

Note # 1

Sir,

Para for RAA proposed on "overpayment made to contract on conservancy contract of Medical Department" is submitted at DFA/538923 with attachments(KDs) in TOC

21/08/2023 03:31 PM

RAMESH M R
ASSISTANT AUDIT OFFICER

Note # 2

The following Para for Register of Audit Activities is submitted for kind approval. Draft of the Para is available at DFA/538923

PARA FOR REGISTER OF AUDIT ACTIVITIES

Para No. 05

Unit: Palakkad

Division

Date: 22/08/2023

/08/2023.

Sub: Overpayment made to the contractor in a Conservancy contract due to incorrect adoption of one day wages.

During the review of contracts in the department-centric audit of Medical department of Palakkad Division done in March 2022, it was observed that in one Conservancy contract for Palakkad Junction railway station entered into with M/s. Sun facilities services, Chennai for a period of two years from 19.01.2020, the deduction for payment for short deployment of manpower due to Covid-19 restrictions was assessed and recovered based on minimum wage per day instead of cost per person as per agreement value. On this being pointed out through an Inspection Report, the Administration upheld the audit contention and recovered an amount of Rs.17,28,894 from the contractor. *f/02 back*

(Detected by: Sri K. Pradeep Kumar, Senior Auditor (now AAO/Salem Division))

Authority

- i. Copy of Para No. I of IR No.I.09/PG/MEDICAL CENTRIC/PT.I/2022-23/245 dated 25/07/2022. (Folio-7)
- ii. Copy of Sr.DFM/PGT's letter No.A.84/PGT/R&E/IR/Med dated 18/05/2023 enclosing CMS/PGT's reply dated 16/05/2023 (Folio-2) and Closure advice dated 312/05/2023 (Folio-1)
- iii. Vetted recovery at the instance of statement for the month of May 2023. (Folio-12)

S/-
S.D.M./P.O.T.

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S.A.O./PA 22/8 6

[Signature]
21/8/23
Disto/Admn.

File No. ParaforRAA-PGTD-Compensationcharges (Computer No. 217091)

06

Note # 1

Sir,
Para for RAA on "Non-recovery of compensation charges for shortfall in generation by solar plant from a firm" is submitted at DFA/539082 together with KD1 and KD2 at TOC.

21/08/2023 03:45 PM

RAMESH M R
ASSISTANT AUDIT OFFICER

Note # 2

The following Para for register of audit activities is submitted for kind approval. The draft of the Para is available at DFA/539082

PARA FOR REGISTER OF AUDIT ACTIVITIES

Para No. 06

Division

Unit: Palghat

/08/2023.

Date: 22/08/2023

Sub: Non-recovery of compensation charges for shortfall in generation by solar plant.

Power purchase agreement for rooftop solar plants was entered into by Southern Railway in October 2017 with M/s. Azure Power Rooftop Four Pvt Ltd., New Delhi for installation of rooftop solar panels in various stations of Palakkad Division under design, build, finance, operate and transfer (DBFOT) basis. During the department-centric audit of Electrical department of Palakkad Division done in July and August 2022, it was observed that compensation charges payable as per the power purchase agreement executed with the firm for shortfall in generation of minimum energy were not assessed and recovered from the firm. On this being pointed out through an Inspection Report, the Administration deducted an amount of Rs.1,98,929 from the bills payable to the firm.

(Detected by: Sri P.P.Janardanan, Sr.DAuO/PGT)

Authority

- i. Copy of Para No.16 of IR No.I.04/PGT/Electrical/PT.I/NP/2022-23/380 dated 14/10/2022. (Folio-6)
- ii. Copy of Sr.DFM/PGT's letter No.A.84/PGT/R&E/IR/S&T dated 09.06.2023 (Folio-2) enclosing Sr.DEE/GS/PGT's remarks and Closure advice dated 19/06/2023.(Folio-1)
- iii. Vetted recovery at the instance statement for the month of June 2023.

Sd/-
S.DAuO/PGT

M. Janardanan
S.DAuO/PGT

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PARA FOR REGISTER OF AUDIT ACTIVITIES

Para No. 09

Unit: Palakkad

Division


Date: 19.09.2023

/08/2023.

