

**ANNEXURE-II**  
**(Para 3.6)**

**SOME EXAMPLES OF PRIMA FACIE IRREGULARITIES/LAPSES  
NOTICED DURING CTEO'S INSPECTIONS**

**A. GOVERNMENT DEPARTMENT**

**A.1 CENTRAL PUBLIC WORKS DEPARTMENT:**

A.1.1 Construction of G.P.R.A. Blair Complex at Trivandrum:

Discrepancies were found in drawing the original agreement and in nomenclature of items. Site record was not been maintained properly. Several abnormally high rated items deviated abnormally. Secured advance had been allowed without testing of material. Several deficiencies were noticed in execution of work.

A.1.2 Construction of 293 Nos. residential quarters of C.R.P.F. at Jawahar Nagar, Hyderabad.

Comparative statement had not been signed by A.A.O. S.E. did not submit correct rates to C.E. Progress of work had been slow, test check of E.E. was below the prescribed limit, concrete found weak, finish of cup boards was not proper, glazed tiles used and mosaic floor finish were not good. The lead in the joints was not as per specifications.

A.1.3 Construction of building for JNV at Gurdaspur.

There was huge deviation in quantities indicating poor estimation. The steel windows provided were not flash but welded as stipulated. Numbers of other defects were observed in the work.

A.1.4 Construction of Office Building for Income Tax Department at Rohtak.

Tender papers were issued to one ineligible contractor. Chief Engineer rejected tenders of Ist call without having delegation of powers. Mandatory tests for flush door shutters, aluminium sections etc. were not conducted. The steel windows were of local make and were not flash butt-welded.

A.1.5 Construction of annexe building for Income Tax Department at Bhubaneswar.

There were huge deviations in quantities of different items which indicate that detailed estimate was not properly prepared. AHR/ALR items were not identified. Steel windows were not flash butt-welded. Sub-standard floor traps were used which may lead to leakages.

**A.1.6 Construction of New Exhibition Halls for I.T.P.O. at Paragati Maidan (SH: SITC of Electronic Microprocessor system)**

Detailed specifications were not enclosed with tender documents. The detailed estimate was not prepared on analysed rates. In the accepted tenders, one item has been accepted at Rs.95,000/-against the justified rate of Rs.16,100/-. The work was delayed but no action taken to levy compensation. A number of deficiencies were observed in the execution of work. The required items were not provided apart from poor soldering work and cable fixing work.

**A.1.7 Construction of New Casualty Block at JIPMER, Pondicherry (SH: Providing Air conditioning.)**

The estimated cost has been revised number of times without proper justification. There is huge variation in the original tendered cost and negotiated cost which indicates that agreement items have not been clearly defined. One item paid in first two bills disallowed in 3<sup>rd</sup> RA Bill without recording reasons which creates a suspicion of over-payment.

**A.2 PUBLIC WORKS DEPARTMENT, DELHI**

**A.2.1 Construction of 100 bedded hospital at Raghuvir Nagar, Delhi.**

Large deviations observed due to improper planning and Revised technical sanction was not issued. Discrepancies were observed in agreement conditions. Part rates were allowed without assigning any reason. Workmanship was poor in grit work. Several other discrepancies observed in execution of work. Site order book had not been maintained properly.

**A.2.2 Construction of super structure of Deptt. of Mechanical, Production, Engineering, Physics, Chemistry, Math, Humanities, Polymer Technology and workshop in Delhi College of Engineering.**

Tenders were issued to contractors who were not eligible and proper procedure not followed at the time of opening of tenders. The structural design had been entrusted to private Architect inspite of full flagged planning unit available in house. Delay in supply of drawing by consultant resulting in to delay in completion. Many discrepancies found in execution of work.

**A.2.3 Construction of Guru Nanak Eye Centre (Phase-III) at Ranjit Singh Road, New Delhi.**

Proper procedure was not followed while opening tenders, specification kept vague for adhesive and ceramic tiles. Testing had not been done for important properties. Discrepancy was observed in alluminium work items and several defects found in execution of work, site records were not properly maintained

- A.2.4 Improvement of Maa Anand Mayee Marg, Delhi  
SH: Construction of service road, footpath and SW drain.

Tenders invited without financial sanction and had to be rejected. Subsequently work awarded at higher rates. NIT conditions were contrary to site condition. Several discrepancies had been found in agreement conditions and site records. Huge deviation in quantities of work done.

- A.2.5 Providing and installation of automatic power factor corrector panel at Substation No.1 G.B. Pant Hospital, New Delhi.

No proper design and detailed studies were conducted by the Deptt. for framing the specifications as per actual requirements. Due to this, power factor improvement not effective during low load conditions.

### **A.3 UT CHANDIGARH ADMN.**

- A.3.1 Providing E.I.fans in 500 Bedded Teaching Hospital at Sector 32, Block 'B' Ph. III & IV(SH: E.I. Work), Chandigarh Admn. (UT).

Providing E.I. in Govt. Medical College & Hospital Sector 32 (Block-B) (Phase III & IV)(SH: S/I of H.T. equipment).

Providing 1 No. 500 KVA D.G.Set in 'B' Block of Govt. Medical college & Hospital at Sector 32, Chandigarh Admn., Chandigarh.

