



#### **GOVERNMENT OF KERALA**

#### **Abstract**

Scheduled Castes and Scheduled Tribes Development Department- Construction of KIRTADS Freedom Fighters Museum Complex/ Memorial for Tribal Freedom Fighters -M/s KERALAM MUSEUM is entrusted as the single Project Management Consultant and fixation of Centage / PMC charges is fixed - Orders issued

# SCHEDULED CASTES/SCHEDULED TRIBES DEVELOPMENT (E) DEPARTMENT

G.O.(Ms)No.20/2021/SCSTD Dated, Thiruvananthapuram, 19/02/2021

- Read: 1. G.O(Rt) No.904/2018/SCSTD, dated 03/08/2018,
  - 2. G.O(P) 118/2018/Fin dated 03.08.2018
  - 3. G.O(Rt)No.341/2019/SCSTDD dated 29.04.2019
  - 4. G.O(Rt)No.16/2019/CAD dated 04/06/2019
  - 5. G.O(Rt)No.800/2019/SCSTDD dated 23.07.2019
  - 6. Letters No.A.4309/2017 dated 02.07.2020, 25.09.2020 07.12.2020 from the Director, KIRTADS

#### **ORDER**

As per the Government Order read as 1<sup>st</sup> paper above, Administrative Sanction was accorded for setting up of KIRTADS Freedom Fighters Museum Complex/ Memorial for Tribal Freedom Fighters at Kozhikode at an estimated amount of Rs. 16.5 Crore (90% funds by Govt of India and 10% Kerala state share). As per Government Order read as 3<sup>rd</sup> paper above, Government had accorded sanction for hiring the services of C-DIT and M/s KERALAM MUSEUM as Consultants/Transaction Advisors for the implementation of Museum Complex/Memorial for Freedom Fighters project of KIRTADS.

As per Government Order read as  $5^{th}$  paper above, it was ordered that centage charge to be paid to KERALAM MUSEUM for the total value of civil

#### File No.SCSTDD-E2/156/2018-SCSTDD

works of Rs. 11.30 crores will be Rs.56.5 lakhs (@5% the value of civil work). Further C-DIT and KERALAM MUSEUM will be entitled to get Centage charge of Rs. 9.00 lakhs each (@ 4.5% of the value of the work) for the the soft part of work-component, worth Rs. 2.00 crores in each case. The Centage Charge to be paid to Consultants/Transaction Advisors is excluding the GST. The GST should be paid extra @18% of the Centage charges.

- (2) The Director of KIRTADS as per the letters referred to as 6th reference cited above, informed that the M/s Keralam Museum has expressed certain practical difficulties regarding signing of the MoU with KIRTADS for the purpose. Since Keralam Museum is not an accredited agency, (but nodal agency for establishing and maintaining museums under various Departments in Kerala as per Government Order read as 4<sup>th</sup> paper above), they cannot be entrusted the work as a Project Management Consultant (PMC), as envisaged in Government Order read as 2<sup>nd</sup> paper above. Also, they can not claim Centage charges as envisaged in Government Order read as 5<sup>th</sup> paper above. The Keralam Museum has made a demand for the co-ordination charges in the range of 7% 10%. Further, appointing two transaction / consultant agencies for a single Project is not fair.
- 3. The Director of KIRTADS has also informed that they have gone far ahead at the process level since 2019 with the transaction advisor, the Keralam Museum. As the present project needs specialization in museum related works, the same cannot be entrusted to Public Works Department or other accredited agencies. But Kerala Museum has enormous experiences with museum related works of Government of Kerala. Hence the Director of KIRTADS has requested to issue the revised Orders for changing Centage charge to co-ordination charge, appointing Keralam Museum as single Project Management Consultant with 7% 10 % co-ordination charge and exempting Keralam Museum from GST, IT etc. However, the Finance Department

#### File No.SCSTDD-E2/156/2018-SCSTDD

has categorically not agreed to exempt Keralam Museum from payment of the GST, IT etc.

