/TRSM/2012/30

Dated: the 27.1.2017


To,
Adviser (BIT), NEC

Copy to,

1. P.S to Planning Adviser, NEC for kind information of Planning Adviser
2. PSA, NIC-NEC (Shri M. Nongkhlaw) for uploading the report with photograph on NEC website.


(W. Synrem)
Economic Adviser (E&M)





o/c

Report of the inspection carried out on 01/12/2017 of the NEC funded project "Orchid Lake Resort Development, Umiam, Meghalaya."

A joint inspection of the above project was carried out by the officials of NEC Secretariat, Shillong and the officials of MTDC Govt. of Meghalaya on 01/12/2017 at Ri-Bhoi District. The list of the officials present during the inspection is enclosed as Annexure-I and photos taken during inspection is enclosed as Annexure-II.

(I) BACKGROUND:

Name of the project:	"Orchid Lake Resort Development, Umiam, Meghalaya".
Location	Umiam, Meghalaya
Implementing Agency:	Tourism Department
Date of Sanction:	5 th March 2014
Cost of Project:	Rs. 760.61 lakhs
NEC Share (90%):	Rs. 684.55 lakhs
State Share (10%)	Rs. 76.06 lakhs
NEC Share released & Dates	1 st installment of Rs.273.82 lakhs on 5 th March 2014 2 nd installment of Rs. 273.82 lakhs on 1 st March, 2017
Total Amount Released:	Rs. 547.64 lakhs.
Balance amount to be released by NEC	Rs. 136.91 lakhs.
State Share released & Dates	Rs.0.00 lakhs
Balance amount to be released by State	Rs. 76.06 lakhs
Status of UC for 1 st installment	UC of Rs. 273.82 lakhs being 1 st installment was submitted on 22/02/2017. UC of Rs. 273.82 lakhs being 2 nd installment was submitted on 08/09/2017.
Target Date of Completion	2(Two) years.
Time Overrun	20 months

(II) Aim of the Project:- Orchid Lake Resort at Umiam is a popular budget resort belonging to the Tourism Dept. Govt. of Meghalaya. It presently has 36 rooms, restaurant & bar, Swimming pool etc. Govt. of Meghalaya proposes to construct a Convention Centre at the Resort. It is reported that there is a large demand for a Convention centre at the Orchid Lake Resort.

(III) Observations/ Status of work (Physical Achievements):

The following observations were made during the visit to the project site by the officials of NEC secretariat, Shillong.

Sl. No.	Scope of Work as per DPR	Remarks based on site Verification done on 31/01/2017	Remarks based on site Verification done on 01/12/2017
1.	<p>Civil Works</p> <ul style="list-style-type: none"> • Basement Floor area- 510 sqm (Rs.96,27,270) • Ground Floor area - 1742sqm (Rs.3,10,57,424) • First Floor area- 891 sqm(Rs.1,40,43,876) <p>Total- Rs. 5,47,28,570. As per administrative approval.</p>	<p>During inspection it could be seen that the work was in progress but the execution of work was slow as the project has suffered from time overrun of about 11 months. The Implementing department informed that they started the work on November 2015 but the 1st Installment was released by NEC on March 2014. On inspecting the project it was found that the shape of the building constructed at site was circular in shape but as per DPR it is rectangular. As per DPR the total floor area of the building was 3143 sqm but during inspection at site, the Engineer in charge informed the Inspection team that the total floor area was 2735.7 sqm (Ground floor-1222.137 sqm, first floor-686.803 sqm and second floor- 183.682sqm). The Implementing Department informed the Inspection team that the anomaly mention above would be clarified before the 1st week of May 2017. It was also found that the building constructed at site was a G+2 (without basement) but as per DPR it is G+1 (with basement). The deviation was done without obtaining permission from NEC.</p>	<p>➤ During inspection it could be seen that no necessary action was taken with respect to the observations made in the previous inspections done from NEC. However, the Govt. of Meghalaya has sent a clarification to NEC vide letter NO. M/D Tour/42/2014/137 dated 4/ 08/2017 which stated that "the progress of work cannot be said to be slow as on date the structural works are completed. The remaining works are finishing items which are to be completed by Nov.2017. The DPR submitted as concept of the project was on plinth area basis and was initially a rectangular structure at the water front in Orchid lake Resort for an estimated cost of Rs. 13,06,22,00 spread out as basement, ground floor, first floor which was to project 30% into the lake. Subsequently while submitting the final DPR the design was changed to a circular structure to suit the new site selected at Water sport complex providing a better view of the lake. The DPR submitted was for an estimated cost of Rs. 14,97,48,000 which was also of plinth area basis. NEC sanctioned the project based on this DPR for the amount of Rs. 7,60,61,000/- only with basement area of 510 sqm, ground floor 1742 sqm and first floor of 891.00 sqm based on plinth area rates of the schedule which is different for each floor plus 7.5% for water supply and 7.5% for internal electrification as service, and lifts. The sanction did not provide amounts for site development and contingency which were essential for the project. Thereafter the detailed estimate was prepared based on the circular structure drawing within the sanction</p>