The Estimates were highly inflated and not sanctioned by Competent authority. Tenders not received in sealed cover and Market Rate Justification not kept on record. Lowest contractor was asked to submit justification of his quoted rates. Proper procedure not followed while opening tenders and ALR/AHR items not identified. The agreement not kept in sealed condition and Measurements not recorded properly. Part payment made without recording reasons. Deviation/extra items statement not approved. The recovery from contractor for free supply of conduit M.S. boxes not made. Although initially two transformers of same capacity of 1000 KVA were envisaged but actually the spare/surplus transformer of different capacity of 800 KVA was installed, thus depriving some operation facilities.

Transformers of capacity 1000 KVA and 800 KVA with huge transformer capacity are placed without any pedestal and no soak pit made.

Alternator engines have been accepted without carrying out inspection at Manufacturer's premises.

- A.3.2 (a) Construction level one to terrace of block-C in Govt. Medical College Hospital, Sector-32, Chandigarh (framed structure - Phase-II).

- (b) Construction of Block-D Phase I & II, level zero to one in Govt. Medical College and Hospital in Sector-32, Chandigarh.

The work was split in various subheads and further each subhead was split into many parts leading to confusion and unrealistic estimates. Small contractors could quote for a major work. Pre-qualification was not properly done and one agency was excluded arbitrarily. The tenders were not competitive and work accepted without proper market rate justification. Very high rates were allowed for items of cement concrete (1:1 1/2:3) and steel reinforcement. The contract agreement was not drafted properly.

#### **A.4 ALL INDIA RADIO**

- A.4.1 Construction of Programme generation facility building and ancillary structures at Gangtok under the scheme 'TV Coverage of Border Areas'.

The work was awarded to non-eligible contractor and market rate justification was not kept on record to ascertain the reasonability of rates. The security deposit had not been deducted as per contract. Bond stones were not provided in stone masonry. Water was not got tested.

- A.4.2 SITC of 8 nos. of 10 TR package air cooled A/C Plants at Transmitted Station, Bangalore.

Heat load not calculated and tenders publicity lacking. Refrigerant used R-22 is not environmental friendly. Pre-despatch test at factory not conducted. No separate earthing sets have been provided. Standard of workmanship is poor, the cooled air is leaking from canvas connection, thus wastage of energy. Maintenance of air filter would be difficult due to wrong design. Erection of system done without approved drawings.

#### **A.5 DEPARTMENT OF TELECOMMUNICATIONS:**

- A.5.1 Construction of TE and Admn. building at Alipore, Calcutta.

The detailed estimate was not prepared properly. Number of items were likely to be substituted. Timber was being used in the work though Central Govt. has banned it. Structural arrangement was changed after casting three floors. The depth of sunken floor was inadequate to house traps etc. Steel windows were not flash butt-welded. Mandatory tests as per frequency specified were not carried out.

- A.5.2 SITC of 1X350 KVA E/A sets for OCB Exchange in CTX, Trivandrum Telecom.

The tender was accepted with many conditions and payment released without verifying the excise duty gate pass.

A.5.3 SITC of (3+2)x 7TR A/C Package Unit for installation in TE Bldg. at Mapuca, Goa.

Lot of discrepancies were found in the issue of tenders. Contradictory provisions made in tender schedule and Financial loading of the tenders was made arbitrarily.

**A.6 CENTRAL RAILWAY:**

A.6.1 Construction of 20 unit type-I and 20 unit Type-II quarters at Panvel (Central Railway).

Higher rates have been justified considering Panvel as a notorious area. No such guidelines were approved by higher authorities.

**A.7 EASTERN RAILWAY:**

A.7.1 Earth work in filling Railway embankment, construction of RCC retaining wall, wing wall, RCC box culvert and other ancillary work between Khana.Jhaptardhal stations Phase-I, Section 'D'.

Earth used for construction of embankment was excavated from agricultural fields, which contained lot of weeds/seeds and fertilizers. No market rate justification had been prepared to assess reasonability of the rates. The work was awarded to 2<sup>nd</sup> lowest at a higher cost of Rs.26.27 lacs ignoring 1<sup>st</sup> lowest on flimsy grounds. No efforts were made to negotiate with 1<sup>st</sup> lowest in the interest of Railways. Extra width of embankment on either side was not provided. Sheep foot roller deployed for compaction was not as per specifications. Mandatory tests on construction materials had not been carried out.

**A.8 SOUTHERN RAILWAY:**

A.8.1 Construction of Elevated Station Building and associated works at LUZ, Madras.

The work awarded to L-2 contractor without preparing proper market rate justification. Work had been accepted 25% higher than estimated rates. Original agreement and site records had not been made properly. Several discrepancies observed in bill paid. The specifications of major item were not stipulated properly.

**A.9 INTEGRAL COACH FACTORY, MADRAS:**

A.9.1 Construction of 84 units of Type-II quarters in I.C.F. South Colony, Madras.

Work had been awarded without market rate justification. Huge variation in accepted rates and estimated rates. Agreement and site records not maintained properly. Several deficiencies were noticed in execution of work.

