

**DIRECTORATE OF AUDIT
GOVERNMENT OF N.C.T OF DELHI
4TH LEVEL, C-WING, DELHI SACHIVALAYA: NEW DELHI**

**AUDIT REPORT OF OFFICE OF EXECUTIVE ENGINEER, EDUCATION PROJECT
DIVISION-4, (B-131), VIKAS BHAWAN-II, CIVIL LINES, DELHI-110054, FOR THE
PERIOD 2020-21 TO 2023-24.**

INTRODUCTION

The Internal Audit Report on the accounts of Office of Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054, for the period 2020-21 to 2023-24 was conducted by the field Audit Party No. XXIII comprising of Shri Dinesh Kumar, IAO/Sr.AO and Shri Ravi Kharb, Sr. Asstt. The audit was conducted during 10 working days between 08.05.2024 to 21.05.2024.

AIMS AND OBJECTIVES

The EPD-4 (B-131) division is working under Chief Engineer (Other Project), Education Project, PWD and is engaged in the construction work of various projects related to Higher Education in Delhi. The area of the Division is situated at Rohini (Shaheed Sukhdev College at Sector-16, Rohini), Shahabad Dairy Bawana Road (DTU) & Dwarka.

H.O.D /H.O.O./ D.D.O's / CASHIERS

The following officers have served as HOO / DDO / Cashier during 2020-21 to 2023-24 :

S. No.	Name of the Officer	Period	
		From	To
HOO			
1.	Sh. Shivam Srivastava	01.04.2020	05.08.2021
2.	Sh. Sanjay Kumar Gupta	05.08.2021	09.01.2022
3.	Sh. Roobin Punjnathia	10.01.2022	Till date
Divisional Accountant/ AAO/ DDO			
1.	Vacant		
Cashier			
1.	Sh. Juel Kujur, UDC	01.04.2020	28.07.2022
2.	Sh. Rakesh Sharma, UDC	29.07.2022	31.03.2024

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Expenditure of the Department for the period

2020-21 to 2023-24

(Amount in Rs. Cr.)

Period	Budget Allotted	Expenditure
2020-21	107.03	99.71
2021-22	111.18	109.14
2022-23	75.52	67.48
2023-24	38.63	37.12

Vacancy Statement of regular staff as on 31.03.2024:

S. No.	Name of the post	No. of Sanctioned posts	Filled	Vacant
1.	Group-A	01	01	Nil
2.	Group-B	15	05	10
3.	Group-C	09	01	08
	Total	25	07	18

Statutory Audit:

The Statutory audit of the Office of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, has been conducted upto 31.03.2021 by AG (Audit) Delhi.

Maintenance of Records:

The maintenance of record of the **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, for the period 2020-21 to 2023-24 was found satisfactory subject to the observations made in the Current Audit Report.

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PART - I

OLD AUDIT REPORT

S.No.	Period	Details of outstanding Paras			Outstanding Para Numbers
		Opening balance	Paras Settled	Para Settled Nos.	
1.	1979-1980	27	Nil	Nil	27
2.	2006-2007	05	Nil	Nil	05
3.	2007-2008	11	Nil	Nil	11
4.	2008-2010	10	Nil	Nil	10
5.	2014-2017	14	Nil	Nil	14
6.	2017-2020	05	Nil	Nil	05
Total		72	Nil	Nil	72

Details of Old Recoveries

S. No.	Period	Recovery of Para No.	Details of Recoveries [Amount in rupees]		
			Raised	Amount Recovered/ Regularized (Rs.)	Balance (Rs.)
1	1979-1980	01	6440	0	6440
2	1979-1980	03	216	0	216
3	1979-1980	04	402	0	402
4	1979-1980	05	210	0	210
5	1979-1980	16	54	0	54
6	1979-1980	21	43	0	43
7	1979-1980	26	21000	0	21000
8	2007-2008	02	605	0	605
9	2007-2008	04	1650	0	1650
10	2007-2008	13	285	0	285
11	2008-2010	06	1123	0	1123
12	2014-2017	03	1454	0	1454
13	2017-2020	01	49124	0	49124
14	2017-2020	02	35632	0	35632
15	2017-2020	03	26090	0	26090



List of Para (Order by Audited Year & Para)

[View Detailed Audit Report](#)

Department :Public Works (PWD)						
Sub department:PWD Hou Pro. Div-4,Edu. PD.2,Edu. PD.4(Old B-131,132,133),1st Floor, Vikas Bhawan-II, Dehi(1479/12)						
S No.	Start Year	End Year	Para No.	Sub Para	Subject	Status* Outstanding Amount (In Rs.)
1	1979	1980	1		Construction of Govt. Girls Middle School Building (480 student) at Bhaktawar Pur Village(B-133)	0 6440
2	1979	1980	2		Irregular Execution of works (B-133)	0 0
3	1979	1980	3		Non recovery of Income Tax from Running Account Bill In r/om/s Gulati Bros. (B-133)	0 216
4	1979	1980	4		Unauthorized & overpayment (B-133)	0 402
5	1979	1980	5		Short recovery of income tax (B-133)	0 210
6	1979	1980	6		Payment without Acquittance (B-133)	0 0
7	1979	1980	7		Excess expenditure on purchase of stationary (B-133)	0 0
8	1979	1980	8		Short coming in maintenance of cash book (B-133)	0 0
9	1979	1980	9		Development of land at Pitampura Delhi belonging to C.P.W.D Compensative House Society(B-133)	0 0
10	1979	1980	10		Deposit amount lying unclaimed more than 3 years (B-133)	0 0
11	1979	1980	11		Non maintenance of work register (B-133)	0 0
12	1979	1980	12		Register of sale of Tenders (B-133)	0 0
13	1979	1980	13		Pay Bill Register (B-133)	0 0
14	1979	1980	14		Acquittance Roll Register (B-133)	0 0
15	1979	1980	15		Non maintenance of leave account (B-133)	0 0
16	1979	1980	16		Late refund of L.T.C advance (B-133)	0 54
17	1979	1980	17		Insurance cover Houses/Conveyance (B-133)	0 0
18	1979	1980	18		Non disposal of dismantled material (B-133)	0 0
19	1979	1980	19		Theft of material (B-133)	0 0
20	1979	1980	20		Suspense Head Purchase Register (B-133)	0 0
21	1979	1980	21		C.D.S. ledger (B-133)	0 43
22	1979	1980	22		Service Postage Stamp Account (B-133)	0 0
23	1979	1980	23		Measurement Book Register (B-133)	0 0
24	1979	1980	24		Service book & leave account (B-133)	0 0
25	1979	1980	25		Library (B-133)	0 0
26	1979	1980	26		Construction of Higher Secondary School at Rani Bagh Phase II Delhi (B-133)	0 21000
27	1979	1980	27		GPF ledger of group 'D' employees (B-133)	0 0
28	2006	2007	5		Construction of District Court Sec-10, Dwarka, N. Delhi (B-132)	0 0
29	2006	2007	6		Work Delay due to Non-clearance site. (B-132)	0 0
30	2006	2007	7		Maintenance of Log Book & Repair of Vehicle. (B-132)	0 0
31	2006	2007	8		Non-reconciliation of Remittances Deposited. (B-132)	0 0
32	2006	2007	9		Non-production of Record. (B-132)	0 0
33	2007	2008	1		Blockage of funds amounting to Rs. 90486265/- due to non handing over of type III staff Qtrs.(B-131)	0 0
34	2007	2008	2		Non-deduction of TDS (B-131)	0 605
35	2007	2008	3		Non-observing code formalities while making purchases (B-131)	0 0
36	2007	2008	4		Payment of surcharge of telephone bills (B-131)	0 1650
37	2007	2008	10		Incurring avoidable expenditure of Rs. 2305167/- on arbitration in regard to construction(B-132)	0 0
38	2007	2008	11		Avoidable Expenditure due to not handing over the site to contractor (B-132)	0 0
39	2007	2008	12		Payment of final bill without obtaining approval of deviation (B-132)	0 0
40	2007	2008	13		Non-deduction of TDS (B-132)	0 285
41	2007	2008	14		Unfruitful expenditure of Rs. 1.59 Crore due to non handing over the type - I Qtrs.(B-133)	0 0
42	2007	2008	15		Construction of GPA for DA staff at Shalimar Bagh, Delhi (SH 143 No. Type III Qtrs.) (PWD B-133)	0 0
43	2007	2008	16		Blockage of funds amounting to Rs. 16603944/- (B-133)	0 0
44	2008	2010	1		Unrealistic estimate of work causing an avoidable expenditure to the extent of Rs. 126333/-	0 0
45	2008	2010	2		Unrealistic estimate of work and making Final payment without obtaining the deviation & extra item	0 0
46	2008	2010	3		Discrepancies in work of Civil works including internal electrical conducting	0 0
47	2008	2010	4		Delay in work	0 0
48	2008	2010	5		Non-following the provisions of CPWD	0 0
49	2008	2010	6		Non deduction of TDS	0 1123
50	2008	2010	7		Public Works (Suspense) Deposit	0 0
51	2008	2010	8		Time bared cheque amounting to Rs. 27800/-	0 0
52	2008	2010	9		Cash settlement suspense A/c	0 0
53	2008	2010	10		Non-production of Records	0 0
54	2014	2017	1		Inaction in settlement/deposit of amount recovered against PF & ESI	0 0
55	2014	2017	2		Violation of R & O Rules & Huge loss of Revenue in crores to Government	0 0
56	2014	2017	3		Non deduction of TDS	0 1454
57	2014	2017	4		Late payment of Electricity and Telephone Bills	0 0

58	2014	2017	5		Unfruitful expenditure of Rs. 24,29,85,359/- and severe loss to govt. for non completion of work	O	0
59	2014	2017	6		Interest payable on delay in payment of Labour Cess amounting to Rs. 147914/-	O	0
	2014	2017	7		Shortcomings in execution of work of C/o Deen Dayal Upadhyay College at Sec-3, Dwarka, Delhi	O	0
61	2014	2017	8		Gross violation in appointment of consultant for preparations of drawings of C/o DDU College	O	0
62	2014	2017	9		Reasonability of rates before acceptance of the tenders	O	0
63	2014	2017	10		Non levy of compensation against consultant for the work of preparations of drawings	O	0
64	2014	2017	11		Shortcomings in execution of work of C/o S. Sukhdev College of Business Studies	O	0
65	2014	2017	12		Non levy of compensation	O	0
66	2014	2017	13		Unfruitful expenditure of Rs. 19,86,142/- on Electricity Bills	O	0
67	2014	2017	14		Shortcomings in Electricity Work	O	0
68	2017	2020	1		Non deduction of the amount of labour cess	O	49124
69	2017	2020	2		Excess payment in final bill due to wrong calculation of deviation statement	O	35632
70	2017	2020	3		Non deduction of TDS on GST	O	26090
71	2017	2020	4		Payment of final bill without obtaining approval of revised extra item	O	0
72	2017	2020	5		Non production of Record	O	0

NOTE:
'O' - Outstanding Paras.
'R' - Reply submitted by the Department/Units.
'C' - Comment by the Directorate of Audit on reply submitted.

Back

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Old Audit Report

Details of Para No- 01 to 27 for the period 1979-1980 not found attached with Old Audit Report. —

OLD AUDIT REPORT

PART-I (NIL)
PART-II CURRENT REPORT
(2006-2007)

2006-07
B-132
(149)

PARA NO. I

(Refer Memo No. 9, dated 10-8-2007)

Sub:-Construction of District Court Sector-10, Dwarka, New Delhi.

Agreement No.41/EE/PWD-27/2002-2003

Agency:- M/s.Nagarjuna Construction Co. Ltd.

Estimated Cost:- Rs.49,00,71,224/-

Tendered Cost:- Rs.55,71,49,614/-

Earnest Money:- Rs.1,00,000/-

Date of start:- 5-4-2003

Time Allowed:- 30 Months

Stipulated date of completion:- 4-10-2005

Actual date of completion:- work in progress

The above said work was awarded to M/s. Nagarjuna Construction Co. Ltd. at tendered cost of Rs.55,71,49,614/-date of Start of work was 5-4-2003 & date of completion was 4-10-2005 as stipulated in the said agreement dated 26-3-2003. Further, provisional extension of time for completion of the work was granted upto 31-3-2007 vide department's letter no. 54(834)/PWD-27/2376, dt. 30-12-2006. But, the work could not be got completed till August-2007 and is still in progress.

During the scrutiny of record relating to the work, following observations have been made.

(a) Non-achievement of targets:-

As per special conditions of the contract, following of mile stones has been set up for the execution of the work:-

- | | (Period from D.O.S) |
|---|---------------------|
| (i) Structural work upto stage of casting of for slab | 18 months |
| (ii) External services | 21 months |
| (iii) All finishing items including services & site clearance | 30 months |

As per agreement, if the structural work is not completed within 18 months from date of start of work, the contractor is liable to pay compensation for delay @ 1% per week on amount of tendered cost in accordance with clause 2 of the general conditions for CPWD works.

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44 75

Page 29
GMR No. 29
(6)

GMR NO. 2

(Refer Memo No. 13, dated 14-8-2007)

St. No. - 29

Sub:- Work delay due to Non clearance site.

4. Name of work:- C/o. District Court at Sector-X, Dwarka, New Delhi
SH: Boundary wall.
Agreement No:- 5/EE/PWD-27/2005-06
Agency:- M/s. Swastik Constn.Co.
Estimated Cost:-Rs.34.16,148/-
Tendered Amount:- Rs.40,48,135/-(18.50% above Estimated Cost)
Time Allowed:- 4 Months
Date of Start:- 9-8-2005.
Actual date of start:- 9-12-2005
Stipulated Date of completion:- 8-12-2005
Actual date of completion.3.4.2007

Tender for the above work was invited through press. Only four tenders were sold and received out of which, rates of M/s. Swastik Constn.Co. were found the first lowest. After negotiations, the work was awarded to M/s. Swastik Constn.Co. at 18.5% above the Estimated cost i.e. Rs. 40,48,135/- Tenders were opened on 25-5-2005 & work was awarded on 18-7-2005 with date of start of work as 9-8-2005.

Test check of record revealed that after the award of work, the contractor in his letter dt. 12-9-2005, requested the division to handover clear site, so that the work could be started in time. Para 15.2.1.3 of CPWD manual envisages that the division should not issue tender notice unless all tender documents including availability of site, funds & approval of local bodies, arrangement for issue of drawings as per schedule of instructions etc. Non availability of clear site results in delay of completion of work by 16 months from the stipulated date of completion of work. Reasons for awarding the work without providing free site may be intimated to audit.

The final bill of the contractor was paid with following observations.

- (i) The E.O.T. yet to sanctioned & amount withheld Rs. 10,000/-
- (ii) Amount withheld for slow progress of work:- Rs.5198/-
- (iii) Withheld for defects Rs.10,000/-

Needful be got done at the earliest possible under intimation to audit.

2

(57) (74)
(147) 43

Refer Memo No. 14, dated 14-8-2007)

B. Name of work:- C/o. District Court at Sector-X, Dwarka, New Delhi
SH: Providing Glass Mosaic Tiles on walls/columns in public waiting area.
Agreement No:- 4/EE/PWD-27/2006-07
Agency:- M/s. S.Kumar & Co.
Estimated Cost:- Rs. 12.35.059/-
Tendered Amount:- Rs. 10,43,625/-
Earnest Money:- Rs. 24.701/-
Time Allowed:- 3 Months
Date of Start:- 25-8-2006.
Date of completion:- 24-11-2006
Actual date of completion 28.5.2007

The above work was awarded to the first lowest tenderer M/s. S.Kumar & Co. at an amount of Rs. 10,43,625/- which is 15.50% below the estimated cost. Date of start of work was 25-8-2006 & Date of completion was 24-11-2006. But the work was actually completed on 28-5-2007. Thus, there is a delay of 185 days. On going through the work-record, it was revealed that the work was awarded to the agency without providing clear site. As required under the codal provisions of the CPWD manual. Reasons for non-adherence of codal provisions may be explained to audit.

E.O.T. of 185 days has not been sanctioned till date. Needful be got done at the earliest possible under intimation to audit. Position of the same be intimated to audit.

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PARA NO. 3

Para 30

PARA No 30

(Refer Memo No. 6, dated 9-8-2007)

Subject: Maintenance of Log Book & Repair of Vehicle.

On scrutiny of log book of vehicle DL-9C 3138 being used in the division following observations have been made:-

(I) Log Book:-

- (i) Diesel/Petrol account not attested by officer-in-charge at the top of the page in the col. provided. Kilometer reading also not mentioned while getting the petrol. Needful be got done under intimation to audit.