			<p>amount with ground floor, first floor, second floor and terrace level, as the new site selected did not required a basement level. The technically sanctioned estimate along with the NIT is enclosed for ready reference".</p> <ul style="list-style-type: none"> ➤ At the time of inspection, it was found that erecting of walls in first and second floor had been constructed, plastering works for first floor and second floor has been done except for toilets, fitting of pipes for sanitary works and piping works for water supply has been done. ➤ Works in progress were fixing of tiles for toilets, floor finishing works in terrace and truss works.
2.	<p>Services</p> <ul style="list-style-type: none"> • Sanitary and Water Supply (Rs.41,04,642) • Internal Electrification (Rs.41,04,642) <p>Total- Rs. 82,09,285</p>	<ul style="list-style-type: none"> • Sanitary and Water supply work not yet started. • During inspection it could be seen that conceal wiring works had been going on in some of the rooms and corridors. 	<ul style="list-style-type: none"> • Fitting of pipes for sanitary and water supply has been done. • It could be seen that Conceal wiring works were in progress.
3.	<p>Extra works</p> <ul style="list-style-type: none"> • Plastic Paint i/c providing Marble flooring to 25% of the area. 3143 sqm. (Rs. 34,69,872) • Provision of Adonised Aluminium doors and windows. 3143 sqm. (Rs. 33,53,581) • Provision of weather Shield for exterior wall finish. 3143 sqm. (Rs.4,05,447) • For double height for Auditorium Portion @25% 	Work not started	Work not started

	of the Cost of FF. 600 sqm. (Rs.22,94,400)		
	Total- Rs95,23,300.		
4.	3 nos of lift (Rs.36,00,000)	Only civil work started	Civil work constructed.

(III) Location of Project site: - N 25.66015°
E 91.89547°




(III) Overall Remarks and Suggestion:-

NEC has released two installments totaling Rs. 547.64 lakhs and the cost for civil works as per administrative approval is Rs. 547.28 lakhs. Till date it could be seen that the civil works were still in progress. Hence the executions of works were slow and also the project has suffered from time overrun of about 20 months. The Implementing department informed that they will be able to complete the work before February 2018. It could be seen that no necessary action was taken with respect to the observations made in the previous inspections done from NEC. However, the Govt. of Meghalaya has send a clarification to NEC vide letter NO. M/D Tour/42/2014/137 dated 4/ 08/2017. The acceptability or otherwise of the clarifications given by the State Government should be decided by the concerned Sector. It should also be noted that the State Government's view was that the NEC's approval and sanction were for the circular shaped structure and not for the rectangular one. However, it should also be noted that in the circular - shaped structure also, the basement was mentioned whereas the final structure was G+2 with no basement. Site was also changed without NEC's approval. It appears that some contradictions are there but it is for the concerned Sector to take a final call because, on the whole, physical progress and financial progress appear to be commensurate. The concerned Sector should also write for immediate release of matching State Share as till now the State had not released even a single penny. At the time of inspection, it was found that erecting of walls in first and second floor had been constructed, plastering works for first floor and second floor has been done except for toilets, fitting of pipes for sanitary works and piping works for water supply has been done. Works in progress were fixing of tiles for toilets, floor finishing works in terrace and truss works. NEC funding was found to be acknowledged.



