

CHAPTER XVIII: MINISTRY OF URBAN DEVELOPMENT

Central Public Works Department

18.1 Undue financial benefit to the contractor

The Superintending Engineer and the Executive Engineer, Central Public Works Department's failure to take appropriate action for timely completion of work and to recover dues from the defaulting contractor, resulted in loss of Rs 70.92 lakh, apart from delay in execution of the work.

Mention was made in Paragraph 4 of the Comptroller and Auditor General of India's Audit Report No. 2 of 1995 on Union Government (Civil) regarding added financial liability of Rs 78.02 lakh due to delay in finalisation of work site for construction of a 50 bedded Hospital for beedi workers at Dhulian, Murshidabad. The work was completed in May 1999, more than four years behind schedule, and the cost of the work stood at Rs 222.34 lakh against the original cost of Rs 84.99 lakh, as would be evident from the following:

The Executive Engineer, Calcutta Central Division VII, Central Public Works Department (CPWD) awarded the work of construction of the hospital building including water supply, sanitary installation and drainage to B.M. Pal Choudhury & Co. in March 1993 at a cost of Rs 163.01 lakh. The work was to be completed by February 1995. As per clause 5 of the general conditions of contract the contractor was to complete 75 per cent of the work by August 1994. However, due to slow progress the contractor completed only 26.18 per cent of the work till April 1994 and 26.73 per cent of the work valued at Rs 43.58 lakh till February 1995. After issuing two show cause notices to the contractor, the Executive Engineer rescinded the contract on 30 November 1994. However, on receiving an undertaking from the contractor regarding resumption and completion of the work, the Chief Engineer, Eastern Zone, at the Executive Engineer's request kept the rescission order at abeyance. The position did not improve and the Executive Engineer finally rescinded the contract in March 1995. The Executive Engineer awarded the balance work to another contractor in July 1995 at a cost of Rs 161.94 lakh, thereby increasing the liability of the work by Rs 42.51 lakh. The contractor completed the balance work in May 1999 at a cost of Rs 178.76 lakh. Against the sanctioned cost of Rs 84.99 lakh, the value of the work thus stood at Rs 222.34 lakh.

Immediately on rescission of the contract, the Superintending Engineer and Executive Engineer should have taken action under Para 33.1 of CPWD Manual Vol-II and Director General's orders of 1984 regarding clause 2 and clause 3 of the contract on delayed performance against B. M. Pal Choudhury & Co. Excess issue of material to the contractor should also have been adjusted. However, these actions were not taken as detailed below:

Description	Amount (Rs in Lakh)	Remarks
Levy of compensation under Clause-2	14.85	Not invoked
Recovery of Risk and Cost under clause-3	42.51	Risk and cost amount of only Rs 39.27 lakh invoked instead of Rs 42.51 lakh, as per awarded work. The reason for difference has not been given by CPWD.
Excess issue of Materials and recoverable cost of transportation etc.	13.56	Not recovered till rescission of contract
Total	70.92	

The Executive Engineer, however, asked the contractor to pay Rs 49.65 lakh only in July 1997 i.e. more than two years of rescission of the contract. This amount has also not been recovered till July 2001.

Against the total dues of Rs 70.92 lakh from B.M. Pal Choudhury & Co., the Executive Engineer could adjust only Rs 4.18 lakh (Rs 3.18 lakh for value of work done but not paid and Rs 1.00 lakh towards refund of Security Deposit), leaving balance of Rs 66.74 lakh.

Though the balance work was completed in May 1999, the Superintending Engineer/Executive Engineer did not finalise the bill of B.M. Pal Choudhury & Co for recovering Government dues, nor did they debar him from participating in any tender for award of work in future. It was noticed that B.M. Pal Choudhury & Co. was same contractor against whom risk and cost of Rs 36.83 lakh was not recovered in the case of an earlier contract for construction of staff quarters for Eastern Regional Electricity Board, though the contract was rescinded in July 1991.

Thus, the Superintending Engineer and Executive Engineer failed to exercise their control over the progress of the work executed by B. M. Pal Choudhury & Co. They neither finalised the bill and accounts of the defaulting contractor expeditiously as per instruction of Director General (Works) nor adhered to the provisions of clause 2, 3 and 5 of the contract to safeguard the interest of the Government. This, apart from delay in execution of the work by 51 months involving increase in cost of the work by Rs 137.35 lakh, resulted in non-recovery of government dues amounting to Rs 70.92 lakh, resulting in undue financial benefit to the contractor. The Executive Engineer stated in July 2001 that the Division had repeatedly asked the contractor to deposit all dues but the contractor did not respond. The contention, however, is not correct, as the dues remained outstanding even after six years from the date of rescission of the contract.

The matter was referred to the Ministry in June 2001; their reply was awaited as of November 2001.

18.2 Unauthorised demolition of heritage building

Executive Engineer, Kolkata Central Division-III, Central Public Works Department awarded the demolition work of Old Currency Building in violation of rules which resulted in avoidable payment of rent amounting to Rs 4.88 crore by the occupying Government offices, apart from damage to the heritage building and anticipated restoration cost of Rs 12.69 crore.