## **A.10 R.D.S.O. (MINISTRY OF RAILWAYS)**

### **A.10.1 Electrification of Central Workshop of RDSO Manak Nagar, Lucknow-II.**

Tenders were rejected in the first call without assigning proper reasons. The work has been awarded at much higher rates in the 2<sup>nd</sup> call. The Bank Guarantees for security deposits have not been properly accounted for. Test checks have not been carried out.

### **A.10.2 S/E/T/C of wiring for light/fan points, 2X500 KVA Power Transformers, H.T. & L.T. Cables etc. at F.T. Lab. of R.D.S.O., Manak Nagar, Lucknow.**

Tenders were not properly opened. The makes of important items were not specified. Market rate justification was not prepared. Test checks not exercised.

## **A.11 DEPARTMENT OF ATOMIC ENERGY:**

### **A.11.1 Construction of Type-I to IV quarters for the staff of DIG, CISF at Nuclear Fuel Complex, Hyderabad.**

5% extra has been allowed over procurement of cement by contractor without any proper justification. NIT not approved, justification to ascertain reasonability of rates not prepared. Original agreement not kept properly several discrepancies observed in RA bills. The item of CI pipe was substituted in spite of available agreement item to the advantage of contractor. Site record not maintained properly. Tests have not been conducted on costly items. Many deficiencies noticed in execution of work.

## **A.12 DEPARTMENT OF SPACE:**

### **A.12.1 Construction of Residential Quarters for D/o Space at HMT Campus, Jalahalli, Bangalore (Civil & PH works).**

The detailed estimate and NIT were not approved. Many deficiencies observed in nomenclature and specifications of agreement items and spurious primer has been used. Site records not maintained properly. One major item had been substituted to the advantage of contractor. Many defects have been observed in execution of work.

## **B. BANK, INSURANCE COMPANY & FINANCIAL INSTITUTIONS:**

### **B.1 INDIAN OVERSEAS BANK:**

#### **B.1.1 Construction of Zonal Office building, Bhubneshwar.**

The work has been taken up after long delay in planning and revision of drawings. To access reasonability of the rates, the detailed market rates justification has not been

prepared. Rebate of 1.22% offered by the contractor had not been re-availed. Approval to the detailed estimate and draft tender document has not been accorded. Site records have not been maintained properly.

## **B.2 CENTRAL BANK OF INDIA:**

B.2.1 Repair/renovation of bank's sub-staff quarters at Samata Nagar Kandiveli, East Mumbai.

The work has been taken up without adequate provision for strengthening of structural members.

## **B.3 STATE BANK OF INDORE:**

B.3.1 Construction of Zonal Office building of State Bank of Indore at Bhopal.

Architect consultant was appointed without following R.B.I. guidelines. To access the reasonability of rates the detailed market rates justification had not been kept on record. The supervision was lacking and many defects were observed.

## **B.4 RESERVE BANK OF INDIA:**

B.4.1 Construction of officers quarters, community center and miscellaneous structure & services at CBD Belapur.

The work progress was slow due to mismanagement causing loss of rent as well as avoidable expenditure on escalation. Cracks developed in plaster. Surrounding area has not been properly developed. Flooring tiles of different shades used. Sub-standard workmanship in glazed tile work and Primer/paint applied. Steel-reinforcement measurements were not properly recorded and supervision was found slack.

## **B.5 PUNJAB NATIONAL BANK**

B.5.1 Lift installation for Bank Building at Nehru Place, Jaipur.

Tenders were invited in two bid system but both bids opened simultaneously. Specifications prepared suiting one particular manufacturer. Tender evaluation not done by loading power consumption difference. Lift operating system taken is not matching with stipulations in the NIT.

B.5.2 Fire fighting work for Bank Building at Nehru Place, Jaipur.

The detailed estimate was based on highly inflated rates. The tender has been accepted 21% below estimated rates without preparing Market rate justification.

## **B.6 STATE BANK OF INDIA**

### **B.6.1 Electrical installation works at Zonal office Building of SBI, Secundrabad.**

Due to the poor consultancy service of the consultants, the tenders were invited thrice and work awarded to L-2 contractor without justification. There was delay in electrical planning and conduits had to be laid by separate work orders.

### **B.6.2 Construction of Zonal office building, Staff Training Centre, security staff quarters for State Bank of India at Jabalpur.**

The Consultant was appointed arbitrarily without following B.P.E. guidelines. The prequalification took about 20 months and agencies were added to list from time to time. Tenders were accepted without preparing market rate justification. Brass cramps were not provided to marble cladding work. Deviation in quantities of many items indicates poor estimation.

## **B.7 STATE BANK OF PATIALA:**

### **B.7.1 Construction of State Bank of Patiala branch building at Shimla.**

A condition that contractor should have worked in H.P. was stipulated leading to exclusion of outside parties. The condition was not justified. Agreement was not drafted properly. Huge deviation in quantities indicates poor estimation. Electricity and water charges were not deducted from contractor's bills. Substandard GI sheets and GI clamps were provided in roofing work.

## **B.8 INDUSTRIAL DEVELOPMENT BANK OF INDIA:**

### **B.8.1 Construction of office building at Bhubneswar.**

The work awarded on Ist call had to be cancelled since contractor did not start the work. In the second call the second lowest tenderer was awarded the work and Ist lowest was rejected on grounds of litigant nature though pre-qualified and even the consultant had recommended. The action of I.D.B.I. was not justified.