- (4) Government after having examined the matter in detail are now pleased to issue the revised orders as given below:
  - Being the Nodal Agency appointed by Govt. for establishing the Museums in the State, M/s KERALAM MUSEUM is allowed to continue as the single Project Management Consultant for Construction of Museum / Memorial for Tribal Freedom Fighters at Kozhikkode.
  - 2. M/s KERALAM MUSEUM is allowed freedom to hire and coordinate the services of different experts / agencies for specialized services required for establishment of the Museum in compliance of Govt. rules in force.
  - 3. Centage / PMC charges payable to Keralam Museum for the construction of Museum / Memorial for Tribal Freedom Fighters at Kozhikkode, is also fixed up to a maximum of 8%, which shall be inclusive of all payable taxes etc., as may be applicable and in force, from time to time.

(By order of the Governor)
PUNEET KUMAR IAS
PRINCIPAL SECRETARY

To:

- 1. The Director, KIRTADS, Chevayoor, Kozhikode
- 2. The Registrar, C-Dit, Chithranjali Hills, Thiruvallam.P O, Thiruvananthapuram
- 3. The Executive Director, Keralam Museum, Park view, Thiruvananthapuram
- 4. The Principal Accountant General (Audit) / (A&E) Kerala, TVPM
- 5. Finance Department (No.WW-WW3/303/2018-Fin dated 10.12.2020)

#### File No.SCSTDD-E2/156/2018-SCSTDD

- 6. Cultural Affairs Department
- 7. Electronic & Information Technology Department
- $8. \ \ General\ Administration\ (SC)\ Department$
- 9. I & PRD (for hosting in the Govt website)
- 10. Stock File/Office Copy

Forwarded / By order Signature valid

Digitally signed by MANOJ P Date: 2021 02,19 18:47:57 IST Reason: Approved

Section Officer



## കേരള സർക്കാർ

# മന്ത്രിസഭായോഗത്തിന്റെ നടപടിക്കുറിപ്പുകൾ

തീയതി: 17-02-2021

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: പട്ടികളാതി പട്ടികവർഗ്ഗ വികസന വകുഷ് - കേരളം മ്യൂസിയം എന്ന സ്ഥാപനത്തെ കോഴിക്കോട് ഗോത്രവർഗ്ഗ സ്വാതന്ത്ര സമര സേനാനി മ്യൂസിയം/സ്മാരകം നിർമ്മാണത്തിനുള്ള ഏക പ്രോജക്ട് മാനേജ്മെന്റ് കൺസൾട്ടന്റ് ആയി നിയമിക്കുന്നതിനും, കൺസൾട്ടൻസിക്ക് നൽകേണ്ട സെന്റേജ്/പി.എം.സി. നിരക്കുകൾ പുതുക്കി നിശ്ചയിക്കുന്നതിനുമായി കിർത്താഡ്സ് ഡയറക്ടർ സമർഷിച്ച പ്രൊപ്പോസൽ.

തീരുമാനം :

കുറിപ്പിലെ നിർദ്ദേശം (1), (2) അംഗീകരിച്ചു.

(3). സെന്റേജ്/പി.എം.സി. ചാർജ് പരമാവധി 8% ആയി നിജപ്പെടുത്തുവാൻ തീരുമാനിച്ചു.

> (ഒഷ്) പിണറായി വിജയൻ മുഖ്യമന്ത്രി

> > (ശരിഷകർഷ്)

ഡോ. വിശ്വാസ് മേത്ത ചീഫ് സെക്രട്ടറി

പ്രിൻസിഷൽ സെക്രട്ടറി, പട്ടികജാതി പട്ടികവർഗ്ഗ വികസന വകുഷ്.