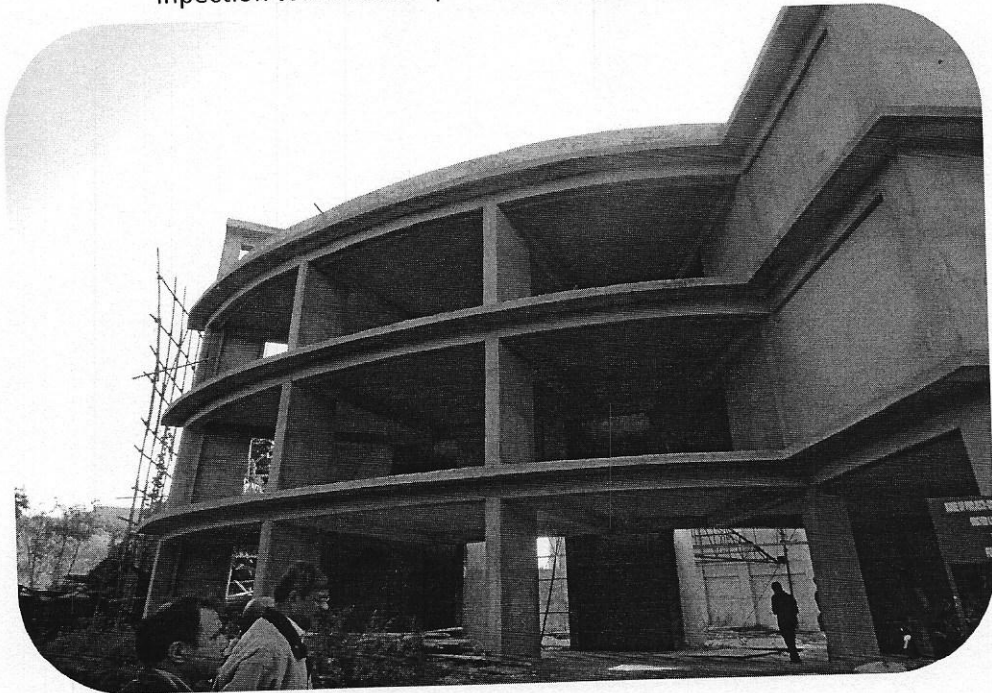
(Jeriel N. Kharbhih)
Consultant (CE)
NEC Secretariat, Shillong

List of officials who were present during the inspection of NEC funded project "**Orchid Lake Resort Development, Umiam, Meghalaya**" on 01/12/2017

