

CHAPTER - 8

Monitoring System

8.1 Project Monitoring

PGCIL monitors projects through a two tier monitoring system at both pre-award and post-award stage of contracts. For corporate level monitoring, Corporate Monitoring Group (CMG) and for Regional level monitoring, Planning Environment & Social Management (PESM) Departments of the concerned regions are the responsibility centers.

8.2 Pre-award monitoring

While WPPP prescribed monthly pre-award meetings at the level of Executive Director (Contract Services) and review meetings at the level of Director (Projects) once in two months, the same were held after an average gap of four months during March 2007 to April 2012. Minutes of meetings were not maintained.

During these meetings, Executive Director (Contract Services)/Director (Projects) had instructed that early supply of inputs/ finalisation of qualification requirements for timely floating of NIT, *etc* be examined. A review of 47 cases where specific dates were targeted in meetings held during April 2007 to March 2012 to complete pre-award activities revealed that in 16 cases, compliance was delayed by one to 13 months Further, details of follow up action on decisions taken, if any, in previous meetings were not on record.

8.3 Post-award monitoring

8.3.1 Monthly Progress Reports

WPPP laid down that Regional PESM Department was required to submit Monthly Progress Report (MPR)¹⁰⁸ to the Corporate Centre. Corporate Monitoring Group at corporate level was thereafter, required to submit a region-wise summarized Management Information System (MIS) report to CMD and all Directors.

The format of MPR was, however, not standardized and different formats were used by different Regions for sending the information. A test check of 21 MPRs¹⁰⁹ of all nine Regions pertaining to March 2010, March 2011 and March 2012 revealed that status in respect of various relevant issues, such as sub-vendor approval, PGCIL's obligations, site activities *etc.* were not included, though it was required as per WPPP. Moreover, CMG at corporate level did not furnish summarized MIS as required to be submitted to Directors/CMD.

¹⁰⁸ containing complete information relating to projects along with exception reports identifying critical areas and action taken report in respect of action plan decided in previous meeting.

¹⁰⁹ Out of 27 MPRs (three each for nine Regions) six MPRs (SR-I for March 2011, SR-II for March 2010, ER-I for March 2010 & March 2012 and NR-I for March 2010 & March 2011) were not furnished by the Management.

8.3.2 Project Review Meetings

WPPP of PGCIL provided that, for better coordination amongst various departments at Corporate Office and Regions as well as smooth execution of projects, Region-wise Project Review Meetings (PRMs) shall be held and chaired by the Executive Director of respective Region, once in two months.

Review of records, however, revealed that PRMs were not held at prescribed intervals as meetings ranging between three and 12 were held¹¹⁰ by Regions against 30 meetings required to be conducted by each Region during 2007-2012.

8.3.3 Quarterly Performance Review at MOP level

In addition to project monitoring system at PGCIL's level as discussed above, MOP also monitored the performance of PGCIL projects every quarter. However, status of quarterly performance review meetings held during 2007-12 revealed that such meetings were not held for two quarters (third quarter of 2007-08 and fourth quarter of 2011-12) and 14 meetings were held with delays ranging from three months to six months. This needs to be viewed in the context that only one out of 20 projects selected for audit, was completed within the scheduled time.

8.4 Project completion reports

PGCIL did not have the system of preparing project completion reports after completion of projects to bring out at one place all technical and financial details of the project, major problems faced during implementation and specific initiatives/actions taken to solve them. Such reports could be used to bring on record any special process or methodology adopted and its experience/achievement as well as any important aspects to be kept in view in future projects.

MOP noted (March 2014) the audit observations contained in paras 8.2, 8.3 and 8.4 and assured that these would be suitably addressed in revised WPPP/ERP.

¹¹⁰ *WR I-12, WR II-09, NR I-09, NR II-07, NER-07, SR I-05, SR II-03, ER I-03 and ER II-03.*