सत्यमेव जयते

Report of the Comptroller and Auditor General of India for the year ended March 2019

भारतीय लेखापरीक्षा और लेखा विभाग ✦ INDIAN AUDIT AND ACCOUNTS DEPARTMENT

सत्यमेव जयते

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Union Government (Civil)
Compliance Audit Observations
No. 2 of 2021

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Comptroller and Auditor General
of India

for the year ended March 2019

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CONTENTS

PREFACE

This Report for the year ended March 2019 has been prepared for submission to the President under Article 151 of the Constitution of India.

The Report contains significant results of the compliance audit of financial transactions of the Ministries/Departments of the Union Government including Union Territories without Legislatures and their Autonomous Bodies under the General and Social Services.

Reports in relation to accounts of a Government Company or Corporation are submitted to the Government by the Comptroller and Auditor General of India under Section 19-A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. This Report contains audit observations relating to Central Public Sector Enterprises under the administrative control of the Scientific and Environmental Ministries/Departments. The Audit Report also contains audit observations relating to Food Corporation of India which is under the administrative jurisdiction of the Ministry of Consumer Affairs, Food and Public Distribution.

The instances mentioned in this Report are those which came to notice in the course of test audit for the period 2018-19 as well those which came to notice in earlier years but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2018-19 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

This Report contains significant audit findings arising from the compliance audit of financial transactions under 64 civil grants relating to 37 Civil Ministries/Departments of the Union Government including Union Territories without Legislatures under the General and Social Services sectors and of Autonomous Bodies/Corporations under their administrative jurisdiction excluding the Ministries/Departments of Revenue, Railways, Defence, Telecommunications, Electronics & Information Technology and Posts.

The gross expenditure of these 37 Civil Ministries/Departments decreased by 0.47 *per cent* from ₹ 8,71,297 crore in 2017-18 to ₹ 8,67,164 crore in 2018-19. Previous Audit Reports of the Comptroller & Auditor General have been highlighting instances of loss of non tax revenues or non recovery of dues as well as avoidable or extra expenditure due to non adherence to codal provisions and applicable rules and regulations, deficiencies in project management, poor internal controls, irregularities in release of pay and staff entitlements and poor financial management. Audit continued to find similar irregularities across various Ministries/Departments during the compliance audit for the financial year ended March 2019 which was symptomatic of the need to further strengthen extant systems of internal controls and budget management as well as to ensure that prompt and effective action on the audit findings have been drawn to prevent recurrence, of these paragraphs have been drawn. In a number of cases, the concerned Ministry/Department has given response which has been suitability incorporated with appropriate rebuttal.

This Report contains 43 illustrative cases[1] of such irregularities involving ₹ 274.26 crore covering 13 Ministries/Departments and five Union Territories without Legislatures and Autonomous Bodies/Corporation under their administrative control. Some major cases included in this Report have been summarised catergory-wise as below:

I. Loss of non tax revenues

Ministry of Human Resource Development (Now Ministry of Education)

Banaras Hindu University, Varanasi gave undue favour to a private firm by changing the terms of payment, in contravention of the tender terms, which has resulted in short realisation of variable monthly licence fee of ₹ 2.44 crore.

(Paragraph No. 8.2)

[1] Five cases included under Para 1.13 under 'Action taken/recoveries effected by Ministries and Departments'

Union Territories–Chandigarh Administration

The Transport Department of Union Territory Chandigarh, failed to levy revised rates of temporary registration fee from Motor Vehicle dealers, on account of issue of Temporary Registration Number to them, resulting in short collection of revenue amounting to ₹ 0.83 crore.

(Paragraph No. 13.2)

II. Lapses in Financial Management

Ministry of Consumer Affairs, Food and Public Distribution

Food Corporation of India

Food Corporation of India did not execute movement plan of food grains transportation as intended which resulted in non availment of the concessional railway freight amounting to ₹ 35.96 crore.

(Paragraph No. 4.1)

Department of Science and Technology

Jawaharlal Nehru Centre for Advanced Scientific Research, Bengaluru purchased air tickets for its employees through travel agents other than those authorised under extant orders, thereby incurring irregular expenditure of ₹ 4.61 crore.

(Paragraph No. 11.2)

Ministry of External Affairs

Ministry of External Affairs made excess payment of ₹ 2.89 crore to the Service Provider for Passport Services due to incorrect application of rate of service charges for processing passport applications during June 2015 to February 2020.

(Paragraph No. 5.1)

The High Commission of India irregularly engaged a private party, authorising it to: (i) receive and retain government receipts of ₹ 78.41 lakh in its private bank account and (ii) disburse a substantial part of the receipts towards the Mission's own expenditure.

(Paragraph No. 5.3)

The High Commission of India, London undertook work relating to renovation of the basement at the India House, at a cost of GBP 744,971 (approx. ₹ 6.63 crore), without prior approval from the Ministry of External Affairs. The initial award of the work was to an ineligible company through an irregular and manipulated tendering process which was followed by award of extra work without tendering to the same company, thereby extending undue benefit to it. Further, additional work was awarded based on fraudulent quotations, to an associated ineligible company, incorporated immediately prior to the award of work and dissolved after receipt of payments.

(Paragraph No. 5.4)

Ministry of Youth Affairs and Sports

Ministry of Youth Affairs and Sports failed to organise the Himalayan Region Games despite release of grants-in-aid of ₹ 1.27 crore in March 2015 and to recover the unutilised grants-in-aid along with interest of ₹ 62.44 lakh from the State Government of Assam.

(Paragraph No. 14.1)

III. Deficiency/Non adherence to Scheme Guidelines/Acts/Rules and Regulations

Union Territories–Andaman and Nicobar Administration

Failure to obtain mandatory "No Objection Certificate" in terms of Ministry of Civil Aviation (Height Restrictions for Safeguarding of Aircraft Operations) Rules, 2015, prior to undertaking work of construction of a building at a site falling within a 20 km radius from an airfield where the height restrictions were applicable, resulted in wasteful expenditure of ₹ 39.17 lakh.

(Paragraph No. 13.1)

Union Territories–Dadra & Nagar Haveli Administration (now Dadra & Nagar Haveli and Daman & Diu Administration)

District Panchayat, Silvassa incurred expenditure of ₹ three crore on purchase of fruit trees from budget head '2515'-PLAN GIA without budget provision and without devolution of fund, function and functionaries by the UT Administration. Further, DP Silvassa also favoured the Supplier while accepting the tender, and while making payment for supply and distribution of the fruit trees.

(Paragraph No. 13.3)

IV. Deficiency in project management

Ministry of External Affairs

Undue financial benefit of ₹ 0.76 crore extended to a Contractor due to irregular inclusion of royalty in BOQ rate by Nalanda University.

(Paragraph No. 5.5)

Ministry of Rural Development

State Institute of Rural Development

Ministry of Rural Development released ₹ 2.90 crore to State Institute of Rural Development, Ahmedabad, Gujarat for construction of its new building in December 2012 but failed to monitor its utilisation. The construction is yet to commence and the funds have remained blocked for more than seven years.

(Paragraph No. 10.2)

Ministry of Science and Technology

Department of Scientific and Industrial Research

The IT Application System 'OneCSIR' developed by the Council of Scientific and Industrial Research could not be utilised to its full potential due to non availability of some of the modules leading to non implementation of several processes in the system and lack of input controls & validation checks that rendered the database incomplete and unreliable.

(Paragraph No. 11.1)

V. Idling of equipment/buildings/infrastructure

Department of Atomic Energy

Institute for Plasma Research, Gandhinagar procured two Special Purpose Winding Machines without identifying site for their installation. The machines were not installed even after lapse of more than seven years, resulting in idling of funds of ₹ 4.29 crore.

(Paragraph No. 3.1)

Ministry of Agriculture and Farmers' Welfare

The Transmission Electron Microscope (TEM) delivered at Central Institute of Fisheries Education, Mumbai resulted in unfruitful expenditure of ₹ 2.36 crore as the defects in the microscope were not rectified by the Supplier, even after a lapse of more than seven years

(Paragraph No. 2.2)

Ministry of Home Affairs

Loknayak Jayaprakash Narayan National Institute of Criminology and Forensic Science could not fill the seat of Chair Professor for more than eleven years, defeating the purpose for which the post was created, which was to give insight into contemporary problems affecting large sections of society and offer solutions for crime reduction and expedite delivery of justice. Funds provided as corpus for establishing the Chair along with interest, totalling ₹ 4.28 crore had remained blocked due to non utilisation.

(Paragraph No. 7.1)

Union Territory Lakshadweep Administration

Union Territory Lakshadweep Administration (UTLA) irregularly released funds amounting to ₹ 1.15 crore for projects much in advance of actual requirement and without taking preparatory steps. It also failed to monitor use of these funds as also the progress of projects for which the funds were released. As a result, funds amounting to ₹ 1.15 crore remained unutilised and parked with LPWD resulting in idling of funds for more than ten years.

(Paragraph No. 13.5)

VI. Lapses in Internal Control

Department of Atomic Energy

Non revision of licence fee in accordance with extant Government Orders and non renewal of expired lease agreements by General Services Organisation, Kalpakkam resulted in short realisation of lease rent of ₹ 3.75 crore.

(Paragraph No. 3.2)

Ministry of Health and Family Welfare

Ministry of Health and Family Welfare made irregular payment aggregating ₹ 3.26 crore for DBT transactions on account of additional cash-out incentive in respect of schemes not covered under the extant instructions of Ministry of Finance.

(Paragraph No. 6.1)

Ministry of Human Resource Development (now Ministry of Education)

IIT-B failed to effectively communicate their requirements for decentralised mode of operation to the Vendor for implementation SAP ERP in IIT-B and decided to embark on ERP solution suggested by the Vendor without a clear definition of what the project entailed, thereby incurring avoidable extra expenditure of ₹ 1.29 crore on purchase of additional licences.

(Paragraph No. 8.3)

Dadra & Nagar Haveli Administration (now Dadra & Nagar Haveli and Daman & Diu Administration)

DNH Power Distribution Corporation Limited

The delay in remittances by the online payment processing service provider of ₹ 94.19 crore for a period ranging from 36 days to 241 days resulted in a loss of interest of ₹ 4.08 crore.

(Paragraph No. 4.6)

District Panchayat (DP) Silvassa made payment of ₹ 1.98 crore to a Supplier for supply of food stuff under Supplementary Nutrition Programme, without any supply order and without any approval for the higher tendered rates for the supply and without allocation of funds under the budget. In the absence of due approvals and allocations, norms for making payments were by-passed and payment released as a loan from "interest" accrued by another Department. This also resulted in payment which was ₹ 18.23 lakh in excess of the approved rates of the Department.

(Paragraph No. 13.4)

VII. Irregularities in pay and staff entitlements

Department of Atomic Energy

National Institute of Science Education and Research, Bhubaneswar paid House Rent Allowance to its employees at higher rates, which resulted in excess payment of ₹ 2.80 crore during the period from July 2015 to February 2020.

(Paragraph No. 3.3)

Nuclear Power Corporation of India Limited

Nuclear Power Corporation of India Limited paid Family Planning Allowance of ₹ 5.42 crore to its employees in violation of extant Government of India orders.

(Paragraph No. 4.5)

Ministry of Human Resource Development (now Ministry of Education)

13 Central Autonomous Bodies (CABs) made payments of *ad hoc* bonus to their employees in the absence of any order issued by the competent authority, which resulted in irregular payment, amounting to ₹ 6.08 crore, to their employees, during the period from 2015-16 to 2017-18

(Paragraph No. 8.1)

Ministry of External Affairs

South Asian University was established by the eight member nations of the South Asian Association for Regional Co-operation (SAARC). Under the SAU Act, the President and other faculty members were exempted from payment of taxes in respect of their salaries. On 15 January 2009 the Ministry of External Affairs issued a notification to make the Registrar of the University eligible for grant of tax exemption, which was contrary to the provisions of SAU Act. Irregular exemption of income tax granted to the Registrar resulted in loss of ₹ 90.06 lakh to the Government exchequer.

(Paragraph No. 5.2)

VIII. Avoidable payments by Autonomous Bodies/Departments/ Corporations

Ministry of Agriculture and Farmers' Welfare

Ministry's failure to fix an appropriate reserve price in time and inordinate delay in decision making at different stages of the disposal process of vessel *Matsya Sugandhi*, resulted in avoidable expenditure of ₹ 1.14 crore. Delay in disposal also led to the Ministry receiving a lower price for the vessel due to depreciation of the vessel

(Paragraph No. 2.1)

Ministry of Consumer Affairs, Food and Public Distribution

Food Corporation of India

Despite operational exigencies, delay in finalisation of *ad hoc* Handling and Transport contract resulted in avoidable expenditure of ₹ 20.69 crore towards carry-over charges to State Government Agencies.

(Paragraph No. 4.2)

CHAPTER I : INTRODUCTION

1.1 About this Report

This Report contains the significant results of the Compliance Audit of financial transactions of the Ministries/Departments of the Union Government and their Autonomous Bodies under General, Social, Scientific Services and Environment Sectors.

The Report has been organised in 14 chapters as under:

- Chapter 1, in addition to explaining the authority, audit jurisdiction, planning and extent of audit, provides a brief analysis of the expenditure of the Union Ministries/Departments under the General, Social, Scientific Services and Environment Sectors for the last three years, outstanding Utilisation Certificates, delays in submission of accounts by Central Autonomous Bodies (CABs), response of the Government to draft paragraphs and follow up action on Audit Reports.

- Chapters 2 to 12 and 14 contain significant observations arising out of compliance audit of various Civil Ministries/Departments falling under the sectors of General, Social, Scientific & Environment and their Autonomous Bodies/Corporations, covering 59 civil grants arising as a result of audit of transactions up to 2018-19.

- Chapter 13 contains significant observations arising from the audit of Government Departments/Offices/Institutions under the control of the five Union Territories without Legislatures (UTs) *viz*. Andaman and Nicobar Islands, Chandigarh, Dadra & Nagar Haveli, Daman & Diu and Lakshadweep covering five grants as a result of audit of transactions up to 2018-19.

1.2 Types of Audit conducted by CAG

CAG broadly carries out three types of audits, *viz*. Financial Audit, Compliance Audit and Performance Audit. Financial Audit is an expression of audit opinion on the set of financial statements, whereas Performance Audits seek to examine as to how programmes and projects were implemented with regard to economy, efficiency and effectiveness. Compliance Audit refers to the examination of transactions relating to expenditure, receipts as well as assets and liabilities of audited entities to examine and report on their compliance to the provisions of the Constitution of India as well as other applicable laws, rules, regulations and various orders and instructions issued by competent authorities. Compliance Audit also includes an examination of the rules, regulations, orders and instructions for their legality, adequacy, transparency, propriety and prudence.

Audits are conducted on the basis of CAG's Auditing Standards. These standards prescribe the norms which the auditors are expected to follow in conduct of audit and require reporting on individual cases of non compliance as well as on weaknesses that exist in systems of financial management and internal control of the entities audited. The findings of audit are expected to enable the Executive to take corrective action and frame such policies and procedures which will lead to improved financial management of the organisations and contribute to better governance.

1.3 Authority for Audit

The authority for audit by the C&AG and reporting to Parliament is derived from Articles 149 and 151 of the Constitution of India respectively and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (the Act). The C&AG conducts audit of expenditure of Ministries/Departments of the Government of India under Sections 13 and 17 of the C&AG's (DPC) Act. Bodies established by or under law made by the Parliament and containing specific provisions for audit by the C&AG are statutorily taken up for audit under Section 19(2) of the Act. Audit of other organisations (Corporations or Societies) is entrusted to the C&AG in public interest under Section 20(1) of the Act. In addition, CABs, which are substantially financed by grants/loans from the Consolidated Fund of India, are audited by the C&AG under Section 14(1) of the Act.

1.4 Planning and conduct of Audit

As per the Annual Audit Planning process, units for compliance audit are selected on the basis of risk assessment besides topicality, materiality, social relevance etc. Risk assessment includes appraisal of internal control systems of the units, past instances of defalcation, misappropriation, embezzlement, etc. as well as findings of previous Audit Reports. Inspection Reports are issued to the heads of units after completion of audit. Based on the replies received, audit observations are settled with action for compliance advised, where necessary. Important audit findings are processed further as draft paragraphs for inclusion in the Audit Report after seeking responses from the Secretary of the Ministry/Department concerned. Audit Reports are laid before the Parliament/respective State Legislature under Article 151 of the Constitution of India.

1.5 Profile of the Ministries/Departments under the Union Government and audit jurisdiction

The gross provision and expenditure of all Union Ministries/Departments as of March 2019 covering 95[1] civil grants in 2018-19 and 96 civil grants in 2017-18 are given in **Table No. 1**.

Table No. 1: Gross Provision and Expenditure

(₹ in crore)

Nature of Disbursements	2017-18			2018-19		
	Gross Provision	Gross Expenditure	Savings (-) Excess (+)	Gross Provision	Gross Expenditure	Savings (-) Excess (+)
Revenue (Charged)	652480	641217	(-) 11263	715647	695459	(-) 20188
Revenue (Voted)	1480913	1322124	(-) 158789	1627514	1384062	(-) 243452
Capital (Charged)	5799508	5890670	(+) 91162	6215711	6088920	(-) 126791
Capital (Voted)	353322	326541	(-) 26781	420572	358890	(-) 61682
Total	**8286223**	**8180552**	**(-) 105671**	**8979444**	**8527331**	**(-) 452113**

* *In 2017-18, the net saving of ₹ 105671 crore was due to gross saving of ₹196834 crore and excess of ₹91162 crore. In 2018-19, the net saving was ₹452113 crore.*

The details of tax and non tax revenues in 2017-18 and 2018-19 are given in **Table No. 2**.

Table No. 2: Details of tax and non tax revenues

(₹ in crore)

Revenues		
	2017-18	**2018-19**
Tax Revenue	1246178	1319011
Non Tax Revenue	441383	486388

Includes Union Territories without Legislatures

The gross expenditure incurred by 37 Ministries/Departments (Civil and Scientific) during 2016-17 to 2018-19 are shown in **Table No. 3** and the details are given in **Appendix-I**.

Table No. 3: Gross Expenditure

(₹ in crore)

Period	Amount
2016-17	738280.02
2017-18	871296.68
2018-19	867163.77

[1] This includes Defence Civil Grants (2), Telecommunications and Electronics & Information Technology Grants (2), Union Territories (without Legislatures) Grants (5), Transfers to Delhi and Puducherry (2), Scientific Department (9) and Central Receipts (3).

1.6 Audit of Union Territories

There were seven Union Territories[2] (UTs) specified under Part II of the First Schedule to the Constitution of India, *viz.* Andaman and Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Lakshadweep, National Capital Territory of Delhi and Puducherry. Except for the National Capital Territory of Delhi and Puducherry, UTs do not have Legislatures.

Under the Government of India (Allocation of Business) Rules, 1961, the Ministry of Home Affairs (MHA) is the nodal Ministry for legislative matters, finance and budget and services for the UTs. Each UT functions under an Administrator appointed by the President under Article 239 of the Constitution of India. In the Andaman and Nicobar Islands, the Lt. Governor is designated as the Administrator while the Governor of Punjab is the Administrator of Chandigarh. Administrators are also separately appointed for Dadra & Nagar Haveli and Daman & Diu and Lakshadweep. The Administrator's Advisory Councils in these UTs advise the Administrators. The Home Minister's 'Advisory Committees' in these UTs address general issues relating to the social and economic development of the UTs. The Island Development Authority (IDA) facilitates the integration of high level decisions concerning the island UTs of the Andaman and Nicobar Islands and Lakshadweep. The budget provisions in respect of UTs are under the administrative control of the MHA. The MHA prepares the Demands for Grants and Detailed Demand for Grants (DDGs) relating to these UTs for approval of Parliament. While the general administration of the UTs is the responsibility of the MHA, other Ministries/Departments of the Union Government administer funds on the subjects mentioned in Lists I and II of the Seventh Schedule to the Constitution of India insofar as they exist in regard to these territories. Thus, the DDGs also contain proposals of other Ministries and Departments relating to the expenditure on these UTs on activities concerning these Ministries and Departments. Administrators of the UTs have been delegated financial powers upto a certain limit by MHA for sanction of plan schemes.

1.6.1 Provision and Expenditure in UTs

Details of budgetary allocation and expenditure in the five UTs in 2018-19 are given in **Table No. 4**.

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[2] Now there are Eight Union Territories *viz.* Andaman and Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Jammu & Kashmir (w.e.f. 9 August 2019), Ladakh (w.e.f. 9 August 2019), Lakshadweep, National Capital Territory of Delhi and Puducherry.

Table No. 4: Budgetary allocation and expenditure

(₹ in crore)

Name of Union Territory	Total Grant/ Appropriation		Actual Expenditure		Savings			
					Revenue		Capital	
	Revenue	Capital	Revenue	Capital	Amount	*Per cent*	Amount	*Per cent*
Andaman and Nicobar Islands	4185.53	600.94	4180.53	473.37	5.00	0.12	127.57	21.23
Chandigarh	4031.55	505.12	3946.12	483.95	85.43	2.12	21.17	4.19
Dadra & Nagar Haveli	822.86	318.35	820.48	263.72	2.38	0.29	54.63	17.16
Daman & Diu	1364.09	323.45	1321.12	323.41	42.97	3.15	0.04	0.01
Lakshadweep	1130.64	266.71	1094.12	153.45	36.52	3.23	113.26	42.46
Total	**11534.67**	**2014.57**	**11362.37**	**1697.89**	**172.30**	**1.49**	**316.68**	**15.72**

Source: Union Government-Appropriation Accounts (Civil) 2018-19

In Andaman and Nicobar Islands, savings occurred under the capital section due to pending arbitration cases in Tsunami Reconstruction Projects by Central Public Works Department, delay in sanction and execution of works by Andaman Lakshadweep Harbour Works, delay in finalisation of dredging work at Car Nicobar.

In Chandigarh, savings occurred due to non filling up of posts, non implementation of the recommendations of the Punjab Pay Commission, and non holding of elections of Municipalities and Gram Panchayats.

In Daman and Diu, significant savings occurred under revenue section mainly due to non filling up of vacant posts, less tours undertaken and availability of unspent balance of previous year.

In Dadra and Nagar Haveli, significant savings occurred in the capital section mainly due to delay in finalisation of proposals for Kala Kendra Phase-II, for land acquisition of Anganwadi centres, beautification and strengthening of roads at Silvassa.

In Lakshadweep, savings under capital section occurred mainly due to delay in acquisition of land for construction of schools, delay in construction of desalination plants, delay in approval for acquisition of ships.

1.7 Audit of Autonomous Bodies

Separate Audit Reports (SARs) are prepared on the accounts of Autonomous Bodies (ABs) coming under various Ministries/Departments under sections 14, 19(2) and 20(1) of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The total grants released to these ABs during 2018-19 aggregated to ₹ 52337.24 crore including previous year's unspent grants. The details are given in **Appendix-II**.

1.8 Utilisation Certificates

As per the General Financial Rules, certificates of utilisation in respect of grants released to Statutory Bodies/Organisations are required to be furnished within 12 months from the closure of the financial year by the Bodies/Organisations concerned. There were a total of 92620 Utilisation Certificates (UCs) involving an amount of ₹ 37182.21 crore in respect of grants released up to March 2018 by 14 Ministries/Departments that were outstanding after 12 months of the financial year in which the grants were released are detailed in **Appendix–III**.

The period of pendency of Utilisation Certificates are depicted in **Table No. 5**.

Table No. 5: Period of Pendency of UCs

(₹ in crore)

Period	No. of UCs	Amount
Upto March 2012	38586	12289.28
2012-17	40741	20759.63
2017-18	13293	4133.30
Total	**92620**	**37182.21**

The pendency of Utilisation Certificates for such a long duration defeats the very purpose of certificate. The procedure prescribed in Rule 238 of GFRs that the further grants should not be released by the Sanctioning Authority before receipt of Utilisation Certificate for earlier grants needs to be strictly enforced.

The position of outstanding Utilisation Certificates with significant money value relating to five Ministries/Departments as of March 2019 is given in **Table No. 6**.

Table No. 6: Utilisation Certificates Outstanding as on March 2019

(₹in crore)

Sl. No.	Ministry/Department	For the period ending March 2018	
		Number	Amount
1.	Department of Science and Technology	46050	9618.19
2.	Ministry of Tribal Affairs	459	1572.02
3.	Ministry of Food Processing Industries	2013	624.25
4.	Ministry of Culture	4315	571.66
5.	Atomic Energy	1897	211.33
Total		**54734**	**12597.45**

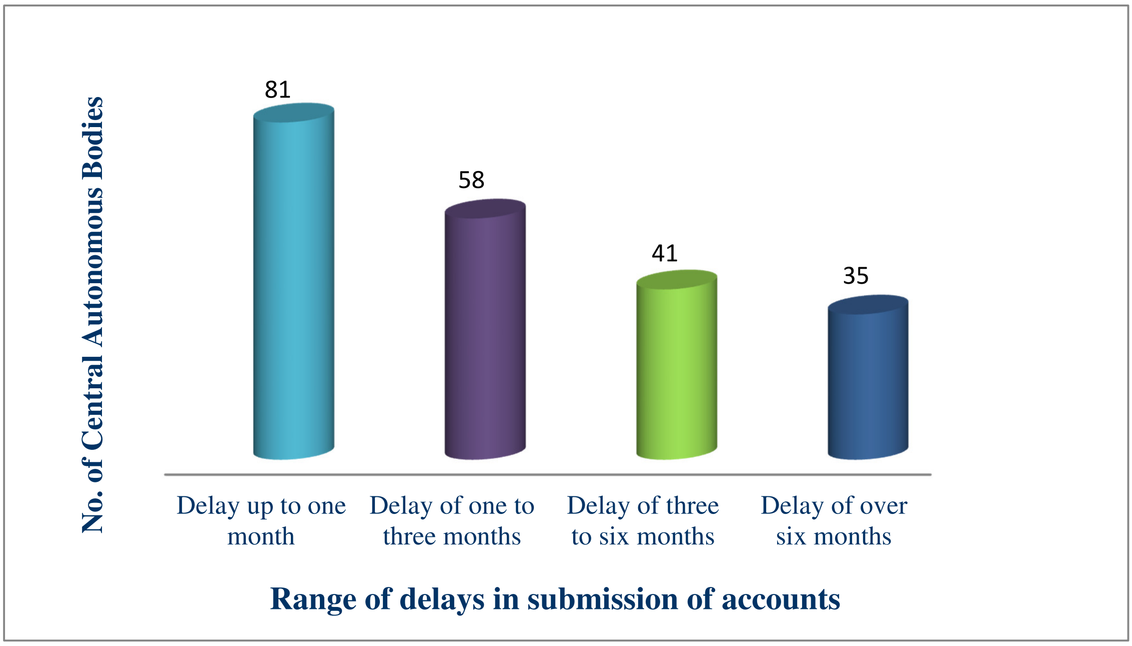
1.9 Delays in submission of accounts to audit and presentation of audited accounts of Central Autonomous Bodies before both the Houses of Parliament by Central Autonomous Bodies

The Committee on Papers Laid on the Table of the House had recommended in its First Report (5th Lok Sabha) 1975-76 that every Autonomous Body should complete its accounts within a period of three months after the close of the accounting year and make them available for audit. This is also stipulated in Rule 237 of the General Financial Rules, 2017. The audit reports and the audited accounts should be laid before the Parliament within nine months of the close of the accounting year.

a) Delays in submission of accounts to audit

Audit of accounts of 462 CABs was to be conducted by the C&AG for the year 2017-18. Out of these**,** the accounts of 215 CABs were furnished after the due date as indicated in the **Chart No. 1**.

Chart No. 1: Delay in submission of accounts



The details of CABs whose accounts were delayed beyond three months as of December 2018 are given in **Appendix–IV**.

b) Delay in presentation of audited accounts to the Parliament

The status of laying of the audited accounts before the Parliament as on 30 September 2020 is given in **Table No. 7**.

Table No. 7: Status of laying of the audited accounts in the Parliament

Year of account	Total number of Bodies for which audited accounts were issued but not presented to Parliament	Total number of audited accounts presented after due date
2012-13	02	-
2013-14	01	-
2014-15	06	-
2015-16	07	-
2016-17	14	-
2017-18	37	33

The particulars of CABs whose audited accounts had not been laid or laid after due dates before the Parliament are given in **Appendix-V** and **Appendix-VI**.

1.10 Results of Certification of audit

Separate Audit Reports for each of the CABs bodies audited under Sections 19(2) and 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, are appended to the certified final accounts that are to be tabled by respective Ministries in Parliament.

Some of the important deficiencies noticed in the annual accounts of the Central Autonomous Bodies for the year 2018-19 (details in **Appendix-VII**) are as below:

(a) Internal audit of **151** CABs was not conducted **(Appendix-VIII)**;

(b) Physical verification of the fixed assets of **120** CABs was not conducted **(Appendix-IX)**;

(c) Physical verification of the inventories of **111** CABs was not conducted **(Appendix-X)**;

(d) **68** CABs were accounting for grants on realisation/cash basis which was inconsistent with the common format of accounts prescribed by the Ministry of Finance **(Appendix-XI)**;

(e) **161** CABs had not accounted for gratuity and other retirement benefits on actuarial valuation basis **(Appendix-XII)**;

(f) No depreciation on fixed assets had been provided by **eight** CABs **(Appendix-XIII)**; and

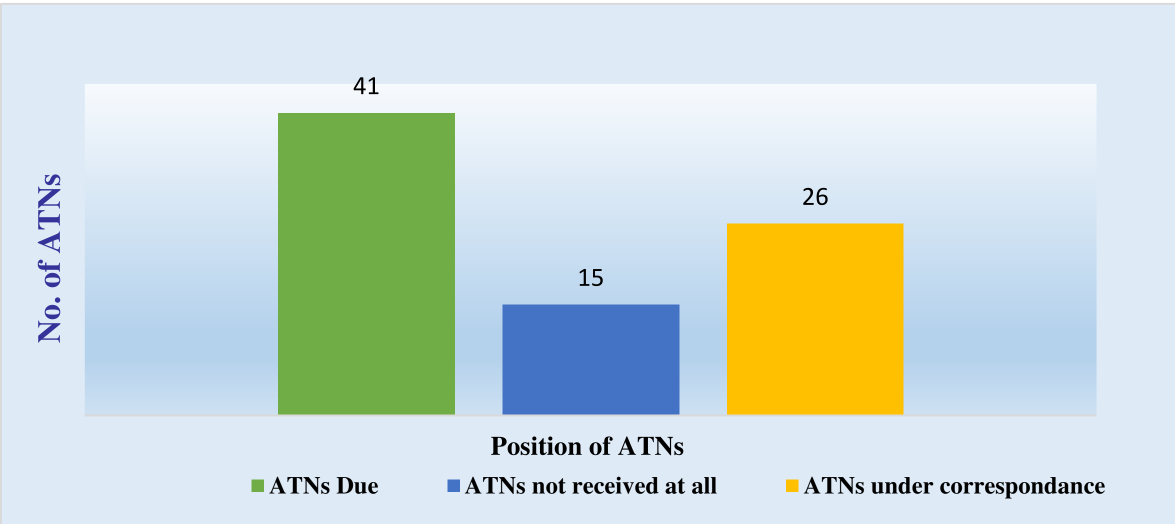
(g) **31** CABs revised their accounts as a result of audit **(Appendix-XIV)**. The impact of the revision was a net increase in assets/liabilities by ₹ 11.48 crore and net decrease in surplus by ₹ 13.06 crore and net increase in deficit by ₹ 2.63 crore.

1.11 Status of pending ATNs

In its 105th Report (10th Lok Sabha–1995-96) presented to the Parliament on 17 August 1995, the Public Accounts Committee had recommended that Action Taken Notes (ATNs) on all paragraphs of the Reports of the C&AG should be furnished to the Committee through the Ministry of Finance (Department of Expenditure) within a period of four months from the date of laying of the Audit Reports on the Table of the House starting from 31 March 1996 onwards. Subsequently, a Monitoring Cell was created under the Department of Expenditure which is entrusted with the task of coordination and collection of the ATNs from all Ministries/Departments concerned duly vetted by Audit and sending them to the Public Accounts Committee within the stipulated period of four months from the date of presentation of the Audit Report to the Parliament.

A review of the position of receipt of ATNs on paragraphs included in Audit Reports Union Government (Civil) up to the period ended March 2018, as of September 2020, disclosed the position, in **Chart No. 2**.

Chart No. 2: Summarised position of ATNs



Out of 41 paragraphs on which ATNs were required to be sent, ATNs in respect of 15 paragraphs were not received at all while the remaining 26 were pending at various stages. Year wise details are indicated in **Appendix-XV**.

In respect of Union Territories, Audit observed that 12 ATNs pertaining to the Audit Report of the C&AG for the period upto September 2020 were pending as given in **Appendix-XVI**.

1.12 Saving of over ₹ 500 crore in Eight Major Schemes

The Public Accounts Committee (PAC) in Para 14 of the 17th Report relating to Union Government Appropriation Accounts (Civil) 1996-97 has observed that "large scale unspent provisions under Grants/Appropriations by the Civil Ministries/Departments have become an almost recurring feature and the position is still to improve and had concluded that the concerned Ministries/Departments have not made any serious attempts to apply effective corrective measures in accordance with the Committee's recommendations". Therefore, in compliance with the recommendation made by the PAC in this regard, the Ministry of Finance requested all the Financial Advisers to carry out a thorough study of the cases/schemes where large scale unspent provisions have occurred and take appropriate action so as to avoid recurrence of large-scale unspent provisions in their respective Demands for Grants.

Savings of ₹ 500 crore and above constituting more than 15 *per cent* of the budget provisions occurred in the following eight Major schemes implemented by various Ministries/Departments during 2018-19 as detailed in **Table No. 8**. Large savings is indicative of poor budgeting or shortfall in performance or both, in respect of the concerned scheme being implemented by the Ministry/Department. Such savings not only indicated poor budgeting, it also implies unnecessary provisioning of resources through taxes etc., and depriving resources to other deserving sectors of the economy.

Table No. 8: Savings of ₹ 500 crore and above constituting more than 15 *per cent* of the budget provisions

(₹in crore)

Sl. No.	Ministry	Scheme	Budget Estimates	Actuals	(-) Savings	Savings in Percentage
1.	Agriculture and Farmers' Welfare	Pradhan Mantri Krishi Sinchai Yojna (PMKSY)	4,000.00	2,918.38	-1,081.62	27.04
2.	Human Resource Development	Rashtriya Madhyamik Shiksha Abhiyan	4,213.00	3,399.40	-813.60	19.31
3.	Rural Development	National Social Assistance Programme	9,975.00	8,418.47	-1,556.53	15.60
		Pradham Mantri Gram Sadak Yojna (PMGSY)	19,000.00	15,417.55	-3,582.45	18.86
4.	Drinking Water and Sanitation	National Rural Drinking Water Mission	7,000.00	5,484.34	-1,515.66	21.65
		Swachh Bharat Mission-Rural	15,343.10	12,931.96	-2,411.14	15.71
5.	Skill Development and Entrepreneurship	Pradhan Mantri Kaushal Vikas Yojana	3,071.00	2,502.89	-568.11	18.50

Sl. No.	Ministry	Scheme	Budget Estimates	Actuals	(-) Savings	Savings in Percentage
6.	Water Resources, River Development and Ganga Rejuvenation	National Ganga Plan and Ghat Works	2,300.00	687.5	-1,612.50	70.11

Source: Accounts at Glance for the year 2018-19, Department of Expenditure, Ministry of Finance

1.13 Response of the Ministries/Departments to audit paragraphs

On the recommendation of the Public Accounts Committee (PAC), the Ministry of Finance issued directions to all Ministries in June 1960 to send their responses to the draft paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within six weeks of receipt of the paragraphs. Accordingly, the draft paragraphs are forwarded to Secretaries of the Ministries/Departments concerned drawing their attention to the audit findings and requesting them to send their response within six weeks.

Concerned Ministries/Departments did not send replies to 13 out of 38 paragraphs (up to December 2020) featured in **Chapters-II to XIV**. The response of the concerned Ministries/Departments received in respect of 25 paragraphs has been suitably incorporated in the Report.

An amount aggregating ₹ 89.30 crore has been recovered during the compliance audit process as per details given in **Table No. 9**.

Table No. 9: Details of recovery

(₹ in crore)

Sl. No.	Ministry/Department	Audit observations	Amount recovered
1.	Ministry of Human Resource Development (Now Ministry of Education) Department of Higher Education (All India Council for Technical Education)	After being pointed out by Audit, All India Council of Technical Education recovered ₹ 2.01 crore on account of electricity & water charges, common maintenance charges, property tax and other levies from January 2010 to December 2016 from its tenant National Board of Accreditation.	2.01
2.	Consumer Affairs, Food and Public Distribution	Amount recovered in case of PSUs/Statutory Corporation. **Appendix-XVII**	79.91
3.	Department of Atomic Energy		0.57
4.	Ministry of External Affairs	Failure of **EOI Washington** to observe prescribed rules and procedures led to payment of Air Fare by non entitled class/unapproved route. The Mission has recovered ₹ 4.52 lakh (₹ 0.05 crore) on account overpayment at the instance audit.	0.05
5.	Ministry of Health and Family Welfare (All India Institute of Medical Sciences, New Delhi)	In compliance of the audit observations, AIIMS, New Delhi, recovered GST aggregating to ₹ 6.76 crore paid to M/s Tata Consultancy Services Ltd.	6.76
Total			**89.30**

CHAPTER II : MINISTRY OF AGRICULTURE AND FARMERS' WELFARE

2.1 Avoidable expenditure of ₹ 1.14 crore

Ministry's failure to fix an appropriate reserve price in time and inordinate delay in decision making at different stages of the disposal process of vessel *Matsya Sugandhi*, resulted in avoidable expenditure of ₹ 1.14 crore. Delay in disposal also led to the Ministry receiving a lower price for the vessel due to depreciation of the vessel.

Fisheries Survey of India (FSI) inducted a vessel - *Matsya Sugandhi* - in its fleet in 1980 for deployment for fishing operations at its Kochi base. In January 2007, Ministry of Agriculture and Farmers' Welfare (Ministry), based on EFC deliberations, identified this vessel for decommissioning. In May 2010, the Ministry constituted a Technical Committee (TC) to examine all aspects of the vessel necessary for deciding on its decommissioning and disposal or otherwise. The TC recommended (December 2010) decommissioning of the vessel in view of its poor condition, and due to the fact the machinery was old and outdated making any overhaul both unviable and difficult. It also recommended a reserve price of ₹ 70 lakh. Accordingly, in April 2011, the Ministry conveyed approval for decommissioning and disposal of the vessel, at the recommended reserve price.

Audit examination of records relating to the disposal of the vessel revealed (April 2019) the following:

a) The TC recommended (03 December 2010) a reserve price of ₹ 70 lakh and recorded that this was based on the sale price of *Matsya Vishwa*–a FSI Vessel sold in 2009 and the assessment report of a Consultancy firm. However, it did not elaborate on how these benchmarks were applied to arrive at a reserve price of ₹ 70 lakh as the sale price of the other vessel (less taxes) was only ₹ 62.16 lakh. Further, the Consultancy firm had assessed (September 2010) market value of *Matsya Sugandhi* to only be in the range of ₹ 52-54 lakh. Subsequently, several rounds of auctions and e-auctions undertaken from August 2011 to November 2014 could not even fetch half of the reserve price with the price in the auctions ranging from ₹ 23.28 lakh to ₹ 31.75 lakh only. In May 2015 the Ministry reconstituted the TC to *inter alia*, review the reserve price for the vessel. The TC belatedly, adopted the valuation done by the Consultant in 2010 and revised the reserve price downwards to ₹ 31 lakh after accounting for depreciation on the reduced valuation. However, in the e-auctions conducted from February 2016 to July 2016 by MSTC at the reduced reserve price, the highest bid received was only ₹ 13 lakh. Subsequently, in November 2018, another TC re-fixed the reserve price at ₹ 16.18 lakh after adjusting depreciation for four years. The vessel was finally sold for ₹ 17.76 lakh (June 2019). This shows that FSI did not proceed on any clear and rationale basis while fixing the reserve price. Despite repeated realisation of prices being much below the reserve price during auctions held from August 2011 to November 2014 and objections on the reserve price from bidders, FSI/Ministry did not review the reserve price till May 2015. It was only in 2019 when the reserve price was reduced to almost a fourth of the original price, was FSI able to dispose-off the vessel.

b) There were inordinate delays by FSI and the Ministry in taking decisions with regard to constitution of TCs, approval for disposal, fixing and review of reserve price and on specific auctions. These are enumerated in **Table No. 1.**

Table No. 1 : Inordinate delays by FSI and the Ministry

Sl. No.	Occasion	Delay
1.	Approval for decommissioning and fixing reserve price from the time the vessel was identified for decommissioning in 2007.	51 Months
2.	1st and 2nd tender (August 2011 to February 2013)	18 Months
3.	2nd and 3rd tender (February 2013 to November 2014)	21 Months
4.	3rd and 4th tender (November 2014 to February 2016)	16 Months
5.	Re-constitution of TC (September 2016 to March 2019)	30 Months
	Total Delay	**136 Months**

c) As per the Merchant Shipping Act, 1958, vessels were to be manned safely till their final disposal. During the period from April 2012 to March 2019, FSI incurred an expenditure of ₹ 1.14 crore towards salary, fuel, spare parts, etc. on the maintenance of the decommissioned vessel. The delays, referred to above, contributed to the increase in the expenditure which was avoidable. Audit also observed that while fixing reserve prices and evaluating bids the Ministry had given inadequate consideration to the need to avoid or minimise such expenditure by expediting the disposal of the vessel.

The Ministry/FSI in their reply (November 2019) have highlighted *inter alia*, that it was mandatory to maintain and man the vessel so as to prevent sinking and drifting of vessel and hence expenditure on this account was unavoidable, the low bid prices were due to cartelisation and the reduction in reserve price was due to corrosion in steel plates and structure of the vessel. The reply is not acceptable as although the expenditure on maintenance was required as per law, these could have been minimised through expeditious action for disposal of the vessel. Further, reasons for low bids were not analysed on record, nor was any action taken to address suspected cartelisation. In addition, there were shortcomings in the Ministry's entire approach with respect to fixing of reserve prices and managing the bidding process.

Thus, failure of the Ministry/Department to fix an appropriate reserve price after considering all aspects, lack of prompt and timely action in reviewing and revising the reserve price, and prolonged delays in decision making and in the tendering process resulted in avoidable expenditure of ₹ 1.14 crore incurred on manning and maintenance of the vessel. The prolonged delay of over 12 years in disposal also led to the Ministry receiving a much lower price as the vessel had in effect been reduced to scrap in the meantime.

Central Institute of Fisheries Education, Mumbai

2.2 Unfruitful expenditure of ₹ 2.36 crore due to non repair/ replacement of Transmission Electron Microscope

The Transmission Electron Microscope (TEM) delivered at Central Institute of Fisheries Education, Mumbai resulted in unfruitful expenditure of ₹ 2.36 crore as the defects in the microscope were not rectified by the Supplier, even after a lapse of more than seven years.

Central Institute of Fisheries Education (CIFE) (one of the Institute of Indian Council of Agriculture Research) placed (March 2011) Purchase Order for procurement of Transmission Electron Microscope (TEM) on M/s Hitachi High-Technologies, Singapore (Supplier) through its Indian Agent M/s Fore Vision Instruments Pvt Limited, Hyderabad (Agent) at a cost of ₹ 3.03 crore Japanese Yen (JPY). The Supplier submitted a Bank Guarantee of ₹ 30.25 lakh JPY (valid from 16 November 2011 to 15 April 2013) towards security deposit and CIFE made payment (December 2011) of ₹ 1.94 crore to the Supplier. The Supplier delivered the TEM in February 2012 which was installed (August 2012) at CIFE under the supervision of the Agent. Total expenditure incurred on purchase and installation of the equipment was ₹ 2.36 crore.

CIFE complained (December 2012 and January 2013) to the Agent that they were not getting any image from TEM of tissue sections and that the machine was generating only a note that CCD Camera did not support the software. It was also reported that some of the parts of the equipment were getting rusted. Problems developed in the battery and camera also (October and December 2012) as shown in the Log Book. Though the Sales Manager from the Supplier with Engineers from the Agent visited (March-April 2013) CIFE, the problems in TEM could not be fixed. The Engineer of camera manufacturer also visited CIFE (May 2013) and sent (October 2013) the camera to USA for repair. During reinstallation (February 2014) of camera in the TEM after its repair, failure in EVAC system was noticed. In the joint meeting (May 2014) the Agent agreed to replace the corroded/damaged parts and make the TEM functional within six months i.e. by November 2014.

The General Manager, along with an Engineer from Supplier, inspected (August-September 2014) the machine and identified the problems which, *inter alia*, included (i) excess humidity in TEM room (80 *per cent* against the recommended range of 30-60 *per cent)*, (ii) high temperature at night (30 degree against the required 15-23 degree), (iii) influx of reactive gas/chemicals in TEM Room, etc. Audit observed from the minutes of CIFE meetings and correspondences that the Engineers from the Agent and Supplier had inspected the TEM several times but they could not identify the above problems, until September 2014 (i.e. after one and a half years from complaint). After protracted correspondences, the Agent agreed (March 2017) to repair/replace the damaged parts at Supplier's factory in Japan free of cost and make it functional. However, the TEM was neither repaired nor taken over by Agent (March 2019).

Thus, after more than 76 months of reporting the machine non functional, the Supplier or its Agent could not repair/replace the TEM (March 2019). CIFE also failed to forfeit the Security Deposit and take any legal action and blacklist the firms. Failure of CIFE to prevail upon the Supplier/Agent resulted in unfruitful expenditure of ₹ 2.36 crore.

Indian Council of Agriculture Research, New Delhi in its reply stated (December 2019) that the matter was taken up with the Supplier and Agent of the equipment several times for repair but the same was not taken seriously by Supplier/Agent. They further stated that they are contemplating to take legal action against the firm and have informed (June 2019) the Supplier that they would take up the matter with Government of India for blacklisting the firm from selling their products in India.

The matter has been referred to the Ministry in August 2019. Their reply is awaited (December 2020).

CHAPTER III : DEPARTMENT OF ATOMIC ENERGY

Institute for Plasma Research, Gandhinagar

3.1 Non installation of Special Purpose Winding Machines

Institute for Plasma Research, Gandhinagar procured two Special Purpose Winding Machines without identifying site for their installation. The machines were not installed even after lapse of more than seven years, resulting in idling of funds of ₹ 4.29 crore.

Para 27.15 of the Purchase Manual of Department of Atomic Energy (DAE) stipulates that in a contract involving erection and commissioning to be undertaken by the Supplier, it is the responsibility of the user to arrange for the site, as well as provide the other utilities to the Supplier for carrying out the erection & commissioning within the agreed time frame. Para 15.14 of the Manual also stipulates that the Indenting Officer should record the status of preparedness of site at the time of technical evaluation of the tender.