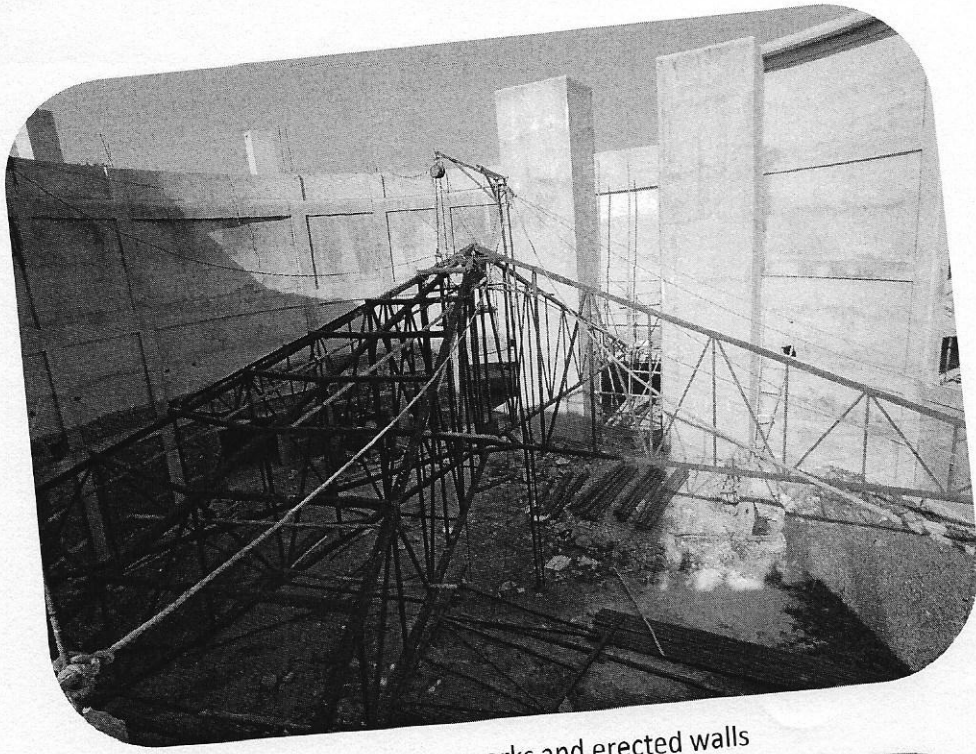
Sl. No.	Name	Contact No. & Email id	Designation & Organisation/Department	Signature
1.	B. Nongrum	9837369248	A.E (MTDCLTD)	 01/12/17
2.	B. Nongrum	9612802605	J.E (MTDCLTD)	 01/12/17
3.	Jerial Khorbik	9436535665	Consultant - CE NEC	 01/12/17
4.				
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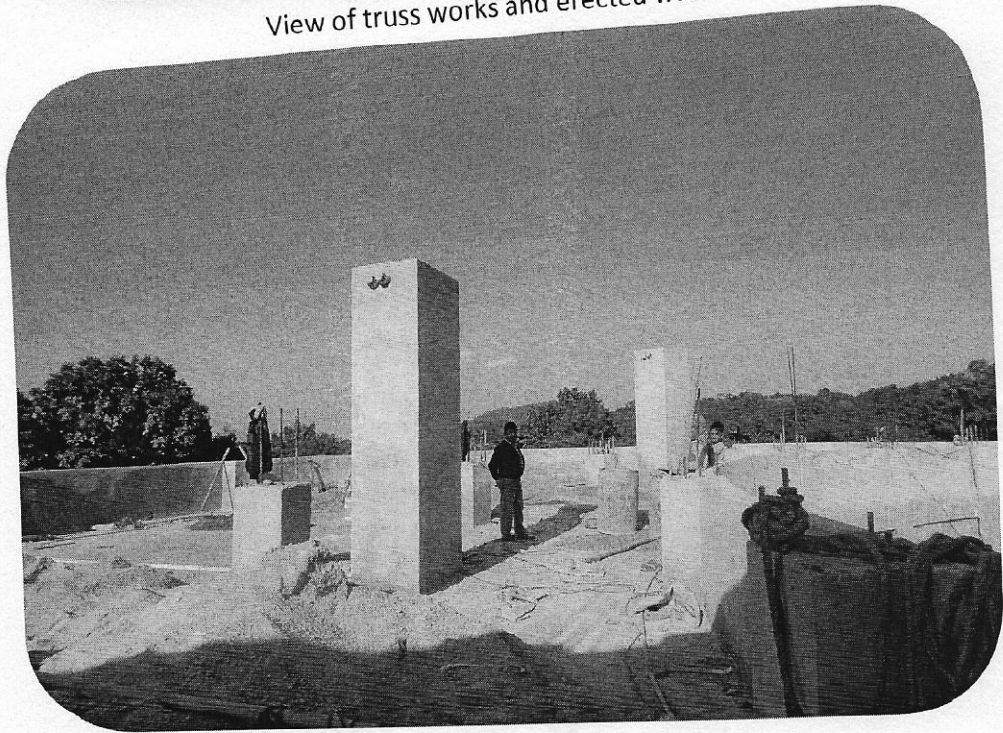
Inspection team with Implementing Agency at project site