## **B.9 LIFE INSURANCE CORPORATION:**

### **B.9.1 Construction of Division office at Mysore.**

NIT was not approved and work awarded without ascertaining reasonability of rates. Negotiation conducted without prior approval of competent authority. Several discrepancies noticed in tender conditions and site records not maintained properly. Cement and steel was procured by L.I.C. although it was to be procured by the contractor himself. Quality of work was not satisfactory.

**B.9.2 Construction of policy holders Housing Scheme at Chandrasekharpur, Bhubneswar.**

Number of discrepancies were observed in nomenclature of agreement item and bills paid. Changes in agreement condition were made to the advantage of contractor. Test check was not carried out. Work delayed badly. Escalation not calculated as per terms of contract and secured advance allowed on perishable items. Site records were not maintained properly. Several deficiencies were observed in execution of work.

**B.9.3 Providing Electrical Installation for D.O.III Building under construction at Plot No.13, Janakpuri, New Delhi.**

Estimated cost shown in N.I.T. was Rs.10lacs, against estimated cost of Rs.28 lacs. Price variation clause was not stipulated in the NIT but accepted while awarding work. Market Rates justification not kept on record.

**B.10 UNITED INDIA INSURANCE COMPANY:**

**B.10.1 Construction of Additional Four floors over existing training centre at 19-Nungambakkam, Chennai.**

Supervision was entrusted to private Architect. Discrepancies had been found in nomenclature of several items. Proper procedure was not followed at the time of opening of tenders. Water and Electricity had been used without price adjustment. No site record maintained except test results. Test check was not carried out and number of deficiencies were observed in execution of work.

**C. PUBLIC SECTOR UNDERTAKINGS AND AUTONOMOUS BODIES**

**C.1 INDIAN TOURISM DEVELOPMENT CORPORATION:**

**C.1.1 Civil plumbing, fixed interiors, electrical works etc. in Annexe Building, Ashoka Hotel, New Delhi - 3<sup>rd</sup>, 4<sup>th</sup> & 5<sup>th</sup> floors.**

Discrepancies in pre-qualification of firms, regarding non-fulfilment of criteria laid down in Press Notice observed. Separately sanctioned estimates were combined into one N.I.T. and work was spilt up at the time of award without justifying such action.

**C.1.2 Replacement of furniture for 3rd floor guest room, Annexe Building, Ashoka Hotel, New Delhi.**

Many deviations in execution of items occurred but same were not reflected while recording measurements. The cost of such deviations have to be worked out and adjusted.

C.1.3 SITC of Fan coil units for Guest Room Ist to Vth floor Annexe Building at Hotel Ashok, New Delhi.

The specifications framed found superfluous and in conflict with the schedule of work for number of items. The drawing attached with N.I.T. not relevant to the work. One of the firms being manufacturers quoted Rs.3.95lacs less for the supply, installation and testing and commissioning of FCUs. This item could be independently executed and cost of work could be reduced.

C.1.4 Internal electrification work Ph.II, TBABR Mamillapurm, Chennai.

Proper procedure of tender opening not followed. Technical lapses noticed due to lack of supervision. The work had been carried out without approved drawing even for major items like electrical panel.

**C.2 GAS AUTHORITY OF INDIA LIMITED**

C.2.1 (a) Construction of roads, pathways, storm water drains, culverts in UPPC, township for GAIL of Dibiyapur.

(b) Construction of 45 nos. B-Type and 15 nos. D-Type quarters & club and shopping complex at GAIL at UPPC Township for GAIL at Dibiyapur.

Sanctions to the preliminary estimate, detailed estimate was not issued and approval of NIT was not conveyed. Abnormally high and low rated items have not been identified. To access reasonability of the rates the detailed market rate justification had not been prepared.

**C.3 JAWAHAR LAL NEHRU PORT TRUST (JLNPT)**

C.3.1 Construction of accommodation for CISF, Phase-I near JLNPT Township.

The detailed estimate has not been sanctioned and NIT approved. Market rate justification had not been kept on record. The quality of work was not satisfactory.

**C.4 HINDUSTAN ZINC LIMITED (HZL)**

C.4.1 Cement concrete lining of 2.1 Km. long, water conveyance tunnel at Devas, stage-I dam at Alsigarh, Udaipur.

The detailed market rate justification had not been prepared. Insurance cover wasnot taken. Huge deviation in the quantities were noticed. There is a considerable delay in completion of work.

C.4.2 Recoating of 10 Km. long 16" diameter underground water pipe line with coaltar tape coating at R.A. Mines of H.Z.L.

Recovery of mobilisation advance was not made properly. The progress of work was slow. The cement consumption account was defective.

## **C.5 WESTERN COALFIELDS LIMITED (WCL)**

### **C.5.1 Surfacing of W.B.M. Roads from Majri Railway siding to Chargaon Project of Majri Area of W.C.L.**

The award of balance work was not properly processed and extra expenditure on cost and risk account not recovered.

### **C.5.2 Construction of 72 nos. DSMQ 12 nos. B-Type quarters at Thesgora, belonging to W.C.L.**

The insurance cover as per agreement was not taken. Progress was slow and number of defects were noticed.

