PRESS RELEASE

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

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CAG's Compliance Audit Report on Union Government (Economic and Service Ministries – Civil) Presented

The Compliance Audit Report No. 11 of 2026 of the Comptroller and Auditor General of India on Union Government (Economic and Service Ministries – Civil) for the period ended March 2024 was presented in the Parliament today.

The Report contains 14 audit paragraphs relating to six Ministries (viz. Commerce and Industry, Housing and Urban Affairs, MSME, Petroleum and Natural Gas, Textiles and Tourism) and their Autonomous Bodies. The highlights of the significant paragraphs included in the Report are as under:

- Export Inspection Agency (EIA), Chennai issued cheques in favour of private parties although no goods or services were received from these parties. This resulted in misappropriation of public money to the tune of ₹21.41 crore.

  (Para 2.2)

- Audit of 'Analysis of Schedule of Rates (SoR) in Central Public Works Department (CPWD)' revealed that CPWD did not prepare region-wise SoR as required and lacked supporting documentation for the rates adopted in the Delhi Schedule of Rates. Faulty rate calculations between July 2017 and July 2024 led to excess cost estimates, with discrepancies between field offices' rates and DSR rates, including overestimation of labour components.

  (Para 3.3)

- Audit of the selected nine out of 34 construction works undertaken by CPWD during 2018-19 to 2020-21 in Delhi revealed that CPWD awarded four works without proper detailed estimates, drawings, and layout plans, resulting in deviations and extra items during execution. Audit also found non-appointment of technical representatives, missing contractor insurance in two projects, and non-compliance with contract provisions and environmental laws.

  (Para 3.4)

- Audit of Planning, Construction and Allotment of Houses by Delhi Development Authority (DDA) revealed that the implementation of the Master Plan of Delhi 2021 was affected by significant delays in its notification and Zonal Development Plans, along with inadequate planning, including the absence of housing targets and demand surveys, leading to high flat cancellations. Audit also found deficiencies in cost estimation, delayed refunds, sale of flats without adequate infrastructure, misclassification of EWS flats, large unsold inventories causing blocked funds and unrealized revenue, and weak monitoring due to the absence of a dedicated oversight mechanism.

  (Para 3.5)

Audit of Activities of Coir Board revealed that the Board did not formulate a National Coir Policy and lacked an updated industry database, while its market promotion efforts were ineffective due to poor monitoring, procedural violations, and loss-making showrooms with low sales. Audit also found that nine research projects remained incomplete and 22 completed projects were not commercialised, and the Centres of Excellence failed to achieve their intended objectives in infrastructure and product development.

(Para 4.1)

During audit of Extended Pradhan Mantri Ujjwala Yojana (E-PMUY), Audit observed significant weaknesses in the implementation of the Scheme, including inadequate Aadhaar-based de-duplication in case of 4.28 crore LPG connections, issuance of 1.64 lakh duplicate connections by OMCs and 5.50 lakh PMUY connections to those having non-PMUY connections. Further, ineffective validation controls led to issuance of 2,141 connections to males and 2.61 lakh connections to ineligible beneficiaries. Audit also observed that despite identifying 4.07 lakh duplicate connections, only 3,315 of these connections were terminated by OMCs, highlighting weak oversight and enforcement.

(Para 5.1)

During audit of Amended Technology Upgradation Fund Scheme (ATUFS), Audit observed that only about 40 *per cent* of the allocated funds under the Technology Upgradation Fund Schemes and 41 *per cent* of allocated funds under ATUFS were disbursed, and the Scheme fell well short of its employment and investment targets. Audit also found significant delays in subsidy processing, continued manual claim handling despite the i-TUFS portal, and system-related issues that undermined timely and efficient implementation.

(Para 6.1)

Audit of the Scheme for Assistance to Central Agencies for Tourism Infrastructure Development revealed wasteful/ unfruitful/ irregular expenditure of ₹15.55 crore due to sanction of two projects at the same location with one project subsequently closed, facilities lying idle for more than five years after completion of one project and sanction of an inadmissible project.

(Para 7.2)

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