(II) Repair of Vehicle:-

- (i) C.V. No.7, dt. 3-3-2007 for Rs.6813/-

On account of repair of vehicle No.DL6CA 7969 from M/s.Sagar Motor workshop, Sitapuri, New Delhi against the following sub vouchers:-

Sub.Voucher No.	Date	Amount
249	10-12-2006	Rs.1618/-
252	02-1-2007	Rs.375
257	19-1-2007	Rs.540/-
261	23-2-2007	Rs.2500/-
265	24-2-2007	Rs.475/(DL-9C-3138)

- (i) Acquittance on account of payment received by M/s.Sagar Motor workshop has not been found attached with the above bill.
- (ii) Repair work has not been carried out from the authorized workshop approved by Govt. of Delhi. Expenditure be got regularized from the competent authority under intimation to audit.
- (iii) Entries of old parts received back in the division while getting the repair work done has not been shown to audit.
- (iv) Necessary Administrative approval from the competent authority may be obtained to regularize the repair work carried out by the unapproved work shop.

S

Para 31
PARA NO. 4

(Refer Memo No. 10, dated 13-8-2007)

Sub:-Non-reconciliation of remittances deposited.

A Scrutiny of the CPWA-51 schedule of monthly transaction with treasuries for the month of March-2007 revealed that there was a difference of Rs.5,33,657/- in PART-I remittances, deposited but not credited. Necessary steps to reconcile the above difference may be taken under intimation to Audit.

Para 32
PARA NO. 5

(Refer Memo No. 1, dated 6-8-2007)

Subject:- Non production of record.

The following records have not been produced before the Audit. The same may be prepared and shown to next Audit.

1. OTA Bill Register
2. LTC/T.A/Conveyance Allowance/Tuition Fee Reimbursement Register.
3. Rent/water/electric bill register
4. TR-5 stock Register.
5. Property Register
6. Long term advance register
7. Register of undisbursed Pay & Allowance
8. Fidelity Bond
9. G.P.F. Broadsheet of Class-IV
10. Dead stock register.

12/10/07
(O.P.SACHDEVA)
I.A.O.
Audit party No.III

PART- I Old Audit Report

(2007-08)

(V)

2007-08

(134)

2007-08

PARA No. 33
Para 33

CURRENT AUDIT REPORT
PWD B-131

PARAT

Sub: Blockage of funds amounting to Rs9,04,86,265/- due to non handing over. of Type III staff Otrs. at Dwarka.Sec.3. & Payment of Rs.39,55,977/- extra on deviation items due to unrealistic estimate

The construction work of 180 Type III Multistoried staff Quarters for Delhi Administration at Sec.3 Dwarka was awarded to M/s A.K.Gupta construction Co. vide Agreement No.38/EE(c-II/DCE(P)04-05 at the tendered cost of Rs.7,79,40,271/- which is 23.66% above the estimated cost of Rs.6,30,27,071/-. The date of start and completion of the work were 15.01.05 and 14.10.06 respectively. But the work was actually completed on 17.10.2007 after the delay of 12 months as per the completion certificate attached in the file.

On scrutiny of record it has been noticed that the staff quarters which were completed on 17.10.07 has not been handed over to the client department i.e. Department of Estate till date (i.e. Jan.2009) for allotment to the staff of Delhi Administration after the period of 15 months from the date of completion of the work.

It has also been noticed that the up to date payment made to the contractor is Rs.9,04,86,265 vide voucher No.61 dated 18.10.07 and the final payment of the work has not been made to the contractor till date which is against the CPWD Manual section 29.2. The final payment should be made within 6 months of completion of the work for the work costing more than 15 lakhs.

The expenditure amounting to Rs9,04,86,265. incurred on the construction of these staff quarters remained blocked for a period of 15 months. The purpose for providing facility of residential accommodation to the Delhi Administration staff is defeated and also extra burden on Delhi Govt. to make the payment on account of HRA to the staff for not providing accommodation.

Scrutiny of record also revealed that there is huge deviation due to unrealistic estimate of the work and for execution of items beyond the deviation limit contractor charged market rate and the division had to pay Rs.39,55,977/- extra on this account till date. The extra expenditure could have been avoided if the department prepared the estimate on realistic basis.

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Para-34

Para No-34

Para 34

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SP.N-34

2

PARA NO. 34

Subject :- Non - Deduction of TDS

As per section 194 (C) of Income Tax Act the DDO is required to deduct the tax at source @ 1% from the payment made to the advertising agency in excess of Rs.20,000/-.

Test check of the payment vouchers of the division for the period 2007-08 revealed that the division had not deducted TDS amounting to Rs.605/- from the payment made to following agencies.

Sl. No.	Name of agency	Vr. No. & Date	Payment made	TDS
1	The Times of India	49 & 50 dt. 20/07/07	Rs.23,574/-	Rs.243/-
2	Hale Vatan Urdu Dainik	17 to 20 dt. 06/10/07	Rs.35,090/-	Rs.362/-

Total Rs.605/-

The above said amount may be recovered from the agencies and deposit into Govt. Account under intimation to audit.

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PARA No-35
Para 35 Pro-35

51

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SP. No 35

PARA-6

(3)

Subject :- Non observing codal formalities while making Purchases.

According to GFR Rule 145 purchase of goods up to value of Rs. 15,000/- only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded as per GFR 145 by the competent authority.

While scrutiny the voucher it has been noticed that the following purchase were made by division but the requisite certificate has not been found recorded while making purchases.

Sl. No.	Voucher No.	Bill No.	Date	Amount	Name of the agency
1	11	684	09/01/08	11,293/-	Taneja Ent.
4	73	624	29/11/08	6,950/-	Taneja Ent.

Reason for not observing codal formalities as per GPR may be intimated.

Para 36

PARA NO. :7-

(4)


SP. N. - 36

Subject :- Payment of surcharge of telephone bills.

During the test check of telephone register it has been noticed that, the telephone bill payment in 16 instances were paid after the due date, it resulted Rs.1,650/- has been paid on account of surcharge as per annexure attached.

Reason of late payment of bill may be clarified to audit.




(Rajpal Magoo)
I.A.O. Party No.IV

Para 37

Para No. 37

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(19)

B - 132

PARA-T

Sub: Incurring avoidable expenditure of Rs. 23,05,167/- on arbitration in regard to construction of DAP Lines and staff quarter at Sector 9 Dwarka

M/s Virender Khanna & Associates was appointed consultant/Architect vide agreement No.39/EE/PWD-27/1997-98 dated 7.10.97. Consequent on his appointment he has prepared all desired drawings.

Concept drawing and layout of the complex of PHQ and DUAC has been approved at concept stage on 1.7.98. At that stage consultant was due for 20% of the total payable fee of his consultancy. Simultaneously, on the basis of approval PHQ has conveyed A/A & E/S for payment of Rs.18,69,900/- (i.e. 20% of the total fee and PWD paid the same to the consultant.

Building Plans of the complex was approved by DDA. Service plans like water supply, sewerage and drainage schemes of the complex were also approved by DJB. BSES approval for ESS was obtained by the consultant. As per agreement with consultant, he was due for 60% of the total payable fee at that stage. PWD submitted an estimate of Rs.36,60,000/- to PHQ for payment of consultant fee.

The police department appointed M/s RITES as project consultant for this work on 13.12.2000 with the condition that private architect engaged by PWD will continue with the project at the same fee as approved by PWD. PHQ requested PWD to transfer agreement of M/s Virender Khanna & Associates with PWD to PHQ as services of M/s Virender Khanna & Associates was retained while entrusting job of project management to M/s RITES. M/s Virender Khanna & Associates accepted the transfer of agreement on existing terms and condition subject to release of payment of all due fee. The original agreement was transferred to PHQ. Later on, PHQ found that consultant architect is not co-operating and they requested PWD to dispense with services of consultant. At this stage PHQ entrusted consultancy job also to M/s RITES. When M/s Virender Khanna & Associates did not receive his fee of consultancy done by him, they requested Hon'ble L.G. for appointment of Arbitrator as per clause-13 of agreement. Further M/s Virender Khanna & Associates filed a case in Hon'ble High Court.

The LG, Arbitrator after taking into consideration the evidence produced before him and publish award for Rs.62,17,368/-plus interest in favour of M/s Virender Khanna & Associates.

Principal amount	Rs.36,59,844/-
Service Tax	Rs.4,52,357/-
Interest	Rs.19,48,867/-
Arbitration cost	Rs.1,56,300/-
Advocate fees	Rs.2,00,000/-

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(49) 35 (64) (142)

Thus, total payment made by the PWD Rs.64,17,368/- As the demand raised by the appointed consultants towards the services rendered by him is justified, the PWD has made the payment of Rs.64,17,368/- after judgment of arbitration court which is Rs.23,05,167/- higher. The imposition of extra burden of Rs. 23,05,167/- can be avoided had they released the payment of appointed consultant in due time and govt. has suffered a loss of Rs. 23,05,167/-.

Para-38

Para 38

Para No-38
PARA-2

SD N-38

Sub : Avoidable Expenditure due to not handing over the site to contractor

The construction work of District Court at Sec.X, Dwarka (S.H.) providing and fixing false ceiling was awarded to M/s Chawla Construction @ 424.28 per sq mtr for 4100 sq mtr. The tendered amount of Rs.18,66,662/- which is 1.99% above the Estimated cost of Rs.18,30,240/-. The date of start and completion of the work were 13.11.07 and 12.2.08 respectively. But the work could not be started due to not handing over the site for execution of work as other agencies engaged in the project for electrical, air conditioning, fire fighting job and have not completed their job. Finally the work was rescind on 15.2.08 with the forfeiture of E.M.D. and P.G. amounting to Rs.36,605/- & 93,333/- respectively.

Due to urgency to complete the work in time, the tenders were recalled for the same work and M/s Tehno contract Ltd. was awarded the work @ Rs.540.72 per sq mtr and time allowed for carrying out the work is one month but the M/s Arvind Techno Contact Pvt Ltd was also failed to start the work. In the meantime M/s NCCL was asked to execute further quantity beyond 30% deviation.

Keeping in view the urgency the quotation were called for the same work and M/s Glazed Engg. Ltd was given the work order on 17/4/2008 for the balance quantity of 3300 sq mtr. @ 540 sq.mtr. The EC and TC of the work Rs.16.56,930/- and 17,79,543/-.

Due to above mentioned observation the following points are noticed:-

- EMD and PG of Rs. 36,605/- & 93,333/- respectively are still lying with the DDO and not yet forfeited till date.
- The free site for which the work is required to be done was not made available to M/s Chawla construction before awarding the work due to which the work was rescind.
- The work awarded to M/s Chawla Construction @424.28 per Sq mtr which is too less and under which circumstance the rate were enhanced for Rs.540 per Sq mtr .
- The revised technical sanction has not been obtained as the cost is enhanced to more than 10%.
- The work which is scheduled to be completed within 3 month has been delayed considerably for 13 months as the work has not been completed so far.



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Para 30
PARA 3
Para No. 39
(12) (14)

S.O. No. - 39

Sub : Payment of final bill without obtaining approval of deviation

The work providing fire doors, shutter in Mechanical Ventilation rooms was awarded to M/s Sunil Kumar Pandey at the tender amount Rs.4,58,925/- which is 8% below the EC of Rs.4,98,832/-. The date to start and complete the work is 22/3/08 and 21/4/2008 respectively. The work was actually completed on 26/4/2008 at Rs.8,63,862/- i.e total deviation and extra item of Rs. 4,04,937/-.

While scrutiny of work file it has been noticed that the approval of deviation has not been obtained from the competent authority and the final payment made to the contractor before obtaining the approval. Similarly IInd & final bill of Rs. 13,32,644/- has been paid to the contractor M/s Purna Nand for the construction work SH : Providing and laying WBM and civil work without sanction of E.O.T. and deviation.

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Para-41

Para No. 41

Para 41

PWD B-133

PARA - I

(13)

S. No. 41

Sub: Unfruitful expenditure of Rs.1.59 Crore due to non handing over the Type I Otrs.at Sec. 3 Dwarka.

Construction work GPA staff quarters (Type I) at Sec.3 Dwarka for Delhi Administration.(SH. C/o 82 Nos.Type I Quarters) was awarded to M/s Om constructions at the tendered cost of Rs.1.71,18,956/-which is 10.28% below the estimated cost of Rs.1,90,81,556/-. The date of start and completion were 13.3.2001 & 12.9.2002 respectively. As per the completion certificate the work was completed on 31.1.2008 (delay of 6 years).

While scrutiny of record it has been noticed that the building has not been handed over to the Deptt. of Estate till date i.e.(Dec.2008) for allotment to the eligible employee. Thus the expenditure of Rs.1.71 crore incurred on the construction of the staff quarters remained blocked for a period of one year and purpose of providing the facilities of residential accommodation to the employees of Delhi Govt. was defeated and also huge loss of H.R.A. being giving to the staff for not providing accommodation.

The total payment made to the contractor is 1,58,99,946/-upto 29 Running Bill but the final payment has not been made to the contractor till date whereas according to CPWD Manual para 29.2(1) final measurements should be recorded within one month of the completion of work costing more than Rs.15 lakhs and payment should be made within 6 months of the completion of work, and for other works within 3 months.

Reasons for the above may be explained and efforts may be made to hand over the staff quarters to the client department immediate.

2

Page-42
Para 42
Para-2

Para No. 42
(15)

31
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45
132
Sa. No-42

Sub: Construction of GPA for DA staff at Shalimar Bagh, Delhi(SH 143 No.Type III qtrs .

The construction work of GPA for DA staff at Shalimar Bagh, Delhi SH:143No Type III Otrs.(Basement+52Nos 4 storey and 91 Nos Eight storeyed and under ground sump) was awarded to M/s Parnika Commercial & Estate (p) Ltd. at the tendered cost of Rs.19,59,55,234/-.The date of start of work was 23.2.07 and date of completion was 22.11.08 as stipulated in the agreement. The time allowed for completion was 21 months. The Estimated cost of the work was Rs.12,42,20,608/-.

During the scrutiny of record the following observation have been made :
(a) Non.achievement of targets:

As per special condition of the contract the following mile stones have been set up for the execution of the work.

Mile stones Target.	Date of commencement	Date of completion	Financial
Ist Mile stone	23.02.07	01.8.07	245 lacs
IInd.Mile stone	02.08.07	08.1.08.	735 lacs
IIIrd Mile stone	09.01.08	17.6.08	1470lacs
IVth Mile stone	18.06.08	22.11.08	1960lacs

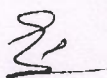
On request of the contractor dates of mile stones have been shifted as 16.12.07, 25.6.08, 2.12.08 and 1.05.09 respectively by the Ex. Engineer vide letter dated 02.5.08. As per the monthly progress report only 47% physical progress and expenditure of Rs. 9.24crore has been incurred till Nov.2008

As per the agreement clause No.5 in the event of not achieving the necessary progress as assessed from the running payment, 1%of the tendered value of work will be withheld for failure of each milestone

It is not clear from the record provided to audit that the above three mile stones of work were achieved by the agency in time or not. If not, the action taken by the division for delay in work may be intimated to audit.

(b) Delay in execution of work:

While scrutiny of record it has been noticed that the work could not be started till 18.10.07 as the site of work was not available due to interference of residence.



Of J J. cluster . The site was made available after giving alternative approach for pipelines and sewerage. Beside this the structural drawing and foundation raft for A&B Block was not issued till Sept.07 and hindrance also occurred due to non shifting of electric transformer of NDPL coming in the alignment of building till Oct.07.

The CPWD Manual envisages that no tender notice should be issued unless all tender documents including complete set of architectural & structural drawing as well as site free from encroachment & hindrance are available. The division is responsible to supply the essential plans to the contractor according to the schedule agreed upon in the contract to ensure completion of work unhindered & well in time.

©Extra burden of Rs.7,47,797 for shifting of transformer:

During the construction of the Otrs. it is found that 2 Nos. Electric transformer are lying in the layout plan of the above quarters which needs to be shifted to other location. Now the competent authority of PWD has requested to shift these electric transformer to other location but the NDPL authorities has given the estimate for amounting to Rs.7,47,797.48 for shifting of electrical services. While submission of LOP/Architectural drawing it should be examined but scrutiny of record reveals that no such exercise has been done earlier. If detailed/proper survey was made before taking over the land, the PWD authorities would have save the extra burden of Rs.7,47,797/- for shifting of electrical transformer.

(d) Separate work included as extra item.

On scrutiny of record reveals that the work pumping out of water caused by spring tidal, river seepage etc. was executed as extra item under the work C/O Type III Qtrs. at Shalimar Bagh and amount of Rs.1,80,495/- was paid to the contractor M/s Parnika Commercial Estate Pvt. Ltd. for execution of said work. Reasons for executing the separate work as extra item and making the payment on market rate instead of calling the quotations may be explained to audit.

Sp

Para-43
PARA-3
PARA No 43
(16)

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134
S.O. No-43

Sub: Blockage of funds amounting to Rs.1,66,03,944/- due to non handing over the Type II staff Qtrs. at Dwarka.

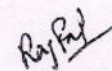
The construction work of 76 No. General Pool accommodation for Delhi Administration staff Qtrs. at Sec. 3 Dwarka was awarded to M/s Om construction Co. vide Agreement No. 08/EEC/IL/DCE(P)2000-01 at the tendered cost of Rs. 1,63,68,296 which is 11.05% below the estimated cost of Rs. 1,84,02,300/-. The date of start and completion of the work were 13.3.2001 and 12.9.2002 respectively. But the work was actually completed on 31.1.2007 after the delay of 4 years and 4 months as per the completion certificate attached in the file.