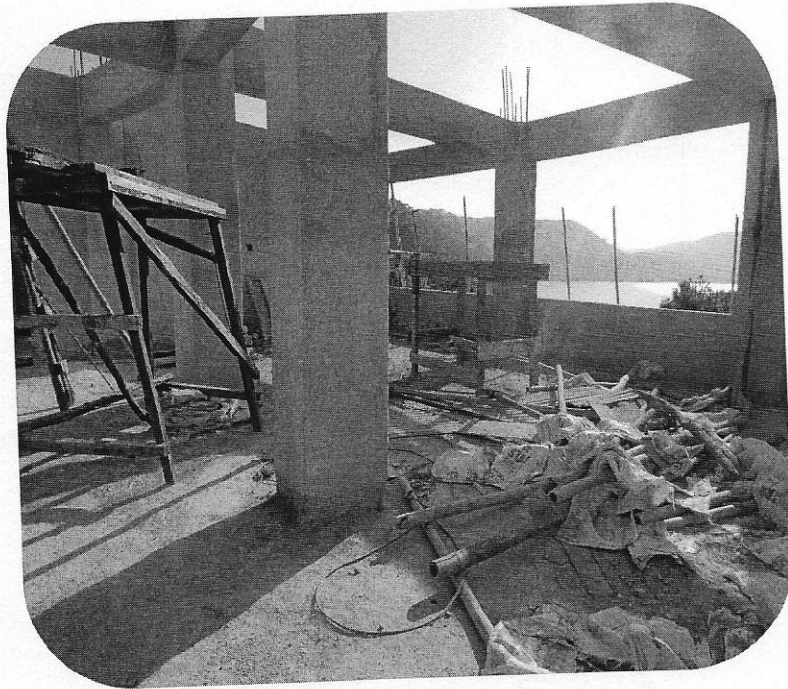
View of building



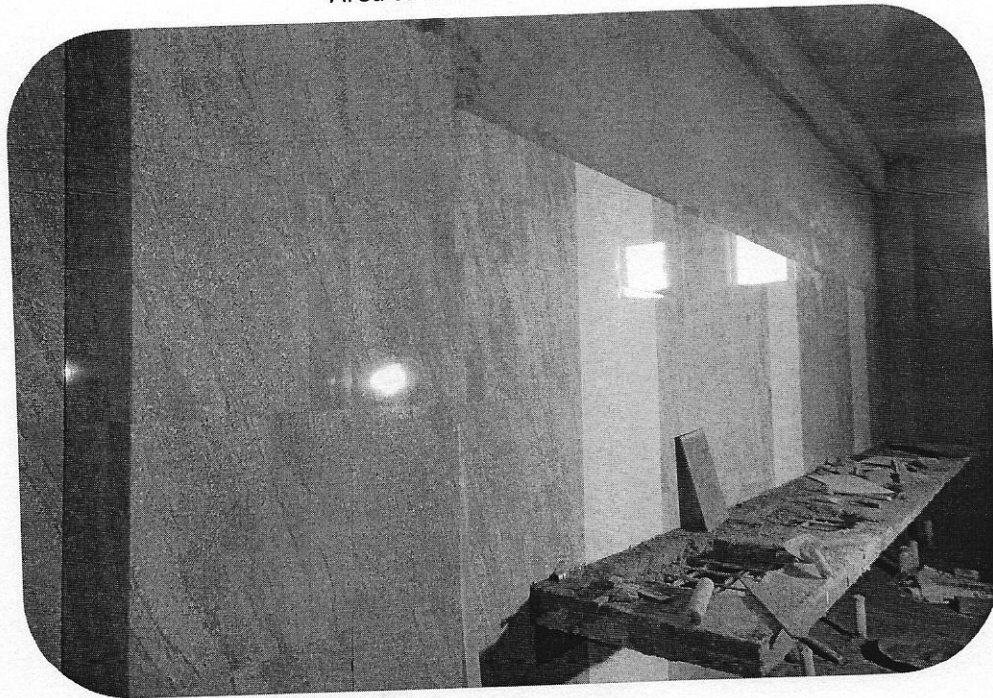
View of truss works and erected walls