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### GOVERNMENT OF KERALA (SHRI. PINARAYI VIJAYAN MINISTRY) NOTE FOR THE COUNCIL OF MINISTERS

1.	File No.	T:	E2/156/2018/SCSTDD
2.	Department	1:	SCST Development (E) Department
3.	Subject	1:	Proposal of Director, KIRTADS for entrusting
			M/s KERALAM MUSEUM as the single Project
			Management Consultant for Construction of
			Museum / Memorial for Tribal Freedom Fighters
			at Kozhikkode and revising rate of Centage
			PMC charges payable to the Consultancy.
4.	Date of Chief Minister's Order for	1:	05/02/2021
	placing before the Council.		
5.	(i) Does the case involve financial	1:	Yes
	Commitments/ implications		
	(ii) If the answer to be above is in the	:	Yes
	affirmative, whether Finance		
	Department has been consulted and		
	their remarks incorporated in the Council Note.		
6.	Are any other Department concerned	+	No
,	with the case and if so, have they been		110
	consulted and their remarks		
	incorporated in the Note for the		
7	Council?	_	
7.	Name of Additional Secretary who submitted the Draft Note	:	Smt.Bindu Thankachy.M.K
8.	Name of Principal Secretary who	1	f de l'action
	approved the Draft Note		Sm. Puneet kumer.
9.	Date of approval of the Draft Note for	:	
	the Council by the Principal Secretary.	ļ ·	
10.	Name of Chief Secretary who approved the Draft Note.	:	Dr.Vishwas Mehta
11.	Date of approval of the Draft Note for		12-00
	the Council by the Chief Secretary.	,	13-02.2021
12.	Name of Minister who approved the	:	Sri.A.K.Balan
	Draft Note.		
13.	Date of approval of the Draft Note for	:	
1.4	the Council by the Minister		
14.	Date of submission of fair copies	:	
15.	Date of decision by the Council of	;	
4 -	Ministers		
16.	Number and date of the G.O./letter	:	,
	communicating the decision.		

P99

### NOTE FOR THE COUNCIL OF MINISTERS

This Note relates to the proposal of the Director, KIRTADS for entrusting M/s KERALAM MUSEUM as the single Project Management Consultant for Construction of Museum / Memorial for Tribal Freedom Fighters at Kozhikkode and revising rate of Centage / PMC charges payable to the Consultancy.

2. As per G.O(Rt) No.904/2018/SCSTD dated 03/08/2018, in principle administrative sanction was accorded for setting up of KIRTADS Freedom Fighters Museum Complex/ Memorial for Tribal Freedom Fighters at Kozhikode at an estmated amount of Rs16.5 Crore (90% funds by govt of India and 10% state share) As per G.O(Rt)No.341/2019/SCSTDD dated 29.04.2019, Government have accorded sanction for hiring the services of C-Dit and

P36-37

170

KERALAM MUSEUM as Consultants/Transaction Advisors for the implementation of Museum Complex/Memorial for Freedom Fighters project of KIRTADS. As per G.O(Rt)No.800/2019/SCSTDD dated 23.07.2019, it was ordered that centage charge to be paid to KERALAM MUSEUM for the total value of civil work of Rs.11.30 crores will be Rs.56.5 lakhs (@5% the value of civil work. C-Dit and KERALAM MUSEUM will be entitled to get centage charge of Rs.9 lakhs each (@ 4.5% of the value of the work )for the the soft part of component worth Rs.2 crores in each case. The Centage Charge to be paid to Consultants/Transaction Advisors is excluding the GST. The GST should be paid extra @18% of the Centage charges.

3. The Director of KIRTADS has informed that the Keralam Museum authorities has expressed certain practical difficulties regarding signing of the MoU with KIRTADS for the purpose. Since Keralam Museum is not an acredited agency, (but nodal agency for establish and maintaining museums under various Departments in Kerala as per G.O(Rt)No.16/2019/CAD dated 04/06/2019) they cannot entrust the work as a Project Management Consultant (PMC) as envisaged in G.O(P) 118/2018/Fin dated 03.08.2018, and claim centage charges as envisaged in G.O(Rt)No.800/2019/SCSTDD dated 23.07.2019. The Keralam Museum demands for (as a nodal (co-ordination) agency) co-ordination charges @ 7 to 10%. Further, appointing two transaction / consultant agencies for a single Project is not fair. The Director of KIRTADS has also informed that they have gone far ahead at the process level since 2019 with the transaction adviser, the Keralam Museum. As the present project needs specialization in museum related works, the same cannot be entrusted to Public Works Department or other accredited agencies. But Kerala Museum has enormous experiences with museum related work of Government of Kerala. Hence the Director of KIRTADS has requested to issue revise the Orders so that

i) Co-ordination charges may be replaced against centage charges.

ii)appointment of two transaction agencies(Keralam Museum and C-DIT) as

P-399

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transaction agents may be revived.

iii)Kerala Museum shall undertake the works/ consultancy service by receiving 7-10% of co-ordination

- iv) Kerala Museum shall also exempted from paying GST, IT etc.
- 4. Finance Department has offered following remarks in the proposal

"Administrative Department may be informed that the renaming the Centage charges as Coordination charges to avoid GST & IT obligations seems not justifiable. The GST claim has to be reimbursed by the client department and Income Tax component has to be met by the implementing agency itself.