On scrutiny of record it has been noticed that the staff quarters which were completed on 31.1.07 has not yet been handed over to the client department i.e. Department of Estate for allotment to the staff of Delhi Administration after the period of near about two years from the date of completion of the work.

It has also been noticed that the up to date payment made to the contractor is Rs. 1,66,03,944 vide voucher dated 30.3.06 and the final payment of the work has not been made to the contractor till date which is not as per CPWD Manual section 29.2. The final payment should be made within 6 months of completion of the work for the work costing more than 15 lakhs.

The expenditure amounting to Rs. 1,66,03,944/- incurred on the construction of these staff quarters remained blocked for a period of 23 months. The purpose for providing facility of residential accommodation to the Delhi Administration staff is defeated and also extra burden on Delhi Govt. to make the payment on account of HRA to the staff for not providing accommodation.




(Rajpal Magoo)
I.A.O. Party No. IV

Para 44
PARA No 44
B-44

2008-10

Sr. No. 44

PART - II CURRENT AUDIT REPORT

Para No. 01 (Ref. Memo No. 12/18.07.11)

Sub :- Unrealistic estimate of work causing an avoidable expenditure to the extent of Rs. 126333/-

N/W Constructing of integral complex for Delhi National Law School at Sector 14, Dwarka (Agreement No. 05/08-09)

The above work was awarded to M/s Decor India Ltd (Division B-131) for a tendered cost of Rs. 64.76 lacs which was 17.37 % above the estimate cost with the stipulated date of start & completion was 22.11.08 & 21.02.09 respectively whereas the work was actually completed on 18.09.09.

There was a total deviation of Rs. 703091/- in scheduled quantities of agreement. In some of the quantities there was a huge deviation ranging even up to 331%. These deviations were paid at market rates, due to which the division had to pay Rs. 126323 excess than the agreement rates.

Moreover there was a payment of extra items of Rs. 307953/- which was also paid at market rates. The audit is of the opinion that Planning Branch of this division could not make the estimates accurately which resulted in avoidable expenditure of Rs. 126353/- which needs to be clarified.

B-45
PARA No 45

Para No. 02 (Ref. Memo No. 14/18.07.11)

Sub :- Unrealistic estimates of work and making Final payment without obtaining the deviation & extra item approved statement from the competent authority. (agreement No. 02/08-09)

The work of providing & Fixing internal stainless steel signage at District Court, Sector-10 Dwarka was awarded to M/s Sanjeev soni with the SDOS & SDOC was 17.05.08 & 16.07.08 but the work was actually completed on 11.06.09 for a tendered cost of Rs. 396857/- . The contractor was paid Rs. 617850/- vide CV No. 57/22.09.09 which included Rs. 220993/- (i.e. 55.68% above than the T.C.) for extra and deviation in scheduled items. Had the Planning Branch of the Division estimated the work accurately, the division could escape itself from the payment of extra items at market rates.

Moreover the final bill produced to audit did not contain the approved statements of deviation and extra items, which may be produced/shown to next audit party.



(56)
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Para-46
Para 46
Para No. 46

Para No 03 (Ref. Memo No 16 dated 22.7.2011)

Subject :- Discreparicies in work of Civil works including internal electrical conducting. (Agreement No. 01/08-09)

Name of Work :- Construction of Lawyer's Chambers at District Court, Rohini, Delhi.

The above work was awarded to M/s Globe Civil Projects Pvt. Ltd. With the SDOS & SDOE was 22.10.2008 and 21.1.2011 at Rs. 44,84,32,693 /- i.e 38.59% above than the E.C. for civil work. The division B-133 had paid Rs. 31,84,91,050/- upto the 17th Running A/c Bill upto the work measured on 26.5.2011.

The above payment showed that payments has been made for those items for which deviations had not been sanctioned, Similarly the payment had been made for extra work, substitute items their approval from the competent authority was not produced to audit which may be shown to next audit party.

The SDOC was 21.1.2011, still today i.e 20.7.2011 the work has not been completed, reasons for hindrance in work may be produced to audit. Efforts may be taken now to improve the performance of work.


Para-47
Para 47
Para No. 47

Para No-04 (Ref. Memo No 17 dated 25.7.2011)

Subject :- Delay in work.

According to section 28.1 (1) of CPWD Manual, " At the time of issuing Notice Inviting Tenders for a particular work, the Engineer-in-charge should specify. the time allowed for completion of the work consistent with the magnitude and urgency of the work". 28.1 (2), states that the time allowed for carrying out the work as entered in the contract shall be strictly observed by the contractor, the section 28.1 (5) further specify that the work shall be proceeded with all due diligence on the part of the contractor through out the stipulated period of the contract (time being deemed to be essence of the contract)

However it was observed during the test-audit that B-133 had not followed the above provisions while executing the work of site development C/o Residential quarters for Delhi Govt at Shalimar Bagh which was awarded to M/s Shivalaya Construction Co. Pvt. Ltd vide agreement No. 3/09-10 at a tendered cost of Rs. 5.22 crores which was 1.31 % above than the estimate cost, with the SDOS and SDOC was 2.12.2009 and 1.5.2010. The contractor was paid a sum of Rs. 4.59 crore vide 7th R/A Bill on 8.6.2011. 14 months has already been passed from the SDOC and still the work is in progress. Reasons for slow progress may be intimated to audit.



Para No 05 (Ref. Memo No. 08 dated 08.07.2011)

Subject :- Non following the provisions of CPWD.

Name of Work :- Integrated complex for Judicial Academic , Dwarka

SH:- Providing falls ceiling in hostel and other residential building.

The above work was awarded to M/s Amit Construction with the SDOS & SDOC was 28.12.2009 and 12.4.2010, but the work was actually completed on 4.5.2011 i.e after a delay of 389 days. During the test audit, the following points were observed which needs to be clarified.

1. The hindrance was sanctioned by the EE on the ground that site was not clear/available , which is the violation of section 15.1 (2) of CPWD manual which states as " before approving the NIT, the following are desirable.

- (i) Availability of clear site, funds and approval of building plan from local bodies.
- (ii) Confirmation that material to be issued to the contractor would be available.
- (iii) Availability of structural drawings for the foundation.
- (iv) Layout plans for all services.

2. The technical sanction of this work was Rs. 27,91,000/- which was accorded by the EE vide TS No. 2/EE/B-131/2009-10/299 dated 16.9.2009. The final payment made was Rs. 3,93,908/-. Here the final payment exceeded the TS amount by 14.43%. whereas section 2.5.2 of CPWD manual states as "the technical sanction can be exceeded upto 10% beyond which the revised technical sanction shall be necessary" hence revised technical sanction from competent authority may be shown to audit.

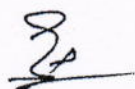
3. The final payment included a deviation of Rs. 4,45,632/- in schedule of quantity. The item No. 1 & 2 having the agreement quantity for 3000 sqm each actually executed for 3855.34 sqm each, which is 28.51% each above than the agreement quantity. The AE & EE could sanction 25% (10% + 15%). Hence deviation statement from competent authority may now be taken under intimation to audit.

4. The total deviation in SCQ was Rs. 445632 and extra work was Rs. 629810/- whereas, the deviation and extra work was approved only for Rs. 417188/- and 627088/- as per the following details:-

Deviation statement I 149610
II 267578
Rs. 417188

Extra item statement I = 627088/-

Hence deviation & extra items statement from competent authority may now be taken under intimation to audit.



Para No 06 (Ref. Memo No -11 dated 13.7.2011)

88.N-49

Subject :- Non deduction of TDS

As per section 194 (c) of Income Tax, the DDO is required to deduct tax at source 1% from the payment made to the advertising agency. The advertisement register showed that no TDS was deducted from the payment made to the following advertiser during 2008-09.

Newspaper **Hale - Watan**

Bill No. & Dates	Amount	Verification No. & Date
12111/12.7.2008	8664.00	65/26.7.2008
12279/19.8.2008	8935.00	70/20.9.2008
11415/28.9.2008	8393.00	48/24.11.2008
10505/3.11.2008	8694.00	49/24.11.2008
Total	34,686.00	

The Times Of India

485544/22.2.2008	18806.00	37/6.5.2008
5346894/6.11.2008	17766.00	04/9.1.2009
5277074/26.9.2008	19761.00	73/23.2.2009
Total	56,333.00	

HT Media Ltd.

20452077/10.7.2008	11635.00	36/12.8.2008
20452078/10.7.2008	4349.00	37/12.8.2008
20482499/3.1.2006	5388.00	51/24.11.2008
Total	21372.00	

Hence No TDS was deducted on the above gross amount of Rs. 112391, now TDS @ 1% i.e. Rs. 1123/- may now be recovered from the concerned newspaper agencies after due verification. Similar types of other cases may also be reviewed under intimation to audit.

2

Para 50
Para No 50
 Para No.7 (Ref. Memo No.13 dated 18/07/2011)

80-N-50

Subject : Public Works (Suspense) Deposit.

During the test audit of B-131, 132, 133 for the period 2008-10, it was found during checking of Monthly Account and other related records, it is found that a heavy outstanding balance is lying in 8443-Para II / III / V as per the following details :-

Part II	Rs 1,68,61,585/-
Part III	Rs 11,59,011/-
Part V	Rs 3,92,58,018/-

In pursuance of instruction contained in Receipt & Payment rules the undisputed / unclaimed amount which is lying for more than three years old should have been credited / adjusted to Government Accounts immediately. The same audit objection was raised in 2007-08, audit report.

Reasons for lying such a huge unadjusted balances may be elucidated to Audit.

Para 51
Para No 51
 Para No.8 (Reference Memo no :- 06 dated 06.03.2011)

Subject : Time bared cheque amounting to Rs 27,800/-

80-N-51

As per receipt and payment rule 47(2) a cheque remaining unpaid for six months after the month of its issue for any cause, and not surrendered for renewal should be cancelled, in the manner indicated under the rules with the difference that no acknowledgment of the stop order may be insisted for the bank.

While scrutiny of Form 51 - Schedule of Reconciliation of cheques drawn and remittances and other related records for the period Jan 2011 to April 2011, it has been noticed that following cheques amounting to Rs 27800/- which were issued by the Division but not encashed had become time barred.

S.No.	Cheque No.	Amount
1	240968/14.04.09	17800/-
2	962537/10.11.09	10000
	Total	27800/-

Since these cheques have lost their validity, efforts may now be taken to write-off these from the competent authority under intimation to audit.

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Para 52
Para No - 9 (Ref. Memo No 07 dated 07.07.2011)

Subject :- Cash Settlement Suspense A/C

Sr. No. 52

During the scrutiny of monthly A/c for the month March/2011, it was found that an amount of Rs. 16,27,566/- was lying in cash settlement suspense A/c. Further the monthly A/c revealed that the amount pertains to division, B-133, Haiderpur, Delhi, which is recoverable from M/s Om Construction Co. on a/c of levy of compensation of the agreements pertaining to the following works :-

1. C/o GPA for DA staff at sector-3, Dwarka (Sh:- Type-I quarter 76 Nos.)
2. C/o GPA for DA staff at Sector-3, Dwarka (Sh:- Type-II quarters 82 Nos.)

The above amounts may be recovered from the contractor after due verification under information to audit.

Para No. 10

Sub :- Non Production of Records

Sr. No. 53

The following records were not produced to audit, which may be produced to the next audit party at the time of next audit.

1. Contractor ledger
2. Work abstract
3. History sheet of vehicles
4. Work orders of B-133

(JASBIR KAUR)
IAO

PART-II**CURRENT AUDIT REPORT**

Para No. - 1 (Audit Memo No. 05 Dated 11.05.2017)

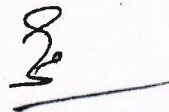
Sub:- Inaction in settlement /deposit of amount recovered against PF & ESI.

At the time of scrutiny of Cash Book an amount of Rs. 2,22,200/- was recovered from M/s Good Years Security Services vide voucher No. 5 dated 12.04.2010 in final bill on the grounds that recovery was made for non submission of paper showing deposit of ESI & PF by the Concerned agency.

The amount was lying in Part-V of Security Deposit from the last 7 years but no action was initiated either by DDO or concerned Executive Engineer to settle the issue either by obtaining the records from the contractor or to settle the issue by depositing the amount with the PF & ESI Departments, as per rules.

The inaction in this case caused severe inconvenience to the staff deployed by the agency under contract. This is in contravention of the provisions /rules and regulations laid down in ESI and PF Acts and also attracts interest on PF, which shall be paid by defaulting divisions for keeping the amount in books without transfer (approx. @8.6% in cumulative) of existing rates from time to time for all these 7 years approximately Rs. 1,73,670/-. The DDO / Executive Engineer may settle the balance amount lying in Security Deposit (P-V) under intimation to audit.

(Previously B- 132, now Education Project Division - II)





Sub:- Violation of R&P Rules & Huge loss of Revenue in crores to Government

Part – II	Rs. 1,95,56,415/-
Part – V	<u>Rs. 4,18,71,152/-</u>
Total	<u>Rs. 6,14,27,567/-</u>

The Executive Engineer may transfer the security deposit balances lying for more than 3 years in revenue account under intimation to audit.

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(34) 20 (49)

Para No. - 3 (Audit Memo No. 12 Dated 19.05.2017)

Sub:- Non Deduction of TDS

As per section 194 (C) TDS will be deducted at 1% if payment is made to individual and 2% if payment is made to other than individual. In section 194C reads that the TDS will be deducted if the bill amount exceeds Rs. 30000/-, for single payment and Rs. 75.000. for aggregate payment made to a person in a year from 01.07.2010 and with effect from 1 6 2016 the limit of Rs 75.000 has been enhance to Rs 1.00,000.

Test check of the payment vouchers of the divisions for the period 2010-17 revealed that the division had not deducted TDS amounting to Rs. 1454/- From the payment made to following agencies

Financial year.	Divisions	Name of the Co.	Bill No.	Date of bill	Amount	TDS including Service charge E Cess and Not deducted	Amount paid	Voucher month
2010-11	B-133	BENNET COLEMAN & CO	5933590/001	10.09.2009	14435		14435	05.2010
	B-131	BENNET COLEMAN & CO	6526540/001	05.06.2010	5838		5838	08.2010
	B-131	BENNET COLEMAN & CO	6526544/001	26.06.2010	16656		16656	08.2010
	B-131	BENNET COLEMAN & CO	6575154/001	19.07.2010	19987		19987	10.2010
	B-131	BENNET COLEMAN & CO	6575159/001	19.07.2010	7395		7395	10.2010
		Total Amount			64311		64311	

Total Amount Rs.64311
Income tax @ 2% 1286
Surcharge 129
Edu. Cess 39
Total Recovery Rs. 1454

The DDO/Executive Engineer may recover the amount from the above mentioned firm under intimation to audit

(Previously B- 131, now Housing Project Division - 1)

(Previously B- 133, now Education Project Division - IV)

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R. M. S.

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Rev-57
PARA No-57

Para No. – 4 (Audit Memo No. 13 Dated 11.05.2017)

Sub- Late payment of Electricity and Telephone bills

On the scrutiny of the Electricity and Telephone bill payments, it is observed that the payment has been made to the Agency after due date for which LPSC and other charges have been paid by the Division. The details of some bills are as under:-

Electricity bills

Division	Name of the agency	Due date of bill	Amount	Payment made after due date	Arrear Include	LPSE included	Other charge include	Voucher month payment
B-133	TATA POWER DELHI DISTRIBUTION LTD	27.05.2013	66080	66080	35662.70	7522	7500	05/2013
B-133	TATA POWER DELHI DISTRIBUTION LTD	19.05.2014	37810	37810	32514.55	786.16	-	05.2014
B-132	BSES	28.06.2013	29860	29860	1734.12	551.15	2513.60	06.2013
Total Amount						8859.31		

Telephone bills


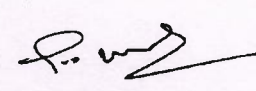
Division	Name of the agency	Due date of bill	Amount	Payment made after due date	Extra payment	Month of voucher payment
B-131	MTNL	20.03.2013	1153	1193	40	05/2013
B-131	MTNL	30.04.2013	1373	1413	40	04/2013
B-131	MTNL	30.09.2010	2460	2530	70	10/2010
B-131	MTNL	29.09.2014	1111	1151	40	11/2014
B-131	MTNL	30.10.2014	2354	2424	70	11/2014
B-131	MTNL	29.10.2014	794	814	20	11/2014
Total Amount					280	

The DDO/Executive Engineer is directed to obtain approval from HOD to regularize the expenditure incurred on penalty / late fees and intimate the same to audit.

