No. R.14011/1/2000-MI
Government of India
Ministry of Health & Family Welfare
(Department of ISM&H)

218, IRCs Building,
New Delhi-110 001, the 31st January, 2002

To

Shri Syed Munir Hoda,
Secretary to the Govt. of Tamil Nadu,
Health and Family Welfare Department,
Fort St. George,
Chennai-600 009.

Shri M.F. Farooqui, IAS,
Commissioner of Indian Medicine
and Homoeopathy,
Government of Tamil Nadu,
Chennai-600 106.

Dr. G. Veluchamy, OSD,
National Institute of Siddha,
(Chennai) -cum- Director (CCRAS),
Janak Puri, New Delhi-110058.

Subject: Construction of building for National Institute of Siddha, Chennai –
regarding

Sir,

This has reference to the proposal for establishment of a National Institute
of Siddha at Chennai. The EFC cleared the proposal in its meeting held on
7.9.2001. Thereafter the proposal was posed before Ministry of Finance for their
approval, which has since been received. A copy of the EFC minutes dated
9.1.2002 is enclosed for your perusal.

2. As you are aware the cost of the project is to be shared between Govt. of
India and Govt. of Tamil Nadu, you may like to work out preliminary schedule
and thereafter a meeting would be convened at Chennai with CPWD once the
preliminaries are over.

Yours faithfully,

(B. Prasad)
Director
MINUTES OF THE MEETING OF THE EXPENDITURE FINANCE COMMITTEE HELD ON 7TH SEPT., 2001 AT 3.00 P.M.

The Meeting of Expenditure Finance Committee under the Chairpersonship of Smt. Shallaja Chandra, Secretary(ISM&H) was held on 7.9.2001 at 3.00 P.M. to consider the Revised FFC Memo on the National Institute of Siddha, Chennai. The list of participants is attached as Annexure.

After welcoming the participants, the Secretary(ISM&H) recalled the decision of the last FFC held on 1.8.2000. She mentioned that a Project Review Committee was set up which went into the aspects of reduction of overall project cost as well as the sharing of cost by the State Government. Secretary(ISM&H) asked Shri O.S. Veerwal, Director to explain the essential features of the revised project.

Shri Veerwal, Director, gave a brief account of the revised FFC Memo. The original project envisaged 12 UG Departments and 5 PG Departments. On the suggestion of the previous meeting of FFC the UG component has been dropped. The revised FFC Memo includes only 4 PG Departments with an annual intake capacity of five students each. There would be a 120 bedded hospital for in-patients and an OPD facility. The Govt. of Tamil Nadu's initial contribution for the Institute was only the site. After reconsideration, the Govt. of Tamil Nadu has agreed to share 40% of the non-recurring/capital cost and 25% of the recurring cost. Thus, the overall cost of the project would be Rs.47.00 crores. The non-recurring/capital would be costing Rs.36.00 crores and recurring expenditure for six years would be Rs.11.00 crores. The Govt. of India and Govt. of Tamil Nadu would be sharing the capital expenditure in the ratio of 60:40 and the recurring expenditure in the ratio of 75:25. The share of GOI on Capital/Non-recurring expenditure would be Rs.21.60 crores and on recurring expenditure would be Rs.8.25 crores only, whereas the Govt. of Tamil Nadu would be bearing Rs.14.00 crores (including land cost) on Capital and Rs.2.75 crores towards recurring expenditure. Thus, the liability of GOI would be only Rs.30.00 crores.

The Secretary(Health), Govt. of Tamil Nadu stated that the Siddha system has developed throughout the State. There is a need for promotion of this system outside the State as well. The State Government will not be in a position to undertake the task. The role of Government of India is therefore, essential for the effective strengthening of the Siddha system through research and interaction with other systems.

...2/...
The member representing the P&M, Planning Commission pointed out that the average unit cost of construction is Rs.17,095/- per sq. mt. which appeared to be very high. He also stressed that the date of commencement of the project should be reckoned from the date of approval of the scheme by the Government of India and not the commencement of civil works. He added that as it involves creation of posts, the approval of Ministry of Finance (Dept. of Expenditure) may be obtained.