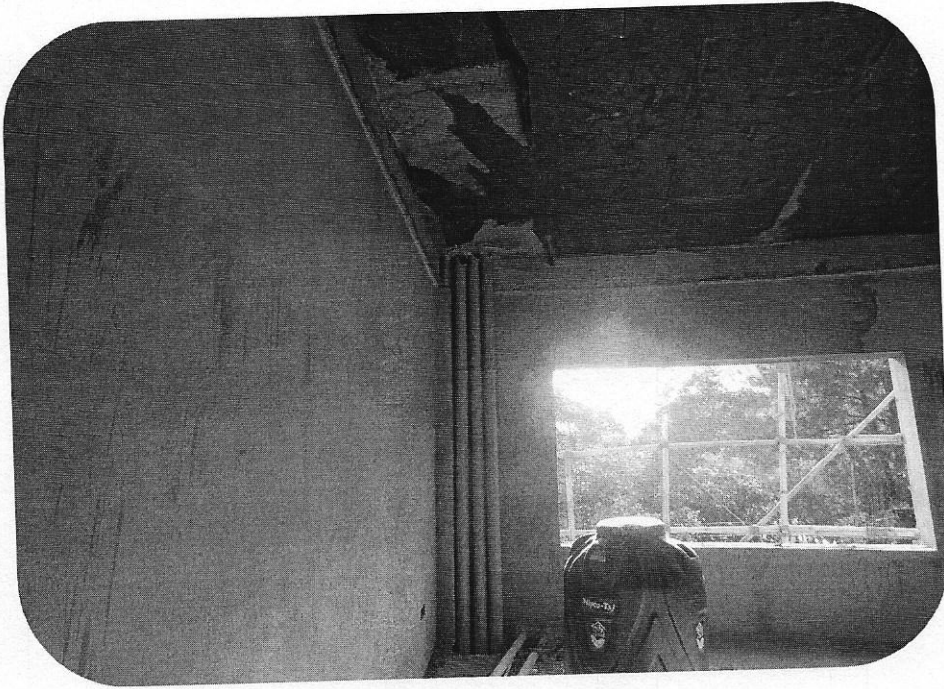
View of CC flooring in terrace



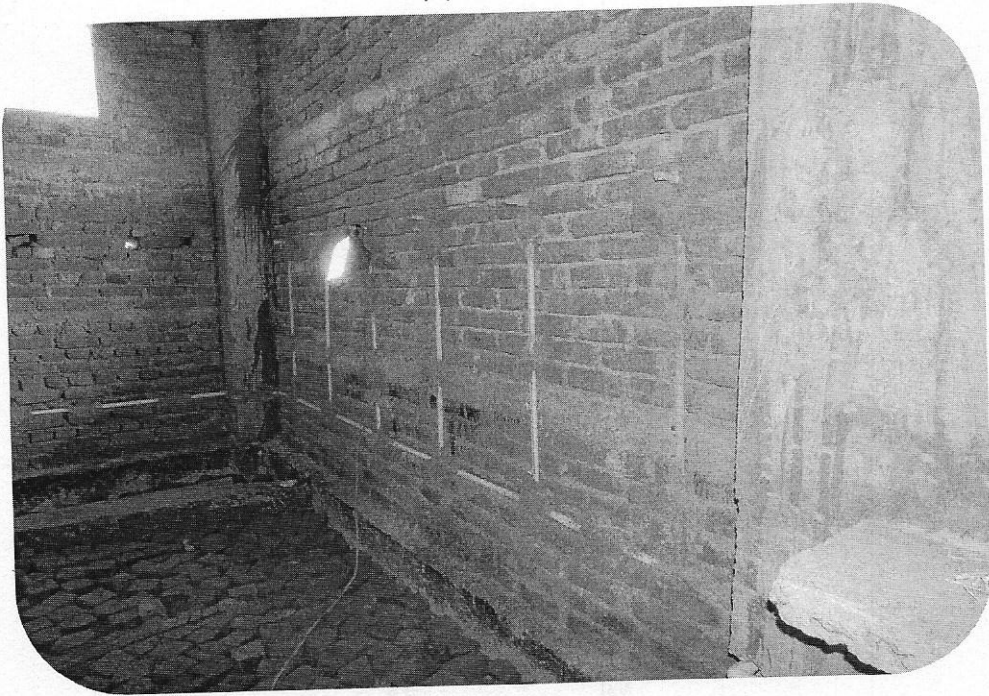
Area to be use as restuarant



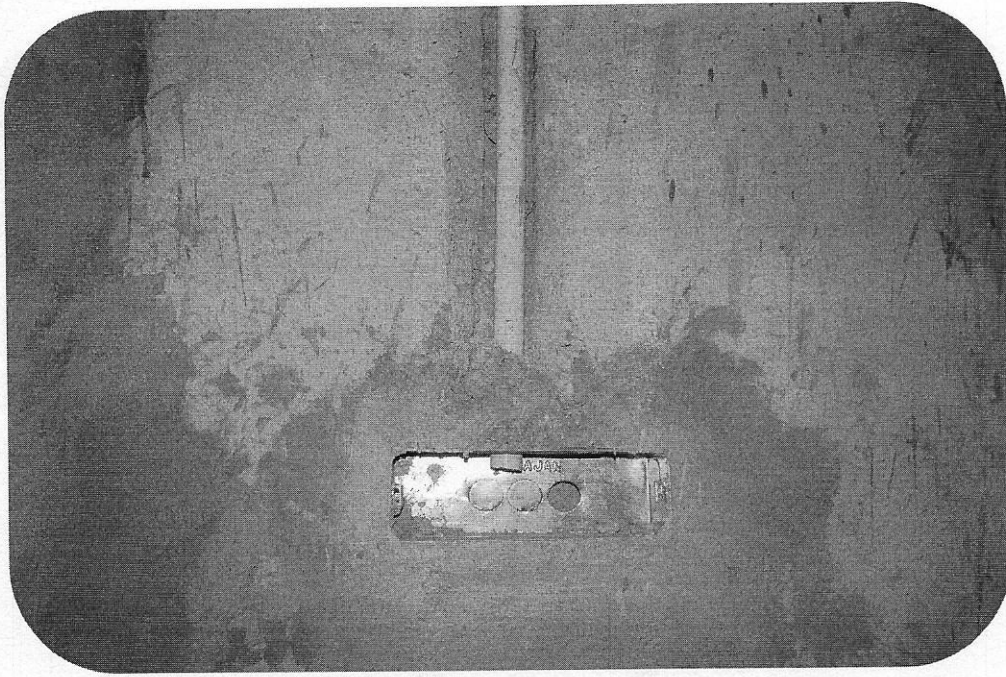