(Previously B- 131, now Housing Project Division – I)

(Previously B- 132, now Education Project Division – II)

(Previously B- 133, now Education Project Division – IV)

32 18 47

Para No. - 5 (Audit Memo No. 14 Dated 19.05.2017)

Sub:- Unfruitful expenditure of Rs. 24,29,85,359/- and severe loss to govt. for non completion of work within the time frame.

Name of work : Residential Complex for Judicial Staff at Sector-19, Dwarka, New Delhi. (SH: C/o 38 Nos. Type-V Quarters (4 Blocks, Stilt+7 and 2 Blocks, Stilt + 5), 32 Nos. Type-VI Quarters (4 Blocks, Basement + Stilt + 8) and Sub Station Building including Civil, Electrical E&M Services and Development Works.

At the time of scrutiny of the above work the following shortcomings/ discrepancies are observed.


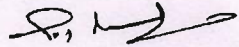
(i) Advertisement in newspaper

The said advertisement was published in newspapers i.e. Hindustan Times, Dainik Jagran and Delhi Awam on 12.07.2014. The same was also uploaded in the website on 09.07.2014 and subsequently corrigendum was issued on 15.07.2014, 19.07.2014 and 22.07.2014. But the stipulated date of opening of bid/tender was 23.07.2014. As per the CPWD Manual Para No. 17.5 14 days time shall be allowed in this case of work with estimated cost put to tender more than 2 Crores with the time limit between the date of publishing of tender on website or press whichever is earlier and the date of receipt of tender are desirable.

In the above case the department failed to comply with the provisions as the date of publication in newspaper is 12.07.2014 and opening of tender 23.07.2014 which means the time of 14 days has not been given. Similarly in the case of website the corrigendum was issued on 15.07.2014, 19.07.2014 and 22.07.2014 which means after final corrigendum only one day time was left, and the department issued the advertisement with proper precautions on very first day on website or newspaper more applications might have received which resulted in receipt of more competitive rates.

(ii) No Clarity on the Estimated Cost of work and also not published / mentioned in corrigendum.

At the initial stage the tender for the said work was floated with the Estimated Cost of Rs. 438630353/- and later i.e. after pre-bid meeting on 14.07.2014 it was mentioned that a rate of item No. 17.2.1 was shown wrongly as Rs. 82.6.0 in place of Rs. 882.6.0 thus the total amount of cost of that item increased to Rs. 2668982/- in place Rs. 249782/- i.e. difference of 2419200/- . But the Executive Engineer in his memo forwarding tenders to Delhi works Advisory Board has mentioned the modified Estimated Cost as Rs. 44,11,49,553/- . The corrigendum were issued in respect of this works on 15.07.2014, 19.07.2014 and 22.07.2014 but the revised / modified estimated cost of work was not mentioned. Further in the PG letter the revised / modified estimated cost of work was shown as 44,07,70,288/- The details of deprival of this estimate cost was not found.

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(iii) **Non Collection of EMD as per guidelines**

As per the para No. 19.3 (ii). of CPWD Works Manual the EMD for the work costing more than Rs. 10 Crores is Rs. 20 Lakhs + 1% of Estimated Cost in excess of Rs. 10 Crores. In the frequent case the estimated cost was revised to Rs. 44,07,70,288/- from an amount of Rs. 43,86,30,353/- is to be collected as EMD Rs. 54,07,703/- but department has collected Rs. 53,86,304/- as EMD. This resulted in collection of less EMD of Rs. 21,399/-.

(iv) **Late award of work beyond limit of stipulated period mentioned in the manual.**

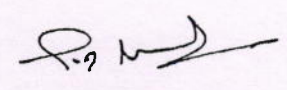
The department should give at most priority to award the work on receipt of tenders and in order to minimize chance of delay and time prescribed in the manual should be observed for process in the tenders by different authorities as per Sec 3.1 (1) (2) of CPWD manual. The manual stipulates that the time schedule should be adhered strictly and if any officer failed to follow the same he should invariably give reasons while forwarding tenders to the competent authority to accept it. In case of tender under the power of Chief Engineer, 7 days for Executive Engineer, 3 days for Finance Officer, 5 days for Superintending Engineer and 20 days for Chief Engineer or prescribed for scrutiny and disposal of tenders. It is observed from the records the work was finalized and awarded in 28 days more than the prescribed period mentioned in the manual. The delay in processing of the tender which is the stipulated time schedule resulted in award of work with more delay in completion of the project work. Tenders for the above work opened 23.04.2014 & work awarded on 24.09.2014.

Failed to comply with the processing of tenders within time, leads to the delay of projects & Escalation Cost and also loss to government.

(v) **Loss of Rs. 2.25 Crores to Govt. due to failure to Complete the work in the Stipulated time.**

The price bids of the said work was opened on 04.08.2014, letter for PG was issued on 14.09.2014, the work was awarded on 18.09.2014 & work started on 08.10.2014 with the period allowed 18 months for completion of the said work. After scrutiny of records it was observed that only 50% of the work was completed till date and the period of likely completion of the said work is not known. This resulted in severe loss of Public money at one end due to non- completion of work & the likely beneficial is of the said Project i.e. Judicial Staff are also affected due to lack of proper accommodation. Had the residential Quarters were allotted in time the government has gained in other end by deducting the HRA & License Fees of these 70 staff from 01.05.2016 to 30.04.2017 period thus saved government money of Rs. 2.25 Cr.(approx). The work has not been completed even after lapse of one year from the stipulated date of completion i.e. 8.04.2016.





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(vi) Inaction by Department against defaulter agency

On scrutiny of the records of the work, it is observed that only 50% of the work was completed. The reasons of non completion of work were not known. It shows that the department not fulfilled the pre-revised conditions for the award of the work. The action was also not initiated against the contractor for slow progress of work / non completion of work and also not imposed the rescind condition laid down in agreement. The department shall clarify, for not issuing the rescind order and executed the work from another agency on the risk and cost of the defaulted contractor.

(Previously B- 131, now Housing Project Division - 1)

8

P. S. Singh

PARA No. 59
Para - 6 (Audit Memo No. 38 Dated 02.06.2017)

Sub:- Interest Payable on delay in payment of Labour Cess amounting to Rs. 147914/-

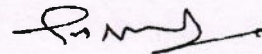
As per Delhi Building and other construction Workers (Regulation of Employment and Conditions of Services Rules, 2002, if any employer fails to pay any amount of Cess payable under section 3 of the Act within the time specified (30 days), such employer shall be liable to pay interest on the amount to be paid at the rate of two percent. for every month or part of a month comprised in the period from the date on which such payment is due till such amount is actually paid.

During the test check of audit, it is observed that the Labour Cess received from the contractor bills has been deposited into Govt. treasury after the due date. The details of such Labour cess and interest on this is enclosed.

The DDO/Executive Engineer is directed to take necessary steps for settlement of interest of Rs. 147914/- and intimate to audit.

(Previously B- 131, now Housing Project Division - 1)





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PARA 11.60
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Para No. - 7 (Audit Memo No. 19 Dated 25.05.2017)

Sub:- Shortcomings in execution of work of C/o Deen Dayal Upadhyaya College at Sector - 3, Dwarka, New Delhi. (SH: C/o Main College Building, Boys & Girls Hostels, Utility & Staff Qtrs. Including Development works and Electrical Installations.

At the time of scrutiny of the above work the following shortcomings/discrepancies are observed:-

(i) Non-forfeiting of EMD & undue benefit to Contractor :-

Item rate tender for the above work Non-Forfeiting of EMD of Estimated cost of Rs. 1,01,27,22,655/- was invited in August 2012 in two bid system i.e. Technical & Financial. 6 Bidders were participated in tenders. Test check of the records shows that the company named M/s JMC Projects India Ltd. has quoted zero rates in the e-tendering financial bid. As per General Rules & directions of General Conditions of Contract-2014 the tenders quoted with zero rates will be treated as invalid, however, no rule was laid regarding EMD of such tenders whether same will be released/recovered. In the present case Executive Engineer failed to forfeit the EMD amounting to Rs. 1.11 crore from M/s JMC Project India Ltd. in contravention of the conditions of the NIT. Further, it is observed that no action was initiated against the defaulted Agency.

(ii) Late award of work beyond limit of stipulated period mentioned in the manual.

The department should give at most priority to award the work on receipt of tenders and in order to minimize chance of delay and time prescribed in the manual should be observed for process in the tenders by different authorities as per Sec 3.1 (1) (2) of CPWD manual. The manual stipulates that the time schedule should be adhered strictly and if any officer failed to follow the same he should invariably give reasons while forwarding tenders to the competent authority to accept it. In case of tender under the power of Chief Engineer, 7 days for Executive Engineer, 3 days for Finance Officer, 5 days for Superintending Engineer and 20 days for Chief Engineer or prescribed for scrutiny and disposal of tenders. It is observed from the records the work was finalized and awarded in 134 days more than the prescribed period mentioned in the manual. The delay in processing of the tender which is the stipulated time schedule resulted in award of work with more delay in completion of the project





work. Tenders for the above work opened 28-08-2012 & work awarded on 12-02-2013.

Failed to comply with the processing of tenders within time, leads to the delay of projects & Escalation Cost and also loss to government.

(iii) Unjustified reasons mentioned in hindrance register:-

Section 29.1 stipulates that the time allowed for carrying out a work as entered in the contract shall be strictly observed and work should be processed with due diligence on part of the Contractor throughout the stipulated period of contract.

Scrutiny of records relating to works test checked, revealed that work was not completed a on date although their stipulated period were already over:-

Name of work	Stipulated date of start/Stipulated date of completion	Delay (upto 30-06-2016)	Reasons for non-completion
C/o Deen Dayal Upadhyaya College (Agmt. No. B-132, 2/12-13)	13-02-2013/ 12-02-2015	504 days	Due to non availability of drawings, testing of cement election duty, non completion of Air conditioning work, disposal of surplus earth.

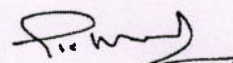
It is observed that most of the hindrance shown the delay on non availability of drawings, Electrical part , disposal of surplus earth and other vague reasons.

From the above, it is evident that Public Works Department did not full fill the pre- requisite conditions before award of work.

(iv) Steep increase in quantities after execution of work:-

The test check of records shows that no consistency was found between quantities put to tenders and quantities actually executed which resulted in extra expenditure in the work. The huge variations were found in respect of following works :-

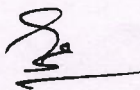
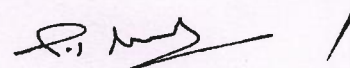




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S. No.	Nature of Item	Agmt. Qty.	Rate	Qty. actually executed (%)	Extra expenditure	Reasons
Sector-3, Dwarka						
3	4	5	6	7(6-4x5)	8	
	Supplying and filling Jamuna Sand under floor	320 cum	1200 (upto 100% and 1087.64 Beyond 100%)	4099 (1181)	4842453	Quantities increased to due to instruction of Chief Engineer to fill the Jamuna Sand above raft of basement and beneath the stitch slab.
	Extra for additional height of shuttering	12271.50	120 (upto Agmt. Qty. plus 30% and 151.50 beyond 30%)	34775.53 (183)	3293395	No reasons recorded only reasons mentioned as per site requirement and drawing.
	TMT bars	1591639 kg	64	1917268 (20)	20840256	Quantities increased as per structural drawing.
	TMT bars	2436743 kg	64	2846278 (17)	26210240	Quantities increased as per structural drawing.
	RMC M-25 grade concrete	10659 cum	5790	11910.29 (12)	7244969	Thickness of basement slab increase and additional stitching slab extended.
	Providing edge moulding in marble stone counter etc.	343 sqm	180	11144.39 (225)	1388050	Quantities increased as per drawing
	Frame work	867 sqm	750 (upto Agmt. Qty. plus 30% and 934 beyond 30%)	6515.50 (651)	5227841	As per site requirement /execution as per drawings
	Water storage tank	500 ltr	12	79350 (15770)	946200	As per site requirement and drawings
	Granite	3919.59	4088.19	-	12542688	As per site requirement and as per drawings
				Total=	82536092	

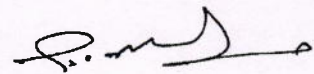
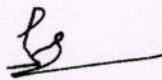
From the above details, it is clear that quantities of various items were steeply increased from 10% to 15000% (approx.). This was forced the department to execute the work under deviation and extra items. Such steep increase clearly indicates that the department has failed to assess the proper quantities accurately. It is also assessed that proper site conditions were not given due consideration while preparing estimates. This resulted huge difference /increase of work executed, resulted into the excess expenditure of Rs. 8.25 crore.

(v) **Non recovery of compensation on account of delayed work:-**

If the contractor fails to maintain the progress of work as required, the compensation should be levied @ 1.5% of tendered value of the contract for delay of each month, which is to be computed per day basis subject to maximum of 10% of the tender value of the work as per the clause 2 laid down in the General Condition of Contracts. It is also stipulated in the CPWD Works Manual that each hindrance should be entered in the hindrance register and duly verified by the Executive Engineer and Contractor and hindrances on the part of the contractor is also to be entered in the hindrance register. The Superintending Engineer also reviewed the same on his site visit as per Section 29.7 of CPWD Works Manual. The work was stipulated for completion on 12-02-2015, but the same was actually completed on 13-06-2016. The hindrance register shows that the same was closed on 20-01-2016 by the Superintending Engineer. This clearly shows that the delay was on the part of Contractor but the same was not mentioned in the hindrance register as per the provision of the manual. The department has also not levied compensation of 7.5% which is totaling to Rs. 7.3 crore (approx.). Although the hindrance register closed on 20-01-2016, but the department fails to enforce the provisions laid down in manual for ensuring the timely completion of work.

(Previously B- 132, now Education Project Division – 2)



Para No. - 8 (Audit Memo No. 20 Dated 25.05.2017)

Sub:- Gross violation in appointment of Consultant for preparations of drawings of C/o Deen Dayal Upadhyaya College at Sector - 3, Dwarka, New Delhi :-

On scrutiny of records it is observed that the consultant was the appointed for preparation of building plans based on Master Plan of Delhi 2001. At the initial stage the work was awarded to the Consultant for Rs. 37.50 lacs in Feb. 2007. Further, the revised drawings were got prepared from the same Consultant without calling of tenders and an amount of consultant Fee was also enhanced to Rs. 1.13 crore + Service tax for redesign the project under Master Plan 2021. It clearly shows that the same consultant was continued instead of inviting fresh tenders for appointment and the fees was also enhanced 301% and undue benefit was provided to the Consultant, M/s Munish Verma & Associates for redesigning the project as per Master Plan 2021. This action is not only violation of section-14 of CPWD Woks Manual but also against the guidelines laid down by the Central Vigilance Commission.

(Previously B- 132, now Education Project Division - 2)



Para No. - 9 (Audit Memo No. 21 Dated 25.05.2017)

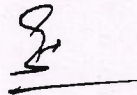
Sub :- Reasonability of rates before acceptance of the tenders.

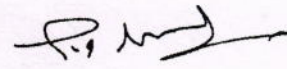
As per para 20.4.3 of CPWD Works Manual 2014 i.e. reasonability and competitiveness of rates, according to this provision, tender accepting authority shall satisfy himself about the reasonability of rates before acceptance of the tenders. And as per para 20.4.3.2 CPWD Works Manual 2014 variation up to 5% over the justified rate may be ignored. Variation up to 10% may be allowed for peculiar situations and in special circumstances. Reasons for doing so shall be placed on record. Tenders above this limit should not be accepted, however, examination of records relating to award of tender by BPD B-132) division revealed that in the following cases, agreements executed and work orders were awarded to the contractors at the rates very lower than the estimated cost.

S. No.	Name of the work	Name of the contractor	Estimated cost (in ₹)	Tendered Amount (in ₹)	Tendered Amount Below estimated cost
	Agreement year 2015-16				
1	Construction of 4 Nos. Temporary Lecture / Class Rooms at NSIT, Sector-3, Dwarka, New Delhi.	M/s Amar Construction	1,85,73,343/-	1,23,12,269/-	33.71%
2	C/o Deen Dayal Upadhyaya College at Sector-3, Dwarka, New Delhi. (SH: Stainless steel signages works.)	Sh. Sanjeev Soni	8,23,000/-	4,77,010/-	42.04%
3	C/o Deen Dayal Upadhyaya College at Sector-3, Dwarka, New Delhi. (SH: Providing & fixing Signages)	Sh. Upender Singh	11,26,780/-	5,87,278/-	47.88%

As per table above, there was huge variation between the estimated cost, tendered amount ranging between 33.39% to 53.39% which indicates that the work was not executed as per specification and the quality was not maintained by getting execution of work at lower rates.

(Previously B- 132, now Education Project Division - 2)





Para No. - 10 (Audit Memo No. 29 Dated 31.05.2017)

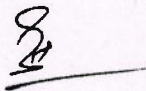
Sub:- Non-levy of Compensation against Consultant for the work of preparations of drawings of C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV, Sec-16, Rohini, Delhi

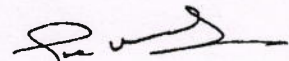
The consultancy service work for C/o Shaheed Sukhdev college of Business Studies at PSP Area-IV, Sector- 16, Rohini, Delhi-110085 (Agreement No. 03/EE/BPD/B-133/2014-15) was awarded at tendered cost of Rs.1.33 Crore and payment of Rs 0.89 Crore was made to the consultant (Jan 2017).