The Institute for Plasma Research, Gandhinagar (IPR), an Autonomous Body under Department of Atomic Energy (DAE) entered (October 2009) into a contract with M/s Patel's Analog & Digital Measurement Co. (P) Ltd (PADMCO), Pune for design, fabrication, supply and commissioning of Special Purpose Winding Machine for prototype magnets (SPWM-MWP)[1] at a cost of ₹ 2.40 crore plus packing and forwarding charges and taxes (payable at different stages for the procurement[2]). The Contractor was selected after issuing (October 2008) Expression of Interest against which the offer from M/s PADMCO was received and evaluated.

In the terms of the contract, SPWM-MWP was to be delivered at IPR within 18 months from the date of receipt of first advance and its erection and commissioning completed within three months from the date of receipt of material. The first advance was released (November 2009) to M/s PADMCO; thereby SPWM-MWP was to be delivered by May 2011. Due to repeated

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[1] The equipment was envisaged for use in the XI Plan Project for Magnet Development of IPR. SPWM-MWP was to be used for winding single/double pancake coils for fabricating irregular shaped fusion grade magnet winding packs.

[2] *10 per cent* as advance:10 *per cent* against approval of design and drawings: 35 *per cent* upon providing engineering details, etc.; 25 *per cent* after integration of all essential units; and 20 *per cent* after installation, commissioning and final acceptance of the machine on submission of Performance Bank Guarantee (PBG) for 10 *per cent* of the contract value.

changes in design as suggested by IPR, the work was delayed and finally completed only in December 2012. Though the SPWM-MWP was ready for delivery, despatch clearance was not given by IPR as the site for installation of the machine had not been identified. As the matter was being pursued by the Contractor, IPR gave (March 2013) the despatch clearance and the SPWM-MWP was received in IPR in March 2013. It was, however, not installed due to non availability of site.

Similarly, IPR entered (April 2013) into another contract with M/s PADMCO for design, manufacturing, inspection, testing, supply and commissioning of Special Purpose Winding Machine for ELM control coils (SPWM-ELM) at a cost of ₹ 1.45 crore plus taxes payable at specific milestones[3]. SPWM-ELM was to be used for developing a prototype JET-ELM magnet under IPR-Joint European Torus, United Kingdom (JET)[4] collaboration. The Contractor was selected after evaluation of the bid (March 2013) received in response to public tender notice (December 2012). SPWM-ELM was to be delivered at IPR site within six months from letter of Intent (March 2013) i.e. by September 2013, and subsequently installed and commissioned by the Contractor. The machine was delivered at IPR in November 2013, but was also not installed due to non availability of site.

IPR made (November 2009 to September 2014) a total payment of ₹ 4.29 crore[5] comprising 95 *per cent* of the payment for SPWM-MWP and 100 *per cent* of the payment for SPWM-ELM. However, both machines remained unused without installation as of October 2020.

Audit observed that IPR procured the two winding machines without identifying sites for their installation, which was in contravention of the provisions of the DAE Purchase Manual. There was no mention of site preparedness at the time of technical evaluation of the tenders. Audit further noticed that IPR had not installed the machines and they remained unused for more than seven years after their procurement. Pending installation, IPR also did not store the machines properly, as it was noted by the Contractor

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[3] 10 *per cent* as advance; 10 *per cent* against approval of designs and drawings; 60 *per cent* against delivery, and 20 *per cent* after final acceptance on submission of PBG for 10 *per cent* of the contract value.

[4] A central research facility of the European Fusion Programme, used for carrying out fusion experiments.

[5] ₹ 2.66 crore for SPWM-MWP and ₹ 1.63 crore for SPWM-ELM.

(August 2015) that both machines were lying rotting in the open and were badly rusted due to poor storage.

IPR confirmed to audit (August 2020) that repairs/maintenance may be required for smooth operation of the components of the machines. The operational efficiency of the machines also remained in doubt.

Audit also noticed that IPR amended (August 2014) the payment terms for SPWM-MWP by releasing 15 *per cent* from the final payment of 20 *per cent*, which was originally to be paid only after installation. The terms and conditions were relaxed by IPR due to the delay in installation of the equipment. Further, IPR did not include a payment milestone against installation of the SPWM-ELM. Consequently, IPR released the full payment to the Contractor, without getting the machine installed, thereby incurring a risk of non commitment by the Contractor for installation of SPWM-ELM. Performance Bank Guarantees (PBGs) obtained by IPR from the Contractor for both machines lapsed in September 2015 (for SPWM-MWP) and December 2014 (for SPWM-ELM) and were not extended further.

Non installation of the machines resulted in idling of equipment procured at a cost of ₹ 4.29 crore for over seven years. In addition, prolonged poor storage of the machines and weak financial safeguards also led to uncertainty with regard to the successful installation, commissioning and satisfactory performance of the equipment in the future. Further, the manufacturing of coils as envisaged in the projects for which the machines were procured, could not be carried out. IPR accepted (October 2020) that the operational efficiency of the machines would be known only after their installation but added that installation was on hold (October 2020) pending an ongoing vigilance enquiry in the matter. DAE stated (November 2020) that IPR had been advised to take due precautions to avoid recurrence in future.

As over seven years have elapsed since the procurement of the machines at a significant cost, DAE needs to expedite installation of the machines so that these are put to use for the purpose for which these were procured, so that their condition does not deteriorate further. In addition, DAE also needs to ensure that all provisions of the Purchase Manual including those relating to preparation of sites before initiating procurement of equipment, are scrupulously followed by its units.

General Services Organisation, Kalpakkam

3.2 Short realisation of lease rent

Non revision of licence fee in accordance with extant Government Orders and non renewal of expired lease agreements by General Services Organisation, Kalpakkam resulted in short realisation of lease rent of ₹ 3.75 crore.

General Services Organisation, Kalpakkam (GSO) a constituent unit of the Department of Atomic Energy (DAE), takes care of common facilities[6] in Atomic Energy Townships at Kalpakkam and Anupuram, Tamil Nadu. GSO leased land in the Kalpakkam Township to three Organisations *viz*. Tamil Nadu State Transport Corporation, Villupuram (TNSTC)[7], State Bank of India (SBI) & Canara Bank and entered into lease agreements with these Organisations for different periods of time. As per records available, between September 2012 and March 2020, GSO received lease rent of ₹ 20.83 lakh from the three Organisations, as shown in **Table No. 1**.

Table No. 1: Lease of land by GSO

Organisation	Period of lease	Duration of lease (years)	Land leased (sq. ft.)	Duration of payment of lease rent[8]	Lease rent received (in ₹)
TNSTC	13.9.1983 to 12.9.2012	29	88,994	1.10.2012 to 31.03.2020	5,59,800
SBI	25.7.1984 to 24.7.2013	29	73,355	1.08.2013 to 31.03.2020	4,79,680
Canara Bank	11.12.1983 to 10.12.2012, 24.9.1986 to 23.9.2013, & 22.8.1990 to 21.8.2012	29 27 22	15,696	1.09.2012 to 31.03.2014	10,43,784
				Total	**20,83,264**

In terms of the lease agreements, licence fee was subject to revision under Government Orders issued from time to time. The Registration Department, Government of Tamil Nadu revised the land cost of the area where Kalpakkam Township is situated, with effect from 01.08.2007 and 01.04.2012 to ₹ 60 per sq. ft. and ₹ 300 per sq. ft. respectively. As per the Government of Tamil Nadu, Revenue Department's policy[9], the rate of licence fee per annum was seven *per cent* and 14 *per cent* of the land cost for non commercial and commercial purpose respectively.

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[6] Housing, Medical, Transport, Water Supply, Civil, Electrical, Mechanical, Telecommunication and Computer

[7] Formerly known as Thanthai Periyar Transport Corporation

[8] Details of payment of lease rent for the prior periods was not available.

[9] Policy Note of 2007-08 & 2012-13.

Audit observed that though the lease agreements had expired during August 2012 to September 2013, GSO did not execute fresh lease agreements and these organisations continued their operations on the leased land without valid agreements. GSO took up the matter for renewal of lease agreements with DAE only in July 2015 i.e. nearly two to three years after expiry of the old agreements. The matter has remained under correspondence between DAE and GSO for more than five years thereafter.

Audit also observed that rates of lease rent were revised (April 2012) as per the prevailing rates of lease charges only for the land leased to Canara Bank. However, no payment was received from Canara Bank after March 2014 due to non finalisation of the lease agreement. The other two Organisations continued to pay lease rent based on the old rates. This has resulted in short realisation of lease rent to the extent of ₹ 3.75 crore[10] (as of March 2020).

Thus, failure of GSO and DAE to revise licence fee of land leased out to the three Organisations in terms of the lease agreements, and non renewal of expired lease agreements for over eight years by GSO resulted in short realisation of lease rent of ₹ 3.75 crore as of March 2020 which will accumulate further till the new lease agreements are executed.

The delay of over seven years in taking action to renew the lease agreements indicates a serious lapse of internal control by GSO.

DAE stated (October/December 2020) that GSO has held discussions (September 2020) with the three Organisations and the lease agreements would be renewed retrospectively at the prevailing State Government land guideline values at the rates of seven *per cent* for TNSTC and 14 *per cent* for SBI and Canara Bank, for a period of 15 years. DAE informed (December 2020) that this was expected to be completed by January 2021.

The fact remains that inaction by GSO and DAE has led to non finalisation of the lease agreements, which resulted in short realisation of amount due to the Government. GSO needs to establish a suitable mechanism to monitor the lease agreements upon their renewal and ensure timely recovery of lease rent.

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[10] SBI: ₹ 2.01 crore and Canara Bank: ₹ 39.55 lakh calculated at the rate of 14 *per cent* of ₹ 300 i.e. ₹ 42 per sq. ft. *per annum*. TNSTC: ₹ 1.34 crore calculated at the rate of seven *per cent* of ₹ 300 i.e. ₹ 21 per sq. ft. *per annum*, being a wholly owned State Government corporation.

National Institute of Science Education and Research, Bhubaneswar

3.3 Payment of House Rent Allowance at higher rates

National Institute of Science Education and Research, Bhubaneswar paid House Rent Allowance to its employees at higher rates, which resulted in excess payment of ₹ 2.80 crore during the period from July 2015 to February 2020.

National Institute of Science Education and Research, Bhubaneswar (NISER) is an Autonomous Institute under the Department of Atomic Energy (DAE). A primary objective of NISER is to train and nurture human resources in the Sciences for the knowledge economies of the future. In terms of the Bye-laws of NISER, the pay and allowances of its employees are admissible as applicable to similarly placed employees of DAE i.e., in accordance with extant rules and instructions of Government of India (GoI).

The Department of Expenditure, Ministry of Finance, reclassified[11] (July 2015) cities/towns based on Census-2011 into 'X', 'Y' and 'Z' categories for the purpose of grant of House Rent Allowance (HRA)[12]. As per the said OM, Cuttack Urban Agglomeration (UA), Bhubaneswar UA and Rourkela UA were classified under the 'Y' category. The remaining cities/towns in Odisha were classified under the 'Z' category. HRA was payable at the rate of 20 *per cent* and 10 *per cent* for 'Y' and 'Z' categories respectively; which was revised to 16 *per cent* and eight *per cent* from July 2017[13].

NISER initially started functioning (September 2007) in Bhubaneswar[14] and shifted (July 2015) to its permanent campus at Jatni town of Khurda District, which is 25 km away from Bhubaneswar city.

Audit examination revealed that though Jatni belongs to the 'Z' category of city/town, the employees of NISER were granted HRA at the rate applicable for the 'Y' class cities. Audit referred the matter to the Office of the Director of Census Operations, Odisha, Ministry of Home Affairs, GoI, who confirmed (August 2020) that NISER does not fall under Bhubaneswar UA. Thus, the payment of HRA at higher rates by NISER was irregular, which resulted in the

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11 OM No-2/5/2014-E. II(B) dated 21 July 2015 on Reclassification/Upgradation of Cities/Towns based on Census 2011 for the purpose of grant of House Rent Allowance to Central Government employees.

12 In supersession of all the existing orders relating to the classification of cities/towns for the purpose of the grant of HRA to Central Government employees.

13 Consequent to implementation of recommendations of Seventh Central Pay Commission.

14 At the campus of Institute of Physics, another Autonomous Institute of DAE.

grant of additional benefits to its employees to the extent of ₹ 2.80 crore during the period from July 2015 to February 2020.

NISER stated (October 2020) that for all practical purposes the Institute was situated in Bhubaneswar and therefore HRA rates as applicable to Bhubaneswar were payable.

The reply is not acceptable in view of the clarification provided by the Census Authorities. As such, NISER needs to adopt the applicable rate of HRA and recover the excess amount paid to its employees.

The matter was referred to DAE in October 2020; their reply was awaited as of December 2020.

CHAPTER IV : CENTRAL PUBLIC SECTOR ENTERPRISES

Ministry of Consumer Affairs, Food and Public Distribution

Food Corporation of India

4.1 Non availment of concessional railways freight

Food Corporation of India did not execute movement plan of food grains transportation as intended which resulted in non availment of the concessional railway freight amounting to ₹ 35.96 crore.

Punjab is among the main States that have surplus food grains arising from procurement of wheat and rice. Surplus stocks of wheat and rice available in the State are moved to food deficit States to meet requirements under National Food Security Act, 2013 and for the Government's Public Distribution System. Surplus food grains are also used to create buffer stocks. The Regional Office at Food Corporation of India (FCI) in Punjab (which is a surplus region) undertakes operations for movement of the surplus food grains through rail and road, to meet the requirement of food deficit States.

The operations for moving food grains are carried out as per the movement plan conveyed by FCI headquarters each month. The plan is prepared after taking into consideration the availability and requirement of food grains in the surplus and deficit regions respectively, likely procurement, available storage capacity both in procuring and consuming regions and monthly allotment/off take of food grains. As per instructions conveyed by FCI Headquarters, rakes earmarked for transporting food grains in an approved movement plan, not used in that month cannot be carried forward to the next month.

Audit noted that "Dynamic Pricing Policy of Ministry of Railways (July 2015)" provides for levy of busy season charges (BSC) at the rate of 15 *per cent* of base freight rates, on all commodities transported between 1 April to 30 June and 1 October to 31 March. Commodities transported during 1 July to 30 September are thus, exempted from levy of BSC on base freight rates.

A review of the records of FCI District Offices in Punjab revealed that food grains transported through Railways from July to September during the period 2015-16 to 2018-19, were generally less than what was stipulated in the movement plan even though movement during these months were exempted from levy of BSC. During examination of records relating to execution of monthly movement plan in three district offices in Patiala, Ludhiana and

Bathinda of the Punjab region of FCI, it was noted that a key reason for non implementation of the entire approved movement plan was the failure of FCI to place indents with Railways for provisioning of rakes. Non placement of indent for rakes resulted in lower transportation of food grains than stipulated in the monthly movement plans of District Offices in Patiala, Ludhiana and Bathinda, during the months of July to September in the period 2015-16 to 2018-19. Thus, FCI lost the opportunity of availing the lower rate of railway freight under the "Dynamic Pricing Policy of Railways". This resulted in FCI incurring avoidable excess expenditure of ₹ 35.96 crore on transportation of food grains through Railways.

Management replied (July 2019) that execution of the movement plan was considered optimal if 80 *per cent* of the movement plan had been achieved and added that for the period covered achievement was more than this level. It also stated that in the present system of movement of food grains such extra expenditure was unavoidable. Further, the Management held (September 2020) that rakes remained un-availed each month and not just in the lean season months i.e. July to September.

The Ministry attributed (October 2019 and March 2020) short execution of movement plans to a host of factors ranging from limitation in storage capacity at recipient depots, poor off-take by State Governments and other emergent situations. It also reiterated that the percentage use of rakes was more or less the same in the lean season as in the rest of the year.

These replies are not acceptable as monthly movement plans were prepared after taking into consideration supply, demand, allotment and storage capacity. Constraints highlighted by Ministry should have been factored by FCI while deciding on targets for rakes for different months. Thus, these plans should have been fully implemented particularly in the months when concessional railway freight rates were available. Further, Audit has only included in its observation only those cases where no justified reasons were on record for not placing indent for rakes with Railways. Non transportation of planned quantities of food grains during the months when concessional railway freight rates were available, indicates lapses with respect to implementation of plans. Further, no documents were provided to Audit to substantiate the view that achievement of 80 *per cent* of the movement plan, was optimum.

Thus, failure of FCI to execute approved monthly movement plans during lean season resulted in non availment of concessional railway freight charges amounting to ₹ 35.96 crore. If these concessions had been availed the burden on the GoI for payment of food subsidy would have been lower.

4.2 Avoidable expenditure due to inordinate delay in finalisation of Handling and Transport Contract

Despite operational exigencies, delay in finalisation of *ad hoc* handling and transport contract resulted in avoidable expenditure of ₹ 20.69 crore towards carry-over charges to State Government Agencies.

Food Corporation of India (FCI) is the nodal central agency of Government of India, along with State Government Agencies (SGAs) to undertake procurement of wheat under price support scheme. Wheat procured by State Government Agencies (SGAs) is taken over by FCI for dispatching to consuming States as per requirement/movement plan. The SGAs were required to deliver procured wheat to central pool immediately after its procurement unless FCI was unable to accept it for reasons which were to be conveyed in writing. SGAs were entitled for carry-over charges in the form of agreed storage charges along with interest as applicable.

At Rampuraphul centre, District Bhatinda, Punjab, FCI had awarded (20 August 2015) Handling and Transport (H&T) contract to M/s Gangsar Transport Co. (Contractor) for a period of two years from September 2015 to August 2017. However, due to suspected involvement of Contractor in manipulation of price bids in e-bid, work under the contract was suspended with effect from 10 September 2015. A show cause notice (SCN) was also issued (21 September 2015) to the Contractor. The matter regarding suspected involvement of Contractor in manipulation of price bids in e-bid is pending in the Court.

Audit noted that suspension of H&T contract with Contractor resulted in non movement of stock from SGAs godown at Rampuraphul centre, Bhatinda. This resulted in incurrence of storage/carry-over charges payable by FCI to SGAs for food grains stored at SGAs godowns. SGAs also pointed out (November 2015) that non movement of stock may result in deterioration of stock and represented for early finalisation of H&T contractor. However, despite the risk of deterioration of the food grains and liability towards carry-over charges for storing food grains at SGAs godowns, FCI did not appoint any new H&T Contractor. Audit noted that High Court of Punjab and Haryana in their order dated 1 October 2015 also did not impose any restriction on FCI prohibiting the adoption of any alternative arrangement for handling and transportation of food grains from Rampuraphul centre.

Audit further observed that H&T contract with M/s Gangsar Transport Co. neither gave any exclusive rights for handling and transport the food grains nor did it provide guarantee for any definite volume of work. Further, as per H&T contract, FCI reserves the exclusive right to appoint one or more Contractors during the tenure of contract for any or all the services and to divide the work between such contractors in any manner that FCI may decide. However, despite operational exigencies and also having the right under H&T contract entered with M/s Gangsar Transport Co., Regional Office, Punjab, FCI did not initiate timely action for engaging any other Contractor on *ad hoc* basis to ensure timely handling and movement of stock from Rampuraphul centre. Only after directions (December 2015 and January 2016) from Zonal Office to protect financial interest of the Organisation, Punjab Regional Office issued tender enquiry for *ad hoc* contract on 16 January 2016. The *ad hoc* contract was awarded to Ms Jaitu Transport Company on 25 January 2016 after a period of 4.5 months from the date the H&T contract with M/s Gangsar Transport Co. was suspended. Considering an average time of three weeks for appointment process to engage H&T contactor on *ad hoc* basis, the delay in appointment of new contractor by FCI has resulted in avoidable carry-over charges amounting to ₹ 20.69 crore for the period 1 October 2015 to 25 January 2016 in respect of food grains of crop year 2014-15 and 2015-16.

Ministry replied (September 2020) that considering facts and circumstances involved, it was not possible to make *ad hoc* contract without finalisation of the SCN and without directions of Hon'ble High Court. It also replied that FCI, Punjab Region had informed that there is no expenditure on account of carry-over charges. Further, stock not loaded from one centre due to failure on part of one HTC are loaded from another centre/railhead, thereby not letting any intended/supplied rakes go unloaded in a month. Therefore, carry-over charges of that centre gets cancelled out by loading of stocks from other centres.

Ministry's reply is not tenable. Audit noted that the Hon'ble High Court order (October 2015) did not place any restriction on FCI for appointing of *ad hoc* Contractor. Further, agreement with Contractor stipulated that FCI had the right to appoint one or more Contractors during tenure of agreement. On the basis of this clause only, FCI had appointed *ad hoc* Contractor in January 2016 to which Court did not object in its subsequent orders of 10 February 2016 and 2 March 2016. Further, FCI Bhatinda office has informed (October 2020) that it had acknowledged liability for carry-over charges for crop year 2014-15 and 2015-16 for central pool stock and paid to SGAs including interest. Also, Ministry's contention that carry-over charges payable at one centre gets cancelled out by loading of stocks from other centres is not tenable as carry-over charges are centre specific.

4.3 Payment of inadmissible carry-over charges

Payment of inadmissible carry-over charges of ₹ 7.05 crore in contravention of orders of Ministry. When this was pointed out by Audit, FCI recovered ₹ 5.83 crore.

Under the Decentralised Procurement (DCP) scheme State Governments and their agencies (SGAs), procure, store and distribute food grains[1] within their States under the Targeted Public Distribution System (TPDS) and other welfare schemes of Government of India (GoI). Excess stocks (rice and wheat) procured by these States/SGAs are handed over to FCI for being made part of the central pool. The cost of such excess stocks handed over to FCI is reimbursed by FCI to the State Government/SGAs as per cost sheet issued by the GoI for the concerned State. It is envisaged that State Governments/SGAs will deliver the excess stock to the central pool immediately after procurement until and unless FCI is unable to accept it for reasons to be conveyed in writing. Carry-over charges for the period beyond June each year, shall be payable for quantities that FCI is unable to accept.

Para 6.10 of the "Guidelines for Submission of Incidental Claims" issued (September 2010) by Ministry of Consumer Affairs, Food and Public Distribution (Ministry), provides that carry-over charges for wheat are payable at the prevailing rate of interest along with agreed storage charges for delivery of wheat after 30 June of the respective year. Para 6.5 of Guidelines further provided that in case of States participating in the DCP scheme, the stock procured over and above the State's requirement for a year is to be deposited with FCI under central pool. In case no surplus stock is handed over by SGAs to the central pool, no storage cost for such stock is to be claimed.

Audit noted that Madhya Pradesh has been part of the DCP scheme for procurement of wheat since 1999-2000. Examination of records of the FCI Divisional Office at Ujjain, Madhya Pradesh, disclosed that Madhya Pradesh State Civil Supplies Corporation Limited (MPSCSCL) requested (August 2015) FCI to take stock of wheat of the Rabi Marketing Season (RMS) 2014-15[2] Under Relaxed Specifications[3] (URS) category. Subsequently, the State Government also reiterated (11 September 2015) its request to the Ministry of

[1] Rice, wheat and coarse grains.
[2] Procured during April to June 2014.
[3] Stock not meeting standard specifications prescribed for central pool procurement.

Consumer Affairs, Food and Public Distribution. To avoid further deterioration of quality due to prolonged storage, the Ministry agreed (16 September 2015) to the request and directed FCI to take over URS wheat of RMS 2014-15 as per its requirement giving overriding priority over any other stock.

FCI, Divisional Office, Ujjain accordingly took over 30,176.75 MT stock of URS wheat from MPSCSCL during the period October 2015 to February 2016. It also paid ₹ 7.05 crore as carry-over charges for 18,881.02 MT[4] of wheat to MPSCSCL for the period July 2014 till lifting of the stock. Audit noted that in view of conditions stipulated in the provisional cost sheet for RMS 2014-15, and the “Guidelines for Submission of Incidental Claims”, no carry-over charges were payable to MPSCSCL. Ministry’s approval (16 September 2015) to take over stock of RMS 2014-15 under URS category also did not contain any direction to pay carry-over charges for stock offered by MPSCSCL in August 2015 i.e. after more than one year of procurement. Thus, payment of carry-over charges amounting to ₹ 7.05 crore was not in compliance with extant guidelines and instructions and was thus, avoidable. When this was pointed out by Audit, FCI had recovered (September 2020) an amount of ₹ 5.83 crore from MPSCSCL through adjustment against dues payable.

Management replied (September 2020) that MPSCSCL had offered the URS stock of RMS 2014-15 in August 2015. Accordingly, carry-over charges were payable from September 2015 till the actual date of lifting, which works out to ₹ 1.22 crore (i.e. initial payment of ₹ 7.05 crore less recovery made of ₹ 5.83 crore).

The reply of the Management is not tenable. Offering of URS stock by MPSCSCL in August 2015 has no relevance in determining cut-off date for computation of carry-over charges, as the stock was offered after one year and two months of procurement considering June as end of procurement season. In the absence of any direction from the Ministry to pay carry-over charges to MPSCSCL and in view of “Guidelines for Submission of Incidental Claims”, and cost sheet issued by the Ministry, no carry-over charges were payable to MPSCSCL in this case. Thus, the remaining payment of carry-over charges amounting to ₹ 1.22 crore was also irregular and needs to be recovered from MPSCSCL.

The matter was reported to the Ministry in December 2019; their reply was awaited (December 2020).

4 For remaining 11,295.73 MT, no carry-over charges were paid as vacant storage space was available with FCI.

Ministry of Water Resources, River Development and Ganga Rejuvenation

National Projects Construction Corporation

4.4 Undue favour to Contractors

National Projects Construction Corporation Ltd. (NPCC) failed to impose liquidated damages amounting to ₹ 18.73 crore on defaulting Contractors for delays in executing Pradhan Mantri Gram Sadak Yojana projects. Further, NPCC also made excess payment of ₹ 19.30 crore to Contractors though no actual site work was done.

For executing works under Pradhan Mantri Gram Sadak Yojana (PMGSY) in Jharkhand, a tripartite agreement was signed between Government of Jharkhand, Ministry of Rural Development, Government of India and National Projects Construction Corporation Limited (NPCC) issued tenders between 2010 and 2014 for construction and upgradation of roads under PMGSY on behalf of Government of Jharkhand for construction and upgradation of roads located in six districts of Jharkhand *viz.* Gumla, East Singhbhum (ESG), West Singhbhum (WSG), Deoghar, Saraikela and Latehar.

Audit scrutiny of contracts for road projects under PMGSY being executed by NPCC in Jharkhand, disclosed that 173 road projects pertaining to 40 packages, had been terminated between 2012 and 2017 as Contractors failed to complete the work within stipulated time. NPCC forfeited the security deposits and performance security of these terminated contracts. Audit findings on examination of these terminated 173 road projects are as under:

(A) Non imposition/recovery of liquidated damages

Para 3.1 of the tripartite agreement provides that project was to be implemented as per PMGSY guidelines and associated documents including the Standard/ Model Bidding Document (SBD). Clauses 44.1 and 44.2 of the SBD stipulated that Contractor shall pay liquidated damages (LD) to NPCC at the rate per week or part thereof specified in the contract (i.e. one *per cent* per week) for the period that the completion date is later than the intended completion date and the total amount of LD shall not exceed 10 *per cent* of the contract price. Further, NPCC could deduct LD from payments due to the Contractor, and payment of LD shall not affect other liabilities of the Contractor.

The defaulting Contractors were liable to pay LD at the maximum rate of 10 *per cent* of the contract value as in all the terminated contracts (except one) the delay exceeded 10 weeks. The maximum LD in absolute terms on all the terminated contracts amounting to ₹ 20.31 crore was thus recoverable. Against this amount, NPCC intimated (September 2020) that it had only imposed/ deducted LD of ₹ 1.58 crore in 49 cases. Audit, however, computed that in these 49 cases alone the LD recoverable was ₹ 6.56 crore. Despite repeated requests, NPCC did not provide detailed calculations in support of LD levied by it in the 49 cases.

Audit also noted that in 53 cases payments were released to defaulting Contractors during the extended period of the contracts. Though there was sufficient scope for recovering an LD amount of ₹ 5.38 crore from these contactors, no recoveries were made from the payments released to them.

It was also observed that Management initiated the termination process for contracts after there were delays in almost all cases, in completion ranging from 201 days to 1441 days. These delays in taking action resulted in deterioration in the condition of roads coupled with increase in revised cost for completion of balance works which necessitated the sanction for additional funds from Jharkhand State Rural Road Development Authority[5] (JSRRDA).

To enable completion of 118 terminated works JSRRDA i.e. implementing agency of Government of Jharkhand, sanctioned (December 2016/August 2017) an additional amount of ₹ 22.58 crore (after adjustment of forfeited security deposits and performance securities) in view of increase in revised cost of balance works. The additional sanction was given on the condition that NPCC would complete the remaining work before March 2019. It was also stipulated that NPCC would recover LD from Contractors failing which LD would be adjusted from the agency fees payable to it. Despite this, NPCC did not take any action for recovery of full LD from the defaulting Contractors and deducted/recovered LD only ₹ 1.58 crore in 49 cases as against LD of ₹ 20.31 crore to be recovered from terminated contracts. As such, NPCC was liable to compensate JSRRDA for shortfalls in collection of LD from its own fees.

Management replied (April/October 2018 and September 2020) that:

(i) As there was no escalation clause in the agreement and there was poor bidder response during the original tender a "lenient view" was adopted. Subsequently, LD was deducted after receiving clear instructions from JSRRDA.

[5] JSRRDA is the nodal agency of Government of Jharkhand for implementing PMGSY.

(ii) Mere existence of LD clause in the agreement/contract does not imply automatic imposition of levy of LD without there being valid reasons entirely attributable to agency concerned for not achieving the milestones and as such, levy of LD. Further, LD, wherever applicable, was imposed. Accordingly, an amount of ₹ 1.58 crore was imposed/deducted from Contractors dues in 49 cases.

(iii) The contract period was extended by the Government of Jharkhand upto March 2015 and subsequently to March 2019, and JSRRDA has not levied any LD on NPCC or withheld any agency fees of NPCC towards adjustment of the same.

The reply of the Management is an admission on its part that its failure to recover LD was guided by non contractual considerations of showing leniency and was not in accordance with contract conditions. The fact that contracts did not provide for escalation is known to bidders who were expected to quote their contract price accordingly, and this cannot be cited as a reason for providing any relief to Contractors on account of LD. It also shows that internal controls were bypassed while releasing payments to Contractors.

Further, the extension of the project period by JSRRDA upto March 2019 has no relevance to the contracts in question as these were already terminated between 2012 and 2017. Such extensions also do not automatically absolve any agency from the liability of payment of LD except if specifically waived. Thus, NPCC continued to be responsible for imposing/recovering LD from defaulting Contractors in terms of their contracts. In fact, JSRRDA had specifically envisaged recovery of LD while sanctioning additional funds for completing the terminated contracts and in case of non recovery of LD, the same was to be adjusted from agency fees of NPCC.

While Management's stand that LD cannot be applied automatically without analysing reasons for delay is acceptable in principle, however, in the 49 cases in which NPCC recovered LD of ₹ 1.58 crore, detailed calculations were not provided for verification despite repeated requests by Audit. Audit also noted that in 112 out of the 173 terminated road projects, average progress[6] of work was less than 50 *per cent* as on date of termination. Further, taking all the road projects into account, there was an average delay of 697 days in the projects prior to termination of the contracts and average completion of works was only

[6] Progress has been computed based on payments made to Contractors. However, as noted in part B of the para some cases of payments in excess of work done were also found.

39 *per cent* on the date of termination. In such circumstances, it is not plausible that at least 10 weeks of the delay attracting maximum LD, would not be attributable to the Contractors.

Management's contention that JSRRDA has not made any adjustments of unrecovered LD from its agency fees is also untenable as the agreement with JSRRDA is yet to be closed and the liability on this account remains. Even if the adjustment is waived, non recovery of LD amounts to a loss to the exchequer as JSRRDA had sanctioned additional amount of ₹ 22.58 crore to complete the terminated works which could have been compensated substantially had the LD of ₹ 20.31 crore been recovered in full.

Thus, failure of NPCC to enforce LD provisions of the contract for delay in completion of road projects, resulted in undue benefit to Contractors and non recovery of LD amounting to ₹ 18.73 crore. There was also a loss to the exchequer of an equal amount as Government had to approve additional amount of ₹ 22.58 crore to complete the projects terminated due to the delays.

The matter was reported to the Ministry in September 2018; their reply was awaited (December 2020).

(B) Wrongful payments to Contractors in the terminated projects

Audit examination of records relating to the 173 terminated projects showed that the Company had conducted a check of actual work executed in these projects *vis-a-vis* work measurements recorded in Measurement Books (MBs). This check revealed that in 121[7] out of 173 terminated road projects, excess payments were made to Contractors by recording wrong measurements instead of actual work executed at site. This led to wrongful payments of ₹ 19.30 crore. The checks conducted by the Company showed that in the case of projects for construction of four bridges in Latehar District and three road projects in West Singhbhum, measurements for work done were wrongfully entered in the MBs based on which ₹ 1.90 crore was paid to Contractors, though no work had been executed by them.

Audit noted that the Company had issued legal notices to Contractors during January 2017 to January 2018 for recovery of the excess payment of ₹ 19.30 crore. However, the issue of the legal notices was delayed by 59 to 861

[7] 22 road projects in West Singhbhum, 16 road projects in East Singhbhum, 21 road projects in Saraikela, 48 road projects in Gumla and construction of 14 bridges in Latehar.

days from the date of termination of the contracts. Subsequently, Company also filed cases with revenue authorities for recovery of the above amounts from the Contractors. However, no recoveries have been made till date.

Audit found inadequacies in the working of internal check and monitoring mechanisms. Test checks carried out of MBs and running account bills pertaining to 37 projects at West Singhbhum and Gumla, disclosed that in 15 cases payments to Contractors had been made on the date of measurement itself, which was indicative of flaws in the process of verification of measurement of work prior to payments to Contractors. Audit also noted that there were deviations from the quality control procedures prescribed in the Operations Manual[8] (Para 11.5.7). The Manual mandated at least three inspections of each work by the State Quality Coordinator (SQC). However, a review of projects in West Singhbhum and Gumla, where most of the excess payments to Contractors were noticed, revealed that there were inordinate delays and shortfalls in carrying out the scheduled inspections by the SQC. These shortfalls would have enabled excess payments to Contractors.

In its replies (October 2018 and September 2020) Management acknowledged the excess payments to Contractors, and stated that required administrative and disciplinary actions as deemed fit, were taken against the employees. In addition, actions as per contractual and legal provisions were taken against the Contractors in addition to filing suits for recovery, and the process of recovery is underway. Further, instructions were issued to lodge FIRs against defaulting Contractors. It termed the payment to Contractors without actual work done at site as a judgmental error. It stated that the functioning of the Zone is being monitored closely to avoid recurrence of such issues, and that quality control mechanism has been improved and frequent site inspections and surprise checks had been advised.

The replies acknowledge that excess payments were made to Contractors. However, it was noted that full information on filing of FIRs had not been made available. In addition, Management's decision to file FIRs against the employees involved is yet to be implemented.

Thus, wrongful payments of ₹ 19.30 crore were made by the Company to Contractors in the case of 121 terminated contracts without work having been actually done. These payments indicate shortcomings in functioning of both

[8] Issued by National Rural Roads Development Agency for PMGSY works.

internal checks and monitoring mechanisms while recording works done and correlating the same to payments made.

The matter was reported to the Ministry in September 2018; their reply was awaited (December 2020).

Department of Atomic Energy

Nuclear Power Corporation of India Limited

4.5 Payment of inadmissible Family Planning Allowance to employees

Nuclear Power Corporation of India Limited paid Family Planning Allowance of ₹ 5.42 crore to its employees in violation of extant Government of India orders.

Government of India, Ministry of Finance vide OM dated 4 December 1979 granted Family Planning Allowance (FPA) in the form of Personal Pay to Government employees for promoting small family norms. In Sixth Pay Commission, the Personal Pay was converted into a fixed monthly allowance.

The Seventh Pay Commission report recommended abolishing FPA on the ground that a separate allowance aimed at population control was no longer required as the level of awareness regarding appropriate family size had gone up among Government servants. The Committee on Allowances accepted the recommendations of the Seventh Pay Commission and Ministry of Finance (MoF) accordingly issued orders[9] discontinuing FPA with effect from 1 July 2017. The instructions of MoF were endorsed for necessary action (14 July 2017) by Department of Atomic Energy (DAE) to its constituent units including Public Sector Enterprises (PSEs). Subsequently, Department of Public Enterprises (DPE), citing the above mentioned orders of MoF, also issued instructions[10] discontinuing payment of FPA in respect of Central PSEs following Central Dearness Allowance (CDA) pattern of pay, with effect from 1 July 2017.

Nuclear Power Corporation of India Limited (NPCIL), a PSE under DAE, sought (24 August 2017) a clarification from DAE about whether the incentive for Small Family Norms should be continued or otherwise, citing that NPCIL's Incentive Scheme for Adoption of Small Family Norms, 1991 was specific to NPCIL and introduced with the approval of its Board of Directors. Citing the

[9] Ministry of Finance, Department of Expenditure OM F. No.12(4)/2016-EIII.A dated 7 July 2017

[10] Vide Ministry of Heavy Industries & Public Enterprises, DPE OM No. W.02/0058/2016-DPE (WC)-GL-XIII/18 dated 21 May 2018

orders of DPE mentioned above, DAE clarified (12 April 2019) that FPA needed to be discontinued in NPCIL as per orders of the MoF dated 7 July 2017.

NPCIL however, submitted a proposal to the Board for withdrawal of the incentive for Adoption of Small Family Norms with effect from 1 May 2019. The Board approved (July 2019) withdrawal of the incentive with effect from 1 August 2019. Continued payment of FPA by NPCIL from July 2017 to July 2019 despite instructions of DPE and DAE to discontinue the same was irregular, and resulted in excess payment of FPA to the extent of ₹ 5.42 crore.

Management stated (August 2020) that NPCIL has been exempted from DPE guidelines and governed by Atomic Energy Commission guidelines for NPCIL approved by Cabinet. NPCIL added that the matter for continuation or otherwise of payment of incentive for Small Family Norms was only referred to DAE for clarification and not for approval. Based on the clarification received from DAE, the matter was taken up with the Board of Directors of NPCIL, which approved withdrawal of the scheme from 1 August 2019.

The reply is not acceptable, as DAE, being the administrative Ministry, in its clarification (12 April 2019) had clearly stated that the instructions of MoF and DPE were applicable to NPCIL and therefore, the incentive was to be discontinued from 01 July 2017. The decision of NPCIL to discontinue the scheme from 1 August 2019 instead of 1 July 2017 was in contravention of the instructions of DAE and resulted in inadmissible payment of allowance of ₹ 5.42 crore to employees of NPCIL.

The matter was referred to DAE in January 2020; their reply was awaited as of December 2020.

Dadra & Nagar Haveli Administration (now Dadra & Nagar Haveli and Daman & Diu Administration)

DNH Power Distribution Corporation Limited

4.6 Receipt of remittances through online bill payment system

The delay in remittances by the online payment processing service provider of ₹ 94.19 crore for a period ranging from 36 days to 241 days resulted in a loss of interest of ₹ 4.08 crore.

DNH Power Distribution Corporation Ltd. (Company) entered (May 2013) into an agreement with IndiaIdeas.com Ltd. (also known as Bill Desk) for management services relating to processing mechanism for payment and collection of online bill payments by Company's customers. Customer payments were required to be received and aggregated by M/s IndiaIdeas in designated bank accounts held at partner bank(s)/nodal bank(s) as per the procedure prescribed by Reserve Bank of India (RBI), and then transferred to the Company.

Clause 4.2 of the agreement provides that M/s IndiaIdeas would ensure that the partner bank(s)/nodal bank(s) would release the valid bill amounts to the Company collected with T+1[11] day payment arrangement, Audit noted that there was no specific provision in the agreement regarding interest/penalty to be levied on M/s IndiaIdeas or any other remedy in the event of delayed remittance of valid payment(s) to the Company.

Clause 4.7 Schedule A to the agreement also provided that the Company should *inter alia* furnish confirmation of the payments received from M/s IndiaIdeas at mutually agreed intervals subject to at least one such confirmation in a month, after due reconciliation of such bill payments and receipts.

On review of records, Audit observed that in eight cases Company did not receive amounts collected by M/s IndiaIdeas from consumers in full. In eight cases of remittances during September 2013 to April 2014, the Company received only ₹ 10.47 crore out of total dues of ₹ 104.66 crore collected by M/s IndiaIdeas from the Company's consumers. The Company did not notice the shortfall in receipts as the reconciliation of payments with M/s IndiaIdeas was not carried out periodically. An amount of ₹ 94.19 crore remained unrealised for a period ranging from 36 to 241 days. The unrealised amount of ₹ 94.19 crore was finally realised by the Company on 17 May 2014. The shortfall in remittance of an amount of ₹ 94.19 crore for a period ranging from 36 days to 241 days resulted in loss of interest to the Company to the tune of ₹ 4.08 crore[12].

On loss of interest on delayed payment being pointed out by Audit, the Company claimed interest from M/s IndiaIdeas for delay in remitting the amount to the Company. However, M/s IndiaIdeas stated that the amount remitted against eight transactions got truncated due to technical bug in the system, and that the amounts collected from customers are routed from customer's bank to a nodal bank and then from nodal bank to Company directly and the monies were never with M/s IndiaIdeas. The Company accepted the contention of M/s IndiaIdeas and holding that the technical flaw was beyond the control of M/s IndiaIdeas, did not pursue the claim for recovery of interest.

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[11] 'T' is the day of intimation regarding completion of transaction.

[12] At the rate of 12 *per cent* adopted from clause 5.3 of the agreement.

The Management stated (July 2019) that the shortfall in respect of the eight transactions had happened in the initial period of the service implementation due to a technical flaw which led to only 10 *per cent* of the money received getting transferred from the nodal bank to the Company bank account leaving the balance 90 *per cent* in the nodal bank account. It further pointed out that such a type of error did not recur after May 2014 once the technical flaw in the system was rectified. There was also no suspicion of any fraudulent transaction requiring an enquiry under clause 5.3 of the agreement. Hence, claiming/computing the loss of interest based on 12 *per cent* as mentioned under Para 5.3 of the agreement would neither be a corrective course of action nor justifiable.

Union Territory Administration of Dadra & Nagar Haveli endorsed (September 2019) the Management's reply.

While the effort of the Company and the Service Provider to improve the process and prevent recurrence is appreciated, the Company failed to receive ₹ 94.19 crore for a period up to eight months. This delay is attributable to non reconciliation of accounts by the Company in a timely manner, which led to a loss of interest of ₹ 4.08 crore. As it was incumbent on M/s IndiaIdeas to provide services as defined in the agreement, it is liable to pay interest for any withheld payment due to its fault. The Company also gave up pursuit of its claim of interest on delayed remittances with M/s IndiaIdeas. The matter needs to be pursued with the Service Provider and legal measures should be initiated for recovery of the interest amount.

CHAPTER V : MINISTRY OF EXTERNAL AFFAIRS

Passport *Seva* Project Division

5.1 Incorrect application of rate of service charges led to excess payment

Ministry of External Affairs made excess payment of ₹ 2.89 crore to the Service Provider for Passport Services due to incorrect application of rate of service charges for processing passport applications during June 2015 to February 2020.

Mention was made in Para 4.2.2 of C&AG's Audit Report No. 7 of 2016 regarding payment at the rate of ₹ 199 per application to the Service Provider (SP) for passport services, for walk-in applications till May 2015. As only online appointments were being allowed from July 2012 this led to overpayment to the SP. In their Action Taken Note (ATN), Ministry of External Affairs (MEA) informed (April 2017) the Public Account Committee (PAC), of recoveries made from the SP.

The Passport *Seva* scheme was one of the Government's first projects under the National e-Governance Plan (NeGP) to provide digital access to services. The scheme was implemented in a Public Private Partnership (PPP) mode with the private partner *viz.* M/s Tata Consultancy Services (TCS) having been selected through a public competitive procurement process.

As per the schedule VI under Master Service Agreement (MSA) signed between MEA and TCS i.e. the SP (October 2008), payment of service charges was to be made based on quarterly volume of applications processed by the SP. Service charge for the applicants who apply online would be 75 *per cent* of the basic service charge applicable for walk-in applicant. In the case of walk-in-applicants, the counter operator was required to assist the applicant in filling the application form and thus carried out data-entry and submitted the application into the system. On the other hand, online applicants complete all these activities themselves before visiting the Passport *Seva* Kendra (PSK) on the appointed date and time. Thus, as more service was rendered by the SP in the case of walk-in applicants compared to on-line ones, service charges rates were higher for the walk-in applicants as shown in **Table No. 1**.

Table No. 1: Rates of Service Charges

(Amount in ₹)

Sl. No.	Quarterly volume	<=15 lakh
I	Service Charge rate for Walk–in applicants	199.00
II	Service Charge rate for Online applicants (@ 75 *per cent* of I above)	149.25

Regional Passport Offices (RPOs) started (June 2012) organising Passport *Melas*, which were conducted on Saturdays and Sundays and other holidays to cater to growing demand of passport seekers and also to attend to those who could not visit Passport Offices during working days.

Audit scrutiny of records relating to payments of service charges to the SP, disclosed that the payments made for the period from June 2015 to February 2020, included payments for 5.82 lakh applications processed under *Mela* scheme. To participate in these *Melas*, prospective applicants had to log on to the MEA's official website, register on-line, generate Application Registration Number (ARN), pay online fees and then take the appointment. Applicants participating in the *Mela* were required to bring the print out of ARN with appointment details, to the respective PSK along with requisite documents in originals and one set of self-attested photocopies.

Audit noted that the SP claimed service charge at the rate of ₹ 199 per application for handling *Mela* applicants i.e. the rate applicable for walk-in applicants, instead of ₹ 149.25 applicable for on-line applicants. This was despite the fact that *Mela* applicants were required to follow the same process for filling applications as for on-line applicants. In this connection, it is pointed out that after July 2012, only the system of on-line applications remained barring for a few specific categories. This resulted in excess payment to the SP aggregating ₹ 2.89 crore[1], for 5.82 lakh *Mela* applications processed during the period from June 2015 to February 2020.

On this being pointed out (August 2020), MEA stated (October 2020) that for meeting the heavy demand for passports, Passport *Melas* were organised on weekends or holidays which required very high human engagement level and management efforts from the SP. It also stated that this initiative, applicants were allowed to submit their physical applications at PSKs/POs on specific days without any appointment.

In addition, the SP was also required to assist the Government staff in collecting fees, allotting file numbers to each case and offer additional administrative and

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(Amount in ₹)

Period	No. of Online applicants	Rate charged	Rate chargeable	Excess	Amount recoverable (581544 x 49.75)
Jun '15-Feb' 20	5,81,544	199.00	149.25	49.75	2,89,31,814.00

operations support. As such, it approved the payment of ₹ 199 per application received during the the *Melas*.

MEA's reply is not tenable as payment to the SP was being made on the basis of number of applications processed, and processing the applications during the *Mela,* involved same level of work as in the case of normal on-line applications. The contention that during the *Melas,* SP were providing assistance in handling physical application and in collection of fees from applicants, is not acceptable as even in such cases, applicants were required to apply online and bring the print out of ARN with appointment details. Further, these *Melas* were largely intended to handle pending applications submitted on-line and hence payment of extra charges to the SP to clear backlog/rush of applicants was not justified.