View of tiles works.



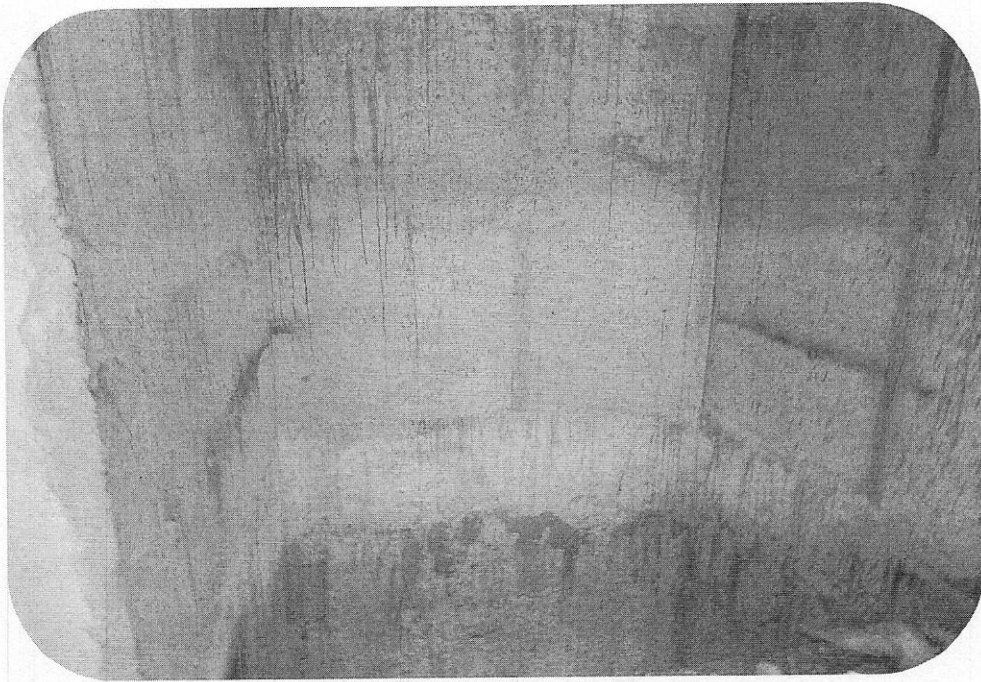
pipes works



View of pipes works



View of conceal wiring



View lift well