As per condition No.14.9 General Condition of the Contract entered into with the consultant, the detailed estimate for the work prepared should be accurate and final cost of work should not be deviated more than 10 % of the estimated prepared. Conditions stipulated that if the overall deviation of any individual item is more than 30% than the consultant is liable to pay a compensation @ 2% of such deviation (beyond agreement quantity) subjected to maximum of 10% of the total fee payable. As per agreement entered into for consultancy work consultant was to provided preliminary project report, project cost estimation, detailed architectural, engineering and service design, bid documents, detailed estimate showing details of measurement, bill of quantity, draft tender documents etc.

Test check of the records revealed that in 22 items there were deviation in quantities ranging between 30.05% and 1717%. This shows that there were deviation in individual quantities involving impact on the cost of the projects and extra payment to the contractor. Further, PWD did not levy compensation @ 10% amounting to Rs13.3 Lakhs although there was provision in the contract.

(Previously B- 133)





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Para No. - 11 (Audit Memo No. 30 Dated 31.05.2017)

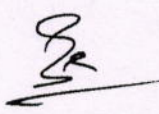

Sub : Shortcomings in execution of work of C/o Shaheed Sukhdev college of Business Studies at PSP Area-IV, Sector- 16, Rohini, Delhi-110085 (SH: Academic Block Boys Hostel, Girls Hostel, Dining Block, Auditorium Block, Residential Building including Civil, Electrical, Horticulture, E&M Services and Development works.

At the time of scrutiny of the above work the following shortcomings/discrepancies are observed:-

(i) Late award of work beyond limit of stipulated period mentioned in the manual.

The department should give at most priority to award the work on receipt of tenders and in order to minimize chance of delay and time prescribed in the manual should be observed for process in the tenders by different authorities as per Sec 3.1 (1) (2) of CPWD manual. The manual stipulates that the time schedule should be adhered strictly and if any officer failed to follow the same he should invariably give reasons while forwarding tenders to the competent authority to accept it. In case of tender under the power of Chief Engineer, 7 days for Executive Engineer, 3 days for Finance Officer, 5 days for Superintending Engineer and 20 days for Chief Engineer or prescribed for scrutiny and disposal of tenders. It is observed from the records the work was finalized and awarded in 79 days more than the prescribed period mentioned in the manual. The delay in processing of the tender which is the stipulated time schedule resulted in award of work with more delay in completion of the project work. Tenders for the above work opened on 16.06.2014 & work awarded on 07.10.2014.

Failed to comply with the processing of tenders within time, leads to the delay of projects & Escalation Cost and also loss to government.

(ii) **Huge variation in quantities after execution of work resulted into extra expenditure of 9.35 Crore :-**

The above work was awarded at the tendered and negotiated amount of Rs.121.13 Crore which was 9.09% above the estimated cost of Rs.111.04 Crore. The payment of Rs.92.95 Crore was released to the contractor (19th R.A. Bill in March 2017).

It is clear from the 19th running account bill that there was no consistency between quantities put to tender and quantities actually executed as quantities of more than 29 items were increased between 15% to 1717% resulted into additional expenditure of Rs.9.5 Crore (approx.). The reasons were deviation quantities and execution of additional/extra works could not be verified due to non approvals of items till date (31.05.2017).

(iii) **Non recovery of compensation on account of delayed work:-**

If the contractor fails to maintain the progress of work as required, the compensation should be levied @ 1.5% of tendered value of the contract for delay of each month, which is to be computed per day basis subject to maximum of 10% of the tender value of the work as per the clause 2 laid down in the General Condition of Contracts. It is also stipulated in the CPWD Works Manual that each hindrance should be entered in the hindrance register and duly verified by the Executive Engineer and Contractor and hindrances on the part of the contractor is also to be entered in the hindrance register. The Superintending Engineer also reviewed the same on his site visit as per Section 29.7 of CPWD Works Manual. The work was stipulated for completion on 07.08.2016, but the same was actually completed on 10.11.2016. In the said case the delay was also on the part of Contractor but the same was not mentioned in the hindrance register as per the provision of the manual. The department has also not levied compensation of 4.5% which is totaling to Rs.4.32 crore (approx.). In this case the department fails to enforce the provisions laid down in manual for ensuring the timely completion of work.

(Previously B- 133, now Education Project Division – 4)



(19) (34)
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PARA No. 65
202-65

Para No - 12 (Audit Memo No. 32 Dated 31.05.2017)


Non Levy of compensation

The consultancy services work for Shaheed Sukhdev College of Business Studies at PSP Area-IV, Sec-16, Rohini, Delhi (Agmt. No. 03/EE/BPD/B-133/2014-15) awarded at tendered cost of Rs 1.33 crore. As per agreement entered into for consultancy work consultant was to provide preliminary project report, project cost estimation, detailed architectural, engineering and service design, draft tender documents etc.

Condition No.8 of the agreement entered with consultant, time allowed for carrying out the work should be strictly observed and should be deemed to be essence of the contract on the part of the consultant and work should throughout the stipulated period of the contract be proceeded with all diligence and in the event of failure to complete the work within time schedule, the consultant is liable for a compensation at the rate of 1.5 % of agreed fee per month of delay to be computed on per day basis subject to maximum of 10% of agreed fee should be levied on the consultant.

There was delay in issuance of drawings for flooring pattern of kota stone, underground tank, drawings for auditorium razing between 7 days and 33 days shown in hindrance register, but PWD did not levied compensation @ 1.5% amounting to Rs 1.99 Lakh.

(Previously B- 133, now Education Project Division - 4)





PARA No-66
Bm 66
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Para No - 13 (Audit Memo No. 36 Dated 01.06.2017)

Sub:- Unfruitful expenditure of Rs. 19,86,142/- on Electricity bills

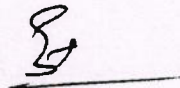
Name of Work : C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV Sec-16 Rohini New Delhi-110085 (SH: C/o Academic Block, Boys Hostel, Girls Hostel, Dinning Block, Auditorium Block, Residential Building, E&M Services and Development Works.)

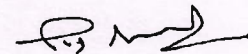
On the test check of record of EPED, PWD MSO building it is observed that a huge amount of electricity bills paid to M/s Tata Power Delhi Distribution Ltd by the Division for the C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV Sec-16 Rohini New Delhi-110085. Further in the meeting on 24.05.2017 this issue has been raised by the Executive Engineer (E) that at present the building is not occupied and on average about twenty seven thousand units of bill per month raised by TPDDL & appropriate seven thousand units per month of bill raised by solar. As the building not yet occupied, so these consumption of electricity is seen on very higher side and also no work is going on that building. The details of bills are as under:-

Period of bills	Due date of bill	Current Demand	Arrear Include	LPSE included	Amount	Amount paid
10.10.2016 to 15.12.2016	05.01.2017	925863.12	-----	-----	925860	1266380
16.12.2016 to 12.01.2017	30.01.2017	336408.00	925863.12	4109.31	1266380	
14.01.2017 to 31.01.2017	10.03.2017	191130.00	1280879.92	26354.50	1498360	502902
01.02.2017 to 28.02.2017	30.03.2017	309772.35	1472009.95	39321.48	1823100	
01.03.2017 to 31.03.2017	31.03.2017	317511.90	53821.78	6634.69	216860	216860
Total Amount paid in Rs.						19,86,142

The Executive Engineer is directed to enquire into the matter of payment of huge electricity bills and steps may be initiated for recovery of excess payments. Since the building has not yet handed over and academic session has also not started, the expenditure incurred is treated as unfruitful.

(Housing Project Electrical Division)





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PARA No. - 67
Page - 67

Para No. -14 (Audit Requisition/ Memo No. 37 Dated : 02.06.2017)

Sub:- Shortcomings in electrical work

Name of Work : C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV Sec-16 Rohini New Delhi-110085 (SH: C/o Academic Block, Boys Hostel, Girls Hostel, Dining Block, Auditorium Block, Residential Building, E&M Services and Development Works.)

At the time of scrutiny of the electrical part of the above said work the following shortcomings / discrepancies are observed:

1. Non Adherence to provisions of contract

As per the terms and conditions of agreement of electrical part, it was laid down that the contractor has to submit the documents of sub contracts to the Executive Engineer of the division alongwith the acceptance duly signed by the electrical sub contractor. But the same was not produced / submitted / shown to Audit.

2. Failure to complete the work in stipulated time.

The bids of the said work was opened on 16.06.2014 and work awarded on 07.10.2014 with the stipulated Date of Completion as 07.08.2016 but the work was actually completed on 10.11.2016 i.e. delay of 3 months and 4 days it was also seen from Hindrance Register that the delay was also on the part of electrical section. This also resulted in not only loss of public money but also loss of one complete academic session.


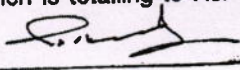
3. Steep increase in quantities after execution of work resulted in extra expenditure.

It is observed from the running bills of various works of electrical part that there was no consistency between quantities between put to tender and quantity actually executed. Some items were increased between 10% to 1000% (Approx) resulted in additional expenditure.

The reasons for deviation quantities and execution of additional /Extra work could be verified due to non approval of item till date.

4. Non recovery of compensation on account of delayed work :-

If the contractor fails to maintain the progress of work as required, the compensation should be levied @1.5% of tendered value of the contractor for delay of each month, which is to be computed per day basis subject to maximum of 10% of the tender value of the work as per the clause 2 laid down in the General Condition of Contracts. It is also stipulated in the CPWD Works Manual that each hindrance should be entered in the hindrance register and duly verified by the Executive Engineer and Contractor and hindrances on the part of the contractor is also to be entered in the hindrance register. The Superintending Engineer shall also review the same on his site visit as per Sector 29.7 of CPWD Works Manual. The work was stipulated for completion on 07.08.2016, but the same was actually completed on 10.11.2016. In the said case the delay was also on the part of Contractor but the same was not mentioned in the hindrance register as per the provision of the manual. The department has also not levied compensation of 4.5% which is totalling to Rs.

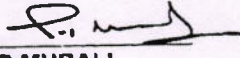
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1.17 Crore (approx.). In this case the department fails to enforce the provisions laid down in manual for ensuring the timely completion of work.

The Executive Engineer may comply with the instructions under intimation to audit.

(Building Project Electrical Division – B141 & Housing Project Electrical Division)

Signature of I.A.O. 
Name of I.A.O.: GVR MURALI
Audit Party No. XXXVII



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Current Audit Report

During the course of current audit, 12 Observation memos & 01 record Memo were issued highlighting various irregularities. Recoveries to the tune of Rs.1,10,846/- (EPD-4 & HPD-I) were pointed out by the Audit.


The division EPD -4 has not submitted any reply of all 12 Observation Memos Out of 12 observation memos and 01 Record Memo, 04 Observation memos and 01 record memo have been converted into 05 PARAs (including 01 para for non production of record) with recovery of Rs. 1,10,846/- and 08 Observation memos have been converted into 08 TAN and incorporated in Current Audit Report Part-II.

Detail of Current Recoveries EPD-4

Memo No.	DETAILS OF PARA	Details of Recovery (In Rs.)	Recovered on the spot (In Rs.)	Balance to be recovered (In Rs.)	Whether PARA / TAN
04	Non deduction of the amount of Labour Cess amounting to Rs.51,055/-.	49,124/-	0	49,124/-	PARA-1
09	Excess payment of Rs. 35,632/- in final bill due to wrong calculation of Deviation Statement.	35,632/-	0	35,632/-	PARA-2
11	Non deduction of TDS amounting to Rs. 26,090/- on GST.	26,090/-	0	26,090/-	PARA-3
	TOTAL	1,10,846/-	0	1,10,846/-	

The Internal Audit Report has been prepared on the basis of information / records furnished and made available by the Office of Executive Engineer, Education Project Division -4 & HPD-1 (B-131), A-Wing, First Floor, Vikas Bhawan-2, Metcalf House, Delhi-110054 (DDO CODE:- 84349) for the period 2017-18 To 2019-20. The Audit disclaims any responsibility for non production of record / information or mis-information provided by the Office of Executive Engineer, Education Project Division -4 & HPD-1 (B-131), A-Wing, First Floor, Vikas Bhawan-2, Metcalf House, Delhi-110054 (DDO CODE:- 84349).

The responsibility for any legal or other liabilities, which may arise at any point of time in any way from this report, may be put on, the whole or a part of it, lies with the Office of Executive Engineer, Education Project Division -4 & HPD-1 (B-131), A-Wing, First Floor, Vikas Bhawan-2, Metcalf House, Delhi-110054 (DDO CODE:- 84349). The Dte.of Audit is not responsible for any legal consequences arising at any time in the future, in whatsoever manner and whatsoever ways.


Shyam Sunder Dhingra
I.A.O.,
Audit Party No 01

PART-II

CURRENT AUDIT REPORT (2017-18 to 2019-2020)

Education Project Division -4

**Directorate of Audit,
Govt. of NCT of Delhi
4th Level, C-Wing,
Delhi Secretariat, New Delhi**

670-68

PARA No.01: Non deduction of the amount of Labour Cess amounting to Rs. 49,124/-.

(Reference Observation Memo No.04 Dated 29.12.2020)

During the test check of vouchers / bills of Ex. Eng., HPD-I, EPD-4 (B-131), PWD (GNCTD), First Floor, Vikas Bhawan-II, Civil Lines, New Delhi for the period 2017-18 To 2019-20, it has been observed that the Labour cess @ 1% has not been deducted from the bills in the below mentioned cases:

S. No	Name of Work	Name of Contractor	Agreement No.	Est. Cost	Tender Amount	Upto date amount paid	Labour Cess @ 1%
1	Watch and Ward of Govt. Land / Plot at Satbari, New Delhi during 2017-18	M/s Competent Services	01/EE/HPD-I/PWD/ 2017-18	12,35,817	8,15,639	849159	8492
2	Watch and Ward of Govt. Land / Plot at Bahapur, New Delhi during 2017-18	M/s Competent Services	02/EE/HPD-I/PWD/ 2017-18	617909	416471	399355	3994
3	C/o Residential Complex for Judicial Staff at Sector-19, Dwarka,, New Delhi. (SH: C/o 38 Nos. of Type-V Qtrs and 32 Nos. Type-VI Qtrs. (Sub work - Watch and ward of Residential Complex for Judicial Staff at Sec-19, Dwarka).	M/s Advance High Tech Security	01/AE-1/HPD-1/PWD/2018-19	318384	213317	245315	2453
4	Watch and Ward of Govt. Land / Plot at	M/s Competent	01/EE/HPD-I/	16,59,456	8,10,644	1783915	17839



	Satbari, Bahapur and Sector-19, Dwarka, New Delhi.	Services	PWD/ 2018-19				
5	Watch and Ward of Govt. Land / Plot at Satbari, New Delhi during 2017-18	M/s Competent Services	02/EE/HPD-I/PWD/2015-16	895600	640355	763162	7632
6	Watch and Ward of Govt. Land / Plot at Satbari, New Delhi during 2017-18	M/s Competent Services	01/EE/HPD-I/PWD/2018-19	16,59,456	8,10,644	871443	8714
Total						4912349/-	49,124/-

The department may take necessary action to deduct the Labour cess amounting to Rs.49,124/- from M/s Competent Services & M/s Advance High Tech Security and deposit the same to the Concerned department / office as per rule, under intimation to audit. Other similar cases may also be reviewed.

Para No.2: Excess payment of Rs. 35,632/- in final bill due to wrong calculation of Deviation Statement.

(Reference Observation Memo No.09 Dated 31.12.2020)

During the test check of records/vouchers and final bill of under mentioned work:

Name of work	- C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV, Sector-16, Rohini, Delhi. (SH: Art work in Fiber Glass, Stone work and embossed painting).
Agreement No.	- 01/EE/EPD-4/PWD/2019-20
Name of contractor	- Sh. Biswajit Majumder
Estimated cost	- Rs.60,06,641/-
Tender amount	- Rs. 35,99,000/-
Date of Start	-19.02.2019
Date of completion	-17.01.2020

The following discrepancies were observed:

- (a) Payment of Item No. 14 vide cash voucher No.11 dated 26.02.2020 in deviation Statement No.1 vide letter No. 23(60)/PM/Hr. Edu. Proj./42 dated 21.02.2020 paid the excess amount of Rs.35,632/- calculation as under:-

S No.	Agmt. Item No.	Amount paid by department/beyond the agreement qty.	Actual amount to be paid	Difference
1	14	2.0x245800 = 491600 2.0x201260 = 402520 Total 894120	1.2x245800 = 294960 2.8x201260 = 563528 Total 858488	35,632.00

[Signature]

(b) (i) As per agreement Page-50 special condition for art work Point No.4 The work shall be executed under the supervision and as per the drawings approved by the art consultant appointed by PWD. The work has to be approved from art consultant before making the payment but such records/certificate not found in work files/final bill.