Further, the reply of the MEA (October 2020) is also contradictory to its previous response of March 2020. It had then intimated that the payment made to SP for online *Mela* applications at walk-in rates during March 2017 to November 2018 had been reviewed and process of recovery had been initiated.

Thus, incorrect application of rate of service charges for processing passport applications during Passport *Melas* resulted in unjustified excess payment to the SP of ₹ 2.89 crore for the period from June 2015 to February 2020.

South Asian University

5.2 Loss of revenue due to irregular tax exemption

South Asian University (SAU) was established by the eight member nations of the South Asian Association for Regional Co-operation (SAARC). Under the SAU Act, the President and other faculty members were exempted from payment of taxes in respect of their salaries. On 15 January 2009 the Ministry of External Affairs issued a notification to make the Registrar of the University eligible for grant of tax exemption, which was contrary to the provisions of SAU Act. Irregular exemption of income tax granted to the Registrar resulted in loss of ₹ 90.06 lakh to the Government exchequer.

In pursuance of the Prime Minister's announcement at the thirteenth South Asian Association for Regional Co-operation (SAARC) Summit in November 2005 for establishment of a South Asian University (the University), an Inter-Governmental Agreement was signed in April 2007 amongst the eight countries[2] which stipulated that the main campus of the University shall be located in India. Subsequently, Headquarters' Agreement between the Government of India and the SAARC Secretariat was signed in November 2008

[2] Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

to provide an overall framework for the functioning and operation of the University and for regulating the relations between the University and the host country. To give the provisions of the Inter-Governmental Agreement force of law, the South Asian University (SAU) Act, 2008, was enacted and notified through Gazette dated 11 January 2009.

As per the provisions of Article 4 of the Inter-Governmental Agreement, the taxation of the citizens of the Founding States employed by the University shall be regulated in accordance with the national legislation of the respective States. The employees of the University from countries other than the host country will be governed by the income tax laws of the home countries and will not be taxed as per the laws of the host countries.

Further, Clause 14 of the SAU Act provides that the University, the President and the members of the academic staff would enjoy such privileges and immunities as the Central Government may notify under Section 3 of the United Nations (Privileges and Immunities) Act, 1947.

Section 3 of the United Nations (Privileges and Immunities) Act, 1947 gives power to the Central Government to confer certain privileges and immunities on other international organisations and their representatives and officers in pursuance to any international agreement, convention etc. by issuing notification in the Official Gazette to give effect to such agreement, convention etc.

In accordance with Section 3 of the United Nations (Privileges and Immunities) Act, 1974 Ministry of External Affairs (MEA) issued notification on 15 January 2009 according the privileges and immunities to the University, Project Office & its officials, President, Registrar and faculty members which *inter alia* included tax exemption.

Audit observed that in this notification the privileges were wrongly extended to the Registrar of the University for grant of income tax exemption since it was clearly set out in the Headquarters' Agreement that tax exemption would be extended to the President and the faculty members of the University only. The reasons for inclusion of the post of Registrar in the Gazette notification were not on record.

Further scrutiny revealed that the incumbents on the post of Registrar were Indian nationals who are subject to the taxation laws of the Government of India. They had not paid income tax aggregating to ₹ 90.06 lakh on their salary income aggregating to ₹ 3.31 crore during July 2011 to December 2017. Thus, notification of MEA to grant tax exemption to the Registrar of the University was irregular and led to loss to the Government exchequer to that extent.

MEA accepted (January 2019) the irregularity pointed out by audit and intimated (August 2020) that the Ministry of Law and Justice has concurred with its proposal to amend the Gazette Notification of 15 January 2009 with retrospective effect deleting the term 'Registrar' from it and concurrence of MoF is awaited.

High Commission of India, London

5.3 Irregularities in receipt and utilisation of compensation

The High Commission of India (Mission) irregularly engaged a private party, authorising it to: (i) receive and retain government receipts of ₹ 78.41 lakh[3] in its private bank account and (ii) disburse a substantial part of the receipts towards the Mission's own expenditure.

A property adjoining "The Nehru Centre" (TNC)[4] and some other High Commission of India, London (Mission) properties[5], was being redeveloped by M/s Caudwell Properties Limited (Developer). In terms of prevalent building laws[6] of the UK, the Developer notified the Mission (6 April 2016), as the owner of above mentioned adjoining properties, of their plan to carry out redevelopment in the adjacent area. On the suggestion of the Developer the Mission appointed a Surveyor to safeguard its interest in view of the redevelopment.

A licence agreement was subsequently signed between the Mission (on behalf of Union of India) and the Developer on 19 December 2016 after several meetings and exchange of communications between the Developer, the Surveyor and Mission officials. This agreement gave certain rights with respect to HCI's adjacent property to the Developer, which in turn agreed to execute works for the Mission to minimise noise and dust pollution arising from the redevelopment work. These works included provision of secondary glazing and installation of free-standing cooling systems in the Mission's adjacent properties located at 8, South Audley Street (TNC) and 51, Hill Street. The Mission also signed a contract (21 December 2016) with the Developer for setting up an escrow account for GBP 150,000 as security to be invoked if the

3 GBP 90,000 (based on RoE of ₹ 87.12 in December 2017).

4 TNC-8, South Audley Street, London.

5 HCI House-51 Hill Street, London.

6 Party Wall Act.

Developer did not discharge its obligations under the licence agreement. Both these agreements were signed with the approval of the then DHC/Acting HC but there were no records to show if Ministry's approval had been obtained for the agreements.

Audit observations based on examination of available records relating to the above agreement, subsequent developments relating to execution of the agreed works, and payment of compensation *in lieu* thereof and its utilisation are detailed in the following paragraphs.

5.3.1 Non transparent and unauthorised arrangements for receipt of compensation *in lieu* of agreed works.

Out of the agreed works the Developer was able to only carry out secondary glazing at 51, Hill Street. It could not carry out secondary glazing at TNC as required 'Listed Building Consent' from the local Council[7] was not forthcoming. It also did not carry out the work of providing cooling systems. The Developer agreed to pay compensation *in lieu of* the remaining works *i.e.*, secondary glazing in TNC and installation of free-standing cooling systems, to the Union of India through the Mission. Following an exchange of emails between the Developer and Mission officials, Mission conveyed its agreement (28 November 2017) to the Developer to accept GBP 90,000 as compensation and the terms of such payment.

As no documentation or working papers were available in the records of the Mission about how the compensation amount had been worked out, the correctness and adequacy of the compensation agreed to by the Mission cannot be vouchsafed. In addition, there was nothing on record to show the level at which it was decided to accept the compensation of GBP 90,000 from the Developer or if approval of the Ministry was sought. Audit observed however, that acceptance of compensation was conveyed by the then First Secretary (P&M)[8] of the Mission by e-mail which had also been endorsed to the then Director, TNC and the Head of Chancery (HOC) of the Mission. This was corroborated by the Inquiry Committee[9] (IC) constituted by the Mission to look into issues relating to receipt of compensation.

7 Westminster City Council (WCC).
8 P&M: Property and Maintenance.
9 Head by the Minister (Economic), other team members included Head of Chancery, Second Secretary (Pol, P&M), and Second Secretary (PIE), Finding of the IC were furnished during audit of the Ministry in October 2020.

5.3.2 Irregular and unauthorised nomination of a private entity to receive the compensation

The above mentioned e-mail from the then FS(P&M) to the Developer for payment of compensation mentioned that the compensation of GBP 90,000 would be in the form of "an *ex-gratia* payment" through M/s Bajaj and Sons Limited, working in conjunction with Mr. Christopher Chaplin. While the IC as mentioned above, noted that e-mail by the FS(P&M) was endorsed to the then Director, TNC and the HOC, it concluded that there was no record available indicating as to who took the decision in the Mission to receive the compensation in a private account. There was also no evidence of any reference being made or approval being sought from the Ministry for the arrangement for receiving and holding the compensation by a private entity.

Audit also noted that the earlier communications[10] of the Mission with the Developer on compensation, had made no reference to M/s Bajaj and Sons who was later authorised to receive the payment. The first such reference was made only in the Mission's final communication (28 November 2017) to the Developer in this matter. The Mission could also not produce any records during audit in support of the engagement of these two agencies, nor could it give any records relating to their antecedents such as any prior engagement by the Mission etc. In addition, contract/agreement was signed with them outlining *inter alia,* the terms and scope of engagement and remuneration payable. Subsequently, the IC reported that M/s Bajaj and Sons Limited had been hired to negotiate matters with the Developer (July 2017) on the recommendation of the then First Secretary (P&M) and with the approval of the then DHC. This firm in turn, hired Mr Christopher Chaplin for liaising. There was no evidence of any reference being made or approval being sought by the Mission from the Ministry for the hiring of these agencies.

Audit also noted that though M/s Bajaj and Sons Limited was engaged on an understanding that it would not charge any fees, the firm deducted fees of GBP 6,000 (₹ 5.50 lakh[11]) and GBP 9,700 (₹ 9.56 lakh[12]) in March and November 2018 respectively, from the compensation it had received. No approval of the Mission or the Ministry was sought for the payments made.

[10] From May 2017 to 27 November 2017.

[11] Based on RoE of ₹ 91.67 in March 2018.

[12] Based on RoE of ₹ 98.86 in November 2018.

5.3.3 Irregular retention of Government money by a private party

The Mission had allowed M/s Bajaj and Sons to retain the compensation, received from the Developer in its account, instead of crediting the same into the Government account. This was in violation of Rule 6(1) of the Central Receipts and Payments (R&P) Rules, 1983 which mandates that 'all moneys received by or tendered to Government officers on account of revenues or receipts or dues of the Government shall, without undue delay, be paid in full into the accredited bank for inclusion in Government Account'. Audit noted that the Mission had no details of the actual amount received from the Developer by M/s Bajaj and Sons. It was only in February 2019 that an unsigned statement of receipts and expenditure was forwarded to the Mission.

The IC had also observed in its report that it was not able to find any information on record about the reasons for parking the receipts of the Government in a private account and about the person who took the decision. Government money thus irregularly remained outside Government accounts for a period of more than 19 months.

5.3.4 Irregular utilisation of departmental receipts for departmental expenditure

As per Rule 6(1) of the Central Receipts and Payments (R&P) Rules, 1983, moneys received as Government receipts 'shall not be utilised to meet departmental expenditure', except under specified circumstances, 'nor otherwise kept apart from the accounts of the Government'.

In violation of the extant rules, instead of crediting the compensation received in the Government's account, the then acting DHC approved (August 2018) utilisation of the compensation that M/s Bajaj and Sons had received for meeting expenditure on installation of a boiler at TNC. The IC found that this work was awarded to an agency based on a limited tender for a price of GBP 79,879.81[13] (₹ 72.28 lakh). This was done without seeking the approval of the Ministry. The new incumbents who joined the Mission later were not briefed about this arrangement, and details became known when payment of the last instalment got delayed. Ultimately, the balance payment of GBP 19,550 for installation of the boiler was made by the Mission from its accounts on 30 January 2019, while M/s Bajaj and Sons Ltd remitted the balance amount

[13] GBP 66,566.51 plus VAT@20%. Out of the total expenditure of GBP 79,879.81, the Mission paid an amount of GBP 19549.94 (Total outstanding amount GBP 19,969.94 after deducting an amount of GBP 350.00 + VAT offered by the company through a credit note).

held by them in their account, of GBP 14,390 to the Mission on 15 April 2019 which was finally accounted in June 2019.

The matter was brought to the notice of the Ministry (October 2019). The Ministry based on inputs from the Mission, intimated that the help of the hired Consultant (M/s Bajaj and Sons) was taken to negotiate the compensation who then received the compensation in their account; that the compensation amount was adequate and that the compensation was used for infrastructure development of TNC as it was *in lieu of* secondary glazing of TNC. It, however, added that the matter was being examined in the Ministry. The reply, besides being interim in nature, is not acceptable as it does not explain the lack of documentation on the manner of appointment of the Consultants and their terms of engagement, the irregular parking and retention of Government receipts in a private account and the wrongful and unauthorised utilisation of Government receipts to meet expenditure. It is also noted that a proposal from the Mission for *ex-post facto* regularisation of the expenditure was still pending.

The Mission took a decision to accept compensation of GBP 90,000 from a property Developer without the approval of the Ministry and without any documented justification for the amount accepted. It also irregularly authorised a private party to receive and retain government receipts by way of the compensation paid by the Developer amounting to ₹ 78.41 lakh in its private bank account with no record of how and by whom was this decision made. Further, in violation of rules, the Mission allowed use of these receipts directly to incur expenditure. In addition, actions and decisions taken by Mission functionaries, were not adequately documented to obscure these gross irregularities and the Ministry was systematically kept in the dark in the matter.

It is thus, recommended that based on the preliminary findings of the Mission's IC, a further vigilance inquiry may be conducted by the Ministry so that responsibility is fixed and deterrent action taken for the grossly irregular parking of Government funds with a private entity; its unauthorised utilisation, and for keeping the Ministry in the dark in the matter. In addition, as several of the irregular actions appear to have been taken either with the approval of supervisory officers or were within their knowledge, lapses on their part may also be scrutinised for suitable action.

5.4 Grossly irregular and manipulated award and execution of work relating to the renovation of the basement at India House, London, leading to undue benefits being extended to the Contractor

The High Commission of India, London undertook work relating to renovation of the basement at the India House, at a cost of GBP 744,971 (approx. ₹ 6.63 crore[14]), without prior approval from the Ministry of External Affairs. The initial award of the work was to an ineligible company through an irregular and manipulated tendering process which was followed by award of extra work without tendering to the same company thereby extending undue benefit to it. Further, additional work was awarded based on fraudulent quotations, to an associated ineligible company, incorporated immediately prior to the award of work and dissolved after receipt of payments.

As per orders[15] of the Ministry of External Affairs (Ministry), the delegated financial powers of the High Commission of India (Mission) for undertaking repair & maintenance works with respect to the Chancery premises, Embassy Residence and DCM's residence taken together, was limited to USD 2 lakh (approx. GBP 150,000)[16] per annum. Further, Ministry orders[17] also state that Missions and Posts are not expected to undertake renovation works for properties abroad which is beyond their delegated financial powers, and where expenditure is debitable to the capital budget without prior approval of MEA. In addition, in accordance with Rule 139 of GFRs, 2017 read with para 17 of CPWD Works Manual, 2014 open bids should be called for all works above value of ₹ five lakh which must be well advertised in the press/website. GFRs[18] also do not allow splitting of a work or procurement, to avoid requirement of approval of a higher authority or for open bidding.

In a meeting (April 2017) held by the Deputy High Commissioner to review the security status of the Mission, it was decided to relocate all the Consular services operating from the basement of the India House[19] to the ground floor and shift entry for visitors from the main entrance to the basement so as to increase overall security of the Mission premises. This decision entailed conversion of the basement into a reception area involving partial demolition of existing structures, and renovation and refurbishment of the area as also modifications in the ground floor for relocated consular and visa sections. These works involving substantial revamping and renovation of the premises went

14 Conversion using average monthly RoE for month in which payments were made.

15 Ministry's order dated d 28 August 2009.

16 @ 0.73 GBP/USD.

17 MEA circular dated 20 December 2016.

18 Rules 138 and 157 of GFRs 2017.

19 The premises of HCI, London (Chancery) is called "India House".

beyond just repair & maintenance and were of a capital nature. Audit scrutiny of the records of the HCI, London relating to renovation of the Consular Service area and related works, disclosed gross irregularities and violations of rules at all stages covering approval, tendering and execution of the works. These are detailed in the following paragraphs.

A) Unauthorised execution of works without approval of Ministry

As mentioned above, the works undertaken were for renovation and revamping of the premises and were capital in nature as it led to upgrade and increase in the asset value of the premises. In terms of Ministry's orders such works required Ministry's approval at all stages. The Mission, however, did not obtain approvals from the Ministry. It was also noted that even the financial powers delegated to the Mission for undertaking repair & maintenance works was exceeded. Further, the Mission disguised the real nature of the works by classifying the entire expenditure on the works as 'minor works' and 'office expenses' instead of as 'capital works', which was a violation of Rule 84 of the GFR, 2017.

B) Splitting of works

The Property & Maintenance wing of the Mission initially prepared (April 2017) a Notice Inviting Tender (NIT) for executing the abovementioned works titled 'Renovation of Consular Service Area of the High Commission of India, India House, Aldwych, London WC2B 4NA. However, thereafter the Mission abandoned the tender process for the full renovation project that it had initiated in April 2017, without assigning any reasons. Instead, in blatant violation of rules, it allocated a part of the work *viz.*, **"shifting of consular wing" and "demolition work"** (April to June 2017) to a single company (M/s Zon Associates Ltd.) by splitting the said part work into seven piecemeal orders. Though the splitting of the demolition work was justified on the grounds of ensuring phased execution of the work, it was observed that invoices for all the works had been submitted within a four-day period and processed on the same day. Subsequently, the Mission issued a NIT (August 2017) for **"Renovation of the Basement Area"** covering renovation of the reception area, renovation of toilets, electric works[20] and internal works[21] corresponding to one part of the originally conceived renovation project. This work was taken

[20] Supply and air-con bulkhead units, lighting and laying of cables, etc.

[21] Supply/fitting of carpets in internal area of business centre.

up at a bid cost of GBP 129,800 (₹ 1.07 crore)[22]. Five months later i.e., in January 2018, the Mission issued another NIT for **"Design and furnishing of the consular service area"**, which was again a part of the original project scope, and awarded this work at a cost GBP **345480**[23] **(₹ 3.14 crore**[24]). Subsequently, (August/September 2018) the Mission took up "**additional works**[25]" not originally within the scope of the renovation project valuing GBP 107,694 (₹ 99.06 lakh), by splitting the total work into 19 piecemeal orders. Thus, the Mission resorted to indiscriminate sub division of work with the intention of evading seeking approval of higher authorities/Ministry and avoiding open bidding.

C) Irregularities and manipulation in tendering and award of works

As noted above, the first part of the project i.e. "***shifting of consular wing"*** and ***"demolition work"***, was split into seven works. It was seen that these works were awarded during April-June 2017, to one company i.e., M/s Zon Associates Ltd on quotation basis in two cases and on nomination basis in the rest. The company was, however, not eligible for the work as it was not registered with the Government of UK for the business of construction activities. It was, thus, not authorised to carry out any construction and related activities. It was also noticed that in the two cases where work was given on quotation basis, the other companies which had submitted quotations were associates of M/s Zon Associates Ltd.

In the case of the work **"Renovation of the Basement Area"** tendered in August 2017, six[26] companies bid for the work; of which, bids of three companies[27] were accepted. The work was subsequently awarded on 31 August 2017, to the L1 bidder M/s Zon Associates Ltd, at a cost of GBP 129,800 (₹ 1.07 crore)[28] excluding VAT even though it was *ab initio* ineligible for being considered for the work. It was noted that three of the six original bidders whose bids were not accepted, were associated with the final L-1 bidder. In addition, the Inquiry Committee subsequently formed by the Mission,

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[22] @₹ 82.59/GBP i.e. average rate on 31 August 2017.

[23] One contract for supply of furniture for GBP192,300 (₹ 1.74 crore), and another for design and building work for GBP153,180 (₹ 1.40 crore) including VAT.

[24] @₹91/pound (average rate on 31 March 2018)

[25] Tiling work; work table; wall mounted shelf; steel fabrication; supply and fitting of kitchen equipment; ventilation work, scaffolding; fire doors; refurbishment work in entrance foyer in basement; security equipment etc.

[26] Glades Construction Ltd., Kensington International Dev Ltd, RH Renew Homes Ltd., Ratan Services Ltd, Maan Builder Ltd, ZON Associates Ltd.

[27] Ratan Services Ltd.; Maan Builder Ltd.; Zon Associates Ltd

[28] @₹ 82.59 per GBP (average rate on 31 August 2017)

also found that most of the bidders were not technically eligible for the award of work.

In the case of tender for the work "**Design and furnishing of the consular service area**", the NIT circulated did not have any details of the Terms and Conditions and technical eligibility criteria were also diluted. As per records, three bidders[29] participated in the bidding process, with M/s Zon Associates Ltd. being shown as the L1 bidder. The work was awarded to M/s Zon Associates Ltd. by way of two separate contracts, aggregating GBP 345480[30] including VAT (₹ 3.14 crore[31]). Audit noted that bidding in this case had been totally manipulated. Out of the three bidding companies, one company (M/s Kensington International Development Ltd.) had been dissolved in 2014 itself which showed that the bid made on its behalf was fraudulent. Further, the remaining two companies i.e., M/s Zon Associates Ltd. and M/s RH Renew Homes Ltd, were associated with the same person, who had acknowledged them as being 'sister' companies. It was noted that in case of other works in the Mission, invoicing of M/s RH Renew Homes Ltd, itself was being done in the name of M/s Zon Associates Ltd, and both companies shared the same bank account. Thus, the work was effectively awarded on the basis of a single bid.

In the case of **"additional works"** taken up in August-September 2018, works were awarded on nomination or quotation basis, to M/s Orient Design and Build which had been set up by the same person, who was associated with M/s Zon Associates Ltd. as its Director and as a person with significant control. The company also had the same registered address as M/s Zon Associates Ltd. The company was also ineligible for the said work as it was not registered with the Government of UK for the business of construction activities[32]. It was further observed that all the companies that had apparently participated in the quotation process (i.e., M/s Zon Associates Ltd, M/s RH Renew Homes Ltd, M/s Orient Design and Build Ltd and M/s Glades Construction Ltd) were associated with the same person. As per records, M/s Orient & Design Build Ltd. had submitted quotations for the additional works in May 2018, even though it had come into existence only on 27 July 2018, indicating that the quotations submitted in its name were fraudulent. The Mission had thus entertained a sham

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[29] M/s Zon Associates Ltd.; M/s RH Renew Homes Ltd. and M/s Kensington International Development Ltd.

[30] One contract for supply of furniture for GBP192,300 (₹ 1.74 crore), and another contract for design and building work for GBP 153180 (₹ 1.40 crore) including VAT. Against these contract, actual payment of GBP 337821 including VAT (₹ 1.33 crore) was made.

[31] @ ₹ 91/pound (average rate on 31 March 2018).

[32] It was registered for the business of *'Other service activities not elsewhere classified'*.

company which was set up only to bag these works on behalf of another contractor which had been entrusted almost all the works in relation to the renovation project.

It is evident from the above that there was blatant subversion of the tendering process to influence outcomes in the favour of a Contractor in all the works undertaken.

D) Violation of contract terms, *ex post* allocation of additional work without tenders and irregular payments leading to undue benefits to Contractor

"Renovation of the Basement Area"

As per the contract, the work was to be executed within 8-10 weeks from 01 September 2017 i.e., by 15 November 2017. However, the work was completed on 31 January 2018. Despite a delay of 10 weeks (minimum) in completion of the work[33], the Mission did not recover liquidated damages amounting to GBP 7,788[34] (₹ 6.85 lakh) from the company.

Audit also noted that despite the work of ***"Renovation of Toilets"*** and ***"Supply and Installation of Air Conditioning Units"*** being included within the scope of awarded work, the Mission made additional payments to the company for demolition of old toilets (GBP 5,940 in September 2017) and for supply and installation of air conditioning units[35] (GBP 23,450, during October-November 2017). Thereby, the Mission extended undue favour to the Contractor and made excess payment (₹ 25.01 lakh) to that extent.

Audit also found that the Mission belatedly (1 December 2017) decided to undertake wooden flooring in the basement area instead of carpeting included in the original scope of internal works. This new item of work was also entrusted to M/s Zon Associates at an additional cost of GBP 36,288 (₹ 31.24 lakh), but the cost of carpeting included in the contract price was not deducted from the payments finally made to the Contractor. The Contractor was, thus, allowed undue benefit on this account.

During the period October-November 2017, it awarded additional works relating to construction of cloak room, removing BT connection wall and

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[33] As per the Completion Certificate, the company completed the renovation work on 31 January 2018 and received payment of GBP 149,270 including VAT @ 20 *per cent*, as per the contract.

[34] 0.5 *per cent* x 10 x GBP 155,760 (GBP 129,800 + VAT@ 20 *per cent*).

[35] This work was given to M/s H&C Aircon Ltd but payments were routed through M/s Zon Associates.

demolition of existing counters to M/s Zon Associates at a cost of GBP 16,780 on nomination/quotation basis. In addition, on account of a decision (November 2017) to use the basement for large gatherings, works relating to supply & installation of acoustic fans were awarded on quotation basis to M/s Zon Associates (installation of duct sand fans at a cost of GBP 5400) and M/s H&C Aircon Ltd (supply of Acoustic Fans at a cost of GBP 6,000). It was noted that the payment to M/s H&C Aircon Ltd was made into the same bank account used for receiving payments by M/s Zon Associates.

"Design and furnishing of the consular service area"

The contracts for the work relating to "Design and furnishing of the Consular Service area" were comprehensive. However, the Mission awarded (May-June 2018) five additional items of work[36], at a cost of GBP 16,680 (₹ 15.08 lakh), to M/s Zon Associates Ltd without any tendering. Of these, four items related to furnishing the old HCI Commissariat that had been converted into an "Officers Mess". The belated addition to the scope of the project and award of the additional work without tendering, was irregular and resulted in a particular Contractor being favoured.

"Additional Works"

In the case of the additional works taken up in August–September 2018, it was noticed that the Contractor M/s Orient Design and Build, obtained these works, completed the same and submitted invoices, all within a span of 15 days from its incorporation[37]. Soon after (21 February 2019), the process of dissolution of the company was initiated. Further, the Mission paid the company GBP 17,929 (₹ 16.49 lakh) towards VAT, even though the company was not in possession of VAT registration from the UK Government.

Thus, post-tender additions and alterations were made in the scope of the works on multiple occasions without any tendering. This combined with non imposition of LD, failure to make adjustments in contract price following substitution of carpeting and double payment for some items of work, amounted to granting undue favours to the Contractor.

[36] Demolition of wall and construction of new wall, refurbishment work in basement, vinyl flooring, painting & decoration of ceiling and wall paper work.

[37] The company was incorporated on 28 July 2018 and started submitting invoices from 12 August 2018 onwards.

The para was conveyed to the Ministry (October 2019) for a response. Ministry in its interim reply (25 November 2019), stated that the matter was being examined by the Mission. The Mission, in turn, informed (February 2020) Audit that based on its findings an Inquiry Committee had been setup which had forwarded a report after investigation to the Ministry for appropriate action. The report of the Inquiry Committee (shared with Audit in February 2020) highlights that (i) despite the renovation work being well beyond the delegated powers of the Mission, no approval from the Ministry was obtained. Instead, to accommodate the project within the delegated powers of the Mission, and to circumvent GFR/relevant rules, officials resorted to "piece-mealing" the project; (ii) there was a nexus between the then HoC, a local staff of the Mission and the Contractor (owner of M/s Zon Associates Ltd.); (iii) the tender process was rigged to favour the Contractor's companies; (iv) the work was split into several sub-works in such a way that all such sub-works were below ₹ five lakh to avoid open bidding; (v) the companies that participated in the quotation/bid process were either linked to the same person or were non existent companies; and (vi) several works were awarded on nomination basis without any justification thereby blatantly violating GFRs. The Mission's Inquiry Report thus, corroborated observations made by Audit.

The Mission undertook renovation works costing GBP 744,971 (approx. ₹ 6.63 crore) without authority and due approvals, and resorted to irregular splitting of works to evade approvals from higher authority and open bidding. It adopted a grossly manipulated process for award of works to the same person, and made *post facto* additions and alteration in the scope of work which led to undue benefits being extended to Contractors. Such blatant subversion of rules and processes indicates supervisory failure and possible collusion between Mission officials and the agencies. It is, therefore, recommended that the Inquiry by the Mission be followed up by the Ministry with a comprehensive vigilance enquiry so that responsibility is fixed on officers/officials responsible both for the commission of the grossly irregular acts and for supervisory lapses, and suitable deterrent action is taken. In addition, controls on execution of works including documentation at each stage, may be strengthened, and allocation and utilisation of funds for works including minor works may be closely monitored so that diversion of the same for unapproved purposes is curbed.

Nalanda University, Rajgir

5.5 Undue benefit extended to Contractor

Undue financial benefit of ₹ 0.76 crore extended to a Contractor due to irregular inclusion of royalty in BOQ rate by Nalanda University

Rule 27 of Bihar Minor Mineral Concession (BMMC) Rules, 1972 stipulates that any quarrying activity requires the sanction of the competent authority (quarrying permit) to extract/remove minerals from any specified land on pre-payment of royalty at the rates specified in Schedule II of the Rules. Further, Rule 40(1) provides that extraction/removal of minor minerals without obtaining requisite quarrying permit is illegal. Also, Rule 40(8) prescribes that penalty for such illegal removal of minor mineral will be the price of the mineral removed besides the rent, royalty or taxes as the case may be. In this context, Government of Bihar issued a notification (27 January 2012) which *inter alia,* provided that rate of royalty in r/o ordinary clay (or ordinary earth[38]) which is used for construction of embankment, road building/or levelling was fixed at ₹ 22 per cubic meter[39].

The Nalanda University awarded (September 2016) the Work of 'Construction of Internal Roads and Earthwork for providing water bodies (tender package 1A of Phase I construction work[40])' within the permanent Campus of Nalanda University, Rajgir, to a Contractor[41] at a cost of ₹ 37.22 crore[42]. The stipulated date of completion was 30 September 2017. The work was completed in April, 2018, and the Contractor was paid of ₹ 31.82 crore for the entire work.

With regard to the tender package 1A of Phase I construction work, Audit observed that the Tender Documents[43] provided that Contractor was liable to deposit royalty and obtain the necessary permits required for the project from

38 'Ordinary earth' used for filling or levelling purposes in construction of embankments, roads, railways and buildings is a minor mineral vide Notification F. No. 7/5/99-M.VI dated 03 February 2000 issued by Government of India under Section 3(e) of the Mines and Minerals (Development and Regulation) Act 1957 (67 of 1957).

39 This was prescribed in Schedule II of BMMC Rules.

40 Phase I construction work was split into 10 tender packages viz.1A, 1B, 1C and packages 2 to 8. Work for second tender package 1B 'Construction of Non Residential Buildings' was awarded in January 2017 to another Contractor and work is currently under progress.

41 M/s M.G Contractors Pvt. Ltd., Panchkula, Haryana.

42 0.24 *per cent* below estimated cost of ₹ 37.31 crore.

43 Vide clause 37(ii) of the General Conditions of Contract and Clause 5.10 of Special Conditions of Contract.

local authorities. With respect to execution of works[44] under this tender package, audit observed:

A) In respect of five earthworks[44] **(Annexe-5.1),** the rate analysis (June 2016) which formed basis for bills of quantity (BOQ) rate included the component of 'royalty' @ ₹ 22/m^3. Since one earthwork was not executed, in four earth works[45], the Contractor executed total earthwork of 6,41,458m^3 for which Contractor received a payment of ₹ 1035.76 lakh from the University **(Annexe-5.1),** Included in this payment was amount of ₹ 1.41 crore[46] on account of royalty @ ₹ 22/m^3 **(Annexe-5.1)**.

B) As per the terms of contract[43], the Contractor was required to obtain necessary permits and deposit the royalty to the Statutory/local authorities. There were three earthworks[47] for which this was required to be done by the Contractor. However, only in one case, the Contractor obtained the necessary permit and deposited royalty of ₹ 26.66 lakh to the Govt. of Bihar (August 2018). After the completion of the construction work mentioned above, the University sought (10 June 2019) directions from the Mines and Geology Department, Govt. of Bihar for depositing of royalty in respect of the work item[48] for which the payment had not been made by the Contractor. The Department stated (13 June 2019) that royalty was to be paid on the used quantity of earth/clay mineral and directed the University to deposit the royalty as well as penalty on the used quantity of earth/clay mineral as 'quarrying permit' was not taken by the Contractor for the said item. The University deposited ₹ 77.51 lakh[49] towards royalty and penalty to the Department from the Contractor's RA Bills[50].

C) It was further observed in Audit that the BOQ rate for all the four items executed included royalty @ ₹ 22/m^3. However, out of four items, royalty was actually payable only on the used quantity of earth[51]. As two work

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44 *Viz*. item no. 2.03, 2.04, 2.05, 2.06 and 2.07, out of which item no. 2.04 was not executed

45 Item nos. 2.3, 2.5, 2.06 and 2.07.

46 641458.08 cubic meter x ₹ 22 = ₹ 1.41 crore.

47 Work item 2.03: only quarrying permit required to be obtained; Work item 2.05: only royalty to be paid; Work item 2.06: permit was required, and royalty was to be paid; Work item 2.07: neither permit was required, nor royalty was to be paid.

48 No. 2.03.

49 (₹ 3875270 royalty @ ₹ 22/m^3 + ₹ 3875270 mineral value @ ₹ 22/m^3 on used quantity176148 m^3).

50 From RA bills against items 2.03 and 2.05.

51 As per the referred correspondence (13 June 2019) with Mines and Geology Department Govt. of Bihar.

items[52] did not use excavated quantity, therefore, payment of royalty to the Government was not required. Hence, inclusion of royalty component in all the work items was not required. This resulted in undue financial benefit to the Ccontractor totaling ₹ 76 lakh as detailed in **Table No. 2**.

Table No. 2: Financial benefit to the Contractor

(Amount in ₹)

Work executed by Contractor	Royalty paid to Contractor by University	Used quantity of earth on which royalty was payable	Amount of royalty payable/paid by Contractor to Govt. of Bihar	Excess payment to Contractor
(1)	(1) x ₹ 22=(2)	(3)	(3) x ₹ 22=(4)	(2) - (4)=(5)
6,41,458 m^3	1.41 crore[46]	2,97,346 m^3 [53]	65 lakh[54]	76 lakh[55]

The University accepted audit observation and replied (February 2020) that provision of royalty for entire excavation quantity had been erroneously considered in the estimation by the Architect Consultant[56], and that in view of audit observation, University has withheld an amount of ₹ 0.75 crore from Architect Consultant's RA bill (March 2020).

Reply may be viewed in light of the fact that Building and Works Committee (BWC) of the University had approved the cost estimate (BOQ) prepared by the Architect Consultant. Hence, required changes/revisions in the cost estimates could have been made by BWC/University before according final approval to the BOQ. This highlights the fact that University needs to exercise greater vigilance in finalising the cost estimates/BOQ pertaining to the remaining tender packages[40] forming part of Phase I construction work.

The matter was reported to the Ministry (March 2020); reply was awaited (December 2020).

[52] *Viz*. 2.03 and 2.07.

[53] (121198 m^3+ 176148 m^3).

[54] ₹ 26,66,348 paid by Contractor in item no. 2.06 + ₹ 38,75,270 deducted from RA Bills.

[55] Royalty paid in r/o item no. 2.03 was ₹ 75,46,424 and in r/o item no. 2.07 was ₹ 24,036.

[56] M/s Vastu Shilpa Consultants, Ahmedabad was engaged (May 2014) by Nalanda University as Architect Consultant for development of University campus in all phases.

CHAPTER VI : MINISTRY OF HEALTH AND FAMILY WELFARE

6.1 Irregular payment of ₹ 3.26 crore to National Payments Corporation of India

Ministry of Health and Family Welfare made irregular payment aggregating ₹ 3.26 crore for DBT transactions on account of additional cash-out incentive in respect of schemes not covered under the extant instructions of Ministry of Finance.

Department of Expenditure, Ministry of Finance (MoF) instructed[1] all Ministries/Departments (May 2017) that all DBT and PAHAL transactions are to be routed through the National Payments Corporation of India (NPCI). A transaction cost of ₹ 0.50 would be payable for each transaction, to be shared between the sponsor banks, destination entities and NPCI in accordance with the extant NPCI circular. In addition, for Mahatma Gandhi NREGA, Maternity Benefits and Pension Schemes, an additional cash-out incentive {(a fixed component of ₹ 5.00 per transaction and a variable component of ₹ 0.50 per hundred (transaction amount rounded up to next hundred) subject to maximum of ₹ 5.00)} would also be payable to NPCI.

Ministry of Health and Family Welfare (MoHFW) made payments through Direct Benefit Transfer (DBT) from December 2017 for schemes such as ASHA Incentives, Family Planning Compensation Scheme, Janani Suraksha Yojana, Nikshay-Tribal TB Patients, Nikshay-DOT provider Honorarium and Nikshay–TB Notification Incentive for Private Sector. Only JSY (Maternity Benefit Scheme) qualified for the payment of additional cash-out incentive.

During the Audit of the Ministry, Audit observed that in five months (January 2018 to May 2018), MoHFW paid additional cash-out incentive of ₹ five per transaction on the transactions related to all the schemes provided by MoHFW. As this incentive was payable only to the transaction related to Maternity Benefits i.e. "Janani Suraksha Yojana", payment of this incentive to all the schemes was irregular. Consequently, this resulted in excess payment aggregating ₹ 1.68 crore on account of fixed component at the rate of ₹ five per transaction **(Annexe–6.1)**.

[1] O.M. No. 32(07)/PF-II/2011 (Vol. II) dated 26 May 2017

In addition, MoHFW also paid ₹ 2.24 crore on account of variable component of the incentive. As the scheme-wise break-up of this component was not found available in the files produced to audit, audit calculated an excess payment of ₹ 1.20 crore on account of variable component **(Annexe–6.2)**.

Thus, the Ministry made irregular payment of additional cash-out incentive aggregating ₹ 2.88 crore on account of DBT transactions in contravention of the extant instructions of MoF. Such cases point out a need for strengthening of the internal control mechanism of the Ministry.

On this being pointed out (March 2020), MoH&FW admitted (November 2020) that bills submitted for the period January 2018 to May 2018 included cash-out incentives for the schemes other than JSY, leading to an excess payment of ₹ 3.26 crore which would be adjusted against the outstanding bills of NPCI aggregating ₹ 14.47 crore for the period between January 2019 and August 2020.

CHAPTER VII : MINISTRY OF HOME AFFAIRS

Loknayak Jayaprakash Narayan National Institute of Criminology and Forensic Science, New Delhi

7.1 Non utilisation of funds and non achievement of intended objectives

LNJP NICFS could not fill the seat of Chair Professor for more than eleven years defeating the purpose for which the post was created, which was to give insight into contemporary problems affecting large sections of society and offer solutions for crime reduction and expedite delivery of justice. Funds provided as corpus for establishing the Chair along with interest, totalling ₹ 4.28 crore had remained blocked due to non utilisation.

Loknayak Jayaprakash Narayan National Institute of Criminology and Forensic Science (LNJP NICFS) was set up under the Ministry of Home Affairs (MHA) by the Government of India in 1972, for promotion of Criminology and Forensic Science.

A seat of Chair Professor in the name of 'Loknayak Jayaprakash Narayan' was established in 2003 in LNJP NICFS under an endowment received from the Ministry of Culture[1] (MoC) to conduct research on 'Peaceful and Humane ways of Solving Crimes' and to contribute to the academic activities of the Institute. The candidate for Chair Professor was expected to hold a Master's degree with at least 14 years' experience in teaching, research, criminal justice administration or related fields. The research to be undertaken was expected to be on contemporary problems affecting large sections of society, and was aimed at crime reduction and expediting justice delivery.

MoC released (March 2003) a grant of ₹ 2.00 crore to the LNJP NICFS, with the condition that the grant shall be utilised for the purpose for which it has been sanctioned, and on provision of a utilisation certificate to the effect that the grant has been utilised for the purpose for which it has been sanctioned. Out of the grant, ₹ 1.50 crore was meant for creation of a corpus for establishing the Chair and ₹ 0.50 crore for construction of an additional floor on the existing building of LNJP NICFS for accommodating an auditorium, seminar rooms and meeting rooms. The remuneration[2] for the Chair Professor and his office

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1 Erstwhile Department of Culture under the Ministry of Tourism & Culture.

2 In the form of scholarship/stipend.

expenses[3] were to be paid out of the interest income accruing from the corpus fund.

Subsequently, the construction of the additional floor was executed by NICFS itself and the sum of ₹ 0.50 crore received from MoC, was refunded (April 2009) along with interest of ₹ 10.75 lakh.

Audit observed that the first appointment to the seat of Chair Professor was made in January 2005, for a period from 06 January 2005 to 05 April 2007. The same candidate was again selected in June 2007, for a second term from 15 June 2007 to 14 June 2009. Since then, the position has been lying vacant.

Thus, the seat of Chair Professor remained functional for only four years during the total period of 17 years since its establishment in 2003. The Chair is still vacant (October 2020). This defeated the purpose of its creation which was to give insight into contemporary problems affecting large sections of society and offer solutions for crime reduction and for expediting justice delivery. The prolonged vacancy in the position and non utilisation of funds discloses inadequate financial and administrative oversight by both the Ministry of Home Affairs and Ministry of Culture.

The matter was reported to the Ministry in May 2018. LNJP NICFS stated (April 2019 and August 2020) that they had approached (February/May 2019) MHA for modification of eligibility criteria and that the seat can be filled only after circulating the vacancy with the revised eligibility criteria. The reply does not address the issue either of non utilisation of funds or of the purpose of the establishing the Chair not being met.

Thus, due to inability of the Institute to fill the seat of Chair Professor for a prolonged period and inadequate oversight by the concerned Ministries, the intended purposes of establishing the seat could not be achieved and funds aggregating ₹ 4.28 crore[4] remained blocked. MHA may take expeditious action to either fill the vacancy or refund the corpus fund along with interest to MoC.

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[3] Expenses pertaining to Chair Team, telephone expenses etc.

[4] ₹ 1.50 crore corpus fund and ₹ 2.78 crore accumulated interest on the corpus fund (July 2020)

Central Reserve Police Force, Bilaspur

7.2 Avoidable wasteful expenditure on electricity of ₹ 1.10 crore

Unrealistic assessment of contract demand for power supply by concerned authorities for Group Centre of CRPF at Bilaspur and belated action for reducing the contract demand resulted in avoidable expenditure on electricity totalling ₹ 1.10 crore.

As per Rule 21 of General Financial Rules, 2005 and 2017, every officer incurring or authorising expenditure from public moneys should be guided by high standards of financial propriety, and *inter alia*, enforce financial order and strict economy and ensure that expenditure should not be *prima facie*, more than what the occasion demands.

Ministry of Home Affairs (Ministry) accorded sanction of ₹ 28.21 crore for development works and bulk services (Civil/Electrical) at Group Centre, Central Reserve Police Force (CRPF), Bilaspur, to be executed by the CPWD. For power supply, an agreement was signed (December 2012) between CRPF authorities at Bilaspur and Chhattisgarh State Power Distribution Company Ltd. (CSPDCL) for supplying 1005 KVA power based on the estimates provided by CPWD. As per the agreement, demand charges were to be levied on actual maximum demand recorded in a month or 75 *per cent* of the contract demand, whichever was higher.

Records relating to the above-mentioned development works and provision of bulk services for Group Centre, CRPF, Bilaspur were examined (September 2018). Observations based on the audit examination are given in the following paragraphs:

a) CPWD calculated/estimated the power requirement/demand (July 2009) at 1005 KVA 33 KV HT line for the complete Group Centre project, even though construction of buildings under the project was to be executed in different years over a period from 2010 to 2019. As power load was calculated to cater for both old and new buildings being constructed in phases, the electricity consumption should have been assessed at the initial stage and increases in demand factored in the agreement with CSPDCL in a phased manner as and when new structures were constructed and put to use. As this was not done, excess payments on account of additional unused contracted demand amounting to ₹ 1.10 crore, had to be made.

b) CPWD estimated contract demand for power based on a survey done in July 2009 but agreement for supply of electricity with CSPDCL was signed three and half years later in December 2012. No review was done afresh by CRPF and CPWD of the power requirement based on completion of new structures and the estimate of July 2009 was retained while signing agreement with CSPDCL.

c) The actual consumption of electricity was "nil" during the period November 2013-February 2014, and it ranged between eight and 38 *per cent* of contracted demand during the period from March 2014 to March 2019. CRPF, Bilaspur, however, had to pay demand charges based on demand of 754 KVA (75 *per cent* of 1005 KVA) to CSPDCL, which was well beyond the actual consumption.

d) Electricity bills give details of consumption of electricity as also the minimum demand charges. Thus, CRPF authorities should have taken note of the significant difference between actual consumption and contract demand, and accordingly, taken timely action to reduce the contract demand. This was done only when the difference was pointed out during audit.

CRPF, Bilaspur accepted the audit observation and replied (October 2019) that it had reduced the demand of electricity charges from 1005 KVA to 700 KVA after the audit objection, and that it had reduced this even further to 450 KVA in July 2020. Ministry's reply is awaited (December 2020).

Thus, failure of the Office of the DIGP, GC, CRPF, Bilaspur to review the contract demand for power in time resulted in avoidable expenditure on electricity from November 2013 to March 2019 totalling ₹ 1.10 crore **(Annexe-7.1).** CRPF's action, *albeit* belated, to reduce demand would also lead to savings in perpetuity achieved at the instance of audit.

Border Security Force

7.3 Over payment of ₹ 0.69 crore towards compensation for housing to PBORs

Non adherence to the provision of 7th CPC, after abolition of 'rent free accommodation' resulted in overpayment, amounting to ₹ 0.69 crore, towards compensation for housing.

Prior to the implementation of the recommendations of the Seventh Central Pay Commission ('7th CPC'), eligible Personnel Below Officer Rank (PBORs), of the Central Armed Police Forces (CAPFs), Assam Rifles & NSG, were allowed to draw Compensation *in lieu* of Quarters (CILQ). CILQ included the following components:

(i) The lowest amount of licence fee for the entitled type of accommodation, as fixed by the Ministry of Urban Development (Directorate of Estates), Government of India

(ii) House Rent Allowance (HRA), admissible to corresponding employees in that city

Subsequent to Government's acceptance of the recommendations of the 7th CPC, the Ministry of Home Affairs (MHA) conveyed (31.07.2017) sanction for a revised compensation for housing[5] for PBORs of the CAPFs, who had not been provided with rent free accommodation. It further clarified (29.05.2018) that, since the Government had accepted the recommendation of the 7th CPC for abolition of CILQ and the eligible employees were now to be governed by the modified provision of compensation for housing (in the form of revised HRA rates) conveyed on 31.07.2017, the component of Licence Fee was no longer admissible as part of this revised compensation.

Scrutiny of records of 129 Battalion, BSF, however, showed that the Battalion was making payment of the Licence Fee component, along with HRA, to PBORs, in contravention of the Ministry's order and clarification.

Non adherence of the newly introduced provision under 7th CPC, after abolition of 'rent free accommodation' w.e.f. 1st July 2017, resulted in overpayment, amounting to ₹ 0.69 crore, for the period from July 2017 to March 2019, towards compensation for housing.

The Battalion replied that it had not received the above mentioned clarification from MHA, GOI, in time. It added that while, in terms of the 7th CPC recommendations, CILQ had been abolished and compensation for housing had been introduced, rent free accommodation was still in existence, as was applicable in the BSF earlier and accordingly, no licence fee was being recovered from the PBORs.

The explanation of the Battalion is not tenable as the clarification of MHA, which is applicable to all the CAPFs, specifically states that 'no licence fee is admissible along with HRA, as compensation for housing to PBORs'.