In reply to the point made by the Planning Commission in regard to the unit cost of construction, the Architect of the Central Design Bureau, Smt. K. P. mentioned that the estimates of NIS cannot be compared with Safdarjung Hospital estimates. The Safdarjung Hospital has a well developed site, whereas the Central site is not a developed one. The higher cost per unit is due to provision of water supply, sewage lines, power sub-station and compound. As the essential infrastructural development has to be undertaken, the cost of per unit construction has gone up. Secretary(SM&H) also commented that a comparison with Safdarjung Hospital was not valid.

The representative from the Dept. of Expenditure stated that the Ministry is not in favour of proliferation of autonomous institutions which are not self-supporting. He also mentioned that the extent of sharing of expenditure by Govt. of Tamil Nadu is not of the desired level and sought the share of Govt. of Tamil Nadu at least 50% of both capital as well as recurring expenditure with a commitment for undertaking the entire liability by the State after the project period.

The Secretary(SM&H) clarified that NIS is not a new body and has already been set up and registered. It has a Governing Council under Hon’ble HPM. The Standing Parliamentary Committee on HRD also recommended that the Siddha system should be popularised throughout the country for which the Government of India should be responsible. The present proposal was therefore a logical outcome of earlier high level recommendations.

JS & FA requested the Government of Tamil Nadu to respond to the point made by Dept. of Expenditure in regard to the sharing of 50% of both capital/recurring and the liability beyond completion of the project.

The Secretary(Health), Govt. of Tamil Nadu stated that it would not be possible to contribute any additional amount and that earlier they were told to follow the NIMHANS pattern for which they had obtained the State Government’s approval. Taking over the entire liability after completion is also beyond the State Government’s means.
JS & FA has, however, suggested that we may keep the option open for reviewing the sharing pattern beyond the completion period. The Commissioner of Indian Medicine and Homoeopathy Department, Govt. of Tamil Nadu stated that earlier they were ready to contribute 25% of recurring expenditure up to sixth year only. The proportion would be maintained after the project period.

The Committee after consideration of the views expressed by all concerned decided to approve the proposal at an estimated cost of Rs. 47,000 crores to be shared between Government of India and Government of Tamil Nadu in the ratio of 60:40 towards non-recurring/capital and 75:25 towards recurring expenditure up to the completion of the project. The sharing pattern may be reviewed at the appropriate stage. The Dept. may take up the creation of posts with the Ministry of Finance. The meeting ended with a vote of thanks to the Chair.
List of participants who attended the EPC Meeting on NIS, Chennai on 07.09.2001.

1. Smt. Shailaja Chandra
   Secretary(ISM&H),
   Dept. of ISM&H.

2. Shri Vijay Singh
   Joint Secy. & F.A.
   Ministry of Health & F.W.

3. Shri K.M. Gupta
   Director(PF-II),
   Ministry of Finance.

4. Sh. K. Ranga Reddy
   Dy. Adviser(PAMB),
   Planning Commission.

5. Shri L. Prasad
   Joint Secy.(ISM&H),
   Dept. of ISM&H.

6. Shri G.S. Veerwal
   Director(ISM),
   Dept. of ISM&H.

7. Shri B.S. Munir Hoda
   Secy., Health & F.W.
   Govt. of Tamil Nadu.

8. Dr. G. Veluchamy
   O.S.D.,
   N.I.S., Chennai.

9. Shri S.D. Jha
   Director(IF),
   Ministry of Health & F.W.

10. Shri K.K. Lamba
    SRO(H),
    Planning Commission.

11. Dr. C.H.S. Shastry
    O.S.D.,
    Dept. of ISM&H.

12. Shri M.F. Farooqui
    Commissioner,
    Indian Medicine & Homoeopathy,
    Govt. of Tamil Nadu.

13. Shri S.B. Kalker
    Architect,
    Dte.C.H.S.

14. Dr. M.A. Kumar
    Dy. Adviser(Siddha)