## **C.6 DELHI DEVELOPMENT AUTHORITY (DDA)**

### **C.6.1 Construction of 200 nos. houses at Cat.II & 150 nos. Scooter garages at Shalimar Bagh.**

Necessary precaution had not been taken in opening of tender. The initial load test on piles was required to be carried out before award of work but same had been done after award. Re-design and retesting delayed execution of work causing additional financial burden on account of escalation. Several discrepancies observed in execution of work. The work had been awarded to L2 contractor without maintaining sanctity of tendering system.

### **C.6.2 Construction of 44 nos. SFS (Cat.III) flats at Narela, New Delhi.**

The rates quoted by lowest tenderer were within reasonable limit but still negotiation was recommended. Tender invited without finalising drawings resulting into delay in completion and avoidable expenditure on escalation. Part rates allowed without proper reasons. Huge deviation in quantities shows poor estimation. Several discrepancies observed in hinderance register and execution of work.

## **C.7 MUNICIPAL CORPORATION OF DELHI (M.C.D)**

### **C.7.1 Development of Musical Fountain at Qudsia Garden (SH: Supply, installation and commissioning of Programmable Musical Fountain).**

MCD had already completed a musical fountain project at Dhingra Park. No corrective measures were taken by MCD to execute the work without any ambiguity. No detailed description of items and no MR justification were made to justify the rates of accepted tender. A provision was made for Rs.8,00,000/- for innovative musical system.

The firm quoted only Rs.3,47,875/-. Thus, MCD engineers were not aware of the improved system required by them and no proper justification for providing Rs.8,00,000/- was made.

#### C.7.2 The work of redevelopment of Dhingra Park, Punjabi Bagh, New Delhi with musical fountain.

Musical fountains have been installed in the Municipal Parks. No proper specifications were drafted before calling the tenders and during execution large-scale deviations have been observed.

There was no market rate analysis for preparing the estimates and in the absence of proper specifications and description of items, market rate justification also has not been prepared.

As per tender conditions, the contractor was to supply break-up price for spare parts. No such break-up was supplied and work has been awarded without assessing the rates.

In view of incomplete description of items, it is not clear as to how the payment has been certified.

Extra amount of Rs.1.09 lacs has been claimed on account of sales tax which was included in the tender rates.

### **C.8 MADRAS PORT TRUST**

#### C.8.1 Construction of Port site access roads and bridges in Ennore Coal Port Project, Madras.

Basis of estimated rates has not been kept on record. The work awarded without negotiation in spite of rates quoted on higher side. Provision of 5% contingencies kept wrongly and over payment to the tune of Rs.90 lacs was observed.

#### C.8.2 Consultancy services for construction of new port at Ennore, Chennai.

The duplicate provision of various services kept in different agreements resulting into undue favour to consultant around Rs.652.03 lacs. Payment to staff of consultant apparently not as per terms of contract being paid by M.P.T. All the powers regarding supervision, decision, interpretation of contract, rate decision rests with consultant which is not in order.

### **C.9 ENGINEERING PROJECTS (INDIA) LIMITED (EPI)**

C.9.1 EPIL had taken up this work by making back to back arrangement with a private contractor. No manual provision/guidelines are available for such MOU. During

inspection it is found that several contractual provisions have not been fulfilled by contractor for which EPIL will be ultimately responsible. Number of defects were observed in execution of work. No clause exists in MOU between EPIL and contractor for rectification of defects etc.

## **C.10 NATIONAL BUILDING CONSTRUCTION COMPANY (NBCC)**

### **C.10.1 Construction of 16 SDF at NEPZ Noida Phase-II, Noida.**

Tenders were issued to non-eligible contractors, and necessary documents were not checked before issue. Work has been split in two parts after receiving the tenders. Market rate justification has not been prepared. Tenders for certain items were invited separately to the advantage of contractor. Several discrepancies observed in drawing the agreement. Important site records have not been maintained. Number of discrepancies observed in the bills paid. Number of defects observed in execution of works.

### **C.10.2 Construction of 32 SDF for NEPZ at Noida.**

Several work orders have been issued to separate contractor, scope of work of some of the work orders are covered in main contract, therefore, these work orders are issued to the advantage of main contractor. NIT not approved, proper publicity not given, market rate justification not prepared. Several discrepancies observed in contract conditions and site record and bills paid. No test check carried out. There is suspected over payment by measuring wrong items, over measurement of steel reinforcement, since huge deviation has been allowed.

### **C.10.3 Construction of NLDC building at Katwaria Sarai, New Delhi.**

While accepting tenders one percent rebate was accepted against freak rated items. Item rates could be negotiated to avoid excess payment in case of deviations. The agreement for the work was not drafted properly. Secured advance was paid without obtaining indemnity bond. Over payment in escalation was also noticed. Concrete cubes had failed and no remedial action was taken.

## **C.11 HOUSING AND URBAN DEVELOPMENT CORPORATION**

### **C.11.1 HVAC works for August Kranti Bhawan, Plot No.25, Bhikaji Cama Place, New Delhi.**

The estimated cost had been increased from Rs.22 lacs to Rs.64.08 lacs arbitrarily and higher rates have been accepted. The work done was not test checked. Interest-free mobilisation advance has been allowed. Number of defects were noticed. The hot water generator was not provided with instruments as per specifications and of required make. Panel ventilation louvers and separate M.S. sheets have not been provided. Bus Bars were not colour coded. Loop earthing of main board and other metal clad switches has not been done. Execution of work has been delayed but no action taken.