Ministry's reply was awaited as of December 2020.

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[5] MHA OM No. II-2712/35/CF-33966486/2017-PF dated 31.07.2017. The OM provided for differential rates of HRA applicable to PBORs, depending upon: (i) whether they had any dependents or otherwise (ii) whether they were on a field posting or a non field posting and (iii) whether or not they were staying in barracks.

CHAPTER VIII: MINISTRY OF HUMAN RESOURCE DEVELOPMENT (NOW MINISTRY OF EDUCATION)

8.1 Irregular payment of *ad hoc* bonus

13 Central Autonomous Bodies (CABs) made payments of *ad hoc* bonus to their employees in the absence of any order issued by the competent authority, which resulted in irregular payment, amounting to ₹ 6.08 crore, to their employees, during the period from 2015-16 to 2017-18.

The Ministry of Finance (MoF), Department of Expenditure, issued Office Memorandum (OM) for the grant of Non Productivity Linked Bonus (*ad hoc* bonus) to the Central Government employees annually. Orders for the grant of this *ad hoc* bonus, to the Central Autonomous Bodies (CABs) funded by Central Government, are issued separately every year.

Audit observed that OMs for the grant of *ad hoc* bonus to Central Government employees were issued for the period from 2015-16 to 2017-18. Further, MoF issued orders for the grant of *ad hoc* bonus to CABs for the year 2014-15. However, no such orders were issued by MoF to the CABs, for the period from 2015-16 to 2017-18. Despite this, audit noticed that 13 CABs paid a*d hoc* bonus to their employees, amounting to ₹ 15.87 crore, during the years 2015-16, 2016-17 and 2017-18. This was done without the requisite orders from MoF. Out of ₹ 15.87 crore, ₹ 9.79 crore had been recovered, as detailed in **Annexe–8.1**[1].

IIMK and NIOS stated (January/May 2020) that they had followed the Central Government Rules and they were not partly nor fully funded by the Central Government, hence, the payments of *ad hoc* bonus to their eligible employees were in order.

IIT-G stated (March 2020) that the bonus paid to its employees for the years 2015-16 to 2016-17 would be adjusted against its own development fund.

IIML, AU and MNNIT have confirmed the facts (May/June/July 2020) but have not committed to recovery, as yet.

VBU stated (September 2020) that it had discontinued the payment of *ad hoc* bonus from the year 2016-17 onwards, but had not initiated any recovery in this regard till date.

[1] Including one CAB under Ministry of Culture

IIT-K stated (October 2020) that it had granted *ad hoc* bonus to its eligible employees for the years 2015-16 and 2016-17, in anticipation of receipt of such orders from the MoF. It also stated that, for the year 2017-18, the *ad hoc* bonus had been disbursed out of its own resources. TAS had confirmed (November 2020) the payment of bonus to its employees and stated that it had paid the bonus, taking reference of the orders issued by MoF to the employees of Central Government.

IIEST recovered (November 2020) the entire amount of the *ad hoc* Bonus it had paid to its employees. Similarly, BBAU, BHU and AMU had also recovered excess *ad hoc* bonus paid, amounting ₹ 9.20 crore (October 2020).

The replies of these educational institutions are not tenable. The extension of the benefit of *ad hoc* bonus to their employees, in the absence of orders from MoF, resulted in irregular payment of ₹ 6.08 crore, for the years 2015-16 to 2017-18. Moreover, payment of a*d hoc* bonus, out of the Institutions' own resources/development fund, required concurrence of the concerned Ministry, which had not been obtained.

Further, the University Grants Commission, functioning under the aegis of the MoE, had instructed Central Universities (October 2017) to carry out recoveries in this regard from their concerned employees, as GoI had not extended the orders for the grant of Non Productivity Linked Bonus, for the years 2015-16, 2016-17 and 2017-18, to the CABs. However, some of the educational institutions had initiated recoveries till date.

Ministry of Human Resource Development informed (March/December 2020) that the recoveries in respect of BBAU, BHU, AMU and IIT-G has been started. It has also requested (January 2021) MNNIT to scrupulously follow the guidelines issued from GOI and not to repeat such procedural lapses in future. Replies of Ministries in respect of remaining CABs are awaited.

Banaras Hindu University, Varanasi

8.2 Undue favour to firm of ₹ 2.44 crore

Banaras Hindu University, Varanasi gave undue favour to a private firm by changing the terms of payment, in contravention of the tender terms, which has resulted in short realisation of variable monthly licence fee of ₹ 2.44 crore.

With a view to setting up a 24 hour Medicine & Chemist Shop at Sir Sunderlal Hospital, Banaras Hindu University, Varanasi (SS Hospital) under the licencing agreement, Banaras Hindu University, Varanasi (BHU) invited tender

(February 2013) from the eligible firms. As per clause 5.1 of the tender documents, the licence shall, in addition to fixed monthly licence fee of ₹ 12.50 lakh per month, pay an additional variable monthly licence fee to BHU. The bidders would be required to quote the percentage of monthly sale volume (on MRP) that they wish to pass on to BHU as additional variable monthly licence fee which will be over and above the fixed monthly licence fee fixed by BHU.

In pursuance of the tender, two firms *viz.* M/s Helpline Pharmacy, New Delhi (first firm) and M/s Umang Cure Pvt. Ltd, Lucknow (second firm) submitted their bids. As per minutes of the tender committee (30 March 2013), the first firm quoted to pay four *per cent* of monthly sale volume (on MRP) to BHU and second firm quoted 2.15 *per cent* of monthly sale volume (on MRP). The committee recommended awarding the contract to the first firm on the basis of the higher offer made by the first firm. The contract was awarded to the first firm and they were asked (May 2013) to send the draft Memorandum of Understanding (MoU) immediately for processing the matter further. A reminder was also given (June, 2013) to the firm but the first firm did not respond.

The first firm did not turn up to sign the contract agreement. In the meantime, the second firm approached (June 2013) BHU and requested that their bid may be accepted. Further, the second firm agreed (July 2013) to raise the percentage of variable monthly licence fee from 2.15 *per cent* to four *per cent* on monthly sale volume. BHU accepted the proposal and entered into an agreement (September 2013) with the second firm. The shop was handed over to the firm in October 2013.

Audit examination of the agreement entered by BHU with the second firm revealed that the clause for payment of variable monthly licence fee was changed in the agreement. As per tender documents, the variable monthly licence fee would be paid by the firm to BHU on monthly sale volume (on MRP) basis but in the agreement the same was changed to monthly sale volume (on sale invoice value) basis. It was seen that BHU had not negotiated with the firm to change the terms of payment and the basis for change of the terms of payment of variable monthly licence fee was also not on record. It is pertinent to mention that BHU had earlier also entered into a similar agreement in August 2007 for the same shop with another firm which also contained the clause for payment of variable monthly licence fee on monthly sale volume (on MRP) basis. Due to change of terms of payment, BHU suffered a short realisation of variable monthly licence fee of ₹ 2.44 crore during November 2013 to March 2019 as given in **Table No. 1**.

Table No. 1: Short realisation of variable monthly licence fee

(Amount in ₹)

Period (1)	Monthly sale volume (on MRP) (2)	Monthly sale volume (on sale invoice value) (3)	Variable monthly licence fee to be paid (4)	Variable monthly licence fee paid (5)	Short realisation (6) (5-4)
November 2013 to March 2019	336,71,02,578	275,74,15,493	13,46,84,102	11,02,96,615	2,43,87,487

In response (December 2018), BHU stated (February 2019) that the MoU was vetted by the Coordinator, Legal Cell and duly approved by the then Vice Chancellor.

The reply of the BHU is not acceptable as deviation from tender terms which have impacted the revenue of the BHU should not have been made without proper justification on record. Further, at the time of vetting of agreement, the Legal Cell did not mention the above changes in its approval note.

The Matter was reported (June 2019 and October 2020) to Ministry; their reply was awaited (December 2020).

Thus, undue favour was given by to a private firm by changing the terms of payments in contravention of the tender terms which has resulted in short realisation of variable monthly licence fee of ₹ 2.44 crore. It is recommended that an inquiry may be instituted to identify officials responsible for violation and suitable action taken.

Indian Institute of Technology, Bombay

8.3 Avoidable extra expenditure of ₹ 1.29 crore on purchase of additional licences

IIT-B failed to effectively communicate their requirements for decentralised mode of operation to the Vendor for implementation SAP ERP in IIT-B and decided to embark on ERP solution suggested by the Vendor without a clear definition of what the project entailed, thereby incurring avoidable extra expenditure of ₹ 1.29 crore on purchase of additional Licences.

Indian Institute of Technology (IIT-B) awarded (December 2014) the work of implementation of Enterprise Resources Planning (ERP) to M/s Atos (Vendor) for ₹ 31.50 crore. The Project implementation was divided into Wave-1 and Wave-2 to be completed within 24 months (December 2016) and thus each project had a completion period of 12 months each[2]. As per the agreement, the contract was to be executed within the framework of the Request for Proposal (RFP) (dated October 2013), Corrigendum to RFP (dated November 2013) and Letter of Commitment (May 2014) and no exceptions and deviations were to be allowed.

It was observed that Wave-1 was completed and went live by April 2017. Components like Conference Room Pilot and End User Trainings were completed partially, and issuance of Acceptance Certificate by the Institute was still pending. In respect of Wave-2, progress had been made only with respect to Project Preparation and Business Blueprint Signoff and no progress had been made in respect of other components (September 2020) i.e., even after lapse of more than 45 months from the scheduled date of completion (December 2016). An expenditure of ₹ 18.31 crore[3] had been incurred up to September 2020. When the non levy of penalty for delay was pointed out in Audit, IIT-B/Ministry stated (December 2020/January 2021) that an amount of ₹ 1.23 crore[4] has been recovered/adjusted towards penalty from the pending dues and sent a letter to Atos for de-scoping of Wave-2 or blacklisting.

Further, with respect to this SAP ERP project, it was observed that IIT-B operated most of its IT enabled business processes in decentralised fashion using a home-grown software. In this context audit observed (February 2018) the following:

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2 Thereafter, the Vendor was to provide User Adoption Support for one year and Operation and Maintenance support for the next four years (upto December 2021).

3 Wave-1: ₹ 11.33 crore, Wave-2: ₹ 1.92 crore and O&M Phase: ₹ 5.06 crore.

4 10 *per cent* of Service Cost of ₹ 12.29 crore.

- Based on the RFP provided by IIT-B, the Vendor submitted the Bill of Materials (BoM); BoM being the licence requirement mapping to SAP licence quantity requirement, as per the RFP.
- The Vendor had recommended[5] a centralised operation mode of ERP at IIT-B and accordingly submitted the BoM[6] which was accepted by IIT-B. Acceptance of BoM submitted by Vendor was tantamount to acceptance of centralised mode of ERP operation.
- Post implementation and Go Live, IIT-B realised that restricting operations to a centralised mode would not be possible without causing major disruptions in established way of working and substantial slowdown in pace of work. This would also cause unhappiness among stakeholders. Further, for operations in the centralised mode, a separate in-house software would be required, *in lieu* of additional licences, to substitute as front end to SAP ERP for the capture of data at source.
- In light of the above, IIT-B constituted an Empowered Committee (EC) (July 2017) to study centralised *vs* decentralised mode of operation regarding the adequacy of SAP licences supplied by the Vendor as per BoM and to present a recommendation on the appropriate mode of operation along with requirement for SAP licences for the same. The EC recommended that since the centralised model implemented by the Vendor did not provide ease and efficiency of operation, the partly decentralised model of operation which provided administrative independence and efficient operational ecosystem to the Projects In-charge, should be adopted.
- The partly decentralised mode of operation required procurement of additional licences. As such, IIT had to procure an additional 250 Professional User Licences[7] and 150 Project User Licences[8] from SAP

[5] Vide A 'Position paper' submitted by Vendor which proposed a centralised mode of ERP implementation in IIT-B citing that centralised mode was the preferred choice of most of the businesses.

[6] Annexed to the Agreement as part of PO dated December 2014.

[7] SAP Professional User is a Named user authorised to perform operational related and system administration/management roles supported by licenced.

[8] SAP Project User is a Named User authorised to perform one or more of the following roles supported by the licenced Software (excluding SBOP): (i) project management (ii) product and project related reporting, (iii) managing projected-related revenues and expenses, (iv) viewing Accounts Receivable (A/R) General Ledger (G/L) postings, (v) controlling access and releasing product data and recipes in collaborative product development scenarios, (vi) viewing and approving changes through engineering records (vii) managing change through engineering records, (viii) collaborating in Folders and (ix) interfaces to 3rd party authorised authoring tools.

India. IIT-B incurred an expenditure of ₹ 1.29 crore (July 2017) on this procurement, which was additional to the ERP implementation.

IIT-B stated (September 2020) that the RFP did not specify centralised or decentralised mode of ERP operation, and that Licence requirements in terms of number of licences for each function was specified in the RFP. However, IIT-B accepted the Vendor's SAP BoM, with reference to the licence requirements in the RFP, while placing the Purchase Order. Once IIT-B started extensively testing/using the ERP system in 2017, it realised that more licences were required for smooth and efficient functioning of the system. Thus, based on the EC's recommendation for partial decentralisation, additional licences were purchased.

Ministry of Education while confirming the above facts stated (January 2021) that the RFP had a requirement of 650 project management type Licences for faculty and the Licences mapping and BoM was found deficient as far as these Project User Licences were concerned. This discrepancy found during implementation, was taken up with Atos and the deficiency was taken care of by way of free upgrade of 500 ESS Licences to 500 Project User Licences by Atos. The cost of ₹ 16.66 lakh relating to the remaining 150 Project User Licences was recovered from payments due to Atos. Ministry, however, justified IIT's decision for decentralisation and purchase of additional 250 PUL stating that it was in the best long-term interest of the Institute.

The partial acceptance of the audit observations is not acceptable as there was discrepancy not only in Project User Licences but in Professional User Licences as well, as could be seen from the differences in number of PUL between RFP and SAP BoM. The reply establishes the audit observation that IIT-B did not indicate to the Vendor, at the beginning of implementation, that their preferred choice was for the partial decentralised mode of implementation. As such, the Vendor went ahead and created the implementation protocols based on the centralised mode, as per the BoM which was approved by IIT-B. The choice of partly decentralised ERP operation was an afterthought, which was later recommended by the EC (July 2017). This indicated that IIT-B did not exercise proper judgment to understand that the Vendor had proposed ERP solution on a centralised mode of operation. Thus, the lack of clarity about the implementation mode, at the beginning of the project, led to an additional cost of ₹ 1.29 crore on part of IIT-B, which was avoidable.

Report on action taken to recover the cost of purchase of 250 PUL and ASC data runtime amounting to ₹ 112.80 lakh from the Vendor along with details of recovery of ₹ 16.66 lakh in respect of 150 Project User Licences is awaited from the Ministry/IIT-B (January 2021).

National Institute of Technology, Silchar

8.4 Inadmissible payment to Daily Wage workers

During April 2015 to March 2019, NIT Silchar paid excess wages to Muster Roll Workers amounting to ₹ 90.55 lakh for the full month, instead of for actual numbers of duty days, which was inadmissible as per the Minimum Wages Rules (Central), 1950.

The Regional Engineering College (REC), Silchar, which had been functioning under the Government of Assam, Department of Higher Education, was upgraded (June 2002) as the National Institute of Technology (NIT) Silchar. This accorded REC Silchar the status of an Autonomous Institution, governed by a Board of Governors (BoG), under the overall control of Ministry of Human Resources Development, Government of India.

Prior to its upgradation, REC had engaged Muster Roll Workers (MR Workers) between the period 1980 and 1985 as per the necessities arising in administrative and academic sections *viz.* helpers during conferences, meetings, research work, examinations, Cook cum helper, laboratory attendant, and security guards etc. The engagement of the MR Workers was continued after the upgradation of the REC to the status of an NIT (upto 2003). They were paid variable wages, based upon their qualifications and length of service.

With regard to payment, Section 13 of the Minimum Wages Act, 1948, provides for one day of rest in every seven days and also allows payment for such a rest day. The Ministry of Labour & Employment (MLE), Government of India (GoI), from time to time, notifies the rates of minimum wages payable to different categories of daily wage workers. The notified rates of such minimum wages include the rate of wage for the rest days of the week. Every daily wage worker is entitled to a day's rest in every seven days and, thus, the minimum wages payable to the worker in a month should be calculated with reference to the days for which the worker actually performs the duties.

Audit noted that NIT, Silchar had engaged 90 to 98 Muster Roll workers on daily wages. Records showed that, between April 2015 and March 2019, the wages of these workers had been calculated by multiplying the rates notified by MLE, by the total number of days in a month (30-31 days). This was done despite the fact that these workers had actually performed their duties for a lesser number of days. Since the rates notified by the MLE already included the wages for the rest day, payment for the entire month instead of actual duty days was in violation of the provision for minimum wages prescribed by the MLE. This resulted in inadmissible payment of ₹ 90.55 lakh[9].

In its reply, the Ministry stated (January 2021) that, when it was a REC, the MR Workers were engaged under the Govt. of Assam Wage Rules, wherein wages for MR employees were to be paid for the full month i.e., 30 days per month, considering weekly holidays as paid holidays. After its upgradation to an NIT, the wages of the workers were reviewed in 2014, for implementation of Central Government Minimum wage rates, considering 26 days wages, instead of wages for the full month. This could not, however, be implemented, due to agitation. The wages for the full month were paid to the MR workers, to avoid unrest at NIT. The Ministry further stated that the matter of MR workers was always a burning issue in the NIT, Silchar. After conversion from REC to NIT, the Board of Governors of the Institute, which is a Competent Authority under NITSER Act, 2007 considered their issue regarding regularisation of services in the Institute from time to time but the matter could not be resolved due to one reason or the other. Even their rate of wages could not be reviewed. Rather than termination of their services from the Institute, NIT Silchar was advised to keep them against sanctioned strength of non-faculty vacant posts of the Institute. The act of the Institute to take stock of the situation of MR workers and release of payment on 30/31 days may be seen in this context. They added that MR workers are working on the same terms and conditions, and that NIT Silchar has been instructed not to engage any contractual service against non-faculty posts over and above the sanctioned strength.

The reply is not tenable, because (i) minimum wages for 26 days, prescribed by the MLE already includes the wages for the rest days during a month, thus separate payment for rest days was irregular and inadmissible, (ii) Reply from the Ministry did not contain any rules/orders to clarify the authority under which excess payment was released to the MR workers since MLE does not permit payments for the days for which the workers did not perform their duties, (iii) Ministry's statement that pending regularization of MR workers, the Institute was advised to keep MR workers against sanctioned strength of non-faculty vacant posts cannot be taken as an authority or sanction to pay the MR workers in excess of the wages notified by MLE.

[9] Calculations are based on the data provided by NIT Silchar on actual no. of duty days of MR workers during April 2015 to March 2019. The aspect of overtime allowance to MR workers for extra no. of hours worked/work on holidays was not considered in calculations because the Institute neither issued any specific order for doing overtime nor maintained any overtime register.

Sardar Vallabh Bhai Patel NIT, Surat

8.5 Avoidable loss of revenue of ₹ 74.25 lakh due to non compliance of provisions of NIT Act & Statutes

Due to non compliance of Statute 38 of the First Statute of the NIT and a resolution of the 39th BoG of SVNIT Surat, it did not collect seat rent from all the enrolled students not residing in the Hostel, which resulted in loss of revenue to the tune of ₹ 74.25 lakh for the period 2012-13 to 2018-19.

As per Statute 38 of the First Statute of the National Institute of Technology (NIT) read with Section 26 of the NIT Act, 2007, every NIT shall be a residential institution and all students and research scholars shall reside in the hostels and halls of residence built by NIT for the purpose. In exceptional cases, for reasons to be recorded in writing, the Director may permit a student or scholar to reside with his parent or guardian. Where such permission is accorded, such student or scholar is liable for the payment of "seat rent", that he would have been liable for, had he resided in the hostel.

Audit noticed that Sardar Vallabh Bhai Patel NIT, Surat (NIT Surat) did not collect seat rent as per Statute 38 of the First Statutes of the NIT from the enrolled students who were not residing in the hostel. This was despite having rooms in the hostels available since 2012-13. It was further noticed that on the request of the local students against the policy of compulsory stay in the hostels, NIT Surat placed the matter regarding considering and approving the request of local students to waive the policy of compulsory hostel stay of local students before the 39th Board of Governors (BoG) (March 2015). The 39th BoG, however, resolved to withdraw the item from the Agenda.

As such, since NIT Surat did not adhere to Statute 38 of the First Statute of NIT and did not collect seat rent from the enrolled student. This was despite the fact that the BoG had not considered the request of the students regarding the waiver of the policy of compulsory stay in the hostels. This resulted in avoidable loss of revenue of ₹ 74.25 lakh on account of non payment of seat rent by the students as shown in **Table No. 2.**

Table No. 2 : Non payment of Seat Rent

Year	Seat Rent for Double Seated (2)	Hostel seat vacant due to non residing of enrolled student (3)	Avoidable loss (in ₹) (2)*(3)
2012-13	3000	375	1125000
2013-14	3000	35	105000
2014-15	3000	154	462000
2015-16	3000	575	1725000
2016-17	3000	582	1746000
2017-18	3000	244	732000
2018-19	3000	510	1530000
		Total avoidable loss	**7425000**

NIT Surat replied (October 2020) that the Institute in the 49th BoG meeting (May 2019) had approved the proposal of enhancement of Hostel Seat Rent and other fees (except tuition fees of PhD students) based on the recommendations of the fee review committee constituted by NIT Surat for this purpose**.** Thus, from the academic year 2019-20, seat rent of ₹ 4000 was being collected by NIT Surat from all students to avoid any further loss to NIT Surat.

Reply of the Ministry is still awaited (December 2020).

Department of Higher Education

8.6 Reimbursement of Fraudulent Leave Travel Concession claims

Employees of the Delhi University and Jawaharlal Nehru University submitted fraudulent and fabricated Leave Travel Concession claims leading to irregular reimbursement of ₹ 17.78 lakh and ₹ 47.70 lakh, respectively.

An Office Memorandum (OM) dated 26 September 2014 was issued by the Ministry of Personnel, Public Grievances and Pensions (Ministry) regarding relaxation in rules to travel by air to visit North East Region (NER) of India, Jammu and Kashmir (J&K) and Andaman and Nicobar Islands (A&N). The OM stipulated that all eligible government servants may avail Leave Travel Concession (LTC) to visit any place in NER/A&N/J&K against conversion of one block of their home town LTC. Government servants entitled to travel by air could avail this LTC from their Headquarters, in the economy class. Government servants not entitled to travel by air would be permitted to travel by air in the economy class from (i) Kolkata/Guwahati to any place in NER; (ii) Kolkata/Chennai/Bhubaneswar to Port Blair and (iii) Delhi/Amritsar to any place in J&K. Air Travel was to be performed by Air India in the economy class only and LTC 80 fare[10] or less was admissible. The journey by non entitled government servants from Headquarters up to Kolkata/Guwahati/Chennai/ Bhubaneswar/Delhi/Amritsar would have to be undertaken as per entitlement.

The scheme was for the period 26 September 2014 to 25 September 2016. The Ministry subsequently extended the scheme for a further period of two years (up to 25 September 2018) vide its O.M. in September 2016 and up to 25 September 2020, vide its O.M. in September 2018.

The O.M. further stipulated that the employees may be advised that any misuse of LTC would be viewed seriously and would be liable for appropriate action

[10] LTC-80 is a scheme offered by Air India for booking air tickets when Central Government officers avail LTC

under the Rules. In order to keep a check on any kind of misuse of LTC, Ministries/Departments had been advised to randomly get some of the air tickets submitted by the officials verified from the airlines concerned with regard to the actual cost of air travel *vis-à-vis* the cost indicated on the air ticket submitted by the officials.

Test check of LTC records[11] of the employees of the University of Delhi (DU) and Jawaharlal Nehru University (JNU), who performed air journeys to A&N Islands/NER by Air India, revealed the following:

- The fares claimed by 17 and 34 of its employees (DU and JNU respectively) were higher than the amount actually paid to Air India. Audit compared the claims submitted by these employees with details made available by Air India and found that the claims made by these employees were more than the fares, according to the details made available by Air India.
- The air tickets in all these cases, except one, were booked through private agents in violation of extant Rules/Instructions. In one case in JNU, the ticket was booked through the authorised agent, but the soft copy of the ticket was seen to have been forged, when compared with the actual ticket.

Thus, DU and JNU failed to exercise the stipulated check of getting tickets verified from the airlines in a random manner, before authorising reimbursement of LTC bills. This resulted in an irregular payment of ₹ 17.78 lakh and ₹ 47.70 lakh by DU and JNU, respectively, to the 17 and 34 government officials.

When this was pointed out by audit in October 2019, DU intimated (September 2020) that the balance principal and penal interest aggregating ₹ 17.82 lakh has been recovered. JNU intimated (October 2020) ₹ 51.77 lakh had been recovered from its employees. While DU is yet to initiate administrative/disciplinary proceedings against the responsible officials, JNU has initiated disciplinary action under Major penalty proceedings against the concerned officials.

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University	Period of LTC claims
Delhi University	2016-17 to 2018-19
Jawaharlal Nehru University	2017-18 and 2018-19

An amount of ₹ 3.50 lakh and ₹ 17.23 lakh on account of principal balance and penal interest therein is yet to be recovered by DU and JNU, respectively, as of 31 October 2020.

The instances of payment of irregular LTC claims mentioned in the audit observation are those which came to notice of audit in the course of test checks of bills of LTC claims and do not exclude risks of similar instances. These cases might be indicative of a wider fraud at the organisational level in DU and JNU. Hence, it is essential that the Department ensures that all the LTC claims during the period of this scheme are examined and verified to obviate the possibility of similar irregularities in both the Universities.

The matter has been referred to Ministry in November 2020; their reply is awaited as of December 2020.

CHAPTER IX : MINISTRY OF INFORMATION AND BROADCASTING

Satyajit Ray Film and Television Institute, Kolkata

9.1 Excess contribution to Employees' Provident Fund

In contravention of the Employees' Provident Fund and Miscellaneous Provisions Scheme, 1952, the Satyajit Ray Film and Television Institute, Kolkata, deposited excess Provident Fund contribution of ₹ 1.89 crore in respect of its 89 employees.

Para 29(1) of the Employees' Provident Fund and Miscellaneous Provisions Scheme, 1952 (Scheme), provides that the contribution payable by an employer under the Scheme shall be 12 *per cent* of the Basic Wages, Dearness Allowance and Retaining Allowance, if any, payable to each employee to whom this Scheme applies. Para 26A (2) of the Scheme further stipulates that the contribution payable by the employee and employer shall be limited to the amount payable on a monthly pay of ₹ 6,500 (enhanced to ₹ 15,000 from 01 September 2014). Para 29 (2) of the Scheme stipulates that the contribution payable by an employee to whom the Scheme applies could, if he so desires, be an amount exceeding the above limit subject to the condition that the employer shall not be under an obligation to pay any contribution over and above his contribution payable under the Scheme.

SRFTI, an academic Institution under the Ministry of Information & Broadcasting, is substantially financed by the Government of India through grants-in-aid. The bye-laws of the Institute provide that the Provident Fund of its employees will be guided by the Scheme. As per the scheme, out of 12 *per cent* of wages, 8.33 *per cent* is deposited in Employees' Pension Scheme (EPS) and balance 3.67 *per cent* is transferred to the Employees' Provident Fund (EPF). Accordingly, the Institute was required to restrict its employer's contribution to ₹ 1,800 per month i.e.12 *per cent* of the maximum wage ceiling of ₹ 15,000 per month in respect of those employees who were drawing pay more than ₹ 15,000 per month.

Audit noticed that the Institute contributed its share of Provident Fund to the employees at the rate of 12 *per cent* of total pay instead of restricting it to the maximum wage ceiling of ₹ 15,000. Although the share of EPS of the total employers' contribution was 8.33 *per cent* of maximum wages of ₹ 15,000, the whole balance amount i.e. 12 *per cent* of actual wages which meant wages more than ₹ 15,000 p.m. (-) 8.33 *per cent* of wage ceiling of ₹ 15,000 was transferred to EPF which resulted in excess contribution of ₹ 1.89 crore towards employer's share of Provident Fund in respect of its employees who were members of the Scheme and were drawing monthly salary of more than ₹ 15,000 during the period from April 2015 to March 2019.

Audit further noted that SRFTI had obtained the approval of its Governing Council only for adoption of the EPF Scheme for its employees. Payment of matching contribution (SRFTI's share towards EPF), above the maximum wage ceiling, had, however, neither been placed before its Governing Council, nor before the Ministry (MIB)/EPFO, for obtaining prior concurrence/approval thereon. Further, as per Para 26(6) of the Scheme, the procedure for enhancement of contribution stipulates that an officer not below the rank of an Assistant Provident Fund Commissioner may, on the joint request in writing, of any employee and his employer, allow him to contribute more than the prescribed amount. However, the prior intimation/joint request in this instant case was not made. As such, SRFTI continued to pay the Employer's share towards EPF contribution, in excess of the prescribed ceiling, without approval of the appropriate authority.

In reply, SRFTI stated (March 2020) that the employer's contribution is being paid since the very beginning, from the time of its registration with EPFO in October 1997. It continued to pay 12 *per cent* matching contribution of Basic Pay plus Dearness Allowance, on behalf of the employer, as there is no such restriction/limitation on the employer's contribution of wages. It, however, stated that the matter would be put up for *ex-facto* approval of Standing Finance Committee/Governing Council, in due course.

The reply is not tenable because Para 26A(2) does not empower the employer to contribute over and above the limit fixed under Para 29(2) and relaxation for enhancement of contribution allowed in Para 26(6) is for employee's contribution and not for employer's contribution

The Ministry (January 2021) has also directed SRFTI to immediately revert to making matching contribution of employer (SRFTI) at 12 *per cent* of the pay, restricted to maximum of ₹ 1,800 per month.

CHAPTER X : MINISTRY OF RURAL DEVELOPMENT

10.1 Non deduction of tax at source

Failure of the Ministry of Rural Development to deduct tax at source at the rate of 10 *per cent* for professional and technical services rendered by a consortium of PSU resulted in non deduction of tax amounting to ₹ 7.21 crore.

As per provision 194 J of Income Tax Act, 1961, tax at source in respect of fees for professional or technical services is to be deducted at the rate of 10 *per cent* of such fees. Further, Section 201 of the Act *ibid* provides that if any person, who is liable to deduct tax at source, does not deduct it or after so deducting fails to pay, the whole or any part of the tax to the credit of the Government, then, such person, shall be liable to pay simple interest at the rate of one *per cent* for every month or part of a month on the amount of such tax from the date on which such tax was deductible to the date on which such tax was deducted.

Ministry of Rural Development (Ministry) entered (February 2012) into an agreement with the Consortium of PSU (Consortium) consisting of M/s Bharat Electronics Limited (BEL), M/s Electronics Corporation of India Limited (ECIL) and M/s ITI Limited (ITIL). This Consortium was collectively awarded the work of collection, consolidation and updation of data for Socio-Economic and Caste Census on specific items of information at Tehsil level covering all States and UTs. The work also involved generation and printing of a draft list, incorporating corrections and thereafter, generation of a final list. For this purpose, the Consortium was to develop, deploy and maintain application software for execution of the Census in all States and Union Territories.

In terms of clause 11.8.1 of the agreement, all payments by the authorities to the Consortium were subject to deduction of tax at source under Income Tax Act.

The service provided by the Consortium was professional and technical in nature and was, therefore, subject to deduction of tax at source @ 10 *per cent*. Audit observed that tax at source was not deducted from the payments aggregating to ₹ 72.16 crore made in March 2018 to these firms, as detailed **Annexe-10.1**.

Thus, failure of the Ministry to ensure compliance with the laid down provisions and the terms of agreement resulted in non deduction of tax amounting to ₹ 7.21 crore. This is a statutory non compliance which makes the Ministry liable for payment of interest as mentioned in the first sub-para. This also calls for strengthening internal control at the payment stage, within the Ministry.

On being pointed out, the Ministry stated (October 2020) that no TDS has been deducted against payments made to the CPSUs, except in some payments made during 2018-19.

State Institute of Rural Development

10.2 Blockade of funds

Ministry of Rural Development released ₹ 2.90 crore to State Institute of Rural Development, Ahmedabad, Gujarat for construction of its new building in December 2012 but failed to monitor its utilisation. The construction is yet to commence and the funds have remained blocked for more than seven years.

Rule 212 of General Financial Rules (GFRs), 2005[1] prescribe monitoring utilisation of grants through the mechanism of Utilisation Certificates (UCs). This not only ensures that funds are utilised for the purpose for which it was sanctioned but also that unutilised funds are surrendered to Government.

Sardar Patel Institute of Public Administration (SPIPA) proposed (January 2012) construction of a new building[2] for the State Institute of Rural Development (SIRD) at its Campus in Ahmedabad to the Ministry of Rural Development (MoRD). This was approved by MoRD (January 2012) for a total cost of ₹ 5.46 crore, subject to receipt of the site visit report of a technical team of National Institute of Rural Development, Hyderabad (NIRD).

The NIRD technical team visited the site (March 2012) and asked SIRD to provide a detailed item-wise estimate and rate analysis. SIRD, accordingly, worked out a revised cost estimate for the building of ₹ 5.81 crore which was recommended by NIRD. MoRD, thereafter, accorded (December 2012) administrative approval for an amount of ₹ 5.81 crore, to be given as Central Grant for construction of the building complex. It also released (December 2012) an advance of ₹ 2.90 crore, as first instalment, to SIRD. This amount was to be utilised within 18 months and unutilised fund surrendered unless otherwise authorised.

[1] Rule 238 of General Financial Rules (GFRs), 2017 contains similar provisions for providing grant-in-aid.

[2] Consisting of an administrative block and hostel.

Subsequently, SIRD (September 2013) informed NIRD that a test[3] at the proposed site had found the soil to be of poor quality thereby requiring "Pile Foundation", which would entail a revision in the estimated cost to ₹ 8.28 crore. In reply, NIRD enquired (September 2013) from SIRD about the status of utilisation of first instalment of the grant of ₹ 2.90 crore and interest earned thereon. Audit noted that neither did SIRD reply to the enquiry nor did NIRD/MoRD make further enquiries from them in this matter. It was in November 2018, i.e. almost six years after the release of funds for the work, that during a visit of the Additional Secretary (Rural Development) it came to light that construction work had not been taken up due to non availability of land.

Thereafter, (December 2018) the matter was taken up with the State Government of Gujarat (SGoG) and SIRD was asked to refund the amount lying with them along with interest. In response, SGoG informed (January 2019) that a new plot had been identified and further procedures[4] were in progress with respect to the work. MoRD then directed (March 2019) SGoG to furnish information on the available funds including accrued interest within a month and submit detailed plans and estimates for the building.

Audit found that the SGoG responded eight months later about changes in SIRD's structure and in its governing body. It also intimated availability of funds amounting to ₹ 4.22 crore, including interest on the grant, and that the Road and Building Department of the Government of Gujarat, had been requested to prepare plans and estimates for the new building. MoRD requested (November 2019) SIRD to furnish a revised proposal for scrutiny of the Technical Team of NIRD. However, no further communication in this regard was received from SIRD or from the SGoG.

The matter was brought to the notice of MoRD in January 2020; MoRD stated (November 2020) that it has issued several communications, latest at the level of Secretary to SGoG for refund of unutilised amount with accrued interest in June 2020.

Thus, in violation of GFRs, MoRD failed to monitor utilisation of the grant released to SIRD. This led to funds amounting to ₹ 2.90 crore being blocked with SIRD for over seven years. In addition, the Institute also held back interest on this amount which would have otherwise accrued to the Government of India. Further, the intended purpose of the work which was to provide the institute with necessary infrastructure, remained unfulfilled.

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[3] Soil was tested by the Structural Engineers of Centre for Environment and Planning of Ahmedabad University

[4] Like preparation of layout plan, building approval from Annual Maintains Contract, floating tenders etc.

CHAPTER XI : MINISTRY OF SCIENCE AND TECHNOLOGY

Department of Scientific and Industrial Research

11.1 Functionality of IT Application System 'OneCSIR'

The IT Application System 'OneCSIR' developed by the Council of Scientific and Industrial Research could not be utilised to its full potential due to non availability of some of the modules leading to non implementation of several processes in the system and lack of input controls & validation checks that rendered the database incomplete and unreliable.

11.1.1 Introduction

Council of Scientific and Industrial Research (CSIR)[1] decided (June 2009) to computerise processes[2] at its headquarters (CSIR Hq) in Delhi and 38 National Institutes/Laboratories & six Units (**Annexe-11.1**), in accordance with the Government policy of bringing transparency and electronic governance. The Enterprise Resource Planning (ERP) solution was divided into six[3] modules and six[4] different Consultants were hired (January–March 2010) for the design, development and implementation of each module, with a view to completing the work in eight months (by March 2010). The warranty period of the project was 12 months followed by Maintenance Service Support (MSS) for four years. A budget allocation of ₹ 12.51 crore was approved (June 2010) for the project.

The ERP software architecture was developed on the .Net (dot net) 4.0 platform as its front end and SQL server as the back end. The Central Database and Application server located at SERC, Chennai[5] was interconnected with the CSIR laboratories *via* National Knowledge Network (NKN) channel through a Virtual Private Network (VPN) connection. The CSIR ERP system (OneCSIR)

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1 An Autonomous Body under the Department of Scientific and Industrial Research

2 Administration, Stores & Purchase, Finance, Research & Development (R&D), Office File System, etc.

3 Human Resource (HR) Portal (RFP-1), Portal for Enterprise Learning and Knowledge (RFP-2), Research and Development (R&D) & Planning Portal (RFP-3), Infrastructure/ Engineering & Services Portal (IESP) (RFP-4), Policy and Programme Module (PPM) (RFP-5) and Finance & Accounts Module (FAM) (RFP-6)

4 M/s Right Management along with M/s Tekmindz, M/s Excelsoft Technology Pvt. Ltd., M/s Mindtree Ltd. M/s TCS, M/s Newgen Software Technologies Ltd. and M/s Vayam Tech.

5 Structural Engineering Research Centre, Chennai is a constituent laboratory of CSIR.

was launched in September 2012. As of March 2019, CSIR had incurred expenditure of ₹ 33.63 crore[6] on its development.

An audit of the OneCSIR ERP system was undertaken for the period 2012-19, with the objectives of assessing the adequacy of various controls and security measures; accuracy and integrity of data and information/documents/reports generated and achievement of the objective of the development of the Application software. Audit findings with regard to objectives are discussed in the subsequent paragraphs.

11.1.2 Audit findings

11.1.2.1 System security measures

Audit observed that though the software was launched in September 2012, a web application security audit of the system was conducted only in April 2019 and certificate obtained in December 2019. Audit observed the following security risks: (i) Controls to change passwords periodically and to limit the number of invalid password attempts were not adequate (ii) the system was not deactivated automatically even after repeated unsuccessful attempts by unauthorised users (iii) Temporary staff were using passwords allotted to permanent scientific, technical and administrative staff for the operation of the ERP application.

Further, CSIR did not have own IT security policy and followed the IT security policies and guidelines of Government of India for website, security issues, etc. CSIR stated (November 2020) that password policy would be implemented and secrecy maintained.

11.1.2.2 Business continuity and disaster recovery

CSIR had not framed and documented a business continuity plan for periodic back up of processes and disaster recovery plan for recovering key business processes in view of potential disasters, even after seven years of implementation of the ERP software. CSIR had one Central Database and Application server installed in Chennai. In view of the flood situation in Chennai, it was planned (July 2016) to install servers at three different places as a remedial measure under disaster management on priority basis. However,

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[6] ₹ 8.04 crore (till 2018-19) towards payment to Vendors for the development of the application software against agreed cost of ₹ 12.51 crore. Besides, ₹ 2.51 crore, ₹ 12.72 crore and ₹ 10.36 crore were incurred for establishment of server and procurement of hardware/software and for engagement of manpower for the project respectively.

CSIR had not installed the alternate disaster recovery servers at different places as of September 2019. CSIR had also not identified the potential risk of service disruption of the IT system and measures to prevent it. The absence of a comprehensive disaster recovery management made the entire database vulnerable to risks in the event of a hardware crash.

CSIR stated (November 2020) that a draft plan was under submission and would be implemented from 2021-22.

11.1.2.3 Maintenance and Support Services

As per the business agreements, the Vendors were to provide software Maintenance and Support Services (MSS) for four years after completion of one-year warranty period by entering into Service Level Agreement (SLA) at an agreed cost. The warranty on the ERP expired in September 2013. It was seen that CSIR did not enter into any SLA with the Developers. Due to non finalisation of the SLA, CSIR could neither insist that the Vendors rectify the bugs and errors nor could it ask for support regarding revision/change requests during the MSS phase.

11.1.2.4 Development and implementation of modules

The software developers had to develop the application system as per the functional requirements based on the specifications finalised through System Requirement Specifications (SRS) documents. The Project Clearance Technical Board (PCTB)[7], while reviewing the design and development of various modules, observed (March 2011) that several features of the modules were modified, redefined or altered following feedback received from the users. A significant number of new processes[8] that were not covered in the original scope of the project were also decided to be incorporated (June 2013) in the developed application. This indicates inadequate Business Process Re-engineering in the migration of all the existing processes into the functionalities of the new system. None of the new processes were developed. As a result, though the ERP application was launched for online use in September 2012, the certification for 'Go-live' was not issued.

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[7] Constituted for review and clearance of the deliverables and recommend for payments against the deliverables submitted by the Vendors

[8] Revoking the name of employee who exits from laboratory due to transfer, death, retirement or resignation in HR module, implementation of GL & SL code for proper accounting entries, classification and unique coding for procurement items, construction materials for infrastructure creation, maintenance and management and integration of vendor price for preparation of estimates for works in material management module, etc.

Further, audit noticed the following shortcomings in implementation of the modules developed:

- The modules were not in operation in all the laboratories/CSIR Hq.
- Where the modules were operational, there were some processes in the ERP modules that though developed, were never used. The module wise processes that were not utilised are shown in **Table No. 1**.

Table No. 1: Processes not utilised

Module	Number of Labs in which not operational (September 2019)	Where operational, processes that were not utilised	Remarks
HR	10	Probation and confirmation, Seniority Matters and Transfer	CSIR stated (November 2020) that these applications were meant for implementing in stages. The fact remained that these processes were not utilised.
Finance and Accounts	23	Head wise preparation of budget estimates, compilation and consolidation of demands in respect of laboratories/Headquarters	-
Infrastructure/ Engineering and Service Portal	20	Proposal of indent, preparation of preliminary estimate, approvals of competent authority, NIT and final placement of Work order, agreement. Sub-processes of Facilities Management, Maintenance Operations & Related Services Module	CSIR stated (November 2020) that implementation of works related transactions like NIT, etc. would be taken up.
Research and Development (R & D) & Planning Portal	16	Demand for grants, Five Year Plans, Outcome Budget, Annual Report, Half yearly Performance Report, NMITLI, Business Development Activities under sub-modules PPD, sub-modules of USD and ISTAD.	CSIR stated (November 2020) that these processes could not be taken up for implementation as the process are mostly dealt in files and were proposed in the second phase. The fact remained that these processes were not utilised.
Policy and Programme	24	Committee formation and meeting management, RTI process, Legal management, Awards, policy creation and amendment, interpretation and clarification.	CSIR stated (November 2020) that Committee formation and meeting module, are implemented in CECRI. RTI could not be done as there is a separate portal launched by CIC. The fact remained that the processes were not operational in all CSIR labs.

Module	Number of Labs in which not operational (September 2019)	Where operational, processes that were not utilised	Remarks
e-Learning	Nil	Training programme, Assessment, Newsletter and asset for knowledge repository and publications	CSIR stated (November 2020) that training programs, assessment and test were used by HRDC for its training. The fact remained that the module was not used by all the laboratories.

- Many processes were either not developed or were developed but were not operational; the module wise status of these is shown in **Annexe-11.2**.
- As progress with regard to implementation of the ERP in laboratories was very slow, CSIR decided (April 2014) that the ERP would be implemented in one laboratory initially in a month and concurrently in five other laboratories within the next three months. However, full implementation of ERP was not achieved in any of the selected laboratories as of September 2019. Details are shown in **Annexe-11.3**.
- It was seen that laboratories[9] were using various in-house/customised software for daily official works despite the processes developed in the ERP system. Details are shown in **Annexe-11.4**.

The reasons for non implementation were attributed by CSIR to software not being user friendly, too many glitches, repetitive and complicated processes, absence of seamless integration, poor working speed, issues not resolved by the software developer, etc.

Thus, the ERP system was launched with incomplete software development work and without ensuring preparedness of the laboratories to utilise the software. This resulted in the ERP remaining virtually unused in CSIR.

11.1.2.5 Operations performed through the software modules

Deficiencies observed in the functional processes are discussed below:

11.1.2.5 (A) HR Module

The HR Module was proposed for maintaining and managing profiles and automation of all establishment related matters of the employees. The module was interlinked with other modules as it contained basic database of all the

[9] NCL, IMMT, CECRI, CIMAP, CFTRI, NIO & IMTech.

employees. Some of the significant issues observed in the module are listed below.

(i) HR sub-modules had basic deficiencies such as HBA sub-module was not updated to the provisions of the Seventh Central Pay Commission (CPC); Leave sub-module did not include processes for Commuted Leave, Maternity/Paternity leave, which had to be processed manually, as process flow was not mapped to the Director level. Further, the EL balance of a number of employees as per the service book did not match with the EL balance as per ERP generated reports.

CSIR stated (November 2020) that the HBA sub-module was not adopted by the labs due to there being few takers for it. The reply is not correct, as the sub-process was not used because it was not updated as per provisions of Seventh CPC. CSIR also did not fix the bug related to process flow up to Director level in the cases of leave.

(ii) There were functional errors in the system. For instance, in the LTC sub-module, the system had no validation check to prevent fresh recruited employees from availing LTC for anywhere in India in any block year in addition to 4th and 8th block years[10].

CSIR stated (November 2020) that the bugs in this regard would be fixed.

(iii) There were issues in interlinking with other modules. For e.g. for preparation of pay bills, detailed mandatory information comes from HR Module, Finance and Accounts (FA) Module and Planning and Performance Division (PPD) of R&D Planning Portal. The requisite functionalities could not be done through the aforesaid modules[11] and the pay bills were being prepared by entering this updated information manually and then using the ERP system for making payments. Moreover, ERP had no interface with ECS[12] payment system. Thus, the ERP system had no end to end solution for preparing pay bills.

CSIR stated (November 2020) that pay fixation and linking of ECS system could not be automated due to the need for manual interpretation and security

[10] As per DoPT orders dated 26 September 2014, fresh recruits are allowed to travel to their home town along with their families on three occasions in a block of four years and to any place in India on the fourth occasion. This facility shall be available to the fresh recruits only for the first two blocks of four years applicable after joining the Government for the first time.

[11] Pay fixation in HR module, FA module and Planning and Performance Division (PPD) of R&D Planning Portal.

[12] Electronic Clearing Service

issues. CSIR also stated that Income Tax calculation would be taken up from next financial year.