The Old Currency Building at BBD Bag, Kolkata was constructed in the year 1833. The historical building was declared dangerous by the Executive Engineer, Kolkata Central Division (KCD-III), and Central Public Works Department (CPWD) in 1994.

As per section 20 of the Calcutta Municipal Corporation (CMC) Building Rules 1990, CPWD is to give prior notice to KMC for demolition of the building.

The Ministry of Urban Development, decided in July 1994 to demolish the Old Currency Building and to construct a multi-storeyed general pool office building in its place for optimum utilisation of land. Three offices of Government of India were housed in the building. In December 1995, Director General of Works, CPWD conveyed approval to the survey report for the demolition of the building fixing reserve price at Rs 24.16 lakh. However, no notice for demolition of the building was given by CPWD to KMC. In May 1996, the KMC declared the Old Currency Building a heritage building in the Land Use and Development Control Plan for the area published on 26 May 1996 in the Official Gazette. The Executive Engineer KCD-III, CPWD, however, without observing the extant municipal rules and gazette notification, unauthorisedly awarded the demolition work of the heritage building to a contractor in July 1996. As per the agreement, the contractor deposited Rs 25.51 lakh in July 1996 towards proceeds of the dismantled materials and Rs 3.55 lakh towards security deposit and earnest money.

The contractor started demolition in August 1996. In November 1996 the Municipal Architect and Town Planner issued a notice under sections 54 and 53 of the West Bengal (Town and Country) Planning and Development Act 1979 and asked CPWD to stop the demolition as well as to restore the building, within one month, to the condition as was prevailing before the unauthorised demolition. By then, the contractor had demolished the central portion of the building including three domes and removed the flooring and fittings. Meanwhile, as the building had been vacated for demolition, two of the three offices of the Government of India which shifted to hired premises in February and June 1996 respectively had incurred an expenditure of Rs 4.88 crore on rent till August 2001. The contractor, being aggrieved with the decision of the CPWD to stop the demolition work, sought arbitration and listed a claim of Rs 63.80 lakh towards refund of deposits, loss of profit and interest thereon etc. Although the Arbitrator has been appointed by the Chief Engineer to settle the dispute, the CPWD is yet to submit its counter claim.

The Department has not taken up restoration work, as the Director General (Works) has not sanctioned it as of August 2001.

Superintending Engineer, CPWD stated in August 2001 that KMC had never intimated CPWD, the custodian of the building, about declaring it a heritage building. The reply is not tenable as it was mandatory on the part of the CPWD to give prior notice of demolition to KMC under section 20 of CMC Building Rules 1990. The building was declared a heritage building through a gazette notification in May 1996 and CPWD awarded the demolition work two months later in July 1996.

Thus, CPWD's failure to observe extant rules and notification relating to preservation of heritage buildings, damaged the heritage building. The partly demolished structure remained as such for almost five years rendering it unsuitable for commercial or office use. This also resulted in avoidable payment of rent of Rs 4.88 crore up to August 2001. In addition, the department may also be liable to settle the claims of the contractor apart from anticipated restoration cost of Rs 12.69 crore.

The matter was referred to the Ministry in June 2001; their reply is awaited as of November 2001

18.3 Wasteful expenditure

Central Public Works Department's failure to fix alignment of Indo Bangladesh Border road in Murshidabad district of West Bengal resulted in wasteful expenditure of Rs 74.45 lakh.