## **C.12 CONCHIN REFINERY LIMITED**

### **C.12.1 Site grading work for DHDS Project Part-A.**

Detailed estimate prepared without proper design and drawings. Steel has been supplied free of cost against existing provision of agreement. Inadequate testing has been done for earth used in filling, stone aggregate. Improper planning of levels of road and tank area lead to excess cutting and filling costing several lacs more. Undersize stone boulder accepted. Plastic materials have been used against agreement provision. Sides of road not compacted properly.

## **C.13 COCHIN SHIPYARD LTD.**

### **C.13.1 Hiring of D.G.Sets and portable Air Compressors for Cochin Shipyard Ltd., Cochin.**

The NIT has not been drawn properly. The work has been awarded without fair competition and apparently on much higher rates. No proper account has been kept for fuel and lubricants used and apparently higher number of hours have been logged. Inefficient machines have been used causing excessive expenditure on fuel and lubricants. Apparently much higher payment has been made extending favour to the supplier.

## **C.14 COCHIN PORT TRUST**

### **C.14.1 STTC of 3.3 KV, VCB Panels in the New Power House at Willington Island Cochin.**

The opening dates of tenders had been changed without proper notice. The tender sale Register not maintained. The estimated cost of the work shown on lower side in the N.I.T. The work contract Tax has not been recovered from the contractor. An over-payment of Rs.1,98,500/- suspected in the second R.A.Bill. The completion of work has been delayed.

## **C.15 RUBBER BOARD**

### **C.15.1 Construction of Training Centre at Kottayam.**

Insurance clause has not been operated. Cement store not found in proper condition. Discrepancies/deficiencies observed in specification and nomenclature of items. Very defective planning has been done which will cause perpetual maintenance problem. Several discrepancies observed in maintaining the site records. One major extra item sanctioned to the advantage of contractor. Several deficiencies have been noticed in execution of work.

## **C.16 BHARAT PETROLEUM CORPORATION LIMITED (BPCL)**

### **C.16.1 Construction of Housing Complex of BPCL at Sector-9, Urban Estate, Ambala City.**

Consulting Architect did not prepare detailed estimate and NIT etc. Response was poor and work has been awarded at higher rates. Number of discrepancies have been found in agreement. Work has been delayed due to delay in drawings and decisions. Discrepancies found in bills paid to contractor.

### **C.16.2 Construction of compound wall at URAN LPG Plant.**

Estimate prepared without adequate data which resulted into deviation in quantities. The work was awarded without ascertaining reasonability of rates. Original agreement not made properly. Non-available size of bricks specified in the agreement. Deficiencies have been noticed in nomenclature of items and specifications. Expansion joints were not found clean.

### **C.16.3 Construction of 40 flats at Noida Housing Complex.**

Proper pre-qualification has not been done. No detailed market rate justification prepared to assess reasonability of rates. Slow progress of work, payment of secured advance against perishable items without insurance cover, non-test checking of measurements huge deviations in quantities and deficiencies in execution of work were observed.

## **C.17 NUCLEAR POWER CORPORATION**

### **C.17.1 Construction of 42 nos. Type-III quarters in TAPS Colony(Phase-II) at Tarapur.**

Technical sanction and NIT were not approved. Work has been awarded without detailed market rate justification. Proper procedure has not been followed in opening the tender. No site record maintained. Several discrepancies found in bills. Glazed tiles used of inferior quality. Steel windows with less sashbars used without cost adjustment. Many other deficiencies have been observed in execution of work.

## **C.18 INDIAN RAILWAY CONSTRUCTION COMPANY (IRCON)**

### **C.18.1 Construction of common facility building for Air India at Chennai. ASQ workshop and Administrative Building - Package-I.**

The work was split into three parts without assigning proper reasons and awarded to 2<sup>nd</sup> lowest contractor at a higher cost. Mobilisation advance @ 10% of contract value was paid against 5% stipulated in contract. No provision for sump has been made in basement for pumping out water. Proper scaffolding was not used.

C.18.2 Construction of NASC Complex, Pusa, New Delhi. SH: Construction of residential quarters Type V, Type VI and D.G. Bungalow, Package-B.

The plinth area provided for residential quarters is more than prescribed. The architect for the work was appointed without observing prescribed norms. Insurance policy was not taken by the contractor. Huge deviation in quantities indicate poor estimation. Bushings in Dholpur stone were not proper. Expansion gap in CC gola and PVC sheet in khurras was not provided.

## **C.19 DELHI VIDYUT BOARD**

C.19.1 Construction of 96type IV quarters in 8 storeyed blocks including internal water supply, sanitary and electrical works at Mandawali,Patparganj (balance work).

Insurance policy was not taken by the contractor. The progress of work was slow and there was abnormal delay in supplying stipulated materials by the Department. Steel windows were not flash butt welded. Grooves at junction of masonry and RCC work were not provided.