(iv) There were issues observed in other sub-modules *viz*. employee database, LTC, newspaper reimbursement, etc. The details are given in **Annexe-11.5**.

As a result of system deficiencies, many operations were done manually. The above observations indicate that the system lacked logic controls, important linkages and validation checks, which rendered it unreliable for accurate and complete transactions.

11.1.2.5 (B) Finance & Accounts Module

Prior to the development of the ERP system, CSIR and its laboratories were using IMPACT software for their finance and accounts operations. The Finance & Accounts (FA) Module in the ERP system was designed and developed for automation of all accounting functions *viz*. payments of all type of bills, preparation of Ledgers, Broadsheet, Income & Expenditure Account and Balance Sheet of CSIR. The following deficiencies were observed in audit:

(i) The FA module was not utilised at CSIR Hq due to dissimilar accounting operations in laboratories and Headquarters. These dissimilar operations were not identified during the planning and development stage. Further, the system was developed without proper codification for accounting heads of expenditure. The codification used in IMPACT software did not match with ERP Codes. As such, payments of bills could not be processed through the system and were passed for payment manually. Due to this, proper Ledger Account and thereby generation of various accounting reports and preparation of Final Account could not be done through ERP. CSIR continued to use its IMPACT software for compiling its annual accounts, which defeated the purpose of development of the ERP system.

CSIR stated (November 2020) that FA module has been implemented from the current FY in CSIR Hq, and that efforts were on to compile the annual accounts through ERP, and to stop IMPACT from 2021-22.

(ii) The certificate of validation of the module was issued on isolated basis in November 2011 pending development of features like annual reports of GPF/ CPF, Balance Sheet etc. Features namely accounting of Fixed Assets i.e. Gross amount, Depreciation, Net amount etc., could not be tested as it was dependent on the inputs from other modules. It was seen in audit that no validation certificate of the module was issued till the time of audit.

CSIR stated (November 2020) that validation is an ongoing exercise. The fact remained that status of validation of the pending features was not stated/available in the absence of the validation certificate.

(iii) The module was to have processes for the management of pension. It was seen that pension related functionalities *viz*., date of retirement/death, emoluments and pay scale received immediately before retirement/death, type of pension, fixation and revision of pension, etc. were not developed in HR module. These were also not interlinked with the FA module. As a result, bills were being preparing manually and uploaded in the FA module for payment.

CSIR stated (November 2020) that exit process and pension calculation sheet will be implemented from 2021-22.

11.1.2.5 (C) Infrastructure/Engineering and Service Portal (IESP)

Infrastructure/Engineering and Service Portal (IESP) was developed to automate processes like Facilities Management, Maintenance & related Services, Contracts Management, E-Procurement, Stores/Inventory & Project Management. The functionalities were developed in three sub-modules (i) Engineering Services Module (ESM), (ii) Material Management Module and (iii) Facilities Management, Maintenance Operations & Related Services Module. Audit observed the following deficiencies in the portal.

(i) Purchase processes in the ERP system were not mapped up to the level of Director (laboratory level) where approval was required.

CSIR stated (November 2020) that workflow was limited to Project Leader in the purchases done through Project Mode and Director's *in principle* approval was taken on the file. The fact remained that the process flow in the ERP system for procurements requiring the approval of Director was incomplete.

(ii) Analysis of tables[13] for capturing purchase order wise details of stock revealed that in 1,013 cases the receipt dates entered were prior to the date of purchase orders.

[13] MM_TM_STOCK_RECEIPTS and MM_TM_STOCK_RECEIPT_DETAILS

CSIR stated (November 2020) that this validation check was not implemented in order to regularise the purchase date in case of field purchases made by scientists in remote stations. The fact remained that all procurements were not done through the ERP system.

The above deficiencies in the module indicate lack of input controls and validation checks as well as poor customisation of the processes.

11.1.2.5 (D) Research and Development (R & D) & Planning Portal

Development of R&D and Planning Portal was proposed for management of various research activities. Three sub-modules namely Planning & Performance Division (PPD), Unit for Science Dissemination (USD) and International Science and Technology Affairs Directorate (ISTAD) under R&D portal were developed for automating the processes *viz.*, planning and management of different R&D projects, business development activities, handling of international cooperation of CSIR laboratories etc.

Audit observed that the sub-modules on USD and ISTAD contained only test data and were not utilised. Further, the sub-module Annual Plan was not in use in CSIR Hq, as such information from the laboratories and its consolidation for the preparation of the Annual Plan could not be done through the system. Further, the sub module was developed without adopting the required standard conventions, and was unable to automate the process of Annual Planning, as envisaged. Also, the sub-module was unable to create unique identification for the various projects. Further, details regarding project start/end date, cost etc., were either not captured or were captured inaccurately.

CSIR accepted (November 2020) that consolidation of annual plan was not implemented. CSIR also stated that the cases of missing start/end dates were due to reasons like project not having materialised, etc. The reply of CSIR indicates that the ERP system enabled submission of project proposal without project start/end dates.

Thus, R&D portal could not be utilised to its full potential as envisaged and there was continued dependence on manual work.

11.1.2.5 (E) Policy and Programme Module (PPM)

The PPM module was developed to perform functionalities including processing of all policy related matters, record management of various documents and electronic file management. Audit observed that the system was used only for policy uploading. Process like policy Creation & amendment, interpretation & clarification were not made through the system. As a result, users could not make/change and ask for its relevant interpretation or clarification related to the uploaded policy documents and circulars.

CSIR stated (November 2020) that policy amendment and clarification process through PPM module will be taken up for implementation.

11.1.2.5 (F) e-Learning Module

The portal was developed for enterprise learning, training, competency development, and as a digital repository for publications, dissemination of knowledge and practices for organisational learning. As mentioned in para 11.1.2.4, the modules on Training Programme, Assessment and Newsletter were developed but not utilised. The proposed objective to facilitate the transformation of CSIR as a learning organisation leveraging continuous improvement facilitated by the NAUTICAL (Novel Assessment Units for Training, Innovation, Capacity Augmentation and Learning) units at CSIR Hq, and its laboratories by developing e-Learning module could not be achieved.

CSIR stated (November 2020) that e-Learning module was used in HRDC, Ghaziabad for in house training. CSIR added that more steps will be taken to put this module into use.

11.1.3 Conclusion

CSIR did not formulate an IT policy for its IT environment including the ERP system to direct its actions and efforts. The management did not customise all the features in the ERP system. There was no business continuity plan and additional data recovery infrastructure was not set up, as envisaged. Non availability of some modules led to non implementation of several processes in the system. Lack of input controls and validation checks made the database incomplete and unreliable. Many important modules remained non functional. As a result, there was continued dependence on manual operations.

Thus, the system could not be utilised to its full potential due to infirmities in design, lack of comprehensive planning and deficient implementation, which is not expected from a premier scientific organisation like CSIR. CSIR needs to take immediate action to resolve the issues in the application and to develop a robust and reliable system that fulfils the Government's objective of ensuring effectiveness of operations and transparency through electronic governance.

Department of Science and Technology

11.2 Purchase of air tickets through unauthorised travel agents

Jawaharlal Nehru Centre for Advanced Scientific Research, Bengaluru purchased air tickets for its employees through travel agents other than those authorised under extant orders, thereby incurring irregular expenditure of ₹ 4.61 crore.

In terms of Department of Expenditure, Ministry of Finance (MoF) OM[14] (dated 16 September 2010 and 09 July 2013), for the purpose of official tour and for availing Leave Travel Concession (LTC), air tickets may be purchased directly from Airlines (at Booking counters/Website of Airlines) or by utilising the services of Authorised Travel Agents namely M/s Balmer Lawrie & Company, M/s Ashok Travels & Tours and Indian Railway Catering and Tourism Corporation Limited (IRCTC).

Audit examination revealed that Jawaharlal Nehru Centre for Advanced Scientific Research, Bengaluru (JNCASR) purchased air tickets for its employees from two private travel agencies[15] other than the agencies authorised under the extant Government orders during the period from April 2013 to March 2020. JNCASR paid a total amount of ₹ 4.61 crore to the two private agents towards such purchases. Booking of tickets through unauthorised travel agents was in violation of the orders of MoF and resulted in irregular expenditure of ₹ 4.61 crore.

JNCASR justified (June 2019) their action stating that the local travel agents were used due to the remote location of their campus and lack of communication facilities. However, JNCASR stated (June 2019) that they had *in principle* dispensed with booking of air tickets through unauthorised travel agents with effect from September 2018.

The justification is not acceptable, as extant instructions clearly stated that air tickets for official tour and LTC were to be purchased either directly from the Airlines or through the authorised agents only. Further, audit observed that even after September 2018, JNCASR continued to utilise the services of private

[14] Office Memorandum.

[15] M/S Travel Explorer and M/S Jaybee travels.

travel agencies and made a payment of ₹ 48 lakh (September 2018 to March 2020) to the agent for booking of tickets for official tours and LTC.

Department of Science and Technology (DST) in its reply stated (October 2020) that JNCASR has now stopped the practice of booking air tickets through unauthorised travel agents. Further, JNCASR has been advised by DST to submit an appropriate proposal with proper justification for ex-post facto approval of the Department.

CHAPTER XII : MINISTRY OF TRIBAL AFFAIRS

12.1 Reimbursement of fraudulent Leave Travel Concession claims

Employees of the Ministry of Tribal Affairs submitted fabricated Leave Travel Concession claims leading to irregular reimbursement aggregating ₹ 7.40 lakh.

Ministry of Personnel, Public Grievances and Pensions vide its Office Memorandum (O.M.) dated 19 September 2016, extended the following schemes for a period of two years, subject to specified terms and conditions:

a) LTC for visiting North East Region (NER), Jammu and Kashmir and Andaman and Nicobar Islands (ANI) *in lieu* of a Home Town LTC.

b) Facility of air travel to non entitled government servants for visiting NER, J&K and ANI whether they avail anywhere in India LTC or in lieu of Home Town LTC.

c) Permission to undertake journey to J&K by private airlines.

Among the terms and conditions was the requirement that travel on LTC to NER and ANI was to be done by Air India, while for travel on LTC to J&K, service of any airline could be availed. Government servants entitled to travel by air can avail air travel from HQrs to LTC destination, whereas non entitled Government servants could travel by air only in specified sectors. This scheme was subsequently extended upto 25 September 2020 vide O.M. of September 2018.

It was provided in the aforesaid O.M. that air tickets are to be purchased directly from the airlines (booking counters, website of airlines) or by utilising the services of authorised travel agents[1]. In addition, the O.M. stipulated that the employees be advised that any misuse of LTC would be viewed seriously and invite appropriate action under the rules. Ministries/Departments were also advised to randomly get some of the air tickets verified from the airline concerned with regard to the actual cost of air travel *vis-à-vis* the cost indicated on the air ticket submitted by the officials.

As per Rule 16 of the Central Civil Services (Leave Travel Concession) Rules, 1988 disciplinary proceedings may be initiated against a government servant for preferring a fraudulent claim of LTC. Where the proceedings result in imposition of any of the penalties specified in Rule 11 of the Central Civil

[1] M/s Balmer Lawrie & Company, M/s Ashok Travels & Tours and Indian Railways Catering and Tourism Corporation (IRCTC)

Services (Classification, Control and Appeal) Rules, 1965, the Government servant shall not be allowed the next two sets of the LTC in addition to the sets already withheld during the pendency of the disciplinary proceedings.

Scrutiny of LTC records of the employees of Ministry of Tribal Affairs (MoTA) for 2017-18 and 2018-19 disclosed manipulation of LTC claims by six of its employees[2] who performed Air journeys to ANI and NER by Air India. Audit compared the claims submitted by the employees with details made available by the airlines and found that the bills furnished with claims were fabricated. The fares claimed by the employees were higher than the amount actually paid to the airlines. Further, the air tickets in these cases were booked through private agents in violation of extant rules/instructions. This resulted in irregular reimbursement of claims aggregating ₹ 7.40 lakh.

MoTA stated (May 2019) that the difference of amount claimed by the officials and the amount actually paid to Air India has been recovered along with penal interest thereon. The concerned officials have been warned to refrain from repetition of such action in future and any such instance coming to notice again shall be dealt with strictly and would not be condoned.

The reply of MoTA is not acceptable as instead of the entire amount wrongly paid amounting to ₹ 7.40 lakh, only the difference of amount claimed by the officials and the amount actually paid to Air India, had been recovered from the concerned employees. Further, in place of initiating disciplinary proceedings against the errant employees for submission of fraudulent claims, only administrative warnings had been issued. This in effect ruled out the possibility of the employees being denied the next two sets of LTCs in terms of Rule 16 of LTC Rules. This case also highlights lack of internal control in the Ministry as tickets purchased through private agents were accepted and claims passed on that basis.

[2] Two Section Officers, one Personal Secretary, one Assistant Section Officer, one Senior Accountant and one Computer Operator

CHAPTER XIII : UNION TERRITORIES

Andaman and Nicobar Administration

13.1 Wasteful expenditure

Failure to obtain mandatory 'No Objection Certificate' in terms of Ministry of Civil Aviation (Height Restrictions for Safeguarding of Aircraft Operations) Rules, 2015, prior to undertaking work of construction of a building at a site falling within a 20 km radius from an airfield where the height restrictions were applicable, resulted in wasteful expenditure of ₹ 39.17 lakh.

In September 2015, the Ministry of Civil Aviation (MoCA) notified[1] that *inter alia*, no structure shall be constructed on any land within a radius not exceeding twenty kilometres from the Aerodrome Reference Point[2] of Civil and Defence aerodromes without obtaining a 'No Objection Certificate' (NOC) for height clearance. Further, as per the notification, the Campbell Bay Airport, situated at the Andaman and Nicobar Islands, was specified as a Defence Airport.

A new office building[3] for the Assistant Commissioner (AC), Campbell Bay was proposed for construction at Rajiv Nagar, Campbell Bay, near the airfield of INS *Baaz* and a preliminary estimate was prepared for the same in May 2015. Based on the preliminary estimate, Administrative Approval and Expenditure Sanction amounting to ₹ 3.59 crore, was accorded in August 2015. In the meanwhile, the Commanding Officer, INS *Baaz*, had intimated (January 2016) to the AC that mandatory NOC for height restriction be obtained before the commencement of work. The Superintending Engineer, Nicobar Division, APWD, accorded Technical Sanction (TS) to the work, for ₹ 2.64 crore, in April 2016. The tender for the work was floated in May 2016, and the work was awarded to a Contractor (September 2016) for an amount of ₹ 2.13 crore, with the stipulated dates of commencement and completion being September 2016 and March 2018 respectively.

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[1] Ministry of Civil Aviation (Height Restrictions for Safeguarding of Aircraft Operations) Rules, 2015

[2] Designated geographical location of an Aerodrome.

[3] The old building of the Assistant Commissioner, Campbell Bay (AC), had been damaged during the earthquake of December 2004, and the office had, thereafter, been operating from a semi-permanent building taken on rent.

The work, which commenced in November 2016, was objected (January 2017) to by the Commanding Officer, INS *Baaz* (CO), citing the Height Restriction Rules, and subsequently stopped. At this stage an expenditure of ₹ 39.17 lakh, had already been incurred for the work. The AC, Campbell Bay, thereafter belatedly applied (September 2017) for NOC for the office building which was denied by the Naval Authorities (November 2017) on the ground that the building would be an aeronautical obstruction following a planned runway extension.

Audit examination showed that while granting TS in April 2016, APWD had overlooked the mandatory requirement for obtaining a NOC in terms of the Height Restrictions for Safeguarding of Aircraft Operations Rules, 2015. This was in violation of Para 2.5.1(f) of the CPWD Manual relating to Technical Sanction which stipulates that no estimate shall be technically sanctioned unless it is ensured that the detailed estimate prepared takes into account all aspects of planning and that no point has escaped notice. It was also noted that the AC, who had been intimated by the CO of INS *Baaz* about the requirement of a NOC in January 2016, itself had omitted to convey this to APWD. Thus, both failure of APWD to ensure that all factors had been taken into account at the planning stage, while preparing detailed estimates before according Technical Sanction and the omission on the part of the AC to transmit the intimation from the CO of INS *Baaz* about the need for NOC, resulted in the commencement of work without clearance and consequent wasteful expenditure on the work of ₹ 39.17 lakh.

APWD, in its reply (April 2019), stated that it was not aware of the requirement of NOC for construction of the building. The reply is not tenable, as being the authority for providing Technical Sanction, it had to ensure compliance with all existing rules and requirements. The Andaman and Nicobar Administration, in its reply (July 2020), stated that the Defence authorities were asked to re-examine the matter and grant NOC to the project and that a process for obtaining NOC for a single-storey building has been initiated. This reply is also not acceptable as the proposal for a single-storey building had also been turned down (April 2018) by the Naval Authorities. Further, no decision had been taken with regard to alternate use of the unfinished construction even after three years of stoppage of the construction.

Thus, failure of APWD to comply with codal provisions relating to grant of Technical Sanction for the work of construction of a new office building for AC, Campbell Bay, resulted in wasteful expenditure of ₹ 39.17 lakh.

Chandigarh Administration

13.2 Short Collection of revenue

The Transport Department of Union Territory Chandigarh, failed to levy revised rates of temporary registration fee from Motor Vehicle dealers, on account of issue of Temporary Registration Number to them, resulting in short collection of revenue amounting to ₹ 0.83 crore.

Rule 42 (8) of the Chandigarh Motor Vehicles Rules, 1990 provides that the fee for Temporary Registration under this rule shall be half of the Registration Fee as specified in Rule 81 of the Central Rule. The Central Rule 81 specifies the levy of fees for issue of certificate of registration for different categories of vehicles.

The Ministry of Road Transport and Highways, in December 2016 amended the Central Motor Vehicles Rules, 1989 and revised the fee with immediate effect specified under Rule 81 for issue of certificate of registration for different categories of vehicles.

Audit noted from the records of office of the Registering and Licencing Authority (RLA) UT, Chandigarh, that the RLA, UT, Chandigarh had issued 98007 Temporary Registration Numbers to different Dealers/Agencies of Motor Vehicles during the period from December 2016 to September 2018 and charged pre-revised rates instead of revised rates from the dealers of these vehicles.

Audit further noted that non implementation of revised rate of temporary registration fee resulted in short collection of revenue amounting to ₹ 1.51 crore from the dealers, as detailed in **Table No. 1**.

Table No. 1: Short collection of revenue

(Amount in ₹)

Category of Vehicle	No. of dealers/ Agencies	No. of TRN issued	Fee leviable		Fee levied		Fee short levied
			@	Amount	@	Amount	
Light Motor Vehicles (Non Transport)	32	35,458	300	1,06,37,400	100	35,45,800	70,91,600
Motor Cycle/Scooter	17	56,999	150	85,49,850	30	17,09,970	68,39,880
Three wheeler	04	3,900	300	11,70,000	150	5,85,000	5,85,000
Light Motor Vehicles (Transport)	04	1,650	500	8,25,000	150	2,47,500	5,77,500
Total	**57**	**98,007**		**2,11,82,250**		**60,88,270**	**1,50,93,980**

In their reply, the Registering and Licencing Authority, UT Chandigarh stated (September 2020) that the temporary registration fee was charged at revised rates from the dealers with effect from 09 September 2018 onwards. It further added that they had also started the process of recovery of deficit amount on account of Temporary Registration Numbers from the concerned dealers and out of deficit amount of ₹ 1.51 crore, an amount of ₹ 0.67 crore has already been recovered (December 2018). Meanwhile, the federation of Chandigarh Region Automobile Dealers, Chandigarh filed Civil Writ Petition in the Hon'ble Punjab & Haryana High Court at Chandigarh against the recovery of deficit amount, and the matter is still *sub judice*. The RLA again started recovery of the deficit amount with effect from June 2020 from the applicants to whom the temporary numbers were issued and an amount of ₹ 59,320 has also been recovered.

The reply clearly indicated that after the legal case filed by the dealers, the Department is not able to recover the outstanding amount from the dealers and now RLA has moved to recover the amount from the individuals.

Thus, the failure of the Transport Department to implement revised rates of Temporary Registration fee, resulted in short collection of revenue amounting to ₹ 0.83 crore.

Dadra & Nagar Haveli and Daman & Diu Administration

13.3 Irregularity in Purchase and Distribution of fruit trees by the District Panchayat, Silvassa

District Panchayat (DP), Silvassa incurred expenditure of ₹ three crore on purchase of fruit trees from budget head '2515'-PLAN GIA without budget provision and without devolution of fund, function and functionaries by the UT Administration. Further, DP Silvassa also favoured the Supplier while accepting the tender, and while making payment for supply and distribution of the fruit trees.

The District Panchayat (DP), Silvassa implements various development and poverty alleviation schemes for the upliftment of the rural population of the UT of Dadra & Nagar Haveli (DNH). The DP and Development and Planning Officer (DPO), Silvassa procured and distributed fruit trees procured at a cost of ₹ three crore among villagers/farmers of 20 Village Panchayats (VPs) as part of activities under "Social and Farm Forestry" for which expenditure was incurred from the budget head '2515'-PLAN GIA General. Audit examination of records (April 2018) relating to the purchase, supply and distribution of the fruit trees, disclosed several deficiencies which are detailed in the subsequent paras.

13.3.1 Lack of authority to incur expenditure

As per 11th Schedule of the Constitution of India and the 3rd Schedule of the Dadra & Nagar Haveli (DNH) Panchayat Regulation (PR), 2012, "Social & Farm Forestry" is among 29 functions entrusted to Panchayati Raj Institutions. However, 11 functions including "Social & Farm Forestry" are yet to be assigned to PRIs and only 18 functions have either been fully or partly assigned. However, for executing any work relating to the subject "Social & Farm Forestry" devolution of funds, function and functionaries to the PRIs is necessary.

In addition, Section 89 of DNH Panchayat Regulation, 2012, stipulates that a DP will prepare a budget for each year and obtain approval of the Administrator of the UT for the same through the Finance Department of Union Territory Administration. No expenditure shall be incurred by the DP unless the budget is approved by the Administrator. Audit observed that as the UT Administration of DNH had not devolved the function of "Social & Farm Forestry" to the DP Silvassa, no plan had been prepared by them for this subject. As this function continued to be vested with the Forest Department of the DNH, it is this Department that had the responsibility for distribution of trees to villagers/farmers of the VPs of DP, Silvassa. Further, the work of purchase and distribution of fruit trees was not part of the annual action plan under the budget head '2515'-PLAN GIA General of DP Silvassa and did not have the approval of the Administrator. Despite the above, DP Silvassa incurred expenditure of ₹ three crore during the financial year 2016-17 on purchase of fruit trees for distribution among villages under the subject "Social & Farm Forestry".

The DPO, DP Silvassa replied (April 2018) that being an Autonomous Body, the DP Silvassa had initiated the work using available funds under the MH 2515 GIA-General to improve the environment and to benefit the farmers/villagers. Further, under the 3rd Schedule of the DNH PR, 2012, matters relating to "Agriculture including extension and Social Forestry/Farm Forestry" are within the jurisdiction of the DP. It also added that the expenditure was within powers delegated to the DP.

The reply is not acceptable as devolution of funds, function and functionaries relating to "Social & Farm Forestry", to the DP, Silvassa which was necessary to execute any work under the subject, had not been done by the UT Administration to PRIs. This work continued to be vested with the Forest

Department of UT Administration, which was executing the work from the budget allotted under the head 2406-102- "Social & Farm Forestry".

Undertaking the work of providing fruit trees by DP, Silvassa without budget provision and without devolution of this function and funds by the UT Administration, was unauthorised and irregular and involved diversion of funds provided for some other purpose without due approval of the UT Administration.

13.3.2 Irregularities in tendering and award of work

Central Vigilance Commission (CVC) instructions require that prior to accepting any price offer/bid, reasonableness of quoted rates should be established *vis-à-vis* estimated rates and the prevailing market rates.

President, DP Silvassa accorded (11 July 2016) Administrative Approval and Expenditure Sanction (AA&ES) for ₹ 1.50 crore for the purchase of fruit trees. No market survey was done while preparing estimates and the tender for the purchase based on a rough estimate of ₹ 1.50 crore was issued on the same day the AA&ES was accorded.

As per terms and condition of the tender, bidders were required to upload scanned copies of several documents. Seven bidders uploaded all the required scanned documents of whom five took part in the bid meeting (19 July 2016). Audit observed that DP, Silvassa (July 2016) rejected the technical bids of five bidders, on the grounds that they had not submitted the required documents, though they had uploaded all the documents and were also directly engaged in the nursery and farm business. DP, Silvassa shortlisted the remaining two bidders for opening of financial bids. These bidders had furnished experience certificate for supply of food stuff/biscuits for Mid-Day Meal (MDM) Scheme and for a Social Welfare Girls Hostel though the requirement was for experience for "similar work", i.e. work similar to supply of fruit trees and horticulture.

After opening of financial bids, M/s V.K. & Sons, Valsad emerged as the lowest bidder (L1). However, audit scrutiny showed that its rates were abnormally high when compared to the rates for fruit trees being charged by Navsari Agriculture University (NAU). Details are given in **Annexe-13.1**.

Disqualification of several eligible bidders at the technical evaluation stage, overlooking lack of relevant experience of the two remaining bidders, and failure to assess the reasonability of quoted rates amounted to extending undue favour to the firm awarded the work.

The DPO, DP Silvassa accepted the facts but stated that the work was in the interest of the environment and the rural economy and was taken up based on the CEO's instructions. He claimed ignorance of CVC guidelines and of the rates fixed by the NAU, but assured that these issues would be kept in view during future purchases.

However, the fact remains that the procurement process for the fruit trees was vitiated and was not in compliance with CVC guidelines.

13.3.3 Deficiencies in supply of the fruit trees

Initially, based on the AA&ES accorded in July 2016, the DP Silvassa (July-August 2016) placed two supply orders for ₹ 127.50 lakh and ₹ 22.50 lakh respectively, on M/s V.K. & Sons. After obtaining AA&ES for an additional amount, DP Silvassa placed (August 2016) a new order for ₹ 1.50 crore at the same rate on the same Vendor, without inviting any fresh tender.

Audit observed the following deficiencies in supply:

a) In the case of the 1st order for ₹ 127.50 lakh, supplies deviated from the order as given in the **Table No. 2** with numbers with amounts being adjusted.

Table No. 2: Supplies deviated from the order

Name of the tree	Mango	Coconut	Chikku	Guava	Jamboo	Limbo	Sitafal	Ramfal	Kaju
Ordered quantity	10,000	10,000	5,000	5,000	2,000	2,000	2,000	2,000	2,000
Supplied quantity	15,375	13,700	100	3,204	1,980	1,200	100	0	0

Though supplies deviated from the order, DP Silvassa did not record any reason for the same and instead placed a second order for ₹ 22.50 lakh to the same Supplier for supply of 5625 mango trees. Audit observed that these 5625 mango trees had already been supplied six days prior to the order being placed.

b) Audit observed that against the third supply order of ₹ 150.00 lakh for 20,000 Mango trees and 20,000 Coconut trees, no specific name of any fruit plant was mentioned on the delivery challan. The delivery challans did not record details of vehicles through which deliveries were made. Payment of ₹ 150.00 lakh was thus made to the Supplier without verifying the details of delivery.

c) The above also shows that DP, Silvassa had not done any comprehensive assessment of requirements and had undertaken the procurement on a piece meal basis.

13.3.4 Deficiencies in stocking and distribution of the fruit trees.

As per Rule 187 of GFRs, 2005, while receiving goods and materials from a Supplier, the officer-in-charge of stores should refer to the relevant contract terms and follow the prescribed procedure for receiving materials. This included counting and measurement of material received and verifying if the same is as per specifications and without damage or deficiency; providing a receipt for the materials and entering the material in the appropriate stock register under the certificate of the officer-in-charge of stores. Scrutiny of records relating to the procurement of the fruit trees showed that trees received were neither entered in the stock register of any Village Panchayat nor was their receipt certified by any responsible officer.

Further, as per norms of the Forest Department of the UT of DNH for distribution of fruit trees under Social & Farm Forestry, details of land (Farm/house/patta land) of the beneficiaries on which the trees are planted are required to be entered in the distribution register. This was not done by DP, Silvassa while distributing the fruit trees.

On the observations on supply and distribution of the fruit trees, DPO, DP Silvassa stated that subsequent orders for the fruit trees were placed due to increase in demand for trees by public representatives. It added that the deficiencies noticed by audit will be rectified in future purchases. However, no specific reply was given with regard to stocking of the trees.

The Draft Paragraph was issued to the Ministry of Home Affairs (MHA) with a copy to Administrator of the UT Dadra & Nagar Haveli and Daman & Diu (February 2020) and reminders for reply were also issued. However, their reply was awaited (December 2020).

Thus, DP Silvassa incurred expenditure of ₹ 3.00 crore on purchase of fruit trees from an unauthorised budget head without any budget approval, and without functions relating to "Social & Farm Forestry" being devolved to it by the UT Administration. Further, tendering for the work was vitiated and the work was awarded at higher rates without ascertaining their reasonability thereby allowing favours to a particular Supplier. In addition, the supply and distribution of the fruit trees were deficient in several respects. UT Administration may therefore, institute an enquiry:

(a) to identify weakness in internal controls and plug the risks and gaps that allowed such irregularities to occur;

(b) to secure procedures from such lapses in future;

(c) and fix responsibility for the irregularities especially with respect to tendering and award of works, as an effective deterrent.

13.4 Irregular and excess payment to Contractor on "loan basis" without verification of supply and without approval of UT Administration and approved budget allocation

District Panchayat, Silvassa made payment of ₹ 1.98 crore to a Supplier for supply of food stuff under Supplementary Nutrition Programme, without any supply order and without any approval for the higher tendered rates for the supply and without allocation of funds under the budget. In the absence of due approvals and allocations, norms for making payments were by-passed and payment released as a loan from "interest" accrued by another Department. This also resulted in payment which was ₹ 18.23 lakh in excess of the approved rates of the Department.

Section 89 of DNH Panchayat Regulation, 2012, stipulates that no expenditure shall be incurred by the District Panchayat (DP) unless its budget is approved by the Administrator.

Rule 58 of GFRs, 2005[4], stipulates that any subordinate authority incurring expenditure should be responsible for ensuring that allocation of funds at its disposal is not exceeded. If any excess over the allotment is anticipated, the additional allotment should be obtained before incurring any excess expenditure.

The Integrated Child Development Services (ICDS) branch of DP Silvassa, which comes under the Child Development Project Officer (CDPO), implements the scheme of Supplementary Nutrition Programme (SNP) for children aged from 6-72 months, "Severely Underweight Children (SUC)", "Pregnant Mother & Nourishing Mother" (PM/NM) and adolescent girls aged 11-18 years (SABLA) who have dropped out of school. As per the order of UT Administration (February 2015), rates of ₹ 12 per child and ₹ 15 per individual under other categories *viz* SUC, 6-72 months old child, PM-NM and SABLA, were fixed for supply of SNP food.

CDPO invited (May 2016) a tender to supply food material during 2016-17 under SNP. Based on the tender, M/s V.K. & Sons, Valsad was selected

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[4] Rule 208(1) of General Financial Rules (GFRs), 2017 contains similar provisions for Additional Allotment for excess expenditure

(June 2016) being the lowest bidder at his quoted rate of ₹ 13.23 per child and ₹ 16.50 per person under the other categories (i.e. SUC etc.). The Department submitted (July & September 2016) a proposal for additional budget for this work but the proposal was not accepted by the UT Administration. Thus, the CDPO did not issue any work order to the Supplier. UT Administration approved (December 2016) the budget for the scheme at the previously approved rate of ₹ 12 per child and ₹ 15 per individual under other categories *viz* SUC, 6-72 months old child, PM-NM and SABLA

Audit noted (April 2018) that though the UT Administration had not approved the higher rate quoted by the Supplier, the Supplier supplied food stuff material without any work order (July-September 2016) and submitted (October 2016) bills totalling ₹ 1.98 crore. This was ₹ 18.23 lakh higher than the amount payable based on the rate approved by the UT Administration. These bills submitted by the Supplier had also not been verified by the CDPO.

Audit also noted that the bills amounting to ₹ 1.98 crore were paid (November 2016) to the Supplier from the interest income of PWD (Irrigation). This payment was on "loan basis" without any budget approval and without availability of funds. The payment was, thus, in violation of Section 89 of DNH Panchayat Regulation, 2012 and also Rule 58 of GFRs, 2005.

CDPO, DP Silvassa stated (April 2018) that supply was made by the Supplier without work order on oral instructions and the excess payment will be recovered from the Supplier from subsequent payments due to him. CDPO also stated that it had not verified the Supplier's bills as it had not issued any work order for the same. PWD (Irrigation), Silvassa (April 2018) accepted making payment of ₹ 1.98 crore directly to the Supplier as a "loan" based on written approval of the Chief Executive Officer (CEO) of the DP Silvassa, and a hand receipt was taken from the Supplier.

The matter was reported to the Ministry of Home Affairs (MHA) with a copy to Administrator of the UT Dadra & Nagar Haveli and Daman & Diu (February 2020) and reminders for reply were also issued. However, their reply was awaited (December 2020).

Thus, District Panchayat (DP) Silvassa made payment of ₹ 1.98 crore to a Supplier for supply of food stuff under SNP, without any supply order and without any approval for the higher tendered rates for the supply and without allocation of funds under the budget. In the absence of due approvals and allocations, norms for making payments were by-passed and payment released as a loan from out of "interest" accrued by another Department. This also resulted in payment which was ₹ 18.23 lakh in excess of the approved rates of the Department.

Lakshadweep Administration

13.5 Idling of funds

Union Territory Lakshadweep Administration (UTLA) irregularly released funds amounting to ₹ 1.15 crore for projects much in advance of actual requirement and without taking preparatory steps. It also failed to monitor use of these funds as also the progress of projects for which the funds were released. As a result, funds amounting to ₹ 1.15 crore remained unutilised, and parked with LPWD resulting in idling of funds for more than ten years.

Rule 100 (2) of the Receipt and Payment Rules, 1983, stipulates that money shall not be drawn from the Government Account unless it is required for immediate disbursement, and that money cannot be drawn from Government account in anticipation of demands or to prevent lapse of budget grants. Further, Public Bodies and Institutions receiving non recurring grants are required to furnish a Utilisation Certificate (UC) within 12 months of closure of the financial year in which the grant was sanctioned.

Audit scrutiny of the records of the Union Territory Lakshadweep Administration (UTLA) disclosed two projects where payments were made in violation of the above mentioned statutory rules. These cases are discussed below.

Project A: "Creation of Storage facilities for Agricultural Products of Lakshadweep for Marketing".

Ministry of Agriculture released (February 2009) Central Assistance (CA) of ₹ 5.01 crore under Rashtriya Krishi Vikas Yojana (RKVY) during 2008-09, to the UTLA. One of the projects to be taken up under RKVY was "Creation of Storage facilities for Agricultural Products of Lakshadweep for Marketing". The Directorate of Fisheries, Lakshadweep RKVY, Kavaratti which received the CA, transferred (October 2009) ₹ one crore, to the Director, Food, Civil Supplies and Consumer Affairs (FCS & CA) Kavaratti, i.e 50 *per cent* of RKVY funds for the project, as the first instalment for the project. This amount was for the construction of godowns at Kavaratti, Agatti & Amini Islands for storage of food grains and other agricultural products. Director, FCS & CA in turn, deposited (November 2009) the entire amount with the Executive

Engineer, Lakshadweep Public Works Department (LPWD) Kavaratti, and furnished a UC (July 2010) to the Director of Fisheries, showing the funds transferred as utilised. However, after a lapse of eight years, in March 2017, the Executive Engineer, LPWD Kavaratti refunded ₹ one crore paid for the project, to the Director, FCS & CA This was done as the Directorate of FCS & CA had not been able to identify land for the project. It was intimated (September 2019) that land for the godown at Amini had been identified but was not handed over as acquisition process was pending. In the other locations, i.e. at Kavaratti and Agatti Islands, land was yet to be identified for construction of godowns.

Project B: "Construction of first floor to the Super Bazaar for housing the office of the Directorate of Food & Civil Supplies at Kavaratti".

UTLA accorded (April 2010) Administrative Approval and Expenditure Sanction for the work "Construction of first floor to the Super Bazaar for housing the office of the Directorate of Food & Civil supplies at Kavaratti" for an amount of ₹ 97.75 lakh. Audit noted that the Director, FCS & CA had, prior to the grant of Administrative Approval for the work, already deposited (March 2010) ₹ 15.00 lakh with the Executive Engineer, LPWD Kavaratti for the work. This amount was, however, not utilised and the Executive Engineer, LPWD Kavaratti refunded this amount along with the payment for Project A, totalling ₹ 1.15 crore to the Director, FCS & CA. Audit noted that this could not be used as the work had not materialised in the absence of permission for construction by the Kavaratti Island Co-operative Supply and Marketing Society Authorities/Board (September 2020).

Audit noted that funds for the above mentioned projects, had been provided by UTLA in anticipation of demand and much in advance of the requirements materialising. It was also noted that preparatory steps for execution of the works such as availability of land, and obtaining of required permissions had not been taken by UTLA before releasing funds. Further, in the case of Project A, funds released were shown as utilised without any expenditure having taken place, which was a misrepresentation of the actual status of expenditure on the project. Release of funds for the projects much in advance of actual requirements, also led to idling of funds for over nine years.

Audit also noted that no measures had been taken to monitor use of funds released for the projects, and to obtain return of the unused funds to the Government in time, once land for the project and permissions had not been obtained. On the contrary, in a meeting (June 2017) under the chairmanship of

Collector & Secretary (Food & Civil Supplies), a decision was taken to allow LPWD to retain the funds for the time being, and the amount of ₹ 1.15 crore was accordingly returned to the Executive Engineer, LPWD. These actions were violation of statutory provisions.

Thus, UTLA irregularly released funds amounting to ₹ 1.15 crore for projects much in advance of actual requirement. It also failed to monitor use of these funds as also the progress of projects for which the funds were released, as a result of which funds amounting to ₹ 1.15 crore remained parked with LPWD resulting in idling of funds for more than ten years.

CHAPTER XIV : MINISTRY OF YOUTH AFFAIRS AND SPORTS

14.1 Non recovery of unutilised grants-in-aid

Ministry of Youth Affairs and Sports failed to organise the Himalayan Region Games despite release of grants-in-aid of ₹ 1.27 crore in March 2015 and to recover the unutilised grants-in-aid along with interest of ₹ 62.44 lakh from the State Government of Assam.

Rule 212 of General Financial Rules (GFRs), 2005[1] envisages monitoring of utilisation of the grants through the mechanism of Utilisation Certificates (UCs) containing the disclosure that the fund has been utilised for the purpose for which it was sanctioned and the amount remaining unutilised at the end of the year has been surrendered to the Government.

The Hon'ble Finance Minister, while presenting the Union Budget for 2014-15, announced (July 2014) an annual sports event to promote the unique sports traditions of the States[2]/Countries in the Himalayan region and to bring a vast majority of people living there on one common platform by inviting countries such as Nepal and Bhutan to participate in the sporting event.

Accordingly, Ministry of Youth Affairs and Sports (MoYAS) decided to organise an annual sports event and a scheme namely Himalayan Region Sports Festival (later on renamed as Himalayan Region Games) was formulated. Under the Scheme, sports competitions were to be conducted in eight disciplines[3] and Guwahati (Assam) or Imphal (Manipur) were identified for organising the HRG, annually, so that permanent sports infrastructure is created and utilised every year.

MoYAS estimated the annual requirement of funds of ₹ five crore to organise Himalayan Region Games (HRG). MoYAS decided (December 2014) to organise the games at Guwahati, Assam. Subsequently, MoYAS released (March 2015) ₹ 1.27 crore, as first instalment, under Rajiv Gandhi Khel Abhiyan (RGKA) to State Government of Assam (SGoA) for preparatory activities as there was no separate budget provision for HRG during the year 2014-15.

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[1] Rule 239 of General Financial Rules (GFRs), 2017 contains similar provisions for providing grants-in-aid

[2] Jammu and Kashmir, Uttarakhand, Himachal Pradesh, Sikkim and the North Eastern States

[3] Archery, Athletics, Boxing, Football, Judo, Taekwondo, Wrestling and Fencing

Further, it was planned to organise the HRG in the month of February 2016. However, it could not materialise as 12th South Asian Games were held at Guwahati during the period between 05 and 16 February 2016.

Audit noticed that the Ministry could not organise the HRG in the subsequent years also despite separate budget provisions of ₹ 21.00 crore (₹ 15.00 crore in 2017-18, ₹ 5.00 crore in 2018-19 and ₹ 1.00 crore in 2019-20) being allocated for the purpose.

Consequently, no expenditure was incurred, and ₹ 1.27 crore released in March 2015, thus, remained unutilised.

On this being pointed out (June 2018 and January 2020), MoYAS stated (June 2018 and January 2020) that due to lack of adequate response from the Indian Olympic Association, the event could not be organised in spite of dates being finalised many times. Besides, they did not demand refund of ₹ 1.27 crore from SGoA as they had been making continuous efforts to organise the event during the year 2018-19. MoYAS, however, stated (February 2020) that they had demanded (September 2019) refund of ₹ 1.27 crore along with interest thereon from SGoA, which has not been refunded so far.

MoYAS, thus, not only failed to organise the games in 2014-15 despite release of ₹ 1.27 crore, but also did not recover the same along with interest of ₹ 62.44 lakh from SGoA as of February 2020.

New Delhi **(SUNIL DADHE)**
Dated: 19 February 2021 **Director General of Audit**

Countersigned

New Delhi **(GIRISH CHANDRA MURMU)**
Dated: 25 February 2021 **Comptroller and Auditor General of India**

ANNEXES

Annexe–5.1

(Referred to in paragraph no. 5.5)

Undue benefit extended to Contractor

Item no.	Name/Description	Rate analysed	Rate of Royalty per cubic metre	Rate analysed including royalty @ ₹ 22 per Cubic metre (cum)	Add 6% (WCT, Cess, Entry tax Etc.)	BOQ rate	Payment rate (Tender or Agreement rate) (0.24 % below BOQ rate)	Executed Quantity (in cubic metres)	Payment to the Contractor (Col. 8x Col. 9)	Royalty payable/paid by Contractor to the Govt. of Bihar	Royalty amount kept by Contractor due to inclusion of royalty in BOQ (in ₹) (Col.9 x Royalty rate @ ₹ 22/m^3	Audit Conclusion
1	2	3	4	5	6	7	8	9	10	11	12	13
2.03	Excavation in Soil using Hydraulic Excavator CK90 and Tippers with Disposal to all leads. Excavation in Soil using Hydraulic Excavator CK90 and Tippers with disposal within the site. Excavation for roadwork or water bodies or storm water drains etc. in soil with hydraulic excavator of 0.9 cum bucket capacity including cutting and loading in tippers, trimming bottom and side slopes, in accordance with requirements of lines, grades and cross sections, and transporting to the embankment location with all lifts and lead up to 1000 m within the site.	77.67	22	99.67	6	106	105.75	3,43,019.28 m^3	3,62,74,289	Not paid	75,46,424	Royalty should have not been added in BOQ rate as below: (i) Govt. of Bihar vide Notification dated 27 January 2012 had fixed the rate of royalty @22/cum of Ordinary earth which is used for construction of embankment, Road, Building and leveling purpose, (ii) District Mining Office in their letter clarified that royalty should be deposited or deducted for used earth only and (iii) The work of this item no. 2.03 is pertaining to earth excavation work only and extracted earth is not being used in this item for any purpose. Out of

Item no.	Name/Description	Rate analysed	Rate of Royalty per cubic metre	Rate analysed including royalty @ ₹ 22 per Cubic metre (cum)	Add 6% (WCT, Cess, Entry tax Etc.)	BOQ rate	Payment rate (Tender or Agreement rate) (0.24 % below BOQ rate)	Executed Quantity (in cubic metres)	Payment to the Contractor (Col. 8x Col. 9)	Royalty payable/paid by Contractor to the Govt. of Bihar	Royalty amount kept by Contractor due to inclusion of royalty in BOQ (in ₹) (Col.9 x Royalty rate @ ₹ 22/m^3	Audit Conclusion
												excavated quantity of 343019 m^3 of earth, only 176148.64 m^3 was used in construction of embankment in item no. 2.05 and remaining excavated quantity of 1,66,871 m^3 (343019.28 m^3 – 176148.64 m^3) was dumped inside the University campus. However, payment released to the Contractor included royalty component ₹ 75,46,424 (343019.28 m^3 @ ₹ 22). Payment to the Contractor was made for excavation work only.
2.04	Construction of embankment with approved material obtained from borrowed pits with all lifts and lead up to 1000 m, transporting to site, spreading grading to required slope and compacting to meet requirement of MoRTH table 300-2	208.98	23.65 (royalty @ ₹ 22 + compensation @ ₹ 1.65 due to material obtaining from borrowed pits)	232.63	13.98	247	246.41	0	-	0	0	Royalty should be added in BOQ rate as the earth is being used for construction of embankment work. However, Item no. 2.04 was finally not executed, hence, no payment was released for this work.

Item no.	Name/Description	Rate analysed	Rate of Royalty per cubic metre	Rate analysed including royalty @ ₹ 22 per Cubic metre (cum)	Add 6% (WCT, Cess, Entry tax Etc.)	BOQ rate	Payment rate (Tender or Agreement rate) (0.24 % below BOQ rate)	Executed Quantity (in cubic metres)	Payment to the Contractor (Col. 8x Col. 9)	Royalty payable/paid by Contractor to the Govt. of Bihar	Royalty amount kept by Contractor due to inclusion of royalty in BOQ (in ₹) (Col.9 x Royalty rate @ ₹ 22/m^3	Audit Conclusion
2.05	Construction of Embankment with Material Deposited from Roadway/Water bodies cutting (Construction of embankment with approved materials deposited at site from roadway/water bodies cutting and excavation from drain and foundation of other structures graded and compacted to meet requirement of MoRTH table 300-2	153.61	22	175.61	10.56	187	186.55	1,76,148.64 m^3	3,28,60,529	38,75,256	-	Royalty should be added in BOQ rate as the earth is being used for construction of embankment work (the earth is being obtained from item no. 2.03) However, payment released to the Contractor included royalty ₹ 38,75,270 (1,76,148 m^3 @ ₹ 22).

Item no.	Name/Description	Rate analysed	Rate of Royalty per cubic metre	Rate analysed including royalty @ ₹ 22 per Cubic metre (cum)	Add 6% (WCT, Cess, Entry tax Etc.)	BOQ rate	Payment rate (Tender or Agreement rate) (0.24 % below BOQ rate)	Executed Quantity (in cubic metres)	Payment to the Contractor (Col. 8x Col. 9)	Royalty payable/paid by Contractor to the Govt. of Bihar	Royalty amount kept by Contractor due to inclusion of royalty in BOQ (in ₹) (Col.9 x Royalty rate @ ₹ 22/m^3	Audit Conclusion
2.06	Construction of Subgrade and Earthen Shoulders (construction of embankment for sub grade and earthen shoulders with approved material obtained from borrowed pits with all lifts and lead up to 1000 m, transporting to site, spreading, grading to required slope and compacting to meet requirement of MoRTH table 300-2	244.36	23.65 (royalty @ ₹ 22 + compensation @ ₹ 1.65 due to material obtaining from borrowed pits)	268.01	16.08	284	283.32	1,21,197.62 m^3	3,43,37,710	26,66,348	0	Royalty should be added in BOQ rate as the earth is being used for construction of embankment work (the earth is being obtained from borrow pits i.e. private land. Out of 1,23,000 m^3, only 1,21,197.62 m^3 was used in the work, so royalty amounting to ₹ 26.66 lakh (1,21,197.62 @ ₹ 22) was related to the University. Payment released to the Contractor included the royalty component of ₹ 26,66,348 (1,21,197.62 @ ₹ 22). However, in this case Contractor deposited the royalty to the Govt. of Bihar at the time of acquiring lease permit.