Page 91 NF PAVA 263)

But, appointing two transaction / consultant agencies for a single Project that too without defining their respective scope of work is not found to be in order.

Regarding PMC charges , it is noted that as per prevailing rules, the maximum admissible Centage / PMC charges for executing the public works varies from @5% to @8% depending upon the value of work. In this case, the scope of work for establishment of the Museum includes Consultancy, Civil & MEP works, Museum curatorial content and narrative, Museum ambiance and interiors and Museum digital interactive and AV experience and the centage charges fixed as 5% for Civil works and 4.5% for other works respectively vide G.O.(Rt) No.800/2019/SCSTDD dated 23/07/2018 seems to be in order.

In view of the above, Administrative Department is advised in the following lines:-

Being the Nodal Agency appointed by Govt. for establishing the Museums in the State, M/s KERALAM MUSEUM may be allowed to continue as the Project Management Consultant for Construction of Museum / Memorial for Tribal Freedom Fighters at Kozhikkode.

 M/s KERALAM MUSEUM may hire and coordinate the services of different experts / agencies for specialized services required for establishment of the Museum in compliance of Govt. rules in force.

- The Centage / PMC charges payable to M/s KERALAM MUSEUM for establishing the Museum shall be regulated as 5% for Civil works and 4.5% for other works respectively vide G.O.(Rt) No.800/2019/SCSTDD dated 23/07/2018 and GST charges @18% only may also be allowed."
- 5. When the file routed to the Additional Chief Secretary, Finance through the Hon'ble Chief Minister, Additional Chief Secretary (Finance) commented as follows:

"With reference to the notes above, there was a lack of clarity on the noting of the AD with regard to which, I had called Principal Secretary, SC&ST Development Dept. and Director, Scheduled Tribe Development Dept. for a meeting to understand exactly what the proposal is. They confirmed that they have already decided in accordance with the Finance Department's previous comments to have Keralam Museum as the Single PMC for this Tribal Museum Project. C-DIT will not be involved as a PMC. The only issue that remains is the amount to be paid to the Keralam Museum as co-ordination / centage charges. As per the Finance Department's existing instructions, for projects with cost exceeding Rs 5 crores, the amount that can be given as centage charge is restricted to 5%. In this particular case, the Keralam Museum is seeking 10%. As this is beyond the present instructions, the matter will have to be taken before the competent authority / Council for consideration. It may also be noted that the Keralam Museum has accepted other Departments works at lesser rates of about 8% while also charging 10% in other cases. It should be better to take a consolidated approval in such cases, if these have been done in violation of Government instructions, so as to avoid any objections later.

We may inform the AD accordingly. "

6. Hon'ble Chief Minister has ordered to place the matter before the Council of Ministers.

page 98 NP para

374

#### POINTS FOR DECISION

Whether orders may be issued

- Being the Nodal Agency appointed by Govt. for establishing the Museums in the State, M/s KERALAM MUSEUM may be allowed to continue as the single Project Management Consultant for Construction of Museum / Memorial for Tribal Freedom Fighters at Kozhikkode.
- 2. M/s KERALAM MUSEUM may be given freedom to hire and coordinate the services of different experts / agencies for specialized services required for establishment of the Museum in compliance of Govt. rules in force
- 3. To fix the appropriate Centage / PMC charges in the range of 8-10% payable to M/s KERALAM MUSEUM against their demand of 10% for establishing the Museum in the light of the FD's observations about the Keralam Museum having accepted other Departments' works at lesser rates of about 8% while also charging 10% in some other cases.

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