Sub: Non-deduction of administrative charges from the amount collected towards building and other construction workers welfare cess.

Section 3(3) of the Building and Other Construction Workers Welfare Cess Act 1996 stipulates that the proceeds of the Cess shall be paid by the authority collecting the cess to the Board after deducting the cost of collection of such cess not exceeding one percent of the cess collected. However, scrutiny of the transactions pertaining to the payment of building cess to the respective State Boards available in IPAS data by Audit revealed that the aforesaid deduction of 1% of the collected cess has not been made in Palakkad Division at the time of making payments resulting in foregoing reimbursement of administrative expenditure amounting to Rs.2,15,548 for the period from 2019-20 to 2022-23. On this being taken up through a Test Audit Note in February 2023, the Administration deducted the amount from the cess collected later.

(Detected by: Sri I.Gangadharan, AAO)


Director (Admn)

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No. PARAFORRAA-PGTD-TRACKMAINTENANCECHARGES (Computer No. 22655)

PARA FOR REGISTER OF AUDIT ACTIVITIES

Para No. 10

Unit: Palghat Division

Date: 19/09/2023.

Sub: Short claiming of Siding maintenance charges due to incorrect rounding of track length.

As per Railway Board's letter No.96/CE.I/SP/Misc dated 19/08/1998, for arriving the equated track length of a private siding for the purpose of claiming track maintenance charges, fraction upto half a kilometer should be treated as half a kilometer and fraction above half a kilometer should be rounded off to the next kilometer. This was reiterated in Railway Board's letter No.2002/CE.I/SP/I dated 12/07/2005. It was observed during the check of siding accounts that in respect of the FCI siding at Payyanur in Palakkad Division, maintenance charges for a track length of 1.0 km only was claimed by the Accounts department though the exact length of the track to be maintained by Railways as per records was 1042 meter resulting in short claiming of track maintenance charges for 0.50 km.

On this being pointed out by Audit through a Test Audit Note Part I in October 2020, the Railway Administration had replied that as per Railway Board letter dated 18.06.2021, fraction upto 100 meters should be treated as 100 meters and thus the equated track length of FCI siding at Payyanur for the purpose of claiming track maintenance charges is 1.1 Km. Accordingly, the Railway Administration had raised additional bills amounting to Rs.4,12,904 against the siding authority duly correcting their records.

(Detected by: Sri P.P.Janardanan, Sr.DAuO/PGT)



Director (Admn)

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PARA FOR REGISTER OF AUDIT ACTIVITIES

PARA NO: 14

UNIT: W&S/GOC

Dt: 26/09/23

Sub: Recoveries pertaining to other than establishment matters ₹ 57,22,963

During Audit various Inspections of Executive Offices of GOC Workshop the following irregularities were pointed out,

A. Non-attending and non-replacement of warranty claims of batteries and other vital components by the firms were pointed out by Audit, the administration recovered a sum of ₹ 25,91,242/- from the firm.

(IR Part I on the Department Centric Activity Based Audit Carriage Activity in GOC workshop in Nov & Dec 2020)

[Detected by Smt.V.Aiswarya, AAO]

B. Risk purchase amount stated during cancellation of Purchase order was not recovered from the default supplier. On this being pointed out by Audit, administration had recovered a sum of ₹ 18,17,030/- from the supplier

(Test Audit Note Part I on the Review of completed Purchase Order M/s. Lalbaba Industrial Corporation)

[Detected by Shri.G.Kannan,AAO]

C. Materials were not supplied by the firms' for Purchase orders and GOC administration had cancelled the same with recovery of General damages. However the same was not entered into IPAS system resulting in non-recovery of the GD amount of Rs. 13,14,691/- from the defaulting firms. On this being pointed out by Audit, a sum of Rs. 13,14,691/- is recovered from the suppliers' pending bills.

(IR Part I activity based Audit of Carriage Activity done during July 2021-22)

[Detected by Smt.V.Aiswarya, AAO]

Authority:

1. Copies Inspection Report Part I and Test Audit Note Part I
2. Vetted statements of recoveries at the instance of Audit received from Dy.FA&CAO/W&S/GOC (copies enclosed)

Submitted for approval please.

Sr.Audit Officer/W&S/GOC

Sr.AuO/PA/MAS 279. Director/Admn

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