Item no.	Name/Description	Rate analysed	Rate of Royalty per cubic metre	Rate analysed including royalty @ ₹ 22 per Cubic metre (cum)	Add 6% (WCT, Cess, Entry tax Etc.)	BOQ rate	Payment rate (Tender or Agreement rate) (0.24 % below BOQ rate)	Executed Quantity (in cubic metres)	Payment to the Contractor (Col. 8x Col. 9)	Royalty payable/paid by Contractor to the Govt. of Bihar	Royalty amount kept by Contractor due to inclusion of royalty in BOQ (in ₹) (Col.9 x Royalty rate @ ₹ 22/m^3	Audit Conclusion
2.07	Excavation for structures (Earth work in excavation of foundation of structures as per drawing and technical specification, including setting out, construction of shoring and bracing, removal of stumps and other deleterious matter, dressing of sides and bottom and backfilling with approved materials) Ordinary soil (up to 3.0 m depth)	67.69	22	89.69	5.4	95	94.77	1,092.54	1,03,540	Not paid	24,036	Royalty should have not been added in BOQ rate as the work of this item is pertaining to earth excavation work for foundation for structure work only and extracted earth is not being used in this item. Payment to the Contractor was made for excavation work only. Payment included royalty component ₹ 24,036 (10,92.54 m^3 @ ₹ 22).
TOTAL								**6,41,458.08**	**10,35,76,068**	**65,41,604**	**75,70,460**	
									(including Royalty component) ₹ 1,41,12,078			

Annexe–6.1

(Referred to in paragraph no. 6.1)

Irregular payment to National Payments Corporation of India

Month	Total transactions	Transactions qualified for incentive	Excess transactions allowed for incentive	Excess payment (in ₹)
A	B	C	D=B-C	E=D*5
January 2018	13,45,984	6,68,648	6,77,336	33,86,680
February 2018	12,56,797	6,15,303	6,41,494	32,07,470
March 2018	19,67,988	8,83,826	10,84,162	54,20,810
April 2018	11,22,044	4,86,226	6,35,818	31,79,090
May 2018	6,21,969	2,97,582	3,24,387	16,21,935
Total (A)				**1,68,15,985**

Annexe–6.2

(Referred to in paragraph no. 6.1)

Irregular payment to National Payments Corporation of India

Month	Total Transactions	Transactions ineligible for incentive	Percentage of ineligible to total transactions	Variable incentive paid on total transactions (in ₹)	Excess variable incentive paid (in ₹)
A	B	C	D	E	F=D*E/100
January 2018	13,45,984	6,77,336	50.32	49,66,341.50	24,99,063.04
February 2018	12,56,797	6,41,494	51.04	46,21,863.00	23,58,998.88
March 2018	19,67,988	10,84,162	55.09	66,62,999.50	36,70,646.42
April 2018	11,22,044	6,35,818	56.67	38,20,419.00	21,65,031.45
May 2018	6,21,969	3,24,388	52.15	24,11,128.00	12,57,403.25
Total (B)					**1,19,51,143.04**

(Amount in ₹)

Total (A)	**1,68,15,985.00**
Total (B)	**1,19,51,143.04**
Grand Total (A) + (B)	**2,87,67,128.04**

Annexe-7.1

(Referred to in paragraph no. 7.2)

Details of Avoidable demand charge under electricity for power of GC CRPF, Bilaspur

Sl. No.	Month	Contract Demand	Billing Demand	Actual Demand	Difference	Rate	Amount in ₹
1.	Nov-13	1005	754	0	1173	360	4,22,280
2.	Dec-13	1005	754	0	1005	360	3,61,800
3.	Jan-14	1005	754	0	1005	360	3,61,800
4.	Feb-14	1005	754	0	1005	360	3,61,800
5.	Mar-14	1005	754	80	925	360	3,33,000
6.	Apr-14	1005	754	163	591	360	2,12,760
7.	May-14	1005	754	179	575	360	2,07,000
8.	Jun-14	1005	754	208	546	360	1,96,560
9.	Jul-14	1005	754	210	544	360	1,95,840
10.	Aug-14	1005	754	219	535	360	1,92,600
11.	Sep-14	1005	754	256	498	360	1,79,280
12.	Oct-14	1005	754	208	546	360	1,96,560
13.	Nov-14	1005	754	213	541	360	1,94,760
14.	Dec-14	1005	754	210	544	360	1,95,840
15.	Jan-15	1005	754	229	525	360	1,89,000
16.	Feb-15	1005	754	229	525	360	1,89,000
17.	Mar-15	1005	754	235	519	360	1,86,840
18.	Apr-15	1005	754	262	492	360	1,77,120
19.	May-15	1005	754	294	460	360	1,65,600
20.	Jun-15	1005	754	294	460	365	1,67,900
21.	Jul-15	1005	754	266	488	365	1,78,120
22.	Aug-15	1005	754	277	477	365	1,74,105
23.	Sep-15	1005	754	256	498	365	1,81,770
24.	Oct-15	1005	754	253	501	365	1,82,865
25.	Nov-15	1005	754	213	541	365	1,97,465
26.	Dec-15	1005	754	229	525	365	1,91,625
27.	Jan-16	1005	754	237	517	365	1,88,705
28.	Feb-16	1005	754	250	504	365	1,83,960
29.	Mar-16	1005	754	253	501	365	1,82,865
30.	Apr-16	1005	754	280	474	375	1,77,750
31.	May-16	1005	754	298	456	375	1,71,000
32.	Jun-16	1005	754	310	444	375	1,66,500
33.	Jul-16	1005	754	296	458	375	1,71,750
34.	Aug-16	1005	754	275	479	375	1,79,625
35.	Sep-16	1005	754	291	463	375	1,73,625
36.	Oct-16	1005	754	250	504	375	1,89,000
37.	Nov-16	1005	754	238	516	375	1,93,500
38.	Dec-16	1005	754	245	509	375	1,90,875
39.	Jan-17	1005	754	243	511	375	1,91,625
40.	Feb-17	1005	754	299	455	375	1,70,625

Sl. No.	Month	Contract Demand	Billing Demand	Actual Demand	Difference	Rate	Amount in ₹
41.	Mar-17	1005	754	318	436	375	1,63,500
42.	Apr-17	1005	754	346	408	375	1,53,000
43.	May-17	1005	754	358	396	375	1,48,500
44.	Jun-17	1005	754	381	373	375	1,39,875
45.	Jul-17	1005	754	326	428	375	1,60,500
46.	Aug-17	1005	754	317	437	190	83,030
47.	Sep-17	1005	754	322	432	190	82,080
48.	Oct-17	1005	754	288	466	190	88,540
49.	Nov-17	1005	754	235	519	190	98,610
50.	Dec-17	1005	754	243	511	190	97,090
51.	Jan-18	1005	754	259	495	190	94,050
52.	Feb-18	1005	754	242	512	190	97,280
53.	Mar-18	1005	754	262	492	190	93,480
54.	Apr-18	1005	754	299	455	190	86,450
55.	May-18	1005	754	330	424	375	1,59,000
56.	Jun-18	1005	754	296	458	190	87,020
57.	Jul-18	1005	754	259	495	190	94,050
58.	Aug-18	1005	754	262	492	190	93,480
59.	Sep-18	1005	754	251	503	190	95,570
60.	Oct-18	1005	754	258	496	190	94,240
61.	Nov-18	1005	754	227	527	190	1,00,130
62.	Dec-18	1005	754	229	525	190	99,750
63.	Jan-19	1005	754	235	519	190	98,610
64.	Feb-19	1005	754	237	517	190	98,230
65.	Mar-19	1005	754	242	512	190	97,280
Total							**1,10,28,040**

Annexe-8.1

(Referred to in paragraph no. 8.1)

Irregular payment of *ad hoc* bonus (13 CABs)

(₹in lakh)

Sl. No.	Name of Unit	Amount of bonus paid	Amount of bonus recovered
Ministry of Education			
1.	Indian Institute of Technology, Kharagpur (IIT-K)	164.95	Nil
2.	Indian Institute of Technology, Guwahati (IIT-G)	48.49	Nil
3.	Visva Bharati University, Shantiniketan (VBU)	58.96	Nil
4.	Indian Institute of Engineering Science and Technology (IIEST)	58.38	58.38
5.	Babasaheb Bhimrao Ambedkar University, Lucknow (BBAU)	13.05	8.50
6.	Aligarh Muslim University, Aligarh (AMU)	722.09	711.64
7.	Banaras Hindu University, Varanasi (BHU)	246.77	200.12
8.	Indian Institute of Management, Lucknow (IIML)	18.77	Nil
9.	Motilal Nehru National Institute of Technology, Allahabad (MNNIT)	23.66	Nil
10.	National Institute of Open Schooling, Noida (NIOS)	26.79	Nil
11.	Indian Institute of Management, Kashipur (IIMK)	4.73	Nil
12.	University of Allahabad (AU)	162.35	Nil
Ministry of Culture			
13.	The Asiatic Society, Kolkata (TAS)	38.15	Nil
	Total	**1,587.14**	**978.64**

Annexe-10.1

(Referred to in paragraph no. 10.1)

Details of payment made to the Consortium without TDS

(Amount in ₹)

Sl. No.	Name of Parties of the Consortium	Bill Number and Date	Amount	TDS required to be deducted on the payment
1.	ITI Limited	CP00003502 31.03.2018	4,00,90,000	40,09,000
2.	ITI Limited	CP00003507 31.03.2018	14,69,76,000	1,46,97,600
3.	Electronics Corporation of India Limited	CP00003499 31.03.2018	4,00,90,000	40,09,000
4.	Electronics Corporation of India Limited	CP00003501 31.03.2018	22,71,77,000	2,27,17,700
5.	Bharat Electronics Limited	CP00003498 31.03.2018	4,00,90,000	40,09,000
6.	Bharat Electronics Limited	CP00003500 31.03.2018	22,71,77,000	2,27,17,700
		Total	**72,16,00,000**	**7,21,60,000**

Annexe-11.1

(Referred to in paragraph no. 11.1.1)

Laboratories of CSIR

Sl. No.	Name of the Laboratory
1.	CSIR-Advanced Materials and Processes Research Institute (CSIR-AMPRI), Bhopal
2.	CSIR-Central Building Research Institute (CSIR-CBRI), Roorkee
3.	CSIR-Centre for Cellular Molecular Biology (CSIR-CCMB), Hyderabad
4.	CSIR-Central Drug Research Institute (CSIR-CDRI), Lucknow
5.	CSIR-Central Electrochemical Research Institute (CSIR-CECRI), Karaikudi
6.	CSIR-Central Electronics Engineering Research Institute (CSIR-CEERI), Pilani
7.	CSIR-Central Food Technological Research Institute (CSIR-CFTRI), Mysore
8.	CSIR-Central Glass Ceramic Research Institute (CSIR-CGCRI), Kolkata
9.	CSIR-Central Institute of Medicinal & Aromatic Plants (CSIR-CIMAP), Lucknow
10.	CSIR-Central Institute of Mining and Fuel Research (CSIR-CIMFR) Dhanbad
11.	CSIR-Central Leather Research Institute (CSIR-CLRI), Chennai
12.	CSIR-Central Mechanical Engineering Research Institute (CSIR-CMERI), Durgapur
13.	CSIR-Central Road Research Institute (CSIR-CRRI), New Delhi
14.	CSIR-Central Scientific Instruments Organisation (CSIR-CSIO), Chandigarh
15.	CSIR-Central Salt Marine Chemicals Research Institute (CSIR-CSMCRI), Bhavnagar
16.	CSIR Fourth Paradigm Institute (CSIR-4PI), Bengaluru
17.	CSIR-Institute of Genomics and Integrative Biology (CSIR-IGIB), Delhi
18.	CSIR-Institute of Himalayan Bioresource Technology (CSIR-IHBT), Palampur
19.	CSIR-Indian Institute of Chemical Biology (CSIR-IICB), Kolkata
20.	CSIR-Indian Institute of Chemical Technology (CSIR-IICT), Hyderabad
21.	CSIR-Indian Institute of Integrative Medicine (CSIR-IIIM), Jammu
22.	CSIR-Indian Institute of Petroleum (CSIR-IIP), Dehradun
23.	CSIR-Indian Institute of Toxicology Research (CSIR-IITR), Lucknow
24.	CSIR-Institute of Minerals and Materials Technology (CSIR-IMMT), Bhubaneswar
25.	CSIR-Institute of Microbial Technology (CSIR-IMTECH), Chandigarh
26.	CSIR-National Aerospace Laboratories (CSIR-NAL), Bengaluru
27.	CSIR-National Botanical Research Institute (CSIR-NBRI), Lucknow
28.	CSIR-National Chemical Laboratory (CSIR-NCL), Pune
29.	CSIR-National Environmental Engineering Research Institute (CSIR-NEERI), Nagpur
30.	CSIR-North - East Institute of Science and Technology (CSIR-NEIST), Jorhat
31.	CSIR-National Geophysical Research Institute (CSIR-NGRI), Hyderabad
32.	CSIR-National Institute For Interdisciplinary Science and Technology (CSIR-NIIST), Thiruvananthapuram

Sl. No.	Name of the Laboratory
33.	CSIR-National Institute of Oceanography (CSIR-NIO), Goa
34.	CSIR-National Institute of Science Communication And Information Resources (CSIR-NISCAIR), New Delhi
35.	CSIR-National Institute of Science, Technology And Development Studies (CSIR-NISTADS), New Delhi
36.	CSIR-National Metallurgical Laboratory (CSIR-NML), Jamshedpur
37.	CSIR-National Physical Laboratory (CSIR-NPL), New Delhi
38.	CSIR-Structural Engineering Research Centre (CSIR-SERC), Chennai
	Name of CSIR Units
1.	CSIR-UNIT : Open Source Drug Discovery (CSIR-OSDD), New Delhi
2.	CSIR-UNIT : Translational Research and Innovative Science Through Ayurveda (CSIR-TRISUTRA), New Delhi
3.	CSIR-UNIT : Human Resource Development Centre (CSIR-HRDC), Ghaziabad
4.	CSIR-UNIT : Unit for Research and Development of Information Products (CSIR-URDIP), Pune
5.	CSIR-UNIT : CSIR Traditional Knowledge Digital Library (CSIR-TKDL), New Delhi
6.	CSIR Madras Complex (CSIR-CMC),Chennai

Annexe-11.2

(Referred to in paragraph no. 11.1.2.4)

Module-wise processes not developed and developed processes that are not operational

Sl. No.	Name of the module	Purpose for development of the module	Name of the laboratory where module was not operational	Name of the processes not developed in the module	Name of the processes though developed but not utilised	Reasons for non functional/ non utilisation of the module
1.	HR Portal	For maintaining and managing profiles and automation of all establishment related matter of the employees.	CBRI, CFTRI, IGIB, IICB, IMTech, NBRI, NEERI, NGRI, NISTADS & NPL (10 laboratories)	Recruitment, Advertisement, Attendance management, Promotion, Deputation, Pension, Pay fixation, Income Tax. Constitution of Assessment Board, Selection committee, Joining in service, ACR/APR.	Probation and confirmation, Promotion through DPC, Seniority matters and Transfer.	➢ Due to technical problem ➢ Improper functioning and slow speed of the servers ➢ lack of resources, data loss ➢ Non modification of software as per the 7th CPC.
2.	Finance & Accounts Module	For automation of all accounting functions *viz.* payments of all type of bills, preparation of Ledgers, Broadsheet, Income & Expenditure Account and Balance Sheet of CSIR	CBRI, CCMB, CDRI, CFTRI, CSIO, 4PI, IGIB, IHBT, IICB, IICT, IIP, IMMT, IMTech, NBRI, NEERI, NGRI, NIIST, NIO, NISCAIR, NISTADS, NML, NPL & SERC (23 laboratories)	Demand for grant from the Govt./Ministry, Sanction for the budget from the competent authority	Head-wise preparation of budget estimates, compilation and consolidation of demands in respect of laboratories/Headquarters, For generation of various accounting register.	➢ Finance module itself was not functional at CSIR Hq. ➢ Generated reports and hardcopy registers were not perfectly tallying with each other
3.	IESP	To automate the processes like Facilities Management, Maintenance & related Services, Contracts Management, E-Procurement, Stores/Inventory & Project Management	CBRI, CCMB, CDRI, CFTRI, CSIO, 4PI, IGIB, IICB, IICT, IIP, IMTech, NBRI, NEERI, NGRI, NIIST, NIO, NISCAIR, NISTADS, NML & NPL (20 laboratories)	Pre-indent flow and NIT/e-tendering process in Material Management Module.	Proposal of indent, preparation of preliminary estimate, approvals of competent authority, NIT and final placement of Work order, agreement. Sub-processes of Facilities Management, Maintenance Operations & Related Services Module	➢ Due to lack of awareness in functionalities ➢ Non resolving the problem in operation of the module. ➢ Non functioning of budget head, technical reason ➢ Non integration with Finance & HR Module ➢ Slow server response, data loss

Sl. No.	Name of the module	Purpose for development of the module	Name of the laboratory where module was not operational	Name of the processes not developed in the module	Name of the processes though developed but not utilised	Reasons for non functional/ non utilisation of the module
4.	R&D and Planning Portal	Planning and management of different R&D projects, business development activities, handling of international cooperation of CSIR laboratories under three sub-modules namely Planning & Performance Division (PPD), Unit for Science Dissemination (USD) and International Science and Technology Affairs Directorate (ISTAD).	CBRI, CCMB, CDRI, CFTRI, 4PI, IGIB, IICB, IICT, IIP, NEERI, NGRI, NIIST, NISCAIR, NISTADS, NML & NPL (16 laboratories)		Demands for Grants, Five Year Plan, Outcome Budget, Annual Report, Half Yearly Performance Report, NMITLI, Business Development Activities under sub-modules PPD Sub-modules namely USD & ISTAD.	➢ Due to technical reason ➢ Data loss ➢ Progress reports & closure reports, utilisation certificates, could not be uploaded ➢ Projects could not be closed in the portal ➢ Unsuccessful configuration of workflow ➢ Lack in integration of modules ➢ Budget details could not be updated.
5.	PPM	For performing functionalities *viz.* approval process of various committee formations and meeting management, process of RTI & Legal matters, portal for SSB Awards, e-Dak and e-Filing process, process of all policy related matter, record management of various documents and electronic file management	CBRI, CCMB, CDRI, CFTRI, CRRI, CSIO, 4PI, IGIB, IICB, IICT, IIIM, IIP, IITR, IMMT, NAL, NBRI, NCL, NEERI, NGRI, NIO, NISCAIR, NISTADS, NPL & SERC (24 laboratories)	Records Management process	Committee formation and meeting management, process of RTI & Legal matters Awards, e-Dak and e-Filing process, Policy Creation & Amendment, Interpretation & Clarification	➢ Slow speed of access ➢ Technical reason ➢ Data loss ➢ Module not functional

Annexe-11.3

(Referred to in paragraph no. 11.1.2.4)

ERP implementation status in six identified Laboratories as on September 2019

Sl. No.	Name of the Laboratories	Date of complete implementation of ERP	Name of the functional modules of ERP	Reasons
1.	CECRI, Karaikudi	January 2013	All except IESP-partly	Works Module Transactional Reports were not implemented. However, Bills were processed through MPB.
2.	NML, Jamshedpur	August 2013	Only HR & PPM partially	Implementation directives from CSIR for FAM not received. Many guidelines were to be reconciled in R&D module.
3.	NCL, Pune	April 2013/ April 2014	All except HR & FA partially	Used IMPACT & new Accounting software in addition to FAM. Employee Pay Bill Data not included in ERP since inception.
4.	SERC, Chennai	June 2013	R&D, HR & IESP partially	Only Pay Bill status was implemented but now discontinued. No entry was done through ERP for the last one year. Updating process of project details were under progress.
5.	NEERI, Nagpur	Not implemented	None	Seamless integration amongst functionalities was not possible. Working speed of software was very poor. Not resolving of issues from the software developer.
6.	IMTECH, Chandigarh	HR-January/2012, FA-April/2017	R&D & e-Learning fully and PPM partly	Resource Heavy, not user friendly, too many glitches, time consuming, repetitive and complicated.

Annexe-11.4

(Referred to in paragraph no. 11.1.2.4)

In-house/vendor developed software in CSIR laboratories

Sl. No.	Name of the Laboratory	Name of the system	Developed by	Purpose of development	Process developed in ERP
1.	NCL	Personal inventory online	In-house developed	To keep record of personal inventory	HR Module
		Indent Management System		Generation and processing of indent	IESP Module
		Finance-EMIS		FVC & payment	FA Module
		Vehicle Requisition System		Transport requisition	HR Module
		Recruitment		Online application for recruitment	HR Module
		DRR System		Daily Receipt Register for Store	IESP Module
		Facility Management Booking		Booking of auditorium, Lecture hall etc.	HR Module
		Project Management		Project Management	R & D Module
		Invoice System		Invoice Generation	IESP Module
2.	IMMT	CSIR-IMMT Intranet	In-house developed	Repository of OMs, Notices, Circulars etc., approval of in-house project proposals, repository images of various events, complain management, scientist profile updation	PPM, HR and R & D Module
		Guest House Booking		Online Guesthouse request and room management	HR Module
		Online Recruitment Portal		Online application for recruitment	HR Module
3.	CECRI	Online Recruitment Portal	In-house developed	For recruitment	HR Module
		Portal for Online application for B. Tech admission		For B. Tech admission	HR Module
		For Conference Management		Online submission of research papers for conference	R & D Module

Sl. No.	Name of the Laboratory	Name of the system	Developed by	Purpose of development	Process developed in ERP
4.	CIMAP	Intranet	ICT Team In-house developed	Digital repository for employees, researchers of the Institute about official proformas, memorandum, MoMs etc.	HR and R & D Module
		Staff Biodata		Digital staff profile	HR Module
		Accounts		Online portal for voucher entry, issue cheques and status	IESP Module
		Tour and Advances		Portal for online booking of Tour and Advances to staff and researchers of institute	HR Module
		Online Indenting Software		Indenting purpose	IESP Module
		Central Instrumental Facility Portal		Online booking of the institutional analytical instruments for Scientists and Researchers	R & D Module
5.	CFTRI	MECON	Mecon	For Stores & Purchase activities	IESP Module
		Indent Management System	CFTRI	Centralised web based software for maintaining the budget allocations and managing CNP, GAP, MLP etc. projects	R & D Module
6.	NIO	Lotus Notes	In-house	For managing travel, leave, purchase, Telephone reimbursement, CEA, vehicle booking, registration fees etc.	HR Module
		Lotus Notes		Project Management (creation of funded projects, project report review, report submission, honorarium distribution, details of technology transfer, generation of invoice, TDS details)	R & D Module
7.	IMTech	Compass	TCS (10.00 lakh)	Store & Purchase use	IESP Module

Annexe-11.5

(Referred to in paragraph no. 11.1.2.5 (A))

Issues in HR module

Process	Issues observed in Audit	Remarks
HBA	(i) Seven applications were made by three laboratories of which only one application was processed through the system. (ii) Sub-process was developed as per provisions of sixth CPC which was not updated as per seventh CPC. As such, processing of HBA cases was being done manually.	CSIR stated (November 2020) that the developed process for receiving online applications and processing HBA application was working but considering very few takers, the process was not adopted by labs. The fact remained that the application was not used, as Sub-process was developed as per provisions of sixth CPC which was not updated as per seventh CPC.
Leave	(i) Only three types of leave namely CL, RH and EL (partly) could be processed through ERP system. For other kinds of leave[1] (SL, ML, PL etc.), employees had to obtain Director's approval manually, as process flow was not mapped up to the Director level. (ii) EL balance of a number of employees as per service book did not match with the EL balance as per ERP generated reports. Extraordinary Leave (EoL) could not be not processed as the system was not able to debit 1/10th of EL amount corresponding to EoL automatically. System also did not allow to apply for EOL in combination with EL. (iii) Analysis of 'datLeaveTransactions' database table containing 15,01,432 records[2] revealed that leave duration period was wrongly calculated in 15,00,838 cases; 'Leave to' dates were found beyond the date of superannuation in respect of 11 cases; 'LeaveTypeID' was shown as '0' in 557 cases, which is not logically correct.	(i) CSIR did not fix the bug for mapping the process flow up to Director level. (ii) CSIR stated (November 2020) that EL data is maintained only in ERP in CECRI and are taken to service book as paper application has been stopped. In labs were dual system is adopted i.e. both ERP and paper application, the leave mis-match is due to non processing of ERP application end to end. CSIR also stated that EOL transactions will be verified and bugs will be fixed. (iii) CSIR stated (November 2020) that certain test cases which had gone beyond superannuation data was created before fixing this bug. Leave type id showing as '0' was due to network disconnection at the user end. The fact remained that there were errors in many cases.
Family Details	Analysis of the database 'datEmployeeFamilyDetail' table consisting 85,876 records (including dependent family members of 18,684 serving and retired employees) revealed that	(i) CSIR stated (November 2020) that mandatory marital status of 6,135 dependents were not updated by labs due to non availability of particulars in certain cases and would be

[1] Commuted Leave, Maternity/Paternity Leave
[2] Including test data

Process	Issues observed in Audit	Remarks
	(i) mandatory marital status field was not entered in respect of 6,135 dependents and annual income in 82,586 cases. (ii) more than two alive children were included as family members in respect of 3,136 employees (17%) but their date of birth was not recorded in the system.	updated. (ii) CSIR stated (November 2020) that for the sake of record all children are entered. There is separate validation for dependency check in Medical and LTC process.
Employee database	Scrutiny of 'datEmployee' table containing 22,740 records showed that Gender ID was mentioned as '0' in 2,704 cases which was not defined in definition table and mandatory field 'Nationality' was not entered in 3,620 cases.	CSIR stated (November 2020) that this was due to the fact that it was not updated by the service book administrator, which would be done.
LTC	The 'datLTCApplications' table contained 10,007 records of which 286 were processed data (September 2019). Analysis showed that- (i) Four separate IDs were created for Home Town, J&K Region, NE Region and Andaman & Nicobar. However, places visited were not mapped properly against the defined IDs. As a result, the places visited did not match with the definition.[3] (ii) In cases of one year block, system allowed to avail LTC during the extended years which were not as per LTC rules.[4] (iii) In 54 cases, though payments towards leave encashment were made, no amount was shown in the field name 'encashment'. (iv) In five cases, LTC block year IDs were found as '0' whereas no such block year ID was defined in the block year definition table. (v) In three cases, 'Applied by' field was shown as '0'. (vi) Block year IDs were not mapped properly with the LTC purpose IDs. In 835 cases one year block year ID specified for home town could be selected for 4 year LTC purpose–anywhere in India. (vii) The system had no validation check to prevent fresh recruited	CSIR stated (November 2020) that bugs pointed out will be fixed.

3 Havelock, Varanasi, Kolkata, Pune were shown against NE Region; Nagercoil, Lakshadweep, Kanyakumari were shown against Andaman & Nicobar Islands.

4 For example, one-year block of 2015 (block year ID – 19), system allowed leave for LTC purpose in the year of 2014 in 2 cases. Similarly, one-year block of 2017 (block year ID – 28), system allowed to avail leave for LTC purpose in the years of 2018 and 2019.

Process	Issues observed in Audit	Remarks
	employees from availing LTC for anywhere in India in any block year in addition to 4th and 8th block year[5]. (viii) Employees applied for several times for a particular block year due to not processing of the LTC application through the system.	
Newspaper reimbursement	(i) Monthly entitlement for Newspaper reimbursement under Employee Self Service (ESS) menu showed ₹ 500 for employee whose entitlement was ₹ 850. This indicates that the system could not fetch information from employee service records. (ii) The system was unable to restrict admissible amounts in case employees applied beyond their entitlement.	CSIR stated (November 2020) that validation checks have now been incorporated.
GPF	(i) The system allowed withdrawal of 100 *per cent* of the credit balance for purchasing car/scooter, which is not allowed as per rules[6]. (ii) System saved the application without entering number of instalments for refundable withdrawal. (iii) In 419 cases of completed refundable GPF applications, number of instalments was shown as zero, indicating that the system had no validation control in respect of refundable GPF application. (iv) The 'datGPFBroadsheet' table was not updated. GPF nomination details in respect of 98 *per cent* officials were not entered in the system. GPF account numbers were not entered in 50 cases and account number was entered as 'NA' and 'xxxx' were found in four and five cases respectively. (v) In 1,633 cases, GPF account numbers were allotted for more than one employee (ranging from two to 19 employees).	CSIR stated (November 2020) that business rules for GPF withdrawal, number of instalments have been incorporated in the system and bugs have been fixed. CSIR added that up-dation of GPF record, GPF account number and nomination details have been done in the current FY. CSIR also stated that GPF applications are processed both manually and online and this will be moved totally online.

5 As per DoPT orders dated 26 September 2014, fresh recruits are allowed to travel to their home town along with their families on three occasions in a block of four years and to any place in India on the fourth occasion. This facility shall be available to the fresh recruits only for the first two blocks of four years applicable after joining the Government for the first time.

6 As per Rule 15 of GPF Rules, 1960, the amount of withdrawal for purchase of motor car, motor cycle and scooter should not exceed 50 *per cent* of the credit balance of GPF account.

Process	Issues observed in Audit	Remarks
	(vi) Though employees (laboratory level) applied for GPF through the system but payment were made on the basis of bills passed by DDO in hardcopy due to discrepancy in system generated reports with GPF Broadsheet maintained in the laboratory. This indicates continued dependency on manual records for passing GPF bills.	
Pay Bill	For preparation of pay bills, detail mandatory information comes from HR Module, FA Module and Planning and Performance Division (PPD) of R&D Planning Portal. The requisite functionalities could not be done through the aforesaid modules (like increment, pay fixation etc. in HR module, calculation of income tax, various recoveries, recovery of unauthorised leave for EoL period etc. in FA module and specific Budget Allocation for Pay & Allowances Head from PPD), pay bills were being prepared by entering this updated information manually and using the ERP system afterward for making payments. Moreover, ERP had no interface with ECS payment system. Thus ERP system had no end to end solution for preparing pay bills.	CSIR stated (November 2020) that pay fixation involves lot of manual interpretation and could not be automated and that linking to ECS system is not taken up due to security of the Banking system. CSIR further stated that calculation of Income Tax (automatic) will be taken up from next financial year.

Annexe-13.1

(Referred to in paragraph no. 13.3.2)

Comparison of rates accepted by DP and rates fixed by NAU

(Amount in ₹)

Sl. No.	Name of the tree ordered to the V.K. & Sons, Valsad	Rates/tree accepted by the DP Silvassa	Maximum rate/tree fixed by the (NAU)	Rate difference/tree
1.	Mango Plants (Kesar, Alphanso, Rajapuri & Totapuri)	400	125	275
2.	Chikku	200	100	100
3.	Guava	250	20	230
4.	Limboo (Lemon)	300	15	285
5.	Sitafal	300	20	280
6.	Coconut	350	50	300
7.	White Jamboo	300	20	280
8.	Ramfal	300	20	280
9.	Kaju	300	40	260

APPENDICES

Appendix-I

(Referred to in paragraph no. 1.5)

Gross expenditure incurred by these Ministries/Departments during 2016-17 to 2018-19

(₹ in crore)

Sl. No.	Name of Ministry	2016-17	2017-18	2018-19
1.	Agriculture	48,997.61	55,971.04	58,107.41
2.	Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy	1,292.60	2,034.72	2,049.44
3.	Consumer Affairs, Food and Public Distribution	1,47,333.84	1,60,517.15	1,21,334.53
4.	Culture	2,302.55	2,530.51	2,602.19
5.	Development of North Eastern Region	2,543.61	2,568.36	1,988.00
6.	Department of Atomic Energy	18,238.40	20,067.60	23,303.40
7.	Department of Bio-Technology	1,895.50	2,231.40	2,379.10
8.	Department of Science & Technology	4,325.60	4,635.20	5,047.84
9.	Department of Scientific & Industrial Research	4,051.70	4,618.80	4,568.78
10.	Department of Space	8,040.00	9,130.60	11,192.66
11.	Drinking Water and Sanitation	26,475.66	27,338.77	23,802.80
12.	Earth Sciences	1,464.20	1,553.30	1,747.33
13.	Environment, Forest and Climate Change	3,360.30	4,277.70	2,623.87
14.	External Affairs	12772.62	13,749.73	15,527.69
15.	Finance (Department of Expenditure)	285.00	224.47	288.61
16.	Food Processing Industries	716.97	685.83	719.16
17.	Health and Family Welfare	40,407.08	84,704.43	81,859.17
18.	Home Affairs (including UTs without Legislatures)	81,310.12	1,03,666.29	1,15,188.16
19.	Human Resource Development	91,673.04	1,12,615.16	1,17,031.90
20.	Information and Broadcasting	3,978.30	3,487.62	4,003.28
21.	Labour and Employment	5,313.31	6,528.57	9,291.23
22.	Law and Justice	3,851.01	4,567.13	6,242.84
23.	Minority Affairs	3,049.15	4,139.31	3,853.02
24.	New and Renewable Energy	7,754.10	7,456.20	4,477.80
25.	Panchayati Raj	673.98	700.29	686.18
26.	Parliamentary Affairs	17.09	17.11	16.39

Sl. No.	Name of Ministry	2016-17	2017-18	2018-19
27.	Personnel, Public Grievances and Pensions	1,279.12	1,563.59	1,460.26
28.	Planning	225.69	258.95	458.93
29.	The President, Lok Sabha, Rajya Sabha, Union Public Service Commission, the Secretariat of the Vice President and Election Commission	1,368.20	1,250.34	1,670.63
30.	Rural Development	1,57,952.27	1,80,407.77	1,86,701.98
31.	Skill Development and Entrepreneurship	1,553.09	2,198.01	2,619.01
32.	Social Justice and Empowerment	7,305.78	7,682.83	11,088.32
33.	Statistics and Programme Implementation	4,270.84	4,302.07	4,897.11
34.	Tribal Affairs	4,822.29	5,317.79	5,994.58
35.	Water Resources, River Development and Ganga Rejuvenation	6,427.30	6,054.90	7,457.92
36.	Women and Child Development	17,097.61	20,520.45	23,034.34
37.	Youth Affairs and Sports	1,576.20	1,722.71	1,847.89
Total		**7,38,280.02**	**8,71,296.68**	**8,67,163.77**

Source: Union Government-Appropriation Accounts (Civil) 2016-17, 2017-18 and 2018-19

Appendix-II

(Referred to in paragraph no. 1.7)

Grants Released to Central Autonomous Bodies during 2018-19 (Under sections 14, 19(2) and 20(1) of the Comptroller & Auditor General's Act, 1971.)

(₹in crore)

Sl. No.	Central Autonomous Body	Grants released during 2018-19
	AGRICULTURE	
1.	Indian Council of Agricultural Research, New Delhi	7,564.82
2.	National Cooperative Development Corporation, New Delhi	203.36
3.	Protection of Plant Varieties and Farmers' Rights Authority, New Delhi	17.03
	ATOMIC ENERGY	
4.	Tata Institute of Fundamental Research, Mumbai	362.98
5.	Tata Memorial Centre, Mumbai	687.62
6.	Atomic Energy Education Society, Mumbai	95.00
7.	Institute for Plasma Research, Gandhinagar	645.65
8.	Homi Bhabha National Institute, Mumbai	2 .08
9.	Harish Chandra Research Institute, Allahabad	27.09
10.	Institute of Mathematical Sciences, Chennai	52.14
11.	Institute of Physics, Bhubaneswar	33.60
12.	Saha Institute of Nuclear Physics, Kolkata	113.79
13.	National Institute of Science, Education and Research, Bhubaneswar	88.50
14.	Chennai Mathematical Institute	12.00
	AYUSH	
15.	Central Council of Research in Yoga and Naturopathy, New Delhi	30.49
16.	Central Council of Homeopathy, New Delhi	3.69
17.	Central Council of Indian Medicine, New Delhi	4.85
18.	Rashtriya Ayurvedic Vidyapeeth, New Delhi	9.48
19.	Central Council for Research in Homeopathy, New Delhi	109.13
20.	Central Council for Research in Unani Medicine, New Delhi	130.50
21.	Central Council of Research in Ayurvedic Sciences, New Delhi	276.40
22.	Morarji Desai national Institute of Yoga, New Delhi	16.34
23.	All India Institute of Ayurveda, New Delhi	47.27

Sl. No.	Central Autonomous Body	Grants released during 2018-19
	BIO-TECHNOLOGY	
24.	National Institute of Immunology, New Delhi	73.50
25.	National Centre for Cell Science, Pune	61.50
26.	Centre for DNA Finger Printing & Diagnostics, Hyderabad	43.00
27.	National Brain Research Centre, Gurgaon	45.00
28.	National Institute for Plant Genome Research, New Delhi	38.00
29.	Institute of Bio resources & Sustainable Development, Imphal	27.40
30.	Institute of Life Sciences, Bhubaneswar	53.60
31.	Translational Health Science & Technology, Faridabad	41.90
32.	Rajiv Gandhi Centre for Biotechnology, Thiruvananthapuram	85.20
33.	National Institute of Biomedical Genomics, Kalyani	26.50
34.	Regional Centre for Biotechnology, Faridabad	33.90
35.	National Agri-Food Biotechnology Institute, Mohali	31.40
36.	Institute for Stem Cell Research and Regenerative Medicine, Bengaluru	82.00
37.	National Institute of Animal Biotechnology, Hyderabad	53.50
38.	Centre of Innovation and Applied Bioprocessing, Mohali	12.50
39.	International Centre for Genetic Engineering and Biotechnology, New Delhi	38.60
	CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION	
40.	Warehousing Development and Regulatory Authority, New Delhi	7.61
41.	Bureau of Indian Standards, New Delhi	2.00
	CULTURE	
42.	National Culture Fund, New Delhi	19.50
43.	Nehru Memorial Museum and Library, New Delhi	18.49
44.	Sahitya Akademi, New Delhi	37.72
45.	National School of Drama, New Delhi	63.03
46.	International Buddhist Confederation, New Delhi	4.45
47.	Gandhi Smriti and Darshan Samiti, New Delhi	14.95
48.	Tibet House, New Delhi	1.50
49.	Centre for Cultural Resources and Training, New Delhi	25.07
50.	Delhi Public Library, New Delhi	39.44
51.	Indira Gandhi National Centre for the Arts, New Delhi	66.91
52.	Sangeet Natak Akademi, New Delhi	68.55

Sl. No.	Central Autonomous Body	Grants released during 2018-19
53.	National Museum Institute, New Delhi	28.39
	EARTH SCIENCES	
54.	National Centre for Antarctic and Ocean Research, Goa	239.44
55.	Indian Institute of Tropical Meteorology, Pune	239.18
56.	Indian National Centre for Ocean Information Services, Hyderabad	113.47
57.	Centre for Earth Sciences Studies, Thiruvananthapuram	44.11
58.	National Institute of Ocean Technology, Chennai	294.24
	EMPOWERMENT OF PERSONS WITH PHYSICAL DISABILITY	
59.	Indian Sign Language Research And Training Centre	4.85
	ENVIRONMENT, FOREST AND CLIMATE CHANGE	
60.	National Biodiversity Authority, Chennai	19.00
61.	Central Zoo Authority	12.00
62.	National Tiger Conservation Authority	9.86
63.	Wildlife Institute of India	33.00
	EXTERNAL AFFAIRS	
64.	Indian Council for Cultural Relations, New Delhi	235.00
65.	Indian Council for World Affairs, New Delhi	11.87
66.	South Asian University, New Delhi	306.29
	HEALTH AND FAMILY WELFARE	
67.	Indian Nursing Council, New Delhi	0.79
68.	Dental Council of India, New Delhi	0.30
69.	Pharmacy Council of India, New Delhi	0.20
70.	Medical Council of India, New Delhi	1.00
71.	AIIMS, New Delhi	3,234.74
72.	Rashtriya Arogaya Nidhi, New Delhi	Final SAR not issued
73.	Indian Council of Medical Research, New Delhi	1,447.85
74.	National Institute of Health & Family Welfare, New Delhi	64.85
75.	Food Safety & Standards Authority of India, New Delhi	257.05
	HOME AFFAIRS	
76.	National Human Rights Commission, New Delhi	45.92
77.	Land Ports Authority of India, New Delhi	163.96
	HUMAN RESOURCE DEVELOPMENT	
78.	All India Council for Technical Education (Council), New Delhi	706.54
79.	Central Tibetan School Administration, New Delhi	66.00
80.	Indian Council for Historical Research, New Delhi	18.75

Sl. No.	Central Autonomous Body	Grants released during 2018-19
81.	Indian Council of Philosophical Research, New Delhi	16.01
82.	Indian Council of Social Science Research, New Delhi	124.58
83.	Indira Gandhi National Open University, New Delhi	82.09
84.	Indian Institute of Technology, New Delhi	631.29
85.	Jamia Millia Islamia, New Delhi	365.95
86.	Jawaharlal Nehru University, New Delhi	376.46
87.	Kendriya Vidyalaya Sangathan, New Delhi	5,006.75
88.	National Bal Bhawan, New Delhi	18.75
89.	National Book Trust, New Delhi	51.30
90.	National Council of Educational Research and Training, New Delhi	283.54
91.	National Commission for Minority Educational Institutions, New Delhi	3.75
92.	National Council for Promotion of Sindhi Language, New Delhi	4.23
93.	National Council for Promotion of Urdu Language, New Delhi	70.40
94.	National Institute of Educational Planning and Administration, New Delhi	31.84
95.	National Institute of Technology, New Delhi	61.70
96.	Rastriya Sanskrit Sansthan, New Delhi	214.38
97.	Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha, New Delhi	55.14
98.	School of Planning and Architecture, New Delhi	54.38
99.	University Grant Commission, New Delhi	11,368.20
100.	University of Delhi, New Delhi	531.24
	INFORMATION & BROADCASTING	
101.	Prasar Bharati, New Delhi	3,101.26
102.	Press Council of India, New Delhi	6.15
	LAW & JUSTICE	
103.	National Legal Service Authority, New Delhi	155.69
	MINORITY AFFARIS	
104.	Central Waqf Council, New Delhi	14.95
	NEW AND RENEWABLE ENERGY	
105.	National Institute of Bio Energy, Kapurthala	01.00
106.	National Institute of Solar Energy, Gurugram	18.00
	RURAL DEVELOPMENT	
107.	Council for Advancement of People's Action and Rural Technology	16.34
	SOCIAL JUSTICE AND EMPOWERMENT	
108.	Rehabilitation Council of India, New Delhi	4.72
109.	National Trust, New Delhi	16.23

Sl. No.	Central Autonomous Body	Grants released during 2018-19
110.	Pt. Deendayal Upadhyay National Institute for Person with Physical Disabilities (Divyangjan)	42.72
111.	National Commission for Backward Classes	22.91
	SCIENTIFIC AND INDUSTRIAL RESEARCH	
112.	Council of Scientific and Industrial Research	4,521.28
	SCIENCE AND TECHNOLOGY	
113.	Agharakar Research Institute, Pune	22.30
114.	Aryabhatta Research Institute for Observational Science, Nainital	23.36
115.	Bose Institute, Kolkata	102.35
116.	Birbal Sahni Institute of Paleosciences, Lucknow	43.85
117.	Centre for Nano and Soft Matter Science, Bengaluru	13.12
118.	Indian Association for Cultivation of Science, Kolkata	120.93
119.	Indian Institute of Astrophysics, Bengaluru	72.31
120.	Indian Institute of Geomagnetism, Mumbai	46.60
121.	Institute of Advanced Study in Science & Technology, Guwahati	35.46
122.	Institute of Nano Science and Technology, Mohali	69.75
123.	International Advanced Research Centre for Powder Metallurgy and New Materials, Hyderabad	55.76
124.	Jawaharlal Nehru Centre for Advanced Scientific Research, Bengaluru	87.40
125.	Raman Research Institute, Bengaluru	51.38
126.	Sree Chitra Tirunal Institute for Medical Science and Technology, Thiruvananthapuram	199.31
127.	S.N. Bose National Centre for Basic Sciences, Kolkata	37.47
128.	Wadia Institute of Himalayan Geology, Dehradun	27.46
129.	National Innovation Foundation, Ahmedabad	19.65
130.	Technology Information, Forecasting & Assessment Council, New Delhi	17.10
131.	Vigyan Prasar, NOIDA	31.43
132.	Indian Academy of Sciences, Bengaluru	13.16
133.	Indian National Academy of Engineering, Gurugram	3.26
134.	Indian National Science Academy, New Delhi	23.36
135.	Indian Science Congress Association, Kolkata	6.60
136.	National Academy of Science, Allahabad	16.62
	SKILL DEVELOPMENT AND ENTREPRENEURSHIP	
137.	National Skill Development Agency	15.00

Sl. No.	Central Autonomous Body	Grants released during 2018-19
	SPACE	
138.	Physical Research Laboratory, Ahmedabad	177.26
139.	National Atmospheric Research Laboratory, Gadanki	54.50
140.	North Eastern Space Application Centre, Shillong	39.99
141.	Semi-Conductor Laboratory, Chandigarh	327.16
142.	Indian Institute of Space Technology, Trivandrum	81.21
	SKILL DEVELOPMENT & ENTREPRENEURSHIP	
143.	National Skill Development Agency	15.00
	WATER RESOURCES, RIVER DEVELOPMENT AND GANGA REJUVENATION	
144.	Godavari River Management Board	2.81
145.	Krishna River Management Board	5.72
146.	National Mission for Clean Ganga	2,307.50
147.	Betwa River Board, Jhansi	31.00
148.	Brahmaputra Board, Guwahati	88.92
149.	Narmada Control Authority, Indore	6.63
150.	National Water Development Agency, New Delhi	78.14
	WOMEN AND CHILD DEVELOPMENT	
151.	Central Adoption Resource Agency	8.47
152.	National Commission for Women	22.91
153.	National Commission for Protection of Child Rights	15.83
	YOUTH AFFAIRS & SPORTS	
154.	Nehru Yuva Kendra Sangathan	349.20
155.	National Sports Development Fund	143.10
156.	National Dope Testing Laboratory	7.50
157.	Sports Authority of India	899.07
Total		**52,337.24**

Appendix-III

(Referred to in paragraph no. 1.8)

Outstanding Utilisation Certificates

(₹ in lakh)