(ii) The agency shall get the fiber glass work/stone work/embossed/relief painting approved from the art consultant/client before its installation. The payment shall only be made after approval of art consultant/client. These records / information not found in work files/final bill.

Elucidate the reasons for the above discrepancy to audit.

Para No.3: Non deduction of TDS amounting to Rs. 26,090/- on GST.

(Reference Observation Memo No.11 Dated 06.01.2021)

As per the provision pertaining to TDS under GST given under Section 51 of the CGST Act to be read with CGST Rule 66, TDS is to be deducted at the rate of 2 percent on payments made to the supplier of taxable goods and/or services, where the total value of such supply, under an individual contract, exceeds two lakh fifty thousand rupees. During the test check of the vouchers of the department, it has been noticed that TDS on GST of Rs.26,090/- @ 2% has not been deducted from the following bills :

S. No	Name of Work	Agency	Voucher No./Date	Agreement No.	Bill Amount (In Rs.)	TDS on GST @ 2% (In Rs.)
1	C/o Stage-I of Phase-II ,DTU at Bawana Road , Delhi SH:C/oAcademic Blocks AB-3 &AB-4 Boys Hostels HG-5 & Girls Hostels HG-5 &HG-6 and all external and internal services including external development and landscaping and allied civil and E&M works.	M/S SAM (India)Built well Pvt. Ltd.	05/07.09.20	02/EE/EPD-4/PWD/2019-20.	13,04,490/-	26,090/-
					Total	26,090/-

Recovery of Rs.26,090/-/- may be effected from the concerned agencies after due verification of facts and figures and deposited in Government Account under intimation to Audit.

Further all similar cases may also be reviewed on the basis of above analogy and recovery, if any may also made under intimation to audit.

[Signature]

Para No.4: Payment of final bill without obtaining approval of Revised Extra Item.

(Reference Observation Memo No.12 Dated 06.01.2021)

The work of "C/o Residential Complex for Judicial Staff Quarters at Sector-26, Rohini, Delhi (SH: C/o 32 Nos. Type-V (Basement+Stilt+8), 16 Nos. Type-VI Quarters (Basement+Stilt+8) and substation building including Civil Electrical, E&M Services and Development work)" was awarded to M/s B.L. Goel & Co. The details of the work are as under:

Name of the Contractor	:	M/s B.L. Goel & Co.
Agreement No.	:	02/EE/BPD/B-133/2014-15
Estimated Cost	:	Rs. 39,23,60,976/-
Tender Amount	:	Rs. 39,97,76,598/-
Date of Start	:	08.10.2014
Stipulated date of completion	:	07.04.2016
Actual date of completion	:	05.12.2016
Final payment	:	Rs.37,44,98,656/-
Amount of Extra Item 4 & 5	:	Rs.82,35,823+Rs.14,83,988
Amount withheld on account of revised extra item statement no.4 & 5	:	Rs.40,000/-

While scrutiny of the record and Final Bill Voucher No.9 dated 13.07.2018, it has been noticed that the approval of revised extra item statement no. 4 & 5 has not been obtained from the competent authority and the final payment made to the contractor before obtaining the approval. The total amount of Rs. 40,000/- was withheld on account of non approval of revised extra item statement no. 4 & 5.


Elucidate the reasons for the above discrepancy to audit. Other similar cases may also be reviewed.

PARA No.05 : Non production of Record.

(Reference Record Memo No. 01 to 01 (g) dated 06.01.2021)

The following record was not produced to audit:

1. Record pertaining to vehicles (Log Book, History sheet and repair and maintenance, etc)
2. Contractor Ledger
3. Contingency Register
4. List of unservicable / condemned items
5. Valuable Register
6. Budget control register
7. Mobilization advance register
8. Tool and Plant register
9. Transfer entry register


(Shyam Sunder Dhingra)
AO/LAO
Party No. I

**PART-II
TEST AUDIT NOTES**

Education Project Division -IV

TAN No.01: Unrealistic Estimates.

(Reference Observation Memo No.01 Dated 29.12.2020)

During the test check of records of Education Project Division -IV, First Floor, Vikas Bhawan-2, Metcalf House, Delhi-110054 (DDO B-131, 84349) for the period 2017-18 to 2019-20, it has been noticed that there are huge variations between the estimates and the tendered amount. A few instances are as under:

Sr. No.	Agreement No. /Work Order No.	Name of work	Estimated Amount (In Rs)	Tender Amount (In Rs.)	Variation in %age Below Estimated Cost
1	01/EE/EPD-IV/PWD/ 2017-18	C/o Shaheed Sukhdev college of Business Studies at PSP Area IV Sector 16 Rohini Delhi (SH: Providing and fixing Aluminum Partitions poly carbonate trees wooden wall painting and urinal partitions)	2977752	1965614	33.99
2	02/EE/EPD-IV/PWD/ 2017-18	C/o Shaheed Sukhdev college of Business Studies at PSP Area IV Sector 16 Rohini Delhi (SH: Art work-P/F Artistic sculpture bronze painting finish torso of Shaheed Sukhdev Statue)	350000	215000	38.57
3	04/EE/EPD-IV/PWD/ 2017-18	C/o Shaheed Sukhdev college of Business Studies at PSP Area IV Sector 16 Rohini Delhi (SH: Art work in Teracota materials)	2230765	1438344	35.52
4	01/EE/EPD-IV/PWD/ 2018-19	Comprehensive consultancy services (Balance services for designing and development of buildings under Part-I of Phase -II of Delhi Technological University at Bawana Road Delhi)	28400000	15941800	43.87
5	02/EE/EPD-IV/PWD/ 2018-19	C/o Shaheed Sukhdev college of Business Studies at PSP Area IV Sector 16 Rohini Delhi (SH: Providing and fixing aluminium partitions, polycarbonate trees, wooden wall, paneling and urinal partitions- Balance Work)	1951165	1202113	38.39
6	01/EE/EPD-IV/PWD/ 2019-20	C/o Shaheed Sukhdev college of Business Studies at PSP Area IV Sector 16 Rohini Delhi (SH: Art work in fiber glass stone work and embossed painting)	6006641	3599000	40.08

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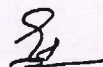
7	04/EE/ EPD-IV/ PWD/ 2019- 20	Providing and installing additional furniture in Shaheed Sukhdev College of Business Studies during 2019-20	16792808	12930462	23.00
8	01/EE/ HPD-I/ PWD/ 2017- 18	Watch and Ward of Govt. Land / Plot at Satbari, New Delhi during 2017-18	1235817	815639	34.00
9	02/EE/ HPD-I/ PWD/ 2017- 18	Watch and Ward of Govt. Land / Plot at Bahapur, New Delhi during 2017-18	617909	416471	32.60
10	01/EE/ HPD-I/ PWD/ 2018- 19	Watch and Ward of Govt. Land / Plot at Satbari, New Delhi during 2017-18	1659456	810644	51.15
11	02/EE/ HPD-I/ PWD/ 2018- 19	C/o Residential complex for judicial officers quarters at Sector 19 Dwarka, New Delhi (SH: C/o 38 Nos Type V quarters 4 blocks, 32 Nos Type-IV quarters-Balance work)	170138199	128233160	24.63

The estimates of works are prepared by the Technically expert Engineers on the basis of prevalent D.S.R. and depending upon the prevailing Market rates, but still it has been observed that tenders have been received & accepted quoting the rates much below the estimated cost. Moreover, today the rates of every commodity are rising spirally yet the tenders have been accepted much below the estimated rates.

Such type of unreasonable variations can be attributed to either wrong assessment of the quantity of items or sketchy estimates prepared in an unprofessional manner.

The above details of work awarded above / below the estimated cost shows that estimates were prepared casually & no proper attention was given to prepare estimates on more realistic basis.

The department may follow the instructions on pre construction stage / preparation of detailed estimate given in CPWD manual strictly and ensure that the estimates should be prepared on a realistic basis and on the basis of actual requirement of the site. All such other cases may also be reviewed under intimation to audit.



TAN No 02: Heavy outstanding balances under deposits.

(Reference Observation Memo No.2 Dated : 29.12.2020)

During test check of monthly account (Form 79 – Schedule of Deposits) of Ex. Eng., EPD-IV (B-131), PWD (GNCTD), First Floor, Vikas Bhawan-II, Civil Lines, New Delhi for the month of March, 2020, it was observed that an amount of Rs. 11.61 crores was lying outstanding under the head “Public Works Deposits” as detailed below:

Classes of deposits	Amount
Civil Deposits - Security Deposits (Part II)	23595558/-
Civil Deposits - Public Work Deposits (Part III)	1291666/-
Civil Deposits - Other Deposits (Part V)	91233647/-
Total outstanding as on 31.03.2020	116120871/-

Heavy accumulation under Part-II of Rs. 2.35 crore was indicative of non review of Deposit Register at Divisional Level from time to time. This should now be reviewed and all deposits more than three years old where refund is due be credited to Revenue.

Accumulation of Rs. 0.13 crores under Part-III was due to non execution of work against deposits. Details of deposits lying outstanding with the Department, Amount received, amount spend were not made available & thus it could not be verified how long the deposits were outstanding and which Department were involved.

Deposit under Part V has accumulated due to withheld amount from contractor's bill on account of non-sanction of EOT cases, testing defects, pending works Labour cess amount etc. Accumulation of Rs. 9.13 crores was indicative of the fact that works for which these amounts were withheld had not been completed satisfactorily.

Necessary action may be taken under relevant rules for the withheld amount in deposits may be refunded to concerned agencies or amount credited to revenue in govt. account under intimation to audit.

TAN No. 03 : Time barred cheque amounting Rs.13,740/-.

(Reference Observation Memo No.3 Dated : 29.12.2020)

As per receipt and payment rule 47 (2), a cheque remaining unpaid for six months after the month of its issue for any cause, and not surrendered for renewal should be cancelled, in the manner indicated under the rules with the difference that no acknowledgement of the stop order may be insisted from the bank.

While scrutiny of Form 51 – March 2020 Schedule of Reconciliation of cheques drawn and remittances and other related records for the period 01.04.2017 to 31.03.2020, it has been noticed that the following

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cheques amounting to Rs.13,740/- which were issued by the division, but not en-cashed had become time-barred.

S.No	Cheque No.	Dated	Amount (In Rs.)
01	C521358	23.10.2019	13740

Since these cheques have lost their validity, efforts may be taken to write off these from the competent authority under intimation to audit.

TAN No.04: Non deposition of the amount of Labour Cess amounting to Rs. 18,97,141/-.

(Reference Observation Memo No.05 Dated : 30.12.20)

During the test check of records / vouchers of PWD Division, B-131 (EPD-IV), it is found that the department has deducted the labour cess amount from the various bills / vouchers. But this has not been deposited to Delhi building and other construction works welfare board (East District), Dy. Labour commissioner (South West district), Dy. Labour Commissioner (South District) and Delhi Building and Construction Welfare Board (North West) after Oct. .2019.

S.No.	Name of Work	Agency	Gross Amount	Labour Cess
Nov-19				
1	C/o Residential Complex for Judicial Officers Quarters at Sector-19, Dwarka, New Delhi. (SH: C/o 38 Nos. Type-V quarters (4 blocks, Stilt + 7 and 2 Blocks, Stilt + 5), 32 Nos. Type-VI quarters (4 blocks, basement + Stilt + 8) and Sub-Station building including Civil, Electrical, E&M Services and Development works.) Balance Work.	M/s R.K.MT Buildcon Pvt. Ltd.	3246639	32466.00
			Total	32466.00
Jan-20				
1	C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV, Sector-16, Rohini, New Delhi-110089 (SH: Art work in fiber glass stone work and embossed painting) .	Sh. Biswjit Majumdar	2472200	24722

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2	C/o Stage-I of Phase-II, Delhi Technological University at Bawana Road, Delhi (SH: C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls Hostels HG-5 & HG-6 and all external and internal services including external development and landscaping, and allied civil and E&M works)	M/s. SAM India Buildcon Pvt. Ltd.	48892000	488920
3.	C/o Stage-I of Phase-II, Delhi Technological University at Bawana Road, Delhi (SH: C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls Hostels HG-5 & HG-6 and all external and internal services including external development and landscaping, and allied civil and E&M works)	M/s. SAM India Buildcon Pvt. Ltd.	19495000	194950
			Total	708592

Feb-20				
1	C/o Stage-I of Phase-II, Delhi Technological University at Bawana Road, Delhi (SH: C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls Hostels HG-5 & HG-6 and all external and internal services including external development and landscaping, and allied civil and E&M works)	M/s Sam (India) Builtwell Pvt. Ltd.	63719900	637199
2	C/o Shaheed Sukhdev College of Business Studies at PSP Area-IV, Sector-16, Rohini, New Delhi-110089 (SH: Art work in fiber glass stone work and embossed painting) .	M/s Biswajit Majumdar	2355188	23552
3	Providing and installing additional furniture in Shaheed Sukhdev College of Business Studies during 2019-20.	M/s. Momentum Techsys Pvt. Ltd.	2897409	28974
			Total	689725

Mar-20				
1	C/o Stage-I of Phase-II, Delhi Technological University at Bawana Road, Delhi (SH: C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls Hostels HG-5 & HG-6 and all external and internal services including external development and landscaping, and allied civil and E&M works)	M/s Sam (India) Builtwell Pvt. Ltd.	35035756	350358
2	C/o Stage-I of Phase-II, Delhi Technological University at Bawana Road, Delhi (SH: C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls Hostels HG-5 & HG-6 and all external	M/s Sam (India) Builtwell Pvt. Ltd.	11600000	116000

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	and internal services including external development and landscaping, and allied civil and E&M works)			
			Total	466358
			Grand Total	1897141

As per Rule 62(1) of GFR 2017, Department shall surrender all the anticipated savings noticed in the Grants or appropriation and the unutilized funds before the close of financial year. However, in the above mentioned cases, the same was not done.

The department may take necessary action under relevant rules for surrender of all anticipated savings under intimation to audit.

TAN No. 05 : Non revalidation of FDR / Bank Guarantee.

(Reference Observation Memo No.06 Dated 30.12.2020)

During the course of audit of Valuable Register maintained in PWD Division, B-131, it has been observed that the validity of a number of FDR/Bank Guarantees, submitted by contractors, has already been expired and the Division has not made any efforts to get these FDR / Bank Guarantee revalidated as per details given hereunder :

S. No.	Item no. of BG register	FDR/BG No. & Date	Name of agency	Valid upto	Amount (In Rs.)
1	47	360010400009041 dt 28/05/08	Sh. Chander Parkash Sharma	28.05.2013	3700
2	03	1050206BG0000413 dt. 02/11/06	M/s. Parnika Commercial & Estate Pvt. Ltd.	30.04.2011	1242206
3	11	105207BG0000558 dt. 03/05/07	M/s. Parnika Commercial & Estate Pvt. Ltd.	30.11.2011	1000000
4	12	1050207BG0000559 dt 03/05/07	M/s. Parnika Commercial & Estate Pvt. Ltd.	30.11.2011	1500000
5	13	1050207BG0000600 dt 03/08/07	M/s. Parnika Commercial & Estate Pvt. Ltd.	30.11.2011	5000000
6	21	1050207BG0000683 dt. 24/12/07	M/s. Parnika Commercial & Estate Pvt. Ltd.	23.11.2011	3000000
7	21	1050207BG0000708 dt. 24/01/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	23.11.2011	5000000
8	22	05/2008 dt 31/01/08	M/s Enarch Consultant Pvt. Ltd.	31.12.2014	183800
9	24	1050208BG0000729 dt 14/03/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	24.12.2011	3500000
10	25	1050207BG0000733 dt. 19/03/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	24.12.2011	2500000

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11	26	1050207BG0000741 dt. 25/04/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	23.11.2011	3000000
12	30	1050208BG0000792 dt. 02/09/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	23.11.2011	2000000
13	36	1050208BG0000840 dt. 13/12/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	30.11.2011	2555600
14	37	1050208BG0000846 dt. 26/12/08	M/s. Parnika Commercial & Estate Pvt. Ltd.	24.12.2011	1762062
15	55	1174190 dt 24/05/08	M/s Swadeshi Construction Co.	24.05.2009	50000
16	57	67064779153 dt 04/08/08	M/s. Amit Construction	04.02.2009	3000
17	93	321 dt. 23/01/2009	M/s. Good Year Security Service (Regd.)	23.08.2009	65000
18	108	SBF 585770 dt. 14/05/09	M/s. Jagraj Supply & Services	14.05.2010	7680
19	121	C572908 dt 25/08/09	M/s. Anup Enterprises	25.08.2010	7100
20	129	383773 dt 14/11/09	M/s. Anup Enterprises	14.11.2010	2000
21	130	383772 dt 14/11/09	M/s. Anup Enterprises	14.11.2010	2000
22	132	032389 dt 18/11/09	M/s. Rakshak Securities Pvt. Ltd.	18.05.2010	57000
23	145	0578310 dt 25/06/10	M/s. Roshan Real Estate Pvt. Ltd.	25.06.2018	56024
24	146	0578311 dt 25/06/10	M/s. Roshan Real Estate Pvt. Ltd.	25.06.2018	50280
25	147	0578312 dt 25/06/10	M/s. Roshan Real Estate Pvt. Ltd.	25.06.2013	271785
26	153	015094 dt 11/08/10	M/s. Décor India	11.08.2011	75000
27	157	015178 dt. 04/10/10	M/s. Décor India	04.10.2011	141000
28	174	6922590 dt. 15/04/11	M/s. Décor India	15.04.2012	36000
29	54	1050211BG0001355 dt 19/10/11	M/s. Parnika Commercial & Estate Pvt. Ltd.	18.07.2012	390000
30	61	1050212BG0001470 dt 17/05/11	M/s. Parnika Commercial & Estate Pvt. Ltd.	16.02.2013	100000
31	230	6226900 dt. 16/04/13	M/s. R.L. Wadhwa	16.10.2013	24500
32	234	33126 dt. 31.05.13	M/s. Detective Seating Service (India)	30.11.2013	10000
33	236	0270311 dt 12/06/2013	M/s. Omega Service	12.03.2014	11000
34	238	2565406 dt 25.06.13	M/s. Friends Detective Security Service	25.12.2013	11536
35	245	3966059 dt. 31/10/13	M/s. Friends Detective Security Service	31.07.2014	10500
36	249	762291 dt 19/12/13	Sh. Laxman	19.12.2014	27020
37	252	762346 dt. 15/01/14	Sh. Laxman	15.07.2014	12000
38	259	253803 dt. 06/05/14	M/s. M.I. Enterprises	04.08.2014	1900

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39	273	200487 dt. 10/12/14	M/s. Planet Security Group	10.12.2015	21608
40	274	50300080922415 dt. 24/02/15	M/s. Babbar & Babbar Architects	23.02.2018	486000
41	80	1050214BG0001823 dt. 09.09.14	M/s. Parnika Commercial & Estate Pvt. Ltd.	08.09.2019	1512000
			Total		35689301

Action may be taken under intimation to audit, either to revalidate the above FDR /BG or refund them to the concerned firms if the purpose of holding the FDR /BG has been fulfilled. Other similar cases may also be reviewed.