## **C.20 MAHANADI COALFIELDS LIMITED**

C.20.1 Construction of 72 B-Type, 20-C Type and 1-D Type quarters of Mahanadi Coalfields Ltd. at Basundhara Area.

The detailed estimate was neither properly prepared nor technically sanctioned by competent authority. The insurance policies as stipulated in contract were not taken, thus extending undue benefit to the contractor. The overall supervision was found lacking. PVC tanks used were non-ISI. The materials were not got tested before use.

## **C.21 PARADEEP PORT TRUST**

C.21.1 Construction of Stackyard including approach road, drainage cable trench and retaining wall inside harbour area (South side).

The tenders were accepted without preparing market rate justification to assess the reasonability of rates. The progress of the work was very slow. Quality of stone and moorum used was found unsatisfactory.

## **C.22 RASHTRIYA PARIYOJNA NIRMAN NIGAM (RPNN)**

C.22.1 Construction of office-cum-lab building of WTCER, Bhubneswar.

Proper publicity of tender was not made. Tenders were invited on percentage basis which is not a normal practice in such big work. The progress of work was very slow. The detailed estimate had not been properly prepared. The rates of extra item of

rock cutting were on higher side resulting into over-payment of Rs.4.27 lacs. The workmanship of the work executed was not satisfactory.

### **C.23 I.T.I. GUWAHATI**

C.23.1 Construction of transit building at ITI, Guwahati Complex at North Guwahati.

Offers received were compared with revised tendered cost which was not approved by the competent authority, thus not reflecting correct position of tenders accepted. Huge deviation in quantities indicated that detailed estimate was not prepared properly. The work was lagging behind. Abnormally high rated and abnormally low rated items were not identified. The 4% rebate was not recovered in first three bills.

### **C.24 INDIAN OIL CORPORATION**

C.24.1 Construction of Boundary wall at Haldia Tank Farm Area in West Bengal for HPCL Project.

Tenders were accepted without preparing market rate justification and were invited before taking over site. Interest free mobilisation advance was allowed. The barbed wire fixed on wall was undersize. Water proofing paint of local brand was used.

C.24.2 Construction of office building at Mission Road, Bangalore.

The work was recinded and balance work awarded but no action was initiated to recover the risk and cost amount from original contractor. Mobilisation advance was allowed though provision of the same did not exist in the agreement. Hacking of RCC surfaces was not done. Water proofing treatment to basement was not provided initially and basement was flooded in monsoon. The progress of work was slow.

### **C.25 INTERNATIONAL AIRPORT AUTHORITY OF INDIA**

C.25.1 Construction of International passenger terminal Complex(Phase-III) at Mumbai Airport.

The work was held up for want of decision regarding false ceiling, electrical conduiting, fire fighting and smoke detection systems. In market rate justification, ten percent extra for work contract tax was considered which was not justified. There were deviations in abnormally high rated items. Marble work at few location was done without stainless steel clamps. Gypsum board ceiling had developed fine cracks.

### **C.26 STEEL AUTHORITY OF INDIA LIMITED**

C.26.1 The work relating to design, mfg., supply, erection, testing and commissioning of Elect. Equipment under IE-06 Pkg. of Bokaro Steel Plant.

Supply of equipment of different capacities has been combined into one tender. Had tenders been invited keeping different capacity equipment in different packages, then more competitive rates could be expected.

There appears to be exorbitant high rate for designing element. Rs.99 lacs has been paid against the offer of Rs.13,15,000/- by L-2 for the same item. Test reports of important machines have not been obtained before installation.

## **C.27 NATHPA JHAKRI POWER CORPORATION LIMITED (NJPC)**

C.27.1 Construction of civil works for dam, intake and desilting. SH: (i) Dam (ii) Intake (iii) Desilting.

The tenders for the above work was accepted at 28.63% higher rates than the revised estimated cost. Interest free mobilisation advance was allowed. Very high rates were recommended for extra item of SFRS lining to walls of tunnels.

## **C.28 VIDESH SANCHAR NIGAM LIMITED (VSNL)**

C.28.1 Construction of fire escape staircase for VSNL Building at Mumbai.

Very high consultancy charges were allowed to the consultant. The work was awarded after 16 months of receipt of tenders and increase in cost at 12% amounting to Rs.9.24 lacs was allowed on this account. The quoted rates were allowed further enhancement to the tune of Rs.20 lacs. The quoted rate of Rs.9.75 lacs for transportation of T&P etc. was accepted against estimated provision of Rs.25,000/-. The rates allowed were on higher side.

## **C.29 NATIONAL ALUMINIUM COMPANY (NALCO)**

C.29.1 Construction of 256 nos.(176 Type-B & 80 Type-C) quarters of NALCO at Angul, Orissa.

The insurance policies as stipulated were not obtained. The security deposit recovered from bills was released against Bank Guarantee for which no provision existed. Number of defects were observed in the execution of work.

C.29.2 External electrification work of NALCO Township expansion at Bhubaneswar (Orissa).

Work was awarded without proper technical sanction and administrative approval by the competent authority. No market rate justification was made for justifying the rates accepted. Improper specification allowed financial gain to the contractor. Cost adjustment of materials supplied free was not made. Dismantled material was not accounted and credit afforded.

C.29.3 The work regarding supply and execution of fire fighting system for NALCO's Corporate Office Building at Bhubaneswar.