Sl. No.	Ministry/Department	Period to which grants relate (upto March 2018)	Utilisation Certificates outstanding in respect of grants released upto March 2018 which were due by 31st March 2019	Amount
1.	**Ministry of Culture**	Up to March 2012	2,515	19,460.64
		2012-2017	1,771	37,039.48
		2017-18	29	665.89
		Total	**4,315**	**57,166.01**
2.	**Ministry of Environment, Forest and Climate Change**	Up to March 2012	3,671	13,400.24
		2012-2017	347	17,919.85
		2017-18	139	27,597.21
		Total	**4,157**	**58,917.30**
3.	**Ministry of Tribal Affairs**	Up to March 2012	47	555.87
		2012-2016	226	86,868.51
		2016-18	186	69,778.05
		Total	**459**	**1,57,202.43**
4.	**Department of Food & Public Distribution**	Up to March 2012	6	1,685.25
		2012-2017	17	5,201.10
		2017-18	1	412.00
		Total	**24**	**7,298.35**
5.	**Ministry of Food Processing Industries**	Up to March 2012	1,377	16,317.51
		2012-2017	533	16,522.09
		2017-18	103	29,585.82
		Total	**2,013**	**62,425.42**

Sl. No.	Ministry/Department	Period to which grants relate (upto March 2018)	Utilisation Certificates outstanding in respect of grants released upto March 2018 which were due by 31st March 2019	Amount
6.	**Ministry of Personnel, Public Grievances & Pensions**	Up to March 2012	8	2.25
		2012-2017	37	135.3
		2017-18	14	163.14
		Total	**59**	**300.69**
	Ministry of Home Affairs			
7.	**LWE Division**			
	Scheme-Construction Strengthening of Fortified Police stations	Up to March 2012	0	0
		2012-2017	5	1,085.00
		2017-18	0	0
		Total	**5**	**1,085.00**
	Special Infrastructure Scheme	Up to March 2012	7	931.51
		2012-2017	0	0
		2017-18	0	0
		Total	**7**	**931.51**
	Narcotics Control Bureau	Up to March 2012	9	173.43
		2012-2017	29	385.20
		2017-18	15	368.11
		Total	**53**	**926.74**
	Scientific Department			
8.	**Department of Atomic Energy**	Up to March 2012	241	1,327.97
		2012-2017	1,427	16,045.46
		2017-18	229	3,760.17
		Total	**1,897**	**21,132.60**
9.	**Department of Space**	Up to March 2012	131	415.25
		2012-2017	161	648.52
		2017-18	168	1,794.30

Sl. No.	Ministry/Department	Period to which grants relate (upto March 2018)	Utilisation Certificates outstanding in respect of grants released upto March 2018 which were due by 31st March 2019	Amount
		Total	**460**	**2858.07**
10.	**Department of Bio Technology**	Up to March 2012	9,521	2,93,875.00
		2012-2017	13,892	3,22,333.00
		2017-18	5,424	1,12,523.00
		Total	**28,837**	**7,28,731.00**
11.	**Department of Science and Technology**	Up to March 2012	19,292	4,11,069.33
		2012-2017	20,117	3,87,076.00
		2017-18	6,641	1,63,674.00
		Total	**46,050**	**9,61,819.33**
12.	**Department of Scientific and Industrial Research**	Up to March 2012	1,213	4,66,025.00
		2012-2017	1,636	11,82,044.00
		2017-18	199	2,258.00
		Total	**3,048**	**16,50,327.00**
13.	**Ministry of Earth Sciences**	Up to March 2012	460	3,655.20
		2012-2017	156	2,343.87
		2017-18	19	1,22.70
		Total	**635**	**6,120.77**
14.	**Ministry of New and Renewable Energy**	Up to March 2012	88	33.95
		2012-2017	387	315.26
		2017-18	126	627.26
		Total	**601**	**976.47**
Grand Total			**92,620**	**3,718,220.69**

Appendix-IV

(Referred to in paragraph no. 1.9 (a))

List of bodies which submitted accounts after delay of over three months

Sl. No.	Name of Autonomous Body	Date of submission of Accounts	Delay in months
1.	Coastal Aquaculture Authority, Chennai	26.12.2018	5
2.	Central Agricultural University, Imphal	03.12.2018	5
3.	Central Agricultural University, Manipur	03.12.2018	5
4.	Central Institute of Tibetan Studies Sarnath, Varanasi	08.10.2018	3
5.	Central Institute of Himalayan Cultural Studies, Arunachal Pradesh	11.10.2018	3
6.	Indira Gandhi Rashtriya Manava Sangrahalaya, Bhopal	16.10.2018	3
7.	North-Central Zone Cultural Centre, Allahabad	04.12.2018	5
8.	Haj Committee of India, Mumbai.	26.11.2018	4
9.	Pension Fund Regulatory and Development Authority	04.12.2018	5
10.	Rashtriya Arogya Nidhi	25.10.2018	3
11.	North Eastern Institute of Folk Medicine, (NEIFM), Itanagar, Arunachal Pradesh	18.12.2018	5
12.	Central Council for Research in Unani Medicine, New Delhi	20.11.2018	4
13.	National Institute of Homeopathy, Kolkata	16.11.2018	4
14.	Pharmacopoeia commission for Indian Medicine, Ghaziabad	05.12.2018	5
15.	Lakshadweep Building Dev. Board, Kavaratti	31.10.2018	3
16.	Indian Council of Philosophical Research, New Delhi.	08.10.2018	3
17.	Indian Council of Social Science & Research, New Delhi	04.12.2018	5
18.	Indian Institute of Science Education and Research, Mohali	31.10.2018	3
19.	Malviya National Institute of Technology, Jaipur	11.10.2018	3
20.	National Book Trust, New Delhi	05.10.2018	3
21.	National Institute of Technology, Durgapur	29.10.2018	3
22.	National Institute of Technology, Kozhikode (Calicut)	30.10.2018	3
23.	National Institute of Technology, Sikkim	12.11.2018	4

Sl. No.	Name of Autonomous Body	Date of submission of Accounts	Delay in months
24.	National Institute of Technology, Aizawl, Mizoram	31.10.2018	3
25.	School of Planning & Architecture, Vijayawada	05.10.2018	3
26.	School of Planning and Architecture, New Delhi.	16.11.2018	4
27.	Ghani Khan Chaudhary Institute of Engineering & Technology, Malda	09.11.2018	4
28.	Indian Institute of Information Technology, Una	16.10.2018	3
29.	Indian Institute of Engineering Science and Technology, Shibpur	15.10.2018	3
30.	Indian Institute of Technology, Tirupati	04.10.2018	3
31.	Indian Institute of Management, Nagpur	26.10.2018	3
32.	Indian Institute of Technology, Karnataka	21.12.2018	5
33.	Indian Institute of Technology, Goa	24.10.2018	3
34.	Indian Institute of Information Technology, Nagpur	26.10.2018	3
35.	Central Board of Workers Education, Nagpur	18.12.2018	5
36.	National Board for Workers Education & Development, Nagpur	18.12.2018	5
37.	Dargah Khawaja Saheb, Ajmer	12.12.2018	5
38.	Technology Development Board, New Delhi	05.12.2018	5
39.	Institute for the Physically Handicapped, New Delhi	13.11.2018	4
40.	National Mission for Clean Ganga, New Delhi	17.10.2018	3
41.	National Dope Testing Laboratory	26.12.2018	5
42.	National Horticulture Board, Gurgaon	16.08.2019	13
43.	Eastern Zonal Cultural Centre, Kolkata	04.02.2019	7
44.	Indian Museum, Kolkata	26.4.2019	9
45.	Maulana Abul Kalam Azad Institute of Asian Studies Kolkata	01.01.2019	6
46.	National Museum Institute, Delhi	05.08.2019	13
47.	Nehru Memorial Museum and Library, New Delhi.	11.03.2019	8
48.	North-East Zone Cultural Centre, Dimapur	07.01.2019	6
49.	South Central Zone Cultural Centre, Nagpur	15.03.2019	8
50.	South Zone Cultural Centre, Thanjavur	07.01.2019	6
51.	Victoria Memorial Hall, Kolkata	08.02.2019	7
52.	Animal Welfare Board, Chennai	02.04.2019	9
53.	North Eastern Institute of Ayurveda and Homeopathy, Shillong	11.03.2019	8
54.	Municipal Council, Port Blair, A & N Islands (2007-08 onwards) (Entrustment received in 2013)	05.02.2019	7
55.	Lakshadweep State Legal Service Authority, Kavaratti	05.03.2019	8
56.	Indian Council of Historical Research, New Delhi	17.01.2019	6

Sl. No.	Name of Autonomous Body	Date of submission of Accounts	Delay in months
57.	Manipur University	03.04.2019	9
58.	National Commission for Minority Educational Institution, New Delhi	13.03.2019	8
59.	National Council for Promotion of Sindhi Language, New Delhi	15.03.2019	8
60.	National Council for Promotion of Urdu Language, New Delhi	03.05.2019	10
61.	National Institute of Technical Teachers Training and Research, Chennai	26.02.2019	7
62.	Sardar Vallabhbhai National Institute of Technology, Surat	29.04.2019	9
63.	University of Delhi, New Delhi	04.04.2019	9
64.	Indian Institute of Information Technology, Srirangam	27.05.2019	10
65.	Indian Institute of Information Technology, Kalyani	09.07.2019	12
66.	Indian Institute of Technology, Bhilai	14.01.2019	6
67.	National Instructional Media Institute, Chennai.	21.03.2019	8
68.	National Council of Teacher Education, New Delhi	07.02.2019	7
69.	Employees' Provident Fund Organisation, New Delhi	02.01.2019	6
70.	Andaman & Nicobar Islands Building and Other Construction Workers' Welfare Board	12.02.2019	7
71.	National Judicial Academy, Bhopal	12.04.2019	9
72.	Lakshmibai National Institute of Physical Education, Gwalior .	06.02.2019	7
73.	Sports Authority of India, New Delhi	08.01.2019	6
74.	Nehru Yuva Kendra Sangathan, New Delhi.	21.06.2019	11
75.	National Sports Development Fund, New Delhi (Entrustment received in October 2012)	14.01.2019	6
76.	Rajiv Gandhi National Institute of Youth Development, Sriperumbudur	28.01.2019	6

Appendix-V

(Referred to in paragraph no. 1.9 (b))

List of Autonomous Bodies in respect of which audited accounts for the year 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 had not been presented before the Parliament as on 31 December 2018

Sl. No.	Name of Autonomous Body
For the year 2012-13	
Ministry of Culture	
1.	Tibet House
Ministry of Ayush	
2.	North Eastern Institute of Ayurveda & Homoeopathy, Shillong
For the year 2013-14	
Ministry of Culture	
1.	Tibet House
For the year 2014-15	
Ministry of Ayush	
1.	North Eastern Institute of Ayurveda & Homoeopathy, Shillong
Ministry of Culture	
2.	Tibet House
3.	International Buddhist Confederation
Ministry of Science & Technology	
4.	Council of Scientific and Industrial Research, New Delhi
Ministry of Water Resources, River Development and Ganga Rejuvenation	
5.	Godavari River Management Board
6.	Krishna River Management Board
For the year 2015-16	
Ministry of Agriculture	
1.	Veterinary Council of India
Ministry of Ayush	
2.	North Eastern Institute of Ayurveda & Homoeopathy, Shillong
Ministry of Culture	
3.	Tibet House
4.	International Buddhist Confederation
Ministry of Science & Technology	
5.	Council of Scientific and Industrial Research, New Delhi
Ministry of Human Resource Development	
6.	National Institute of Open Schooling, Noida
Ministry of Social Justice & Empowerment	
7.	National Commission for Backward Classes

For the year 2016-17	
Ministry of Agriculture	
1.	Coastal Aquaculture Authority, Chennai
Ministry of Ayush	
2.	North Eastern Institute of Ayurveda & Homeopathy, Shillong
Ministry of Culture	
3.	Maulana Abul Kalam Azad Institute of Higher Studies
4.	Nava Nalanda Mahavihara, Nalanda
Ministry of Science & Technology	
5.	Council of Scientific and Industrial Research, New Delhi
Ministry of Environment, Forest & Climate Change	
6.	Animal Welfare Board of India, Chennai
Ministry of Human Resource Development	
7.	Indian Institute of Management, Lucknow
8.	Indian Institute of Technology, Tirupati
9.	National Institute of Technology, Arunachal Pradesh
10.	National Institute of Technology, Delhi
11.	National Institute of Open Schooling, Noida
12.	Indian Institute of Information Technology, Manipur
Ministry of Law & Justice	
13.	National Judicial Academy, Bhopal
Ministry of Youth Affairs & Sports	
14.	Sports Authority of India, Delhi
For the year 2017-18	
Ministry of Agriculture	
1.	Coastal Aquaculture Authority, Chennai
2.	Central Agricultural University, Imphal
3.	Rani Lakshmi Bai Central Agricultural University, Jhansi
Ministry of Culture	
4.	Indian Museum, Kolkata
5.	National Culture Fund, Delhi
6.	National Museum Institute, New Delhi.
7.	Nehru Memorial Museum and Library, New Delhi
Ministry of Science & Technology	
8.	Council of Scientific and Industrial Research, New Delhi
Ministry of Environment, Forest & Climate Change	
9.	Animal Welfare Board of India, Chennai
10.	Wildlife Institute of India, Dehradun
Ministry of Human Resource Development	
11.	Gandhigram Rural Institute, Gandhigram
12.	Indian Institute of Information Technology, Srirangam
13.	National Institute of Technology, Kozhikode (Calicut)

14.	National Instructional Media Institute, Chennai
15.	Indian Institute of Information Technology, Kalyani
16.	National University of Educational Planning & Administration, New Delhi
17.	Central University of Madhya Pradesh (Dr. Hari Singh Gour Vishwavidyalaya, Sagar)
18.	Indian Institute of Information Technology, Sonepat
19.	Indian Institute of Information Technology, Una
20.	Indian Institute of Management, Vishakhapatnam
21.	Dr. Rajendra Prasad Central Agicultural University, PUSA, Samastipur
22.	Gurukul Kangri Vishwavidyalaya, Haridwar
23.	Indian Institute of Management, Bodh Gaya
Ministry of Labour & Employment	
24.	Building & Other Workers' Construction and Welfare Board, ANI, Kolkata
25.	Chandigarh Building & Other Construction Workers Welfare Board, Chandigarh
Ministry of Social Justice & Empowerment	
26.	Rehabilitation Council of India, New Delhi
Ministry of Textiles	
27.	Textile Committee, Mumbai
Ministry of Water Resources, River Development & Ganga Rejuvenation	
28.	Godavari River Management Board
29.	Krishna River Management Board
Ministry of Youth Affairs & Sports	
30.	Rajiv Gandhi National Institute of Youth Development (RGNIYD), Sriperumbudur
31.	National Sports Development Fund, Delhi
32.	Sports Authority of India, Delhi
33.	Lakshmibai National Institute of Physical Education, Gwalior
34.	Wildlife Institute of India, Dehradun
Ministry of Consumer Affairs, Food & Public Distribution	
35.	Bureau of Indian Standard (BIS)
36.	Warehousing Development & Regularity Authority, New Delhi

Appendix-VI

(Referred to in paragraph no. 1.9 (b))

Delay in presentation of audited accounts for the years 2017-18 by Autonomous Bodies to Parliament

SI No.	Name of Autonomous Body	Year of Audited Accounts	Delay in Months
Ministry of Culture			
1.	Kalakshetra Foundation, Chennai	2017-18	13
2.	Raja Ram Mohan Roy Library Foundation, Kolkata	2017-18	7
3.	West Zone Cultural Centre, Udaipur	2017-18	1
4.	Central Institute of Buddhist Studies, Leh	2017-18	7
5.	Library of Tibetan Work and Archives, Dharamshala	2017-18	7
Ministry of Ayush			
6.	Pharmacopoeia Commission for Indian Medicine & Homeopathy, Ghaziabad	2017-18	7
Ministry of Human Resource Development			
7.	Indian Institute of Management, Tiruchirapalli	2017-18	7
8.	National Institute of Technical Teachers Training & Research, Kolkata	2017-18	1
9.	Indian Institute of Science Education & Research, Pune	2017-18	1
10.	All India Council for Technical Education, New Delhi	2017-18	1
11.	Indian Institute of Technology, Jodhpur	2017-18	7
12.	Indian Institute of Management, Bangalore	2017-18	7
13.	Indian Institute of Science, Bangalore	2017-18	1
14.	Indian Institute of Management, Rohtak	2017-18	11
15.	Indian Institute of Technology, Mandi	2017-18	7
16.	Indian Institute of Management, Kashipur	2017-18	11
17.	Indian Institute of Technology (BHU), Varanasi	2017-18	7

SI No.	Name of Autonomous Body	Year of Audited Accounts	Delay in Months
18.	National Institute of Technology, Pauri, Uttarakhand	2017-18	11
Ministry of Health & Family Welfare/Department of Health & Family Welfare			
19.	National Institute of Health & Family Welfare, New Delhi.	2017-18	1
Ministry of Law & Justice/Department of Justice			
20.	National Legal Service Authority, New Delhi	2017-18	1
Ministry of Social Justice & Empowerment			
21.	National Institute of Empowerment of Persons with Visual Disabilities, Dehradun	2017-18	7
Ministry of Environment, Forest and Climate Change			
22.	National Bio-Diversity Authority, Chennai	2017-18	7
23.	National Tiger Conservation Authority, New Delhi	2017-18	7
Ministry of Water Resources, River Development and Ganga Rejuvenation			
24.	Brahmaputra Board, Guwahati	2017-18	1
25.	National Water Development Agency, New Delhi	2017-18	5
26.	Betwa River Board, Jhansi	2017-18	6
27.	National Mission for Clean Ganga, New Delhi	2017-18	11
28.	Narmada Control Authority, Indore	2017-18	6
Ministry of Science and Technology			
29.	Sree Chitra Tirunal Institute of Medical Science and Technology, Thiruvananthapuram	2017-18	1
30.	Science and Engineering Board, New Delhi	2017-18	1
31.	Technology Development Board, New Delhi	2017-18	6
32.	Council of Scientific and Industrial Research, New Delhi	2017-18	20
33.	Regional Centre for Biotechnology, Faridabad	2017-18	1

Appendix-VII

(Referred to in paragraph no. 1.10)

Significant observations on the accounts of individual Central Autonomous Bodies

1. All India Institute of Medical Sciences, New Delhi

Secured Loans & Borrowings: NIL

A loan of ₹ 525.00 crore was sanctioned by Higher Education Financing Agency (HEFA) as capital expenditure for the construction of National Cancer Institute (NCI), Jhajjhar. Out of this, an amount ₹ 282.00 crore was released by HEFA directly to the executing agencies i.e., M/s HSCC and M/s HITES during the year 2018-19. It was noticed that the AIIMS has not included this amount in the accounts for the year 2018-19. This has resulted in understatement of Secured Loans & Borrowings as well as Current Assets (Advances) by ₹ 282.00 crore.

2. Central Medical Services Society, New Delhi

Interest Earned (Schedule-17): ₹ 61.82 crore

The above included interest amounting to ₹ 59.60 crore earned from advances received from Ministry/Department for purchases of different medicines. As above interest earned belongs to the Ministry/Department, the same should have been shown as current liability in the Balance Sheet. This has resulted in overstatement of Income and understatement of Current Liabilities (amount refundable to Ministry) by ₹ 59.60 crore.

3. Wildlife Institute of India

Earmarked Funds: ₹ 2.57 crore

This schedule did not include the balances and transactions related to the sponsored projects (Opening Balance ₹ 25 crore, Receipts ₹ 89.43 crore, Payments ₹ 75.13 crore and Closing Balance ₹ 39.30 crore). This has resulted in understatement of Earmarked Funds and Current Assets by ₹ 39.30 crore.

4. Science and Engineering Research Board, New Delhi

Corpus/Capital Fund: ₹ 88.55 crore

Above has been overstated by ₹ 82.57 crore, which is the amount of savings from the grants received from Department of Science and Technology, refunds of grants received from various grantee institutions and interest on bank balances which was refundable to the

Ministry. This has also resulted into understatement of Current Liabilities & Provision by the same amount.

5. Council for Scientific and Industrial Research, New Delhi

Current Liabilities and Provisions: ₹ 15863.54 crore

(a) Deposits for externally funded projects: ₹ 1841.24 crore

None of the 11 sampled Laboratories/Institutes complied with the audit observations made in the previous year's Audit Report and they were still following the earlier practices. As a result, the payment of advances amounting to ₹ 57.52 crore made by them out of externally funded projects was booked as final expenditure. Further, these laboratories/institutes did not account for interest amounting to ₹ 33.20 crore which accrued to them on Term Deposits, (including deposits in margin money for opening of Letters of Credit) made out of funds of externally funded projects, in their books of accounts.

This has resulted in the understatement of Current Liabilities towards deposits for Externally Funded Projects as well as Current Assets each by ₹ 90.72 crore.

(b) Liabilities against Government Grant

Eleven Laboratories/Institutes including CSIR-EMR Division booked unspent part of grants-in-aid and interest earned/accrued on the grants-in-aid as their Income. Consequently, this resulted in the overstatement of Income and understated Current Liabilities towards unspent grant refundable to Government each by ₹ 54.94 crore.

(c) Other liabilities

Two Laboratories/Institutes did not make provision of ₹ 2.74 crore for electricity/security/maintenance charges and property tax for the month of February/March 2019. Thus, they understated their Expenditure as well as Current Liabilities (outstanding expenses) each by ₹ 2.74 crore.

(d) Current Assets, Loans and Advances: ₹ 5126.42 crore

An amount of ₹ 4.90 crore received by the Central Road Research Institute, New Delhi during 2018-19 from different Government/Non government departments/agencies on account of execution of sponsored/consultancy projects were not taken into account. As a result, the Institute understated its Current Assets, Loans and Advances as well as Current Liabilities (Deposits for externally funded Projects) by ₹ 4.90 crore each.

6 Indian Institute of Management, Ahmedabad

Academic Expenses: ₹ 63.64 Crore

As per the Format of Financial Statements prescribed by the MHRD for Central Higher Educational Institutions, Electronic Journals (E-Journals) needs to be capitalised and depreciation is provided at a higher rate of 40 *per cent*. However, the Institute has booked the expenditure incurred on procurement of periodicals and database (Procured as E-Content) amounting to ₹ 8.29 crore as revenue expenditure instead of booking this under capital expenditure. Further, the Institute has not formulated any accounting policy for the same. This has resulted in overstatement of Academic Expenses by ₹ 8.29 crore, understatement of Fixed Assets by ₹ 4.97 crore, understatement of Depreciation by ₹ 3.32 crore and overstatement of Surplus by ₹ 4.97 crore.

7. Indian Institute of Technology, Gandhinagar

Fixed Assets-Tangible Assets: ₹ 557.92 crore

The Institute has temporary sheds amounting to ₹ 14.22 crore, constructed during 2008-09 to 2016-17 in the temporary campus at Vishwakarma Government Engineering College. Now the Institute has shifted to the new campus at Gandhinagar. The Board of Governors (BOG) in its meeting held on 10.01.2017 decided to handover the temporary sheds to Vishwakarma Government Engineering College (VGEC) and it was also decided that reimbursement of the cost of the assets are not possible and IIT Gandhinagar should write off the said sheds from its books of accounts. The Institute has not written off these assets and kept on charging depreciation at the prescribed rates. Non writing off this asset resulted in overstatement of Fixed Assets by ₹ 10.99 crore and consequently depreciation is understated and Surplus is also overstated by the same extent.

8. Indian Institute of Technology, Varanasi

The Institute has not made provisions for retirement benefits on actuarial basis in contravention of Accounting Standard 15 issued by ICAI and Format of Accounts prescribed by MHRD for Institutions of Higher Learning.

9. Indian Institute of Technology, Kanpur

Corpus/Capital Fund: ₹ 1577.43 crore

It includes the assets of ₹ 59.25 crore created out of sponsored projects, whereas the ownership of these assets have been retained by the respective sponsor This has resulted in overstatement of Corpus/Capital Fund and Fixed Assets by ₹ 59.25 crore each.

10. Indian Institute of Technology, Roorkee

Other Current Liabilities: ₹ 77.34 lakh

The above does not include ₹ 1.99 crore being expenses incurred on purchase of various items but not paid during the year. This has resulted in understatement of Current Liability & Provisions by ₹ 1.99 crore and overstatement of Corpus Fund by the same amount.

11. National Institute of Open Schooling, Noida

Fixed Assets: ₹ 47.98 crore

The above includes ₹ 8.47 crore deposited with the Development Authorities for allotment of land to establish Regional Centres. The possession of land is yet to be taken over. The above amount should have been depicted under head Advances on Capital Account under Loans, Advances & Deposits. This has resulted in understatement of Loans, Advances & Deposits by ₹ 8.47 crore and overstatement of Fixed Assets by the same amount.

12. Banaras Hindu University, Varanasi

Fixed Assets: ₹ 2180.16 crore

The University has given sum of ₹ 164.15 crore as advances to CPWD towards deposit works during 2018-19; out of which works of only ₹ 48.21 crore has been completed. The University has, however, included the whole amount of ₹ 164.15 crore as addition to Building instead of showing it as Advance. This has resulted in understatement of 'Loans Advances and Deposits' by ₹ 115.94 crore and overstatement of Fixed Assets by the same amount.

13. Indian Institute of Technology, Patna

Current Liabilities: ₹ 17.33 crore

The Ministry of Human Resource Development (MHRD) vide letter dated 25 October 2018 stated that negative balance of Grant to recoup internal generation of resources (IRG) should not be shown in the books of accounts. Hence, excess expenditure incurred over and above the grant sanctioned should be met from IRG. The Institute has incurred an excess expenditure of ₹ 3.35 crore over and above the sanctioned grant and shown this amount in Schedule 3 (C) as negative balance. This has resulted in understatement of Current Liabilities by ₹ 3.35 crore and overstatement of Corpus to the same extent.

14. National Institute of Technology, Patna

Fixed Assets-Tangible Assets: ₹ 96.03 crore

The work of Re-Development of Internal Road and Path i/c Drainage & External Signage amounting to ₹ 2.88 crore was completed and handed over to the Institute. But this was not capitalised and depicted under work in progress. This has resulted in understatement of Fixed Assets and overstatement of Capital Work in Progress by ₹ 2.88 crore. Consequently, depreciation was also undercharged by ₹ 5.76 lakh.

15. Dr. Rajendra Prasad Central Agricultural University, Pusa, Samastipur

Fixed Assets: ₹ 372.15 crore

(a) The University did not capitalise construction works of ₹ 8.44 crore from Capital work in Progress though these were completed and handed over to the University in the year 2018-19. This has resulted in understatement of Tangible Assets and overstatement of Capital Work in Progress by ₹ 8.44 crore. Consequently, depreciation was also undercharged by ₹ 30.75 lakh.

(b) The University executed different construction works amounting to ₹ 5.13 crore which were capital in nature. The University booked this expenditure as Repair & Maintenance under Administrative Expenses. This has resulted in understatement of Fixed Asset by ₹ 5.13 crore and overstatement of Administrative Expenses to the same extent. Consequently, depreciation was also undercharged by ₹ 36.14 lakh.

16. All India Institute of Medical Sciences, Patna

Capital Work-in-Progress

(a) The Institute has received various instruments for laboratories worth ₹ 28.06 crore during the year 2018-19. These instruments could not be put to use during the year 2018-19 but AIIMS, Patna has shown these assets under tangible assets instead of capital work-in-progress and charged depreciation of ₹ 3.42 crore on these assets. This has resulted in understatement of capital work-in-progress under Fixed Assets by ₹ 28.06 crore and overstatement of depreciation as well as excess expenditure over Income and Expenditure ₹ 3.42 crore.

(b) The Institute has made payment of ₹ 7.44 crore towards Arbitration Award in respect of work of Medical College & Hospital complex (Package-1) and exhibited the said payment under Other Administrative Expenses (Schedule-21) instead of Fixed Assets (Medical College & Hospital complex).

This resulted in understatement of Fixed Assets by ₹ 7.44 crore and overstatement of Other Administrative Expenses to that extent.

(c) AIIMS, Patna received 101.98 acres of land at a token amount ₹ one in the year 2006 from the Government of Bihar. However, AIIMS, Patna has not exhibited the said land with token money under Fixed Assets.

17. Haj Committee of India, Bombay

Unclaimed Liability Written Back: ₹ 35.79 crore

The above included ₹ 27.95 crore refundable to pilgrims for Haj 2017 as refund for down gradation. The Committee has erroneously booked this as income as unclaimed liability written back. This has resulted in overstatement of surplus by ₹ 27.95 crore with corresponding understatement of Current Liabilities and Provisions. Further, Note No. 10 of Schedule 25 stating that ₹ 35.79 crore was written back as unclaimed liability not payable for more than 3 years, is also incorrect.

18. Nagaland University

Repairs & Maintenance Expenses: ₹ 5.02 crore

The above includes expenses incurred on various capital works but have been booked under revenue expenditure. This has resulted into overstatement of Repair & Maintenance and understatement of Fixed Assets by ₹ 1.96 crore each.

19. University of Hyderabad

(a) Capital Work-in-Progress: ₹ 25.88 crore

This includes deposit of ₹ 5.37 crore to CPWD for nine different works against which no expenditure was reported by CPWD in CPWA-Form 65 as on 31 March 2019. The amount was incorrectly capitalised as capital Work-in-Progress, instead of accounting it as deposits with CPWD under Schedule 9-Loans, Advances & Deposits. This has resulted in overstatement of Capital Work-in-Progress and understatement of Loans, Advances and Deposits by ₹ 5.37 crore.

(b) Loans, Advances & Deposits: ₹ 105.21 crore

This does not include accrued interest of ₹ 2.52 crore on investments from Earmarked/Endowments Funds. This has resulted in understatement of Loans, Advances and Deposits as well as Earmarked/Endowment Funds by ₹ 2.52 crore.

20. The English and Foreign Languages University, Hyderabad

Current Liabilities & Provisions: ₹ 195.59 crore

This includes an amount of ₹ 3.20 crore which was internal income generated by the University, but incorrectly classified under Sponsored Projects. This has resulted in overstatement of Current Liabilities and understatement of Income by ₹ 3.20 crore. Consequently, Deficit was also overstated by ₹ 3.20 crore.

21. Maulana Azad National Urdu University, Hyderabad

Designated/Earmarked/Endowment Funds: ₹ 17.69 crore

Negative balances of ₹ 3.01 crore owing to excess amount spent in respect of 'Designated/Earmarked Fund-Others', were transferred to Loans, Advances & Deposits as receivable, without authorisation and confirmation from the funding agency/University Grants Commission (UGC) for reimbursement of these amounts. This has resulted in overstatement of Designated/Earmarked Funds and Loans, Advances & Deposits by ₹ 3.01 crore each.

22. National Institute of Technology, Warangal

Loans, Advances & Deposits: ₹ 172.57 crore

This includes expenditure of ₹ 140.90 crore incurred on Deposit Works, reported as completed and handed over by CPWD as per CPWA Form 65 (March 2019), which was not classified under Fixed Assets. This has resulted in overstatement of Loans, Advances & Deposits and understatement of Fixed assets by ₹ 140.90 crore.

23. School of Planning and Architecture, Vijayawada

Fixed Assets: ₹ 158.23 crore

Fixed assets worth ₹ 152.54 crore were capitalised after completion of works from the 'Capital Works-in-Progress'. However, depreciation of only ₹ 95.19 lakh was provided as against ₹ 7.63 crore. This has resulted in overstatement of Fixed Assets and Surplus/Capital Fund by ₹ 6.68 crore.

24. National Institute for the Empowerment of Persons with Intellectual Disabilities (Divyangjan), Secunderabad,

Income: ₹ 35.37 crore

The unutilised capital grants of ₹ 3.12 crore and ₹ 77.78 lakh pertaining to CRC, Nellore were credited to Grant-in-Aid in Income and Expenditure (I&E) accounts. Crediting of unutilised Capital grant to I&E Account is against the stipulations of Uniform format of Accounts wherein it is stated that Grants received for general purpose only need to be recognised as income in I&E Account. The unutilised Capital Grants need to be treated as current liability. As a result Surplus/Corpus/Capital Fund was overstated to the extent of ₹ 3.90 crore and understatement of Current Liabilities by that extent.

25. Indian Institute of Science Education and Research, Berhampur

Current Liabilities & Provisions: ₹ 134.69 crore

The interest income of ₹ 2.38 crore earned on unutilised Government Grants was treated as income from investments instead of showing it as addition to the Unutilised Grants in Schedule 3. This resulted in understatement of Current Liabilities & Provisions and overstatement of Surplus and corresponding overstatement of Corpus/Capital Fund by ₹ 2.38 crore.

26. All India Institute of Medical Sciences, Bhubaneswar

Current Liabilities and Provisions: ₹ 49.65 crore

This did not include provision for known liabilities of ₹ 1.78 crore for payment of outstanding expenses/arrears of salaries/electricity expenses, etc., for the Financial Year 2018-19 but payment was made during 2019-20. This has resulted in understatement of Current Liabilities and Provisions by ₹1.78 crore and overstatement of Corpus/Capital Fund to that extent.

27. Pandit Dwarka Prasad Mishra Indian Institute of Information Technology Design and Manufacturing, Jabalpur

Fixed Assets-Tangible Assets: ₹ 66.51 crore

The completed works (Lecture Hall, Visitors Hostel, Narmada Residency-II, Primary Health Centre, Mess and Dining Hall and Basketball Court) valuing ₹ 71.42 crore which have been put to use has been treated as Capital Work-in-Progress. This has resulted in understatement of Fixed Assets by ₹ 66.18 crore (₹ 71.42 crore less depreciation ₹ 5.24 crore) and overstatement of Capital Work-in-progress by ₹ 71.42 crore; and understatement of Prior

Period Expenses (Depreciation) by ₹ 3.81 crore and understatement of Expenditure (Depreciation) by ₹ 1.43 crore.

28. All India Institute of Medical Sciences, Bhopal

Other Income: ₹ 14.29 crore

This includes ₹ 8.00 crore which was the contribution received from NHDC Ltd for Corporate Social Responsibility (CSR) for the purpose of providing "Central Instrument Facility at AIIMS, Bhopal". Although funds were unutilised as on 31 March 2019 but the same was booked as income. This has resulted in overstatement of Income as well as Reserve and Surplus by ₹ 8.00 crore and understatement of Current Liabilities by same amount.

29. Chittaranjan National Cancer Institute, Kolkata

Corpus/Capital Fund: ₹ 94.74 crore

The above head was overstated by ₹ 2.26 crore due to inclusion of advance of ₹ 1.36 crore for staff quarters and ₹ 90 lakh for restoration work of Ruplal Nandy Memorial Cancer Research Centre by showing the amount as utilised from earmarked fund. This has also resulted in understatement of Earmarked Fund by ₹ 2.26 crore.

30. Indian Institute of Engineering Science and Technology, Shibpur, Howrah

Current Assets: ₹ 117.94 crore

Deviating from the instructions of the MHRD dated 25 October 2018, an amount of ₹ 15.21 crore was shown as receivable, instead of adjusting the same from internal receipts. This has resulted in overstatement of Current Assets and Corpus/Capital Fund by ₹ 15.21 crore each.

31. National Institute of Technology, Durgapur

Fixed Assets: ₹ 534.90 crore

The above included Fixed Assets of ₹ 19.92 crore created out of the closed sponsored project and Technical Education Quality Improvement Programme-I&II. The ownership of these assets had not been transferred to the Institute and the same needs to be separately disclosed in the Notes on Accounts. This has resulted in overstatement of Fixed Assets as well as Current Liabilities by ₹ 19.92 crore.

32. Indian Institute of Science, Education and Research, Thiruvananthapuram

Corpus/Capital Fund: ₹ 850.43 crore

This includes an amount of ₹ 115.31 crore being unutilised grant, which should have been shown as current liability in the Balance Sheet. This has resulted in overstatement of Capital Fund to the tune of ₹ 115.31 crore with corresponding understatement of Current Liabilities by the same amount.

33. National Institute of Technology, Calicut

(a) Capital/Corpus Fund: ₹ 648.66 crore

As per the format of Financial Statements issued by MHRD, Plan grants to the extent utilised should be transferred to the Capital Fund and the balance should be exhibited as liability in the Balance Sheet. However, the entire amount of Plan grant received during the year was accounted as Capital Fund. This has resulted in overstatement of Capital Fund by ₹ 56.20 crore with corresponding understatement of Current Liabilities and Provisions. This incorrect treatment was also pointed out last year.

(b) Designated/Earmarked/Endowment Fund: ₹ 149.68 crore

GPF/CPF Balances

As per the formats of financial statements for Central Higher Educational Institutions issued by the MHRD, the GPF Accounts and CPF Accounts are owned by Subscribers and should not be consolidated in main accounts. However, by clubbing the GPF and CPF accounts with the annual accounts of NIT, Calicut the "Designated/Earmarked/Endowment Fund" is overstated by ₹ 32.28 crore being the GPF/CPF balances in Schedule 2 of the Annual Accounts of the NIT, Calicut with corresponding overstatement of Schedule 5-Investments from Designated/Earmarked/Endowment Funds.

(c) Income-Grants/Donations/Subsidies: ₹ 182.56 crore

Grants, to extent utilised, should be treated as income and the unutilised grants should be exhibited as a liability in the Balance Sheet. However, the entire amount of non plan grants of ₹ 182.56 crore received during 2018-19 was taken as income, instead of treating the utilised portion of grant as income and the balance as liability. The Institute has utilised Non Plan grant of ₹ 137.36 crore, and hence, the balance should have been shown as Current Liability. This has resulted in overstatement of Income by ₹ 45.20 crore and understatement of Current Liabilities and Provisions to the same extent.

34. All India Institute of Ayurveda, New Delhi

Grant-in-Aid

Institute depicted an amount of ₹ 50.01 crore as 'Grant-in-Aid Received'. However, scrutiny of records revealed that this included grant of ₹ 15.50 crore received for creation of capital assets and ₹ 2.73 crore received for project (Pharmacovigilance) and other specific purposes. Hence, inclusion of grant amounting to ₹ 17.73 crore pertaining to Capital Assets and Earmarked/Endowment Funds, resulted in overstatement of Income as well as overstatement of 'Excess of Income over Expenditure' by ₹ 17.73 crore. Further, the Institute included an amount of ₹ 65.7 lakh as expenditure which pertained to Pharmacovigilance project. The expenditure incurred from the funds are for specific purpose and are required to be disclosed under Schedule–3 (Earmarked/Endowment Funds). This resulted in overstatement of Expenditure and understatement of Liabilities (Earmarked/Endowment Funds) by ₹ 0.66 crore.

Hence, due to this, the Income & Expenditure Account of Institute changed to 'Deficit' of ₹ 2.11 crore from 'Surplus' of ₹ 14.96 crore as depicted in the annual accounts for the year 2018-19.

35. Indian Institute of Technology, Mandi

Academic Receipts: ₹ 1.03 crore

As per accounting Policy No. 2.1 of Schedule XX adopted by Institute, the tuition fee for 2014-15 onwards for five years is to be treated as part of Corpus Fund. In view of this, the tuition fee for the current year has been transferred to Corpus Fund. The accounting Policy adopted was in contravention of the format of accounts prescribed by MHRD.

Tuition fee earned during the year amounting to ₹ 5.69 crore should have been accounted for as Income under Academic Receipts. Thereafter, it should have been transferred to Corpus Fund, as per the policy adopted by the Institute. Direct transfer of tuition fee to Corpus Fund without treating it as Income has resulted in understatement of Income of the current year by ₹ 5.69 crore.

36. National Institute of Technology, Srinagar

Current Liabilities & Provisions: ₹ 227.47 crore

As per approved format of accounts, the utilised portion of Non Recurring grants should appear as addition to Capital Fund and the unutilised portion of these grants should appear under Current Liabilities. The Institute is booking the entire Non Recurring Grants received amounting to ₹ 141.99 crore under Current Liabilities, instead of booking the unutilised portion of Non Recurring Grants amounting to ₹ 25.52 crore. This has resulted in overstatement of Current Liabilities & Provisions by ₹ 116.47 crore and understatement of Capital Fund by the same amount.

37. Indian Institute of Science, Bangalore

Staff payments and Benefits (Establishment Expenses): ₹ 282.89 crore

The new system of accounting and financial reporting by MHRD prescribes that the provision towards liability on retirement benefits should be provided in the books of accounts as per the Actuarial Valuation. As per note No. 8 of 'Notes to Accounts', the liability on retirement benefits of ₹ 1192.09 crore (Leave Salary-₹ 87.97 crore, Gratuity-₹ 96.70 crore and Pension-₹ 1007.42 crore) was not provided for in the annual accounts as MHRD had fully funded the retirement benefits.

Non provision of retirement benefits has resulted in overstatement of Capital Fund besides understatement of Current Liabilities & Provisions and excess of expenditure over income by ₹ 1192.09 crore.

38. North Eastern Institute of Ayurveda and Homoeopathy, Shillong

Current Assets

The above does not include an amount of ₹ 2.05 crore receivable by the Institute from Insurance Companies against services provided under Meghalaya Health Insurance Scheme (MHIS). Non provision for the same has resulted in understatement of Income and Current Assets-Receivables for the year by ₹ 2.05 crore each.

39. Indian Institute of Management, Udaipur

Loans, Advances & Deposits

The Institute had incurred excess expenditure of ₹ 24.70 crore on Capital Assets and had shown this excess expenditure as grant receivable, without the sanction from the Ministry. The Institute should have adjusted this excess expenditure from the General Fund. This has resulted in overstatement of Loans, Advances and Deposits by ₹ 24.70 crore and corresponding overstatement of Capital Fund by the same amount.

40. All India Institute of Medical Sciences, Jodhpur

Fee/Subscription

All Fee & Subscription should be shown under the Schedule 14-Fee/Subscription. The Institute has shown application fees amounting to ₹ 1.01 crore for recruitment as liability. This fee was not to be refunded to the applicants. This has resulted in overstatement of Current Liabilities by ₹ 1.01 crore as well as understatement of Surplus by the same amount.

41. Central University of Jharkhand, Ranchi

Current Assets: ₹ 92.51 crore

Overdrawn bank balance as per University books were to be shown under Current Liabilities under the head Book Overdraft**.** The University, however, did not disclose overdrawn book balance of ₹ 2.42 crore under the head 'Book Overdraft'**.** The irregular treatment resulted in understatement of Current Liabilities and Current Assets under head Bank balance by ₹ 2.42 crore

42. Indian Institute of Technology (Indian School of Mines), Dhanbad

Secured Loans: ₹ 36.53 crore

As per the terms and conditions of the sanction order and loan agreement with HEFA, the principal amount is repayable in 20 half yearly instalments from the internally generated budgetary resources. Repayment is to commence at six months, from the date of disbursement of loan. The sanction letter further states that on signing of loan agreement, the escrow bank no. 1 shall debit ₹ 13.47 crore and similar amount every six months thereafter, till closure of loan account and remit the amount in principal repayment account (escrow bank no. 3). The amount so received in escrow bank account no. 3 shall be first invested in short term deposit as per instruction of the Institute and on due date of repayment of loan, the amount will be appropriated towards instalment due. HEFA disbursed first instalment of loan of ₹ 50 crore in January 2019.

The Institute, as per agreement, transferred ₹ 13.47 crore from escrow account no. 1 to escrow account no. 3 in January 2019 and invested in STDR. But in annual accounts, the transaction was irregularly treated as repayment of loan; though the amount was invested in short term deposit in escrow account no. 3 maintained by the Institute as on 31 March 2019. The irregular treatment resulted in understatement of Secure Loan and Current Assets by ₹ 13.47 crore.

43. National Institute of Technology, Jamshedpur

Current Liabilities & Provisions: ₹ 48.52 crore

The Institute received grant-in-aid of ₹ 17.04 crore under the head capital during the year and it had opening balance of ₹ 9.50 crore. Out of total grant of ₹ 26.54 crore, the Institute incurred an expenditure of ₹ 11.64 crore under the head capital. However, the balance amount of ₹ 14.90 crore was not shown as refundable to Ministry. This has resulted in overstatement of Capital Fund and understatement of Current liabilities by ₹ 14.90 crore.

Further, the Institute received Revenue grant of ₹ 86.84 crore. Out of this, the Institute incurred expenditure amounting to ₹ 77.58 crore but the balance amount of ₹ 9.26 crore was not exhibited as refundable to the Ministry. This has resulted in overstatement of Income and understatement of Current liabilities by ₹ 9.26 crore.

44. Indian Institute of Management, Ranchi

Fixed Assets (Schedule-4): ₹ 1565.86 lakh.

The Institute did not include the value of 60.04 acre land allotted for construction of new Campus at HEC, Dhurwa, Ranchi in the Fixed Assets of Balance Sheet. As per common format of accounts the value of land should be shown under Fixed Assets.