TAN No. 06: Non Completion of Work.

(Reference Observation Memo No.07 Dated 30.12.2020)

Section 29.1 of CPWD works Manual stipulates that the time allowed for carrying out the work as entered in the contract shall be strictly observed by the contractor and work should be proceeded with all due diligence on part of the contractor throughout the stipulated period of the contract. Further, Section 29.4 (2) the extension, in order to be binding, will have to be by the agreement of the parties, express or implied.

Test check of records that the following works were not completed till date although their stipulated period of completion is over:

S. No.	Sr. No. of Agreement register / year	Name of work	Stipulated date of start	Stipulated date of completion	Delay in days (up to 22.12.20)	Remarks
1	02/2019-20	C/o Stage-I of Phase-II Delhi Technological University at Bawana Road, Delhi. (SH: C/o Academic Block AB-3 & AB-4, Boys Hostel H-5 & Girls Hostel HG-5 & HG-6 and all external and internal services including external development and landscaping and allied civil and E&M works).	23.09.19	23.12.20	7 days	Physical progress of the work is 45%.
2	04/2019-20	Providing and installing additional furniture in Shaheed Sukhdev College of Business Studies Dg: 2019-20.	28.12.19	26.02.20	306 days	Physical progress of the work is 95%.

From the above records, it is evident that the above works have not been completed till date. Division may take appropriate action to complete the above works under intimation to audit.

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TAN No. 07: Non surrender of Savings.

(Reference Observation Memo No.08 Dated 31.12.2020)

During the test check of reconciliation statement of office of Ex. Eng., EPD-4 (B-131), PWD (GNCTD), A-wing, First Floor, Vikas Bhawan-II, Civil Lines, New Delhi for the audit period 2017-18 to 2019-20, it is noticed that Savings of Funds / Excess expenditure were not being surrendered / regularized as per provisions contained in General Financial Rule, 2017.

As per Rule 62(2) of GFR 2017, savings as well as provisions that cannot be profitably utilized shall be surrendered to Government immediately they are foreseen without waiting till the end of the financial year. No savings shall be held in reserve for possible future excesses/ expenditure.

Under the following heads, huge amount of funds have been found remained unutilized which could have been regularized, declared surplus at the time of submitting Revised Estimates.

Financial Year : 2017-18 PLAN

Major/Minor/Sub Head of Accounts	Budget Alloted (In Lakh)	Total Expenditure (In Lakh)	Balance (In Lakh)	% of Saving
Major Head 4059 Capital outlay on public works				
01 051 96 00 53 Court building	50000000	45832846	4167154	8.33
4216 General Pool Accommodation				
01 106 00 00 53	2500000	1442463	1057537	42.30

Financial Year : 2017-18 NON PLAN

2059 Public works				
2059 80 001 88 00 13	100000	83080	16920	16.92

Financial Year : 2018-19 PLAN

Major/Minor/Sub Head of Accounts	Budget Alloted (In Lakh)	Total Expenditure (In Lakh)	Balance (In Lakh)	% of Saving
Major Head 4059 Capital outlay on public works				
01 051 96 00 53 Court building	74000000	65412333	8587667	11.60
4216 General Pool Accommodation				
01 106 00 00 53	5000000	1323141	3676859	73.54

Financial Year : 2018-19 NON PLAN

2059 Public works				
2059 80 001 88 00 13	0	0	0	0



Financial Year : 2019-20 PLAN

Major/Minor/Sub Head of Accounts	Budget Alloted (In Lakh)	Total Expenditure (In Lakh)	Balance (In Lakh)	% of Saving
Major Head 4059 Capital outlay on public works				
01 051 96 00 53 Court building	15000000	13052553	1947447	12.98
4216 General Pool Accommodation				
01 106 00 00 53	59900000	49320095	10579905	17.66
4202 Infrastructure Projects of Autonomous institution/University				
02 105 82 00 53	500000000	250682711	249317289	49.86

Financial Year : 2019-20 NON PLAN

2059 Public works				
2059 80 053 00 00 27	500000	448388	51612	10.32

As per Rule 62(1) of GFR 2017, Department shall surrender all the anticipated savings noticed in the Grants or appropriation and the unutilized funds before the close of financial year. However, in the above mentioned cases, the same was not done.

The department may take necessary action under relevant rules for surrender of all anticipated savings under intimation to audit.

TAN No.08: Payments of Running Account Bills without obtaining the prior sanction of extra item.

(Reference Observation Memo No.10 Dated 31.12.2020)

According to CPWD works manual 24.2.3(1), no extra substituted item should be executed or approved without the prior concurrence of its necessity by the authority that accords the technical sanction.

On test check of records it has been observed that the following Running Account bills were passed without prior sanction of the competent authority. Details given below:

S. No	Agreement Number	Voucher no & date	Name of Work	Name of Agency
1	02/2019-20	03/02.03.20	C/o Stage-I of Phase-II Delhi Technological University at Bawana Road, Delhi. (SH: C/o Academic Block AB-3 & AB-4, Boys Hostel H-5 & Girls Hostel HG-5 & HG-6 and all external and internal services including external development and landscaping and allied civil and E&M works).	M/s Sam India Builtwell Pvt. Ltd.

Reasons for Non-compliance of rule provisions may be elucidated to audit. Other similar cases may also be reviewed.

8

Current Audit Report

During the course of current audit, 17 observation Memos were issued to **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-li, Civil Lines, Delhi-110054**, for the period 2020-21 to 2023-24. The Department did not reply any observation memo, hence all **17 observation memos** have been converted into **08 Audit Paras and 09 TANs**.

Details of Current Recovery:

S.No.	Memo No.	Details of Recoveries [amount in rupees]			Incorporated in Para No.
		Raised	Recovered on Spot	Balance	
1	05	1760	0	1760	PARA-03
2	10	71660	0	71660	PARA-01
3	11	39779	0	39779	PARA-02
	Total	113199	0	113199	

Internal audit report has been prepared on the basis of information furnished and made available by **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-li, Civil Lines, Delhi-110054**, for the period 2020-21 to 2023-24. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and / non-information on the part of auditee.




INSPECTING AUDIT OFFICER
AUDIT PARTY NO. XXIII

PART-II

CURRENT AUDIT REPORT (2019-20 to 2022-23)

PARA-01 Non Charging of GST @2% on Vendor/Supplier/Contractor bills amounting to Rs.71660/-. (Audit Memo No. 10 Dated: 15.05.2024)

'As per the Notification No. 50/2018-Central Tax dated 13.09.2018 by CBIC it was decided that the TDS would be made operational w.e.f 01.10.2018 @ 2% is to be deducted from the payments made to the firms if the gross amount to be paid to the vendors is equal to or more than Rs.2,50,000/- Similar notifications have been issued by respective State Government'.

During the test check of bills/ cash voucher of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, for the audit period it was noticed that the as per the aforesaid mentioned notification the department has not deducted the GST@2% on Vendor/Supplier/Contractor bills. Details of such bills are as under:-

S. No	Voucher No./ Date	Agency	Bill Amount in (Rs.)	TDS on GST @2% (In Rs.)
1	05/ 24.12.2020	M/s Sam (India) Built Well Pvt. Ltd.	910500	18210
2	09/ 06.03.2021	M/s Sam (India) Built Well Pvt. Ltd.	2672500	53450
		Total Amount in Rs.		71660

Necessary steps should be taken by HOO/DDO to recover the Non-deducted GST amount of **Rs.71660/-** after due verification of facts & figures. Similar types of other cases may also be got reviewed at Division level.

PARA-02 Excess payment of Rs.39779/- towards EPF for hiring of Services from M/s Soni Management & Allied Services Pvt. Ltd.. (Audit Memo No. 11 Dated: 15.05.2024)

As per EPF rules, the contributions are payable on maximum wage ceiling of Rs. 15000/- only. During scrutiny of the records of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, it has been observed that work of "Providing manpower Services Clericals, Drivers, Multitasking and Staff (Unskilled, Clerical and Non-Technical Supervisory staff) in various offices under the jurisdiction of Chief Engineer (Projects) & Hr. Education Projects Units, PWD." was awarded to M/s **Soni Management & Allied Services Pvt. Ltd.** Vide Agreement No. 01/EE/ EPD-I/PWD/2019-20.

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Further test check of the paid vouchers, it has been observed that agency has charged EPF @ 12% (Employee Contribution) on wages over and above Rs. 15000/- whereas as per EPF rules the contribution are payable on maximum wage ceiling of Rs. 15000/- only, hence the Division has reimbursed the excess amount to the Agency. Detail of excess payment made is as under:-

Period	Amount on EPF charged by the agency in Rs.	EPF charged by the Agency @ 12% per worker in Rs.	EPF to be charged @ 12% per worker (over & above Rs. 15000) in Rs.	Over charged by the agency in Rs.	No. of workers	Excess payment made to agency in Rs.
August, 2020	17125	2055	1800	255	12	3060
	16341	1961	1800	161	10	1610
Sept./ 2020	17125	2055	1800	255	12	3060
	16341	1961	1800	161	10	1610
Oct./ 2020	17125	2055	1800	255	12	3060
	16341	1961	1800	161	10	1610
Nov./ 2020	17125	2055	1800	255	12	3060
	16341	1961	1800	161	10	1610
Dec. 2020	15492	1859	1800	59	07	413
	17875	2145	1800	345	12	4140
	17069	2048	1800	248	10	2480
January, 2021	15492	1859	1800	59	07	413
	17875	2145	1800	345	12	4140
	17069	2048	1800	248	10	2480
February, 2021	15492	1859	1800	59	07	413
	17875	2145	1800	345	12	4140
	17069	2048	1800	248	10	2480
TOTAL RECOVERY TO BE MADE in Rs.						39779

Division Office may recover Rs. 39779/- from the above agency on account of excess payment towards reimbursement of EPF after due verification of facts and figures under intimation to Audit. Similar type of other cases may also be got reviewed.

PARA-03 Short/non deduction of TDS under section 194(J) amounting to Rs.1760/-. (Audit Memo No. 05 Dated: 09.05.2024)

As per section 194(J) of the Income Tax Act, TDS is to be deducted @ 10% on any amount paid to any resident as fees for professional services or technical services or royalty.

During test check of the record of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, it revealed that Division office has availed professional services from Govt. Counsel during the period 2020-21 to 2023-24, but TDS not deducted as detailed below:-

S. No	V.No	Dated	Name of Work	Name of Agency	Amount Paid (Rs.)	Income Tax due @ 10 % (Rs.)	Income Tax deducted @ 2 % (Rs.)	Balance Income Tax to be recovered (Rs.)
1	03	18.03.2023	Professional charges	Smt. Hetu Arora Sethi, Govt. Counsel	17600	1760	0	1760
Total in Rs.								1760

The above recoveries may be made from the concerned agency after due verification of facts and figures under intimation to Audit and similar types of other cases may also be got reviewed at Division level.

PARA-04 Public Works Deposit.

(Audit Memo No. 01

Dated: 08.05.2024)

In terms of Para 15.4.1 of the CPWA Code, the balance unclaimed for more than three complete account years may be treated as "Lapsed Deposits" and credited to the Government Account as revenue in the accounts for March every year.

During test check of monthly account (Form-79- Schedule of Deposits) of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, for the month of March, 2024, it was observed that an amount of **Rs.07.16 Cr.** was lying outstanding under the head "Public Works Deposits" as detailed below :-

(Amount in Rs.)

Classes of Details	Closing Balances
1	2
Civil Deposits - Security Deposits (Part-II)	20477390
Civil Deposit - Public Works Deposits (Part-III)	2030393
Civil Deposits - Other Deposits (Part-V)	49092563
Total amount in Rs.	71600346

As per provisions of Para 21.6 of CPWD works manual, the divisional accountant should review monthly all deposits under Part-II and refund the security deposits, where due, without waiting for any application from the contractor.

Heavy accumulation of **Rs.20477390/-** under deposit Part-II indicates that the deposit register was not reviewed at divisional level from time to time. The register should now be reviewed and all deposits more than 3 years old where refund is not due should be credited to Government Account.

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Accumulation of **Rs.2030393/-** (Civil Deposits public works) is under Part-III was due to non-execution of works against deposits. If these works not be executed, the deposit should be immediately refunded to the depositor agency to avoid the blockage of funds so that the same can be utilized elsewhere.

Deposits under Part-V amounting **Rs.49092563/-** has accumulated due to withheld amount from contractor bills on account of mile stone, EOT etc. Accumulation of balance under deposit Part-V was indicative of the fact that works from which these amounts were withheld have not been completed satisfactorily.

Necessary action may be taken under relevant rules for the withheld amount in deposits either may refund to concerned agencies or work out the detail of deposits of more than 3 years and credit in Govt. Revenue Deptt. under intimation to audit.

PARA-05 Non release of Bank Guarantee.

(Audit Memo No. 06

Dated: 09.05.2024)

As per 21.2.2 of CPWD Manual, Performance Guarantee/Security Deposits in form of Bank Guarantee should be refunded to the contractor on completion of work or after final bill is paid, whichever is later.

During the last check of the records it has been revealed that below mentioned Bank Guarantee of Security Deposit/Performance Guarantee are lying with the Division which is objectionable. Necessary steps should be taken for settlement of these Bank Guarantee as per CPWD Manual under intimation to Audit.

Sl. No.	FDR/ BG Register Page No.	FDR/BG No.	Date of issue	Valid upto	Amount in Rs.
1	53	1050206 BG 0000413	02.11.2006	30.11.2011	1242200
2	61	1050207 BG 0000558	03.05.2007	30.11.2011	1000000
3	62	1050207 BG 0000559	03.05.2007	30.11.2011	1500000
4	63	1050207 BG 0000600	03.08.2007	30.11.2011	5000000
5	71	1050207 BG 0000683	24.12.2007	23.11.2011	3000000
6	71	1050208 BG 0000708	24.01.2008	23.11.2011	5000000
7	72	05/2008	31.01.2008	31.12.2014	183800
8	74	1050208 BG 0000729	14.03.2008	24.12.2011	3500000
9	75	1050208 BG 0000733	19.03.2008	24.12.2011	2500000
10	76	1050208 BG 0000741	25.04.2008	23.11.2011	3000000
11	81	1050208 BG 0000792	02.09.2008	23.11.2011	2000000
12	87	1050208 BG 0000840	13.12.2008	30.11.2011	2555600
13	88	1050208 BG 0000846	26.12.2008	24.12.2011	1762062

Division office may take appropriate action to release the above Bank Guarantees to the concerned firms if the purpose of holding has been fulfilled and similar types of other cases may also be reviewed under intimation to Audit.

PARA-06 Irregular expenditure.