The Consultant has been appointed without observing prescribed procedure. The Consultancy services were found unsatisfactory.

### **C.30 BONGAIGAON REFINERIES AND PETROCHEMICALS LTD.**

C.30.1 The work of external electrification for C&D Type quarters in BRPL Township, Phase-V project of Bongaigaon Refinery & Petrochemicals Ltd.

The measurements have not been recorded at site and account not maintained for materials supplied free. Proper certificates not recorded in the measurement book about quality of work.

C.30.2 The work regarding 5 MW IC Engine Driven Generating Set Part-A Supply and transportation of DG Set Project and Part-B Erection, Integration, commissioning, trial-run and handing over of the DG Set.

10% interest-free advance has been allowed without any provision and Bank Guarantee. The contractor has not taken group insurance cover. The materials received in packed condition without verification and transit insurance.

Although site was made available in Jan., 98 yet the work did not start. It shows that there is a capital-blockage without any advantage.

### **C.31 COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH**

C.31.1 Internal electrification to Ph.I of ASC Project at Sade Hada Land, Goa.

No proper test check of measurements were carried out by concerned officials but payment released. Due to poor monitoring and supervision, the work was not upto the mark and abnormally delayed.

In the absence of the main panel board at site, the building is energised by temporary connections and jointing of submain wires in a unsystematic and haphazard way. Earthing electrode not yet connected. This is against Electricity Rules and are dangerous and fire prone.

C.31.2 Supply & installation of sub-station equipment for ASC Project at Goa.

Bills have been paid without proper test checks by superior officer. Measurements recorded by Junior Engineer and on this basis payments were released.

No proper and effective supervision of work was carried out. Due to this, the work is not as per required standard. 11 KV XLPE cables supplied found damaged at

places. Test certificates produced were not tallying with cable drum supplied, but secured advances were paid giving undue advantage to the contractor.

C.31.3 The work of providing internal electrification for 156 Nos. of various types of staff quarters at the Centre for Cellular & Molecular Biology (CSIR) Hyderabad.

The consultancy work was awarded at a high fee. The planning had to be changed due to horizontal conduit chasing and work delayed.

### **C.32 TEHRI HYDRO POWER CORPORATION**

C.32.1 The work regarding S.I.T.C. of 2x 5 MVA 33/11 KV Sub-station at Koteshwar.

The pre-qualification details not kept properly. The estimated cost has not been worked out properly. The negotiations carried out with L-2 also even though work awarded to L-1.

### **C.33 NEYVELI LIGNITE CORPORATION LTD.**

C.33.1 Design manufacture, supply, erection, testing and commissioning of 600 TR A/C plant for Thermal Station-I.

Design parameters not fixed properly. Estimate based on A/C system installed in Thermal Station-I during 1982. Ducts for A/C system were of poor quality.

C.33.2 Replacement of coils and reconditioning work in 4T, 125 MVA, 220/110/33KV, Auto Transformer at Neyveli Lignite Corpn. Ltd.

One main inter-linking (110 KV-220KV) transformer of capacity 125 MVA was damaged due to fire accident. Inordinate delay caused in repairing the transformer NLC had been put to loss due to load shedding resorted etc.

### **C.34 CENTRAL POWER RESEARCH INSTITUTE**

C.34.1 Horticulture work (maintenance) at CPRI, Bangalore.

Proper quantity analysis and scope of work was not indicated while making provision for expenditure. The estimate was deficient in respect of quantity, specification etc.

C.34.2 Development of lawn and plants of Ecological Park at Mathura Refinery.

The Horticulture consultancy work was awarded directly to consultant without proper Press Notice. Specieswise cost of plants was not evaluated. The specification of plants were not described in detail in the nomenclature of items. Some of the pits for plants were found to be undersize.

### **C.35 STANDING CONFERENCE OF PUBLIC ENTERPRISES**

C35.1 Air conditioning and Mechanical Ventilation system in scope twin Tower Project at Laxmi Nagar District Centre. (SCOPE)

The number of fan coil units measured and paid was different than available. The material used for fan coil units is not as per specifications. The AC ducts were to be provided with Aluminium sheets whereas G.I. sheets have been used and rate paid is much higher in spite of poorer specifications adopted.

### **C.36 ALL INDIA INSTITUTE OF MEDICAL SCIENCES**

C.36.1 Replacement of A.H.U. feeding ICU-A of CTVS at C.N.Centre, AIIMS, New Delhi.

The detailed estimate not technically sanctioned and analysis has not been kept on record to justify the increase in the cost of Heat Recovery wheel. One of the contractor had quoted wrongly as Rs.85,000/- per sq.mt. in stead of Rs.8500/- per sq.mt. Had this discrepancy been properly taken into account, tender could be accepted at a lower cost. The tender has been accepted at Rs.39.06 lacs against estimated cost of Rs.27.47 lacs without assessing justified cost.

### **C.37 POST GRADUATE INSTITUTE OF MEDICAL EDUCATION & RESEARCH**

C.37.1 Internal Electrical Installation of O.P.D. Block P.G.I., Chandigarh.

Technical sanction not accorded by the Competent authority. This work does not fall in the category of specialised work and restricted call of tenders reduced.