Appendix-VIII

(Referred to in paragraph no. 1.10 (a))

List of Autonomous Bodies where internal audit was not conducted during the year 2018-19

Sl. No.	Name of Autonomous Body
1.	Central Board of Secondary Examination, New Delhi
2.	Indian Council for Historical Research, New Delhi
3.	Indian Council of Social Science Research, New Delhi
4.	National Bal Bhawan, New Delhi
5.	National Book Trust, New Delhi
6.	National Council of Educational Research and Training, New Delhi
7.	National Commission for Minority Educational Institutions, New Delhi
8.	National Council for Promotion of Sindhi Language, New Delhi
9.	National Institute of Educational Planning and Administration, New Delhi
10.	National Institute of Technology, New Delhi
11.	Rastriya Sanskrit Sansthan, New Delhi
12.	Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha, New Delhi
13.	University of Delhi, New Delhi
14.	National Trust, New Delhi
15.	National Commission for Women, New Delhi
16.	National Commission for Protection of Child Rights, New Delhi
17.	Indian Council for Cultural Relations, New Delhi
18.	South Asian University, New Delhi
19.	National Skill Development Agency, New Delhi
20.	Prasar Bharati, New Delhi
21.	Food Safety Standard Authority of India, New Delhi
22.	Dental council of India , New Delhi
23.	Pharmacy Council of India, New Delhi
24.	Morarji Desai National Institute of Yoga, New Delhi
25.	Indian Nursing Council, New Delhi
26.	National Institute of Health and Family Welfare, New Delhi
27.	Central Council for Research in Unani Medicine, New Delhi
28.	Central Council for Homeopathy, New Delhi
29.	National Board of Examination, New Delhi
30.	Central Council for Research in Yoga and Naturopathy, New Delhi
31.	Central Council for Research in Ayurvedic Science, New Delhi
32.	Central Council for Indian Medicine, New Delhi
33.	Rashtriya Ayurveda Vidyapeeth, New Delhi
34.	Indian Council for Medical Research, New Delhi

Sl. No.	Name of Autonomous Body
35.	All India Institute of Ayurveda, New Delhi
36.	Central Council for Research in Homeopathy, New Delhi
37.	Medical Council of India, New Delhi
38.	Wildlife Institute of India, Dehradun
39.	National Bio-diversity Authority, Chennai
40.	Central Zoo Authority, New Delhi
41.	National Tiger Conservation Authority, New Delhi
42.	Technology Development Board, New Delhi
43.	Regional Centre for Biotechnology, Faridabad
44.	Science and Engineering Research Board, New Delhi
45.	Godavari River Management Board, Hyderabad
46.	Krishna River Management Board, Hyderabad
47.	National Centre for Cold-Change Development, New Delhi
48.	National Water Development Agency (New Delhi, Valsad, Bhubaneswar, Patna, Hyderabad & Gwalior)
49.	National Mission for Clean Ganga, New Delhi
50.	Narmada Control Authority, New Delhi
51.	National Water Development Agency, (NWDA), Valsad (2016-17)
52.	Brahmaputra Board (HQ), Guwahati
53.	National Culture Fund, New Delhi
54.	Nehru Memorial Museum and Library, New Delhi
55.	Nehru Yuva Kendra Sangathan, New Delhi
56.	Sports Authority of India, New Delhi
57.	Malviya National Institute of Technology (MNIT), Jaipur
58.	National Institute of Ayurveda, Jaipur
59.	Indian Institute of Information Technology, Kota
60.	Auroville Foundation, Auroville
61.	National Institute of Technical Teacher's Training & Research, Chennai
62.	National Institute of Siddha, Chennai
63.	Central Council for Research in Siddha, Chennai
64.	Indian Institute of Information Technology, Srirangam, Trichy
65.	Pondicherry University, Puducherry
66.	National Instructional Media Institute, Chennai
67.	Coconut Development Board, Kochi
68.	National Institute of Technology, Calicut
69.	Central University of Kerala, Kasargod
70.	Rampur Raza Library, Rampur
71.	Babasaheb Bhimrao Ambedkar University, Lucknow

Sl. No.	Name of Autonomous Body
72.	Indian institute of Technology, BHU, Varanasi
73.	Indian Institute of Information Technology, Allahabad
74.	Indian Institute of Technology, Kanpur
75.	Kendriya Hindi Shikshan Mandal, Agra
76.	Pharmacopoeia Commission for Indian Medicine & Homeopathy, Ghaziabad
77.	University of Allahabad, Prayagraj
78.	Rani Lakshmi Bai Central Agricultural University, Jhansi
79.	All India Institute of Medical Sciences, Raebareli
80.	National Institute of Technology, Pauri
81.	Dr Rajendra Prasad Central Agricultural University, Pusa
82.	Indian Institute of Technology, Patna
83.	Nalanda University, Rajgir
84.	Indian Institute of Management, Bodhgaya
85.	Khuda Baksh Oriental Public Library, Patna
86.	Mahatma Gandhi Central University of Bihar, Motihari
87.	All India Institute of Medical Science, Patna
88.	Mizoram University, Mizoram
89.	National Institute of Technology, Mizoram
90.	Dattopant Thengdi National Board for Workers Education and Development, Nagpur
91.	Haj Committee of India, Mumbai
92.	Indian Institute of Information Technology, Pune
93.	Indian Institute of Technology, Bombay
94.	Indian Institute of Technology, Dharwad
95.	Indian Institute of Technology, Goa
96.	South Central Zone for Cultural Centre, Nagpur
97.	Nagaland University, Nagaland
98.	National Institute of Technology, Nagaland
99.	North East Cultural Centre, Nagaland
100.	Rajiv Gandhi University, Arunachal Pradesh
101.	National Institute of Technology, Arunachal Pradesh
102.	Central Institute of Himalayan Cultural Studies, Arunachal Pradesh
103.	North Eastern Institute of Folk Medicine, Arunachal Pradesh
104.	Indian Institute of Science Education and Research (IISER), Berhampur
105.	National Institute of Technology, Rourkela
106.	All India Institute of Medical Sciences, Bhubaneswar
107.	All India Institute of Medical Sciences, Raipur (Chhattisgarh)
108.	Maulana Azad National Institute of Technology (MANIT), Bhopal

Sl. No.	Name of Autonomous Body
109.	Indian Institute of Information Technology, Bhopal
110.	All India Institute of Medical Sciences, Bhopal
111.	Assam University, Silchar
112.	Indian Institute of Technology, Guwahati
113.	National Institute of Technology, Durgapur
114.	Ghani Khan Choudhury Institute of Engineering and Technology (GKCIET), Malda
115.	National Institute of Technology, Silchar
116.	North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences (NEIGRIHMS), Shillong
117.	North Eastern Institute of Ayurveda and Homeopathy (NEIAH), Shillong
118.	Rajiv Gandhi Indian Institute of Management, Shillong
119.	National Institute of Technology, Agartala
120.	Tripura University, Tripura
121.	Rashtriya Sanskrit Vidyapeetha, Tirupati
122.	University of Hyderabad, Hyderabad
123.	National Institute of Technology, Warangal
124.	The English and Foreign Languages University, Hyderabad
125.	Maulana Azad National Urdu University, Hyderabad
126.	Indian Institute of Technology, Hyderabad
127.	Indian Institute of Technology, Tirupati
128.	School of Planning and Architecture, Vijayawada
129.	Indian Institute of Information Technology, Chittoor
130.	Indian Institute of Science Education and Research, Tirupati
131.	Indian Institute of Management, Vishakhapatnam
132.	Mahatma Gandhi National Council of Rural Education, Hyderabad
133.	National Institute of Rural Development & Panchayati Raj, Hyderabad
134.	All India Institute of Medical Sciences, Mangalgiri
135.	Indian Institute of Information Technology, Dharwad
136.	Central University of Karnataka, Gulbarga
137.	Dr B.R. Ambedkar National Institute of Technology, Jalandhar
138.	Indian institute of Social Science and Research, Mohali
139.	Indian Institute of Technology, Mandi
140.	Central University of Himachal Pradesh, Dharamshala
141.	National Institute of Technology, Hamirpur
142.	Indian Institute of Information Technology, Una
143.	Central University of Haryana, Mahendragarh
144.	Indian Institute of Information Technology, Sonepat

Sl. No.	Name of Autonomous Body
145.	Central university of Kashmir, Srinagar
146.	National Institute of Technology, Srinagar
147.	State Legal Services Authority, Chandigarh
148.	District Legal Services Authority, Chandigarh
149.	Animal Welfare Board of India, Ballabhgarh
150.	Manipur University, Manipur
151.	National Institute of Technology, Manipur

Appendix-IX

(Referred to in paragraph no.1. 10 (b))

List of Autonomous Bodies where physical verification of fixed assets was not conducted during the year 2018-19

Sl. No.	Name of Autonomous Body
1.	All India Council for Technical Education (Council), New Delhi
2.	Central Board of Secondary Examination, New Delhi
3.	Indian Council for Historical Research, New Delhi
4.	National Council of Educational Research and Training, New Delhi
5.	National Institute of Educational Planning and Administration, New Delhi
6.	National Institute of Technology, New Delhi
7.	Rastriya Sanskrit Sansthan, New Delhi
8.	Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha, New Delhi
9.	School of Planning and Architecture, New Delhi
10.	University Grant Commission, New Delhi
11.	National Human Rights Commission, New Delhi
12.	Central Adoption Resource Authority, New Delhi
13.	Indian Council for Cultural Relations, New Delhi
14.	Prasar Bharati, New Delhi
15.	Press Council of India, New Delhi
16.	Indian Council for Medical Research
17.	Central Council for Research in Homeopathy, New Delhi
18.	Central Council for Research in Ayurvedic Science, New Delhi
19.	Wildlife Institute of India, Dehradun
20.	National Tiger Conservation Authority, New Delhi
21.	Regional Centre for Biotechnology, Faridabad
22.	Council of Scientific and Industrial Research, New Delhi[*]
23.	Godavari River Management Board, Hyderabad
24.	Krishna River Management Board, Hyderabad
25.	National Centre for Cold-Change Development, New Delhi
26.	National Mission for Clean Ganga, New Delhi
27.	Narmada Control Authority (outstation offices other than central office)
28.	National School of Drama, New Delhi
29.	International Buddhist Confederation, New Delhi
30.	Delhi Public Library, New Delhi
31.	Sangeet Natak Akadami, New Delhi
32.	National Museum Institute, New Delhi

[*] Eight labs under CSIR had not conducted physical verification of fixed assets.

33.	Sports Authority of India, New Delhi
34.	Lalit Kala Akademi, New Delhi
35.	Indian Institute of Information Technology, Vadodara
36.	Malviya National Institute of Technology (MNIT), Jaipur
37.	National Institute of Ayurveda, Jaipur
38.	Indian Institute of Technology, Jodhpur
39.	Indian Institute of Management, Udaipur
40.	Auroville Foundation, Auroville
41.	National Institute of Technical Teacher's Training & Research, Chennai
42.	Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry
43.	National Institute of Technology, Karaikal
44.	Pondicherry University, Puducherry
45.	Indian Institute of Science, Education and Research, Thiruvananthapuram
46.	Indian Institute of Management, Kozhikode
47.	Rampur Raza Library, Rampur
48.	Indian Institute of Management, Lucknow
49.	Babasaheb Bhimrao Ambedkar University, Lucknow
50.	Kendriya Hindi Shikshan Mandal, Agra
51.	University of Allahabad, Prayagraj
52.	All India Institute of Medical Sciences, Raebareli
53.	Indian Institute of Management, Kashipur
54.	Motilal Nehru National Institute of Technology, Prayagraj
55.	Dr Rajendra Prasad Central Agricultural University, Pusa
56.	National Institute of Technology, Patna
57.	Mahatma Gandhi Central University of Bihar, Motihari
58.	All India Institute of Medical Science, Patna
59.	Central University of Jharkhand, Ranchi
60.	Indian Institute of Technology (ISM), Dhanbad
61.	National Institute of Technology, Jamshedpur
62.	National Institute of Foundry and Forge Technology, Hatia, Ranchi
63.	Indian Institute of Information Technology, Ranchi at-Jamshedpur
64.	Mizoram University, Mizoram
65.	National Institute of Technology, Mizoram
66.	Dattopant Thengdi National Board for Workers Education and Development, Nagpur
67.	Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya, Wardha
68.	Indian Institute of Technology, Bombay
69.	Indian Institute of Technology, Dharwad
70.	Indian Institute of Technology, Goa
71.	South Central Zone for Cultural Centre, Nagpur
72.	Nagaland University, Nagaland

73.	National Institute of Technology, Nagaland
74.	North East Cultural Centre, Nagaland
75.	Rajiv Gandhi University, Arunachal Pradesh
76.	North Eastern Regional Institute of Science & Technology, Itanagar
77.	All India Institute of Medical Sciences, Bhubaneswar
78.	Indian Institute of Technology, Indore
79.	Indian Institute of Technology, Bhilai
80.	Pandit Dwarka Prasad Mishra Indian Institute of Information Technology Design and Manufacturing (PDPMIIITDM), Jabalpur
81.	Indian Institute of Information Technology, Bhopal
82.	Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal
83.	Assam University, Silchar
84.	Central Institute of Technology, Kokrajhar
85.	Indian Institute of Engineering Science and Technology, Shibpur, Howrah
86.	National Institute for Locomotor Disabilities, Kolkata
87.	Indian Institute of Management, Calcutta
88.	Indian Institute of Science Education and Research, Kolkata
89.	Maulana Abul Kalam Azad Institute of Asian Studies, Kolkata
90.	National Institute of Homoeopathy, Kolkata
91.	National Institute of Technology, Durgapur
92.	National Institute of Technology, Silchar, Assam
93.	Visva-Bharati, Santiniketan
94.	Eastern Zonal Cultural Centre, Kolkata
95.	The Asiatic Society, Kolkata
96.	Victoria Memorial Hall, Kolkata
97.	North Eastern Hill University (NEHU), Shillong
98.	National Institute of Technology, Warangal
99.	Rashtriya Sanskrit Vidyapeetha, Tirupati
100.	University of Hyderabad, Hyderabad
101.	Maulana Azad National Urdu University, Hyderabad
102.	Indian Institute of Technology, Hyderabad
103.	Indian Institute of Technology, Tirupati
104.	All India Institute of Medical Sciences, Mangalgiri
105.	Central University of Karnataka, Gulbarga
106.	National Institute of Unani Medicine, Bangalore
107.	Dr B.R. Ambedkar National Institute of Technology, Jalandhar
108.	Indian institute of Social Science and Research, Mohali
109.	Indian Institute of Technology, Mandi
110.	Central University of Himachal Pradesh, Dharamshala
111.	Indian Institute of Technology, Ropar

112.	Sant Longowal Institute of Engineering and Technology, Longowal, Sangrur
113.	Central University of Haryana, Mahendragarh
114.	Indian Institute of Information Technology, Sonepat
115.	Central University of Kashmir, Srinagar
116.	National Institute of Technology, Srinagar
117.	Indian Institute of Management, Sirmaur
118.	Indian Institute of Technology, Jammu
119.	Post Graduate Institute of Medical Education and Research, Chandigarh
120.	Manipur University, Manipur

Appendix-X

(Referred to in paragraph no. 1.10 (c))

List of Autonomous Bodies where physical verification of inventories was not conducted during the year 2018-19

Sl. No.	Name of Autonomous Body
1.	All India Council for Technical Education (Council), New Delhi
2.	Indian Council for Historical Research, New Delhi
3.	National Council of Educational Research and Training, New Delhi
4.	National Institute of Educational Planning and Administration, New Delhi
5.	School of Planning and Architecture, New Delhi
6.	University Grants Commission, New Delhi
7.	University of Delhi, New Delhi
8.	National Human Rights Commission, New Delhi
9.	Central Adoption Resource Authority, New Delhi
10.	Prasar Bharati, New Delhi
11.	Press Council of India, New Delhi
12.	Central Council for Research in Ayurvedic Science, New Delhi
13.	Central Council for Research in Homeopathy, New Delhi
14.	Indian Council for Medical Research, New Delhi
15.	Wildlife Institute of India, Dehradun
16.	Regional Centre for Biotechnology, Faridabad
17.	Council of Scientific and Industrial Research, New Delhi*
18.	Godavari River Management Board, Hyderabad
19.	Krishna River Management Board, Hyderabad
20.	Protection of Plant Varieties and Farmers' Rights Authority, New Delhi
21.	National Centre for Cold-Change Development, New Delhi
22.	National Water Development Agency, New Delhi
23.	National Mission for Clean Ganga, New Delhi
24.	Narmada Control Authority, Indore
25.	Sahitya Akademi, New Delhi
26.	National School of Drama, New Delhi
27.	International Buddhist Confederation, New Delhi
28.	Sangeet Natak Akademi, New Delhi
29.	Lalit Kala Akademi, New Delhi
30.	Indian Institute of Information Technology, Vadodara.
31.	Central University of Gujarat, Gandhinagar
32.	Malviya National Institute of Technology (MNIT), Jaipur
33.	National Institute of Ayurveda, Jaipur
34.	Indian Institute of Technology, Jodhpur

* Eight labs under CSIR were not conducted the physical verification of inventories.

Sl. No.	Name of Autonomous Body
35.	Indian Institute of Management, Udaipur
36.	Auroville Foundation, Auroville
37.	National Institute of Technical Teachers Training & Research, Chennai
38.	National Institute of Technology, Karaikal
39.	Pondicherry University, Puducherry
40.	National Institute of Technology, Calicut
41.	Indian Institute of Technology, Palakkad
42.	Rampur Raza Library, Rampur
43.	Babasaheb Bhimrao Ambedkar University, Lucknow
44.	Board of Apprenticeship Training, Kanpur
45.	Indian Institute of Management, Lucknow
46.	Kendriya Hindi Shikshan Mandal, Agra
47.	University of Allahabad, Prayagraj
48.	All India Institute of Medical Sciences, Raebareli
49.	National Institute of Technology, Pauri
50.	Motilal Nehru National Institute of Technology, Prayagraj
51.	Central University of Jharkhand, Brambe, Ranchi
52.	Indian Institute of Technology (ISM), Dhanbad
53.	National Institute of Technology, Jamshedpur
54.	National Institute of Foundry and Forge Technology, Hatia, Ranchi
55.	Indian Institute of Information Technology, Ranchi
56.	Mizoram University, Mizoram
57.	National Institute of Technology, Mizoram
58.	Mahatma Gandhi Antar Rashtriya Hindi Vishwavidyalaya, Wardha
59.	Indian Institute of Technology, Dharwad
60.	National Institute of Industrial Engineering, Mumbai
61.	Nagaland University, Nagaland
62.	National Institute of Technology, Nagaland
63.	North East Cultural Centre, Nagaland
64.	Rajiv Gandhi University, Arunachal Pradesh
65.	North Eastern Regional Institute of Science & Technology, Itanagar
66.	All India Institute of Medical Sciences, Bhubaneswar
67.	Indian Institute of Technology, Indore
68.	Indian Institute of Technology, Bhilai
69.	Pandit Dwarka Prasad Mishra Indian Institute of Information Technology Design and Manufacturing (PDPMIIITDM), Jabalpur
70.	Indian Institute of Information Technology, Bhopal
71.	Assam University, Silchar
72.	Central Institute of Technology, Kokrajhar
73.	Indian Institute of Engineering Science and Technology, Shibpur, Howrah
74.	National Institute for Locomotor Disabilities, Kolkata
75.	National Institute of Technology, Silchar, Assam

Sl. No.	Name of Autonomous Body
76.	Indian Institute of Management, Calcutta
77.	Indian Institute of Science Education and Research, Kolkata
78.	Maulana Abul Kalam Azad Institute of Asian Studies, Kolkata
79.	National Institute of Homoeopathy, Kolkata
80.	National Institute of Technology, Durgapur
81.	Visva-Bharati, Santiniketan
82.	Eastern Zonal Cultural Centre, Kolkata
83.	The Asiatic Society, Kolkata
84.	Victoria Memorial Hall, Kolkata
85.	North Eastern Hill University (NEHU), Shillong
86.	National Institute of Technology, Warangal
87.	Maulana Azad National Urdu University, Hyderabad
88.	Rashtriya Sanskrit Vidyapeetha, Tirupati
89.	Indian Institute of Technology, Hyderabad
90.	The English and Foreign Languages University, Hyderabad
91.	Indian Institute of Technology, Tirupati
92.	Indian Institute of Information Technology, Chittoor
93.	All India Institute of Medical Sciences, Mangalgiri
94.	Central University of Karnataka, Gulbarga
95.	National Institute of Unani Medicine, Bangalore
96.	Dr B.R. Ambedkar National Institute of Technology, Jalandhar
97.	Indian institute of Social Science and Research, Mohali
98.	Indian Institute of Technology, Mandi
99.	Central University of Himachal Pradesh, Dharamshala
100.	Indian Institute of Technology, Ropar
101.	Sant Longowal Institute of Engineering and Technology, Longowal, Sangrur
102.	Central University of Haryana, Mahendragarh
103.	Indian Institute of Information Technology, Sonepat
104.	Indian Institute of Management, Amritsar
105.	National Institute of Technology, Srinagar
106.	Indian Institute of Management, Sirmaur
107.	Indian Institute of Technology, Jammu
108.	Post Graduate Institute of Medical Education and Research, Chandigarh
109.	National Institute of Technical Teachers Training and Research, Chandigarh
110.	Central Institute of Buddhist Studies, Choglamsar, Leh-Ladakh
111.	Manipur University, Manipur

Appendix-XI

(Referred to in paragraph no. 1.10 (d))

List of Autonomous Bodies which are accounting for the grants on realisation/cash basis

Sl. No.	Name of Autonomous Body
1.	National Council for Teacher Education, New Delhi
2.	Council for Advancement of People's Action and Rural Technology, New Delhi
3.	Pandit Deendayal Upadhyaya National Institute For Persons with Physical Disabilities, New Delhi
4.	National Commission for Women, New Delhi
5.	National Commission for Protection of Child Rights, New Delhi
6.	National Trust, New Delhi
7.	Rehabilitation Council of India, New Delhi
8.	National Commission for Women, New Delhi
9.	National Skill Development Agency, New Delhi
10.	Prasar Bharati, New Delhi
11.	Press Council of India, New Delhi
12.	Betwa River Board, Jhansi
13.	Narmada Control Authority, Indore
14.	Brahmaputra Board, Guwahati
15.	Warehousing Development & Regulatory Authority, New Delhi
16.	Bureau of Indian Standards, New Delhi
17.	Delhi Public Library, New Delhi
18.	Gandhi Smriti and Darshan Samiti, New Delhi
19.	Lakshadweep Building Development Board, Kavaratti
20.	Babasaheb Bhimrao Ambedkar University, Lucknow
21.	Banaras Hindu University, Varanasi
22.	Board of Apprenticeship Training, Kanpur
23.	Central Institute of Higher Tibetan Studies, Sarnath
24.	Allahabad Museum, Allahabad
25.	North Central Zone Cultural Centre, Allahabad
26.	Indian Institute of Technology, Kanpur
27.	National Institute of Open Schooling (NIOS), NOIDA
28.	Noida Special Economic Zone Authority, Noida
29.	Pharmacopoeia Commission for Indian Medicine & Homeopathy, Ghaziabad
30.	VV Giri National Labour Institute, Noida
31.	Rani Lakshmi Bai Central Agricultural University, Jhansi
32.	All India Institute of Medical Sciences, Raebareli
33.	All India Institute of Medical Sciences, Rishikesh
34.	Hemvati Nandan Bahuguna Garhwal University, Garhwal

Sl. No.	Name of Autonomous Body
35.	Indian Institute of Management, Kashipur
36.	National Institute of Visually Handicapped, Dehradun
37.	Motilal Nehru National Institute of Technology, Prayagraj
38.	Dr Rajendra Prasad Central Agricultural University, Pusa
39.	Indian Institute of Technology, Patna
40.	Nalanda University, Rajgir
41.	Indian Institute of Management, Bodhgaya
42.	National Institute of Technology, Patna
43.	Mahatma Gandhi Central University of Bihar, Motihari
44.	All India Institute of Medical Science, Patna
45.	Central University of South Bihar, Bihar
46.	Khuda Bakhsh Oriental Public Library, Patna
47.	National Institute of Technology, Mizoram
48.	Indian Institute of Technology, Dharwad
49.	National Institute of Technology, Nagaland
50.	North East Cultural Centre, Nagaland
51.	All India Institute of Medical Sciences, Raipur, Chhattisgarh
52.	All India Institute of Medical Sciences, Bhopal
53.	North Eastern Hill University (NEHU), Shillong
54.	North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences (NEIGRIHMS), Shillong
55.	Rajiv Gandhi Indian Institute of Management, Shillong
56.	National Institute of Technology, Agartala
57.	Tripura University, Tripura
58.	National Institute of Mental Health and Neuro Sciences, Bangalore
59.	Dr B.R. Ambedkar National Institute of Technology, Jalandhar
60.	National Horticulture Board, Gurgaon
61.	North Zone Cultural Centre, Patiala
62.	Central University of Himachal Pradesh, Dharamshala
63.	State Legal Services Authority, Chandigarh
64.	District Legal Services Authority, Chandigarh
65.	Chandigarh Commission of Protection of Child Rights, Chandigarh
66.	Library of Tibetan Works and Archives, Dharamshala
67.	Indian Institute of Management, Jammu
68.	Central Institute of Buddhist Studies, Choglamsar, Leh-Ladakh

Appendix-XII

(Referred to in paragraph no. 1.10 (e))

List of Autonomous Bodies which have not accounted for gratuity and other retirement benefits on the basis of actuarial valuation

Sl. No.	Name of Autonomous Body
1.	All India Council for Technical Education (Council), New Delhi
2.	Central Board of Secondary Examination, New Delhi
3.	Indian Council for Historical Research, New Delhi
4.	Indian Council of Social Science Research, New Delhi
5.	Kendriya Vidyalaya Sangathan, New Delhi
6.	National Council for Promotion of Urdu Language, New Delhi
7.	Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha, New Delhi
8.	School of Planning and Architecture, New Delhi
9.	University Grants Commission, New Delhi
10.	National Council for Teacher Education, New Delhi
11.	Rastriya Sanskrit Sansthan, New Delhi
12.	Indian Council for Cultural Relations, New Delhi
13.	Indian Council for World Affairs, New Delhi
14.	Food Safety Standard Authority of India, New Delhi
15.	Dental Council of India, New Delhi
16.	Pharmacy Council of India, New Delhi
17.	Morarji Desai National Institute of Yoga, New Delhi
18.	Employees' Provident Fund Organisation, New Delhi
19.	National Institute of Health and Family Welfare, New Delhi
20.	Central Council for Research in Unani Medicine, New Delhi
21.	National Board of Examination, New Delhi
22.	Central Council for Research in Yoga and Naturopathy, New Delhi
23.	Central Council for Research in Ayurvedic Science, New Delhi
24.	Central Council for Indian Medicine, New Delhi
25.	All India Institute of Medical Science, New Delhi
26.	Indian Council for Medical Research, New Delhi
27.	All India Institute of Ayurveda, New Delhi
28.	Central Council for Research in Homeopathy, New Delhi
29.	Medical Council of India, New Delhi
30.	Central Zoo Authority, New Delhi
31.	National Tiger Conservation Authority, New Delhi
32.	Indian Council of Agricultural Research, New Delhi

Sl. No.	Name of Autonomous Body
33.	Brahmaputra Board, Guwahati
34.	National School of Drama, New Delhi
35.	International Buddhist Confederation, New Delhi
36.	Gandhi Smriti and Darshan Samiti, New Delhi
37.	Centre for Cultural Resources and Training, New Delhi
38.	Delhi Public Library, New Delhi
39.	Indira Gandhi National Centre for the Arts, New Delhi
40.	Sangeet Natak Akademi, New Delhi
41.	National Museum Institute, New Delhi
42.	Nehru Yuva Kendra Sangathan, New Delhi
43.	National Legal Services Authority, New Delhi
44.	Sports Authority of India, New Delhi
45.	Lalit Kala Akademi, New Delhi
46.	Sardar Vallabhbhai National Institute of Technology, Surat
47.	Indian Institute of Technology, Jodhpur
48.	All India Institute of Medical Sciences, Jodhpur
49.	National Institute of Ayurveda, Jaipur
50.	Auroville Foundation, Auroville
51.	National Institute of Technical Teachers Training & Research, Chennai
52.	National Institute of Technology, Trichy
53.	National Institute of Siddha, Chennai
54.	Board of Apprenticeship Training, Chennai
55.	National Institute for Empowerment of Persons with Multiple Disabilities, Chennai
56.	Gandhigram Rural Institute, Dindigul
57.	Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry
58.	National Instructional Media Institute, Chennai
59.	Coconut Development Board, Kochi
60.	National Institute of Technology, Calicut
61.	Rampur Raza Library, Rampur
62.	Banaras Hindu University, Varanasi
63.	Board of Apprenticeship Training,(NR), Kanpur
64.	Central Institute of Higher Tibetan Studies, Sarnath
65.	Allahabad Museum, Allahabad
66.	Indian Institute of Information Technology, Lucknow
67.	Indian Institute of Technology BHU, Varanasi
68.	Indian Institute of Information Technology, Allahabad
69.	North Central Zone Cultural Centre, Allahabad

Sl. No.	Name of Autonomous Body
70.	Indian Institute of Management, Lucknow
71.	Kendriya Hindi Shikshan Mandal, Agra
72.	Navodaya Vidyalaya Samiti, Noida
73.	Noida Special Economic Zone Authority, Noida
74.	Pharmacopoeia Commission for Indian Medicine & Homeopathy, Ghaziabad
75.	Rani Lakshmi Bai Central Agricultural University, Jhansi
76.	V.V. Giri National Labour Institute, Noida
77.	All India Institute of Medical Sciences, Raibareli
78.	All India Institute of Medical Sciences, Rishikesh
79.	Indian Institute of Management, Kashipur
80.	Indian Institute of Technology, Roorkee
81.	National Institute of Technology, Pauri
82.	Gurukul Kangri Vishwavidyalaya, Haridwar
83.	Indian Institute of Technology (ISM), Dhanbad
84.	National Institute of Technology, Jamshedpur
85.	National Institute of Foundry and Forge Technology, Hatia, Ranchi
86.	Indian Institute of Information Technology, Ranchi
87.	National Institute of Technology, Mizoram
88.	Board of Apprenticeship Training (WR), Mumbai
89.	Indian Institute of Technology, Goa
90.	Indian Institute of Information Technology, Nagpur
91.	National Institute of Industrial Engineering, Mumbai
92.	National Institute of Naturopathy, Pune
93.	South Central Zone Cultural Centre, Nagpur
94.	Ali Yavar National Institute of Hearing Handicapped
95.	Dattopant Thengdi National Board for Workers Education and Development, Nagpur
96.	North East Cultural Centre, Nagaland
97.	Indian Institute of Science Education and Research (IISER), Berhampur
98.	National Institute of Technology, Rourkela
99.	All India Institute of Medical Sciences, Bhubaneswar
100.	Indian Institute of Technology, Bhubaneswar
101.	Central University of Orissa, Koraput
102.	Swami Vivekanand National Institute of Rehabilitation Training & Research, Cuttack
103.	All India Institute of Medical Sciences, Raipur, Chhattisgarh
104.	Maharshi Sandipani Rashtriya Vedvidya Pratishthan (MSRVVP), Ujjain

Sl. No.	Name of Autonomous Body
105.	National Institute of Technical Teachers Training and Research (NITTTR), Bhopal
106.	Maulana Azad National Institute of Technology (MANIT), Bhopal
107.	Pandit Dwarka Prasad Mishra Indian Institute of Information Technology Design and Manufacturing (PDPMIIITDM), Jabalpur
108.	Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal
109.	Dr. Harisingh Gour Vishwavidalaya, Sagar
110.	All India Institute of Medical Sciences, Bhopal
111.	Lakshmibai National Institute of Physical Education, Gwalior
112.	Central Institute of Technology, Kokrajhar
113.	Indian Institute of Engineering Science and Technology, Shibpur, Howrah
114.	Ghani Khan Choudhury Institute of Engineering and Technology (GKCIET), Malda
115.	Indian Institute of Information Technology, Guwahati
116.	Indian Institute of Science Education and Research, Kolkata
117.	Maulana Abul Kalam Azad Institute of Asian Studies, Kolkata
118.	National Institute of Homoeopathy, Kolkata
119.	National Institute of Technical Teachers' Training and Research, Kolkata
120.	National Institute of Technology, Durgapur
121.	Tezpur University, Assam
122.	Visva-Bharati, Shantiniketan
123.	Chittaranjan National Cancer Institute (CNCI), Kolkata
124.	Victoria Memorial Hall, Kolkata
125.	The Asiatic Society, Kolkata
126.	North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences (NEIGRIHMS), Shillong
127.	North Eastern Institute of Ayurveda and Homeopathy (NEIAH), Shillong
128.	Rajiv Gandhi Indian Institute of Management, Shillong
129.	National Institute of Technology, Agartala
130.	National Institute of Technology, Warangal
131.	National Institute of Science and Education Research, Tirupati
132.	Rashtriya Sanskrit Vidyapeetha, Tirupati
133.	Indian Institute of Technology, Tirupati
134.	Indian Institute of Technology, Hyderabad
135.	National Institute of Rural Development & Panchayati Raj, Hyderabad
136.	National Institute of Agricultural Extension Management (MANAGE), Hyderabad
137.	Salarjung Museum, Hyderabad
138.	Central University of Karnataka, Gulbarga
139.	Indian Institute of Science, Bangalore
140.	National Institute of Unani Medicine, Bangalore

Sl. No.	Name of Autonomous Body
141.	Dr B.R. Ambedkar National Institute of Technology, Jalandhar
142.	National Horticulture Board, Gurgaon
143.	Indian Institute of Technology, Mandi
144.	Central University of Himachal Pradesh, Dharamshala
145.	State Legal Services Authority, Chandigarh
146.	Sant Longowal Institute of Engineering and Technology, Longowal, Sangrur
147.	Central University of Jammu, Jammu
148.	Library of Tibetan Works and Archives, Dharamshala
149.	District Legal Services Authority, Chandigarh
150.	National Institute of Technology, Srinagar
151.	Indian Institute of Management, Sirmaur
152.	Indian Institute of Management, Jammu
153.	Post Graduate Institute of Medical Education and Research, Chandigarh
154.	National Institute of Technical Teachers Training and Research, Chandigarh
155.	Central Institute of Buddhist Studies, Choglamsar, Leh-Ladakh
156.	Indian Institute of Information Technology, Una
157.	Indian Institute of Management, Rohtak
158.	National Institute of Technology, Kurukshetra
159.	North Zone Cultural Centre, Patiala
160.	Manipur University
161.	National Institute of Technology, Manipur

Appendix-XIII

(Referred to in paragraph no. 1.10 (f))

List of Autonomous Bodies which had not provided depreciation on fixed assets

Sl. No.	Name of Autonomous Body
1.	National Council for Teacher Education, New Delhi
2.	All India Institute of Medical Sciences, New Delhi
3.	Technology Development Board, New Delhi
4.	Warehousing Development & Regulatory Authority, New Delhi
5.	Bureau of Indian Standards, New Delhi
6.	Indira Gandhi National Centre for the Arts, New Delhi
7.	National Institute of Ayurveda, Jaipur
8.	Post Graduate Institute of Medical Education and Research, Chandigarh

Appendix-XIV

(Referred to in paragraph no. 1.10 (g))

List of Autonomous Bodies that revised their accounts as a result of Audit

Sl. No.	Name of Autonomous Body
1.	Central Zoo Authority, New Delhi
2.	National Mission for Clean Ganga, New Delhi
3.	Indian Institute of Technology, Madras, Chennai
4.	National Institute of Technical Teachers Training & Research, Chennai
5.	National Institute of Technology, Trichy
6.	National Institute of Siddha, Chennai
7.	Board of Apprenticeship Training, Chennai
8.	National Institute for Empowerment of Persons with Multiple Disabilities, Chennai
9.	Gandhigram Rural Institute, Dindigul
10.	Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry
11.	National Instructional Media Institute, Chennai
12.	Indian Institute of Information, Technology, Design and Manufacturing, Kancheepuram
13.	Pondicherry University, Puducherry
14.	Rajiv Gandhi National Institute of Youth Development, Sriperumbudur
15.	Central Council for Research in Siddha, Chennai
16.	South Zone Cultural Centre, Thanjavur
17.	Kalakshetra Foundation, Chennai
18.	All India Institute of Medical Sciences, Rishikesh
19.	National Institute of Technology, Arunachal Pradesh
20.	Swami Vivekanand National Institute of Rehabilitation Training & Research, Cuttack
21.	National Institute of Technology, Sikkim
22.	National Institute of Technology, Warangal
23.	Rashtriya Sanskrit Vidyapeetha, Tirupati
24.	Indian Institute of Technology, Hyderabad
25.	All India Institute of Medical Sciences, Mangalgiri
26.	National Institute of Rural Development & Panchayati Raj, Hyderabad
27.	Central University of Karnataka, Gulbarga
28.	Indian Institute of Science, Bangalore
29.	National Institute of Technology, Karnataka
30.	Indian Institute of Information Technology, Dharwad
31.	National Institute of Unani Medicine, Bangalore

Appendix-XV

(Referred to in paragraph no. 1.11)

Detailed position of the Action Taken Notes awaited/Under correspondence from various Ministries/Departments upto the year ended March 2019 as on September 2020

Sl. No.	Name of the Ministry/ Deptt.	Report for the year ended March	Civil			Autonomous Bodies			Total		
			Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence
1.	**AYUSH**	2018	-	-	-	1	1		1	1	-
2.	**Department of Atomic Energy**	2015	1	-	1	-	-	-	1	-	**1**
		2018	2	-	2	-	-	-	2	-	**2**
3.	**Department of Bio-Technology**	2018	1	-	1	-	-	-	1	-	**1**
4.	**Department of Science and Industrial Research**	2017	1	-	1	-	-	-	1	-	**1**
5.	**Culture**	2012	-	-	-	1	-	1	1	-	1
		2013	-	-	-	1	-	1	1	-	1
		2016	-	-	-	1	-	1	1	-	1
		2017	-	-	-	2	1	1	2	1	1
		2018	-	-	-	1	1	-	1	1	-
6.	**Drinking Water and Sanitation**	2018	1	-	1	-	-	-	1	-	1
7.	**Earth Sciences**	2014	1	-	1	-	-	-	1	-	**1**
		2018	1	-	1	-	-	-	1	-	**1**
8.	**Environment,**	2013	1	-	1	-	-	-	1	-	**1**

Sl. No.	Name of the Ministry/ Deptt.	Report for the year ended March	Civil			Autonomous Bodies			Total		
			Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence
	Forest and Climate Change	2014	1	-	1	-	-	-	1	-	**1**
		2015	2	-	2	-	-	-	2	-	**2**
		2016	1	-	1	-	-	-	1	-	**1**
9.	**External Affairs**	2016	1	-	1	-	-	-	1	-	1
		2018	3	3	-	1	1	-	4	4	-
10.	**Health and Family Welfare**	2014	2	-	2	1	-	1	3	-	3
		2018	-	-	-	2	2	-	2	2	-
11.	**Home Affairs**	2018	1	1	-	-	-	-	1	1	-
12.	**Education/Human Resource Development**	2006	-	-	-	1	-	1	1	-	1
		2013	-	-	-	1	-	1	1	-	1
		2014	-	-	-	1	-	1	1	-	1
		2016	1	-	1	1	-	1	2	-	2
		2017	-	-	-	4	-	4	4	-	4
		2018	-	-	-	4	4	-	4	4	-
13.	**Labour and Employment**	2017	-	-	-	1	-	1	1	-	1
14.	**Law and Justice**	2018	1	1	-	-	-	-	1	1	-
15.	**New and Renewable Energy**	2018	1	-	1	-	-	-	1	-	**1**
16.	**Planning Commission/NITI Aayog**	2018	1	1	-	-	-	-	1	1	-
17.	**Social Justice and Empowerment**	2003	1	-	1	-	-	-	1	-	1
		2006	1	-	1	-	-	-	1	-	1

Sl. No.	Name of the Ministry/ Deptt.	Report for the year ended March	Civil			Autonomous Bodies			Total		
			Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence	Due	Not received at all	Under correspondence
		2017	1	1	-	-	-	-	1	1	-
18.	**Youth Affairs and Sports**	2012	1	-	1	-	-	-	1	-	1
		2013	-	-	-	1	-	1	1	-	1
		2014	-	-	-	2	-	2	2	-	2
		2015	-	-	-	1	1	-	1	1	-
			20	**7**	**13**	**21**	**08**	**13**	**41**	**15**	**26**

Appendix-XVI

(Referred to in paragraph no. 1.11)

Year wise pendency of ATNs
Outstanding Action Taken Notes as of September 2020
(Union Territories without Legislatures)

Sl. No	Name of the UT	Report for the year ended March	Due	Not received at all	Under correspondence
1.	**Andaman & Nicobar Islands**	2018	2	2	-
2.	**Chandigarh Administration**	2018	4	4	-
3.	**Dadra & Nagar Haveli and Daman & Diu Administration**	2018	3	3	-
4.	**Lakshadweep**	2014	1	-	1
		2016	1	-	1
		2018	1	1	-
Total			**12**	**10**	**2**

Appendix-XVII

(Referred to in paragraph no. 1.13 (Table 9))

Recovered amount out of over payment/inadmissible payments in case of PSUs/Statutory Corporation

(₹ in crore)

Sl. No.	Name of the Unit	Administrative Ministry/Department	Nature of overpayment/ under rpecovery/ inadmissible payment	Amount of over payment /under payment/ inadmissible payment as pointed out by Audit	Amount recovered by Auditee organisation during 2018-19	Audit observation and Action taken by Ministry/Department
1.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	4.27	4.27	Amount of ₹ 4.27 crore on account of gunny cost to State Government of Punjab and its agencies at FCI, District Office (DO) Ludhiana on procurement of CMR rice. In view of the audit observation, the Management has made recovery.
2.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	11.70	10.18	Irregular payment of unloading and stacking charges under *mandi* labour charges on procurement of custom milled rice (CMR) from State Government of Punjab and its Agencies at FCI, DO Bhatinda during the period KMS 2009-10 to KMS 2012-13. In view of the audit observation, the Management has made recovery.
3.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Under Recovery	0.09	0.10	Non recovery of storage stacking charges and weightment charges on replacement of BRL due to delay in replacement of substandard rice by State Agencies/Millers at FCI, DO Bathinda. In view of the audit observation, the Management has made recovery.

Sl. No.	Name of the Unit	Administrative Ministry/Department	Nature of overpayment/ under rpecovery/ inadmissible payment	Amount of over payment /under payment/ inadmissible payment as pointed out by Audit	Amount recovered by Auditee organisation during 2018-19	Audit observation and Action taken by Ministry/Department
4.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Under Recovery	Not quantified in observation	16.72	Short recovery of storage charges on revision of final rates of KMS 2008-09 at FCI, DO Bathinda. In view of the audit observation, the Management has made recovery.
5.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	1.71	1.71	Excess payment of storage cum handling charges on escalated wholesale price index at FCI, RO Punjab during the year 2016-17. In view of the audit observation, the Management has made recovery.
6.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Non recovery of differential amount	7.32	12.03	FCI has not recovered the differential amount from Andhra Pradesh State Civil Supplies Corporation consequent to finalisation of CMR rates. FCI has worked out the differential cost of ₹ 1202.87 lakh based on the final cost sheets and recovered from CMR bills. In view of the audit observation, the Management has made recovery.
7.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.19	0.23	Excess payment of handling charge of ₹ 18.76 lakh due to excess certification of refilling work by the depot in-charges of FSD Hajipur, CWC Siwan, BSWC, Chapra & CWC Garoul. In view of the audit observation, the Management has made recovery.

Sl. No.	Name of the Unit	Administrative Ministry/Department	Nature of overpayment/ under rpecovery/ inadmissible payment	Amount of over payment /under payment/ inadmissible payment as pointed out by Audit	Amount recovered by Auditee organisation during 2018-19	Audit observation and Action taken by Ministry/Department
8.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	2.14	0.87	Irregular payment of ₹ 213.84 lakh towards 'Commission to Societies, for procurement of CMR from Bihar State Food & Civil Supplies Corporation Ltd. (BSF & CS Ltd.) during KMS year 2012-13. In view of the audit observation, the Management has made recovery.
9.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.10	0.10	Excess payment of ₹ 9.61 lakh to H&T Contractors on account of handling of CMR at FCI DO, Chapra and Hajipur. In view of the audit observation, the Management has made recovery.
10.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	4.75	0.94	Irregular payment of ₹ 474.35 lakh to the State agency for purchase of CMR during the KMS year 2010-11 to 2012-13 at FCI, Samastipur. In view of the audit observation, the Management has made recovery.
11.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Under Recovery	0.04	0.03	Non deduction of TDS of ₹ 3.75 lakh from the contractors at FCI, DO Banderdewa. In view of the audit observation, the Management has made recovery.
12.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.15	0.28	Overbooking of departmental labour resulted in excess payment of ₹ 15.28 lakh at FCI,DO, Dhanbad. In view of the audit observation, the Management has made recovery.
13.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Under Recovery	9.12	2.24	Non imposition of penalty on procurement of paddy under MSP scheme through private party at FCI, West Bengal Region. In view of the audit observation, the Management has made recovery.

Sl. No.	Name of the Unit	Administrative Ministry/Department	Nature of overpayment/ under rpecovery/ inadmissible payment	Amount of over payment /under payment/ inadmissible payment as pointed out by Audit	Amount recovered by Auditee organisation during 2018-19	Audit observation and Action taken by Ministry/Department
14.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	0.08	0.06	Inadmissible payment towards interest charges amounting to ₹ 7.71 lakh to State Govt. Agency for purchase of CMR at FCI, DO, Purnea. In view of the audit observation, the Management has made recovery.
15.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.01	0.01	Excess Payment of ₹ 1.38 lakh towards double handling charges at FCI, DO, Motihari. In view of the audit observation, the Management has made recovery.
16.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	0.06	0.06	Inadmissible payment of ₹ 6.20 lakh of interest charges on procurement of CMR from State Agencies at FCI Samastipur. In view of the audit observation, the Management has made recovery.
17.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.03	0.03	Excess payment of ₹ 3.11 lakh to handling Contractor at FCI, DO, Guwhati. In view of the audit observation, the Management has made recovery.
18.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.26	0.12	Excess payment of ₹ 25.79 lakh on direct dispatch of food grains from wagon at FCI, DO, Malda. In view of the audit observation, the Management has made recovery.
19.	Central Warehousing Corporation	Consumer Affairs, Food and Public Distribution	Over Payment	0.09	0.05	Excess payment of ₹ 9.49 lakh to handling Contractor at CWC, RO Patna. In view of the audit observation, the Management has made recovery.

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20.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.03	0.03	Excess payment of ₹ 3.40 lakh to handling Contractor at FCI, DO, Shilong. In view of the audit observation, the Management has made recovery.
21.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over Payment	0.28	0.12	Excess payment due to incorrect considering of multiple handling operation *viz.* unloading, refilling and standardisation of same food grain bag instead of single operation at FCI DO, Muzaffarpur. In view of the audit observation, the Management has made recovery.
22.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	0.04	0.02	Inadmissible payment of interest charges of ₹ 4.99 lakh on procurement of CMR from State Agencies at FCI, DO, Muzaffarpur. In view of the audit observation, the Management has made recovery.
23.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible Payment	0.85	1.05	Non recovery of unloading charges of ₹ 85.33 lakh on wheat delivery by State Government Agencies. In view of the audit observation, the Management has made recovery.
24.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Over payment	0.15	0.18	Excess payment of transportation charges of ₹ 14.90 lakh. In view of the audit observation, the Management has made recovery.

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25.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Under recovery	2.32	0.18	Non recovery of penalty of ₹ 2.32 crores from H&T Contractors towards under movement of stocks at FCI Chhattisgarh and MP Region. In view of the audit observation, the Management has made recovery.
26.	Food Corporation of India	Consumer Affairs, Food and Public Distribution	Inadmissible payment	19.35	28.30	Carry-over charges of ₹ 19.35 crore (₹ 10.92 crore for 2014-15 and ₹ 8.43 crore for 2015-16 was paid to State Govt. Agency (MPSCSC) in respect of stocks taken over in silo bags at Sheopur centre (MP State), which was inadmissible. After this was pointed out by Audit, a review of the carry-over charges paid in MP Region was reviewed by a Committee appointed by FCI. The Committee reported inadmissible carry-over charges payment of ₹ 59 crore of which an amount of ₹ 28.30 crore was recovered from MPSCSC during 2018-19.
27.	Indian Rare Earth Limited-OSCOM	Department of Atomic Energy	Over Payment	0.34	0.34	Incorrect adoption of rate of GST in respect of execution of works towards civil construction for desalination plant resulted in excess payment of GST amounting to ₹ 34.48 lakh along with excess future obligation towards GST amounting to ₹ 61.35 lakh at IREL- OSCOM unit at Ganjam. In view of the audit observation, the Management has made recovery.

Sl. No.	Name of the Unit	Administrative Ministry/Department	Nature of overpayment/ under rpecovery/ inadmissible payment	Amount of over payment /under payment/ inadmissible payment as pointed out by Audit	Amount recovered by Auditee organisation during 2018-19	Audit observation and Action taken by Ministry/Department
28.	Indian Rare Earth Limited-OSCOM	Department of Atomic Energy	Under Recovery	0.19	0.23	Non imposition of LD due to non deployment of EME owing to Party at IREL-OSCOM unit at Ganjam. In view of the audit observation, the Management has made recovery.
Total				**65.66**	**80.48**	