(Audit Memo No. 07

Dated: 10.05.2024)

During the financial year 2020-21, budget amounting to Rs.3,00,000/- under the Major Head 2059 Public Works (Revenue)80-001-88-00-13 (Office Expenses) was allocated to the Division Office, **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054.**

Further scrutiny of the reconciliation statement for the period march 2021(2020-21), it has been observed that expenditure amounting to Rs.180142/- was incurred and charged to work without obtaining Letter of Credit (LOC) from Principal Account Office GNCTD under Major Head 2059 Public Works (Revenue) 80-001-88-00-13 (Office Expenses), which is irregular.

The above expenditure may be got regularized from competent authority after verification of facts and figures.

PARA-07: Irregular contingent expenditure made by the Division and charged to works. (Audit Memo No. 09

Dated: 14.05.2024)

During the test check of vouchers relating to works for the audit period 2020-21 to 2023-24, it was observed that various expenditures were charged to different works executed under **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, but are of the nature of office expenditure. Few of the examples of such expenditure are given below.

S. No	CV No. and date	Item	Firm	Amount in Rs.
1	03/ 02.07.2020	Stationary items	Taneja Enterprises	72671
2.	04/ 08.10.2020	Photocopy Paper	Aman Office Equipmenets	9050
3.	08/ 08.10.2020	Paper A4	GEM office Solution	16998
4.	13/08.10.2020	Stationary items	Dev Textiles	25064
5.	14/ 08.10.2020	Stationary items	Taneja Enterprises	8906
6.	15/ 08.10.2020	Misc Items	Taneja Enterprises	10359
7.	19/ 08.10.2020	Roller Blinds	A.S Furnishing	26880
8.	04/ 24.11.2021	Misc Items	Dev Raj Traders	15799
9.	08/ 24.11.2021	Paper A-4	Lalshah Ventures Pvt. Ltd.	10600
10.	06/ 30.03.2022	Misc Items	Taneja Enterprises	45073
11.	04/ 07.07.2022	Misc Items	Choudhary Traders	17775
12.	05/ 07.07.2022	Stationary items	PR Construction	16465
			Total Amount in Rs.	275640

The above expenditure may be got regularized from competent authority after verifying facts and figures. Similar types of other cases may also be got reviewed at Division Level under intimation to Audit.

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PARA-08: Amount withheld due to failing of RCC work.
(Audit Memo No. 15 Dated:20.05.2024)

During the test check of the paid bills of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, it has been observed that the Division has withheld the amount from final bill of following agency. The details of the withheld amount is as under:-

S.NO.	CV No/ Date	Name of the firm	Amount withheld (Rs.)	Reason	Agreement No.
1	09/ 10.09.2020	M/s RKMT Buildcon Private Limited	1182418	Failing of RCC work during check of TPQA	02/ EE/SPD-1/ PWD/2018-19

Further scrutiny of the record of agreement, it has been observed that there was no provision to withheld the amount. In the absence of the provision, how the division made a final payment when there were some irregularities or defects in the works.

Division Office is requested to take immediate steps under rules against the contractor concern for unsatisfactory completion of works and withheld amount may be released to them accordingly. Similar other cases may be reviewed at the Division level.


(DINESH KUMAR)
INSPECTING AUDIT OFFICER
AUDIT PARTY NO. XXIII

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PART-III
(TEST AUDIT NOTE)

TAN-01 Rush of expenditure.
(Audit Memo No. 02 Dated: 08.05.2024)

During the test Audit of reconciliation reports for the month of March- 21 & March- 2024 the budget allocation & Actual expenditure of PWD **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054,** for the above period in the following heads is as under:-

(In Crore)				
Head of Account	Expenditure upto Feb.	Expenditure dg. march	Total Expenditure	%age of expenditure in March
2020-21				
MH- 4202 Infrastructure Projects of Autonomous Institution/ University	63.43	28.29	91.72	30.84
2023-24				
MH-4059 Capital outlay on Public Works 01-051-96-00-72 Construction of Court Building	0	0.95	0.95	100
MH-2059 Court Building 80-053-93-00-27 Court Building (Minor Work)	0	0.39	0.39	100
MH-2059 Public Works (Revenue) 80-001-88-00-14 (RRT)	0	0.43	0.43	100

As per rule 62(3) of General Financial Rules 2017, rush of expenditure particularly in the closing months of financial year, shall be regarded as breach of financial propriety and shall be avoided. It is further mentioned that Finance Ministry had already sensitized all administrative heads that rush of expenditure in the year end must be strictly avoided. As per extent guidelines, the last quarter expenditure must be limited to actual procurement of goods & services and reimbursement of expenditure already occurred. Budget Division of Ministry of Finance vide its O.M No. F. No. 12(15)-B(W&M)/2019 dated 27.12.2019 has revised the limits of expenditure in last quarter of previous year from 33% to 25% and in the one i.e. month of March from 15% to 10%.

It has been observed that heavy expenditure in the above heads in the month of March, 2021& March 2024 was booked which was violation of Rule 62(3) of GFR 2017.

Necessary steps be taken to remove the above discrepancies in future and compliances of the above may be shown to the next audit.

TAN-02 Non surrender of Savings.
(Audit Memo No.03 Dated: 08.05.2024)

During the test check of reconciliation statement of office of PWD Division **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054,** for the audit period 2020-24, it is noticed that Savings of Funds were not being surrendered as per provisions contained in General Financial Rule, 2017.

As per Rule 62(2) of GFR 2017, savings as well as provisions that cannot be profitably utilized shall be surrendered to Government immediately they are foreseen without waiting till the end of the financial year. No savings shall be held in reserve for possible future excesses/ expenditure.

Under the following heads, huge amount of funds have been found remained unutilized which could have been declared surplus at the time of submitting Revised Estimates.

Financial Year: 2021-22

S.NO	Major/Minor/Sub Head of Accounts	Budget Allotment (In Rs.)	Total Exp. (In Rs.)	Balance (In Rs.)	% of Saving
1	MH- 4059 Capital outlay on Public Works 01051960053 Court Building	8900000	180300	8719700	97.97
2	MH- 2059 Public Works (Revenue) 80001880013 (O.E)	500000	0	500000	100.00

Financial Year: 2022-23

S.NO	Major/Minor/Sub Head of Accounts	Budget Allotment (In Rs.)	Total Exp. (In Rs.)	Balance (In Rs.)	% of Saving
1	MH- 4059 Capital outlay on Public Works 01051960053	3000000	0	3000000	100.00
2	MH- 4059 Capital outlay on Public Works 01051680053	3000000	323120	2676880	89.23
3	MH-4216 General Pool Accommodation 01106000053	1000000	17600	982400	98.24
4	MH-2059 Public Works (Revenue) 80001880014	7500000	2294541	5205459	69.41

From the above, it can be seen that the savings ranged between 89.23% to 100%. This has not only resulted in blockage of funds but also non-fulfillment of objectives for which the budget has been allocated.

As per Rule 62(1) of GFR 2017, Department shall surrender all the anticipated savings noticed in the Grants or appropriation and the unutilized funds before the close of financial year. However, in the above mentioned cases, the same was not done.

Necessary steps be taken to remove the above discrepancies in future and compliances of the above may be shown to the next audit.

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TAN-03 Non- Maintenance of Contractor Ledger.
(Audit Memo No. 04 Dated: - 08.05.2024)

Section 10.2 of CPWD Works Manual stipulates that the accounts relating to contracts should kept in CPWA Form 43 as Contractor Ledger and separate folio or set of folios should be reserved for all the transactions with each contractor and it should be written up and maintained up to date. It further stipulates that the concerned auditor is responsible for completing the contractor ledger before passing the bill to the divisional officer.

Test check of the records of **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, revealed that division is not maintaining the contractor ledger. It could therefore, not be verified in audit as to whether all the transactions viz. advance payments and secured advances were made in terms of provisions of the codes/manuals/contracts. Besides, liabilities if any, of the contractor and abstract of transactions relating to works could not be ascertained.

Necessary steps be taken to remove the above discrepancies in future and compliance of the above may be shown to the next audit.



TAN-04 Time barred cheque amounting to Rs. 13740/-.
(Audit Memo No. 08 Dated: 10.05.2024)

As per Receipt & Payment rule 47(2) a cheque remaining unpaid for three month after the months of its issue for any cause and not surrendered for renewal, should be cancelled in the manner indicated under the rules, with the difference that no acknowledgement of the stop order may be insisted for the bank.

While scrutiny of form 51-"Schedule of Reconciliation of cheque drawn and Remittances" and other related records for the month of March, 2024 it has been found that cheque amounting to Rs.13740/-, which was issued by the division but not presented to bank for encashment and became time barred as per the detail given below:

Sl. No	Cheque No.	Date of Issue	Amount (Rs.)
1.	521358	23.10.2019	13740
Total			13740

As the above cheque has become old more than three months, because of no claim / dispute and there is no possibility of encashment of above cheques. HOO may please take immediate steps to settle these accounts as per rule, under intimation to audit.

TAN-05

M.B. – Shortcomings and Review.

(Audit Memo No. 12

Dated: 15.05.2024)

As per codal provisions contained in para 10.2.7 of CPWD Code all measurement books relating to a division should be maintained in Form 92 showing the Sr. No. of each book, name of the sub division to which issued, date of issue and date of its return of M.B to the division may be watched. Measurement book no longer required in the sub division should also be withdrawn promptly.

During the scrutiny of the M.B. register maintained by the PWD Division **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, the following irregularities were noticed –

1. Computerized M.B issue register not maintained in prescribed format.
2. Dates of return of M.B's were not recorded in the register.
3. In terms of para 10.2.9 of CPWA Code each sub division is required to submit MB used in the sub division to division office from time to time. So that at least once in a year the entries recorded in each book are subject to the percentage check by the divisional officer. The divisional officer is expected to ensure that the annual review is conducted regularly and positively every year. Similarly the divisional accountant is also required to undertake the review of MB from the register. The above instructions not followed by the division office.

Necessary steps be taken to remove the above discrepancies in future and compliance of the above may be shown to the next audit.

TAN-06

Slow progress of works leading to missing the deadlines for completion of work.

(Audit Memo No. 13

Dated: 16.05.2024)

Test check of Agreement registers of PWD Division **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, revealed that progress of some of the works during the audit period were very slow and missed the stipulated date of completion by 12 to 22 months. Details of some of the works are given below for reference:-

S. No.	Name of the work	Name of the contractor / agreement no.	Stipulated date of start	Stipulated date of completion	Actual Date of Completion	Delay in Months (approx.)
1.	C/o Stage -1 of phase-II Delhi Technological University at Bawana Road Delhi (S.H- C/o Academic Blocks AB-3 & AB-4, Boys Hostel H-5 & Girls hostels HG-5 & HG-6 and all external and	M/s SAM (India) Builtwell 02/ 2019-20(B-131)	23.09.2019	23.12.2020	18.10.2022	22

	internal services including external development and landscaping and allied civil and E & M Works)					
2.	C/o Providing and installing additional furniture in Shaheed Sukhdev College of business Studies During 2019-20	M/s Momentum Techsyhs Pvt. Ltd. 04/ 2019-20(B-131)	28.12.2019	26.02.2020	26.02.2021	12
3.	C/o Stage-I of Phase-II, Delhi Technical University at Bawana Road, Delhi (S.H. SITC of on Grid Solar Photovoltaic Plant)	M/s B.D Electrocom Pvt. Ltd./ 09/ 2021-22 (B-141)	19.01.2022	18.04.2022	11.03.2024	23
4.	C/o Stage-I Phase II DTU, Bawana Road Delhi (S.H. Providing fixing of centrifugal pump, sewerage pump and dewatering pump installed at Academic block AB-3 and AB-4, Boys Hostel and Girls Hostel)	M/s B.D Electrocom Pvt. Ltd. / 13/2021-22 (B-141)	03.04.2022	17.05.2022	18.12.2023	19
5.	C/o Stage-I of Phase-II, Delhi Technical University at Bawana Road, Delhi (S.H. SITC of Parabolic reflection type Solar water heating system)	M/s B.D Electrocom Pvt. Ltd. / 05/2022-23 (B-141)	04.08.2022	02.10.2022	21.12.2023	15
6.	C/o Stage-I of Phase-II, Delhi Technical University at Bawana Road, Delhi (S.H. SITC of Audio Vedio System)	M/s Labotek/ 01/ 2022-23 (B-141)	10.06.2022	07.10.2022	26.10.2023	13

Necessary steps be taken to remove the above discrepancies in future and compliance of the above may be shown to the next audit.

TAN-07 Improper maintenance of Stock Register.
(Audit Memo No. 14 Dated: 16.05.2024)

During the test check of stock registers maintained by the division **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054**, it has been observed that the stock register has not been maintained in the prescribed format of stock register.

Following irregularities have also been noticed. Whereas as per GFR Rule, 213:-

- 1) **Physical verification of Fixed Assets:** The inventory for fixed assets shall ordinarily be maintained at site. Fixed assets should be verified at least once in a year and the outcome of the verification recorded in the corresponding register. Discrepancies, if any, shall be promptly investigated and brought to account.
- 2) **Verification of Consumables:** A physical verification of all the consumable goods and materials should be undertaken at least once in a year and discrepancies, if any, shall be recorded in the stock register for appropriate action by the competent authority.
- 3) **Procedure for Verification:** (i) Verification shall always be made in the presence of the officer, responsible for the custody of the inventory being verified.
ii) A certificate of verification along with the findings shall be recorded in the stock register.
iii) Discrepancies, including, shortage, damages and unserviceable goods, if any, identified during verification, shall immediately be brought to the notice of the competent authority for taking appropriate action in accordance with provision given in Rule 33 to 38 and Rule 214. Buffer Stock: Depending on the frequency of requirement.
- (4) **Page counting Certificate:** The mandatory page counting certificate is not recorded in the Stock Register on the first page which is also required to be countersigned by the DDO concerned.

Necessary steps be taken to remove the above discrepancies under intimation to Audit.

TAN-08 Award of work abnormally below estimated cost.
(Audit Memo No. 16 Dated: 20.05.2024)

Section 2.5 of CPWD manual stipulates that technical Sanction provides a guarantee that the proposals are technically sound and that the estimates are accurately prepared and are based on adequate data.

Test check of list of the work awarded and executed by the division **Executive Engineer, Education Project Division-4, (B-131), Vikas Bhawan-II, Civil Lines, Delhi-110054 and B-141 (Electric Division)**, during the years 2020-24 revealed that majority of the tenders were awarded below the estimated cost. The details of a few works which were awarded more than 20 per cent below the estimated cost are as under:

02

S.No.	Agmt. No.	Name of Work	Name of Contractor	Estimate Cost (Rs.)	Tendered Cost(Rs.)	Below %
2021-22						
1.	09/ B-141	C/o Stage I of Phase-II, DTU at Bawana Road, Delhi, (S.H. SITC of on Grid Solar Photovoltaic Plant)	M/s B.D. Electocom Pvt. Ltd.	2,93,08,800	2,32,71,187	20.60
2023-24						
02	03/ B-131	C/o Repairing and resurfacing of internal road the Bituminous concrete and providing side drainage system at DTU Campus.	M/s JAP Buildcon Pvt. Ltd.	9,78,42,026	6,22,66,665	36.36
03	05/ B-131	C/o Stage I of Phase-II, DTU at Bawana Road, Delhi, (S.H. Art work in ceramic in fine clay, modern art work wall paintings on canvas of warli art/ Gond art and sculptures.)	M/s KonserveBhaav	1,60,37,320	1,20,32,000	24.97

The above estimates of the works were prepared by the technical expert engineers of the division on the basis of prevailing Delhi Schedule of Rates. However, it was noticed that tenders were accepted much below than the estimated cost. Moreover, in today scenarios although the prices of every commodity are rising spirally yet the tenders were accepted much below the estimated cost. Such type of unreasonable variations can be attributed to either wrong assessment of rates or sketchy estimates were prepared in casual manners. Furthermore, audit could not ensure how the contractor paid minimum wages to the labour engaged for the works.

Audit is of the view that the estimates should be prepared more precisely and there should be such provision to make sure that the quality of work is not compromised in the works awarded below the estimated cost. The reasons of this steep variation may be analyzed and take necessary steps to minimize it by making realistic assessment under intimation to audit.

TAN-09 Non-Association of Account Functionaries in the Purchase file/Work files /Supply Order. (Audit Memo No. 17 Dated: 20.05.2024)

During the Course of Audit regarding work files, purchase files and related records, it has been observed that the Accounts functionary of the Division was not associated in the vetting of these files.

As per the guidelines of the Finance Department, Government of NCT of Delhi, that every proposal should be vetted through the Accounts functionary of the Department in light of GFR and Government rules and there should be written in each and every sanction, "This sanction is issued with the consultation of the Accounts functionary of the Department"

Department authorities is advised to associate their Accounts functionary in the works files purchase files/work order/supply order as per the guidelines of the Government of NCT of Delhi so that the these files may be properly scrutinized in light of GFR and Government rules.



(DINESH KUMAR)
INSPECTING AUDIT OFFICER
AUDIT PARTY NO. XXIII