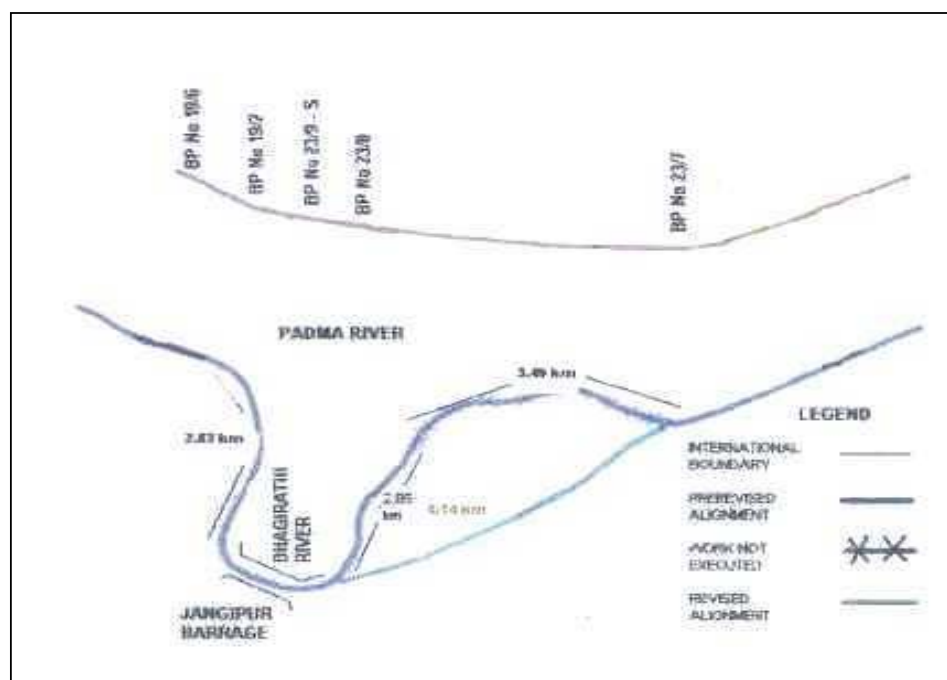
In April 1993 the Executive Engineer, Murshidabad Central Division CPWD after conducting survey for construction of Indo-Bangladesh Border (IBB) Road in Murshidabad District of West Bengal from Border Pillar (BP) 34/4-S to BP 10/4-S sent a proposal to Commissioner (Border), Ministry of Home Affairs for approval of alignment. As per the proposal a stretch from BP 23/7 to BP 23/9-S along with a bridge over river Bhagirathi would be constructed without using an existing pucca road on efflux bundh and a bridge on Jangipur Barrage, as these being far from the river Padma were not considered useful. This was done despite reports from the Chief Engineer, Irrigation Department, Government of West Bengal that extensive protection works against river erosion were necessary for the proposed alignment. The Border Security Force (BSF) Headquarters in February 1996 however, decided against the construction of a bridge.

The Executive Engineer therefore, forwarded a revised proposal for change in alignment to the Commissioner (Border) in December 1996. This required construction of two stretches of road on the right and left banks of the river Bhagirathi in order to connect the original alignment with the existing efflux bundh so that the Jangipur Barrage bridge could be used. The proposal was approved in June 1997 and work was taken up on the stretches of 2.85 kms in February 1998 and 2.83 kms in January 1998 respectively.

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The Deputy Commissioner, (Border), the Inspector General, BSF and the Superintending Engineer, CPWD jointly decided in October, 1998 to take the IBB road along the existing efflux bundh as the 3.49 kms long road along the original alignment was vulnerable, being very near the river Padma and required extensive protection works. This stretch of 3.49 kms was to join the stretch of 2.85 kms, which was under construction to link the original alignment with the Jangipur Barrage. CPWD had not carried out any work on the stretch of 3.49 kms. BSF approved the change of alignment in June 1999 and work was taken up for construction of a stretch of 6.14 km on the newly approved alignment using the efflux bundh.

Consequent upon the approval and commencement of road work on the efflux bundh, the stretch of 2.85 kms on which work was completed in July 2000 at a cost of Rs 74.45 lakh, lost its utility as the stretch of 6.14 kms on efflux bundh directly connects the original alignment with the Jangipur Barrage as would be evident from the diagram given below:-



The CPWD's contention that this 2.85 kms stretch can be used as feeder road is not tenable as it cannot be utilised either for patrolling or inspection by the BSF. Thus, the CPWD's decision to follow the alignment along the River Padma despite its vulnerability to river erosion, as pointed out by Chief Engineer, Irrigation Department without utilising the existing efflux bundh resulted in wasteful expenditure of Rs 74.45 lakh.

The matter was referred to the Ministry in July 2001; their reply was awaited as of November 2001.

18.4 Injudicious expenditure

Improper planning by the Executive Engineer, Malda Central Division-II resulted in abandonment of road work after incurring an injudicious expenditure of Rs 438.05 lakh towards acquisition of land, earthwork and construction of bridge.

The joint Investigation Team of the Government of India and the Government of West Bengal proposed in December 1993, the construction of a border road in the shape of a loop and interconnecting bridge from BP No. 213 to BP No 219 in the Indo Bangla Border (IBB) Zone for better surveillance by Border Security Force (BSF). This area was cut off from land and was partly waterlogged due to the meandering course of the River Punarbhava.

Accordingly, the Chief Engineer, IBB Zone accorded technical sanction for earthwork and culvert construction in September 1995 for a 9.34 km loop shaped road from BP 213/MP to BP 218/I-S. The Executive Engineer, Malda Central Division-II, awarded the work to a contractor in September 1996 at a cost of Rs 102.40 lakh, to be completed by March 1998. However, only 6.34 km of the earthen embankment was completed till February 2001 at a cost of Rs 81.51 lakh.

In the course of construction, it was seen that the low lying loop area was flooded during rainy season and there was failure of embankment in certain parts. The Chief Engineer, Irrigation, Government of West Bengal on being consulted stated that only a low level submerged fair weather road was advisable in the area.

In view of this, the Technical Committee in its meeting of September 2000 decided that because of the risk of washing away of road work in that highly flood prone area, further work was not required. The agreement was therefore closed in July 2001.

In the meantime, Executive Engineer, Malda Central Division II, CPWD had incurred Rs 73.61 lakh for land acquisition between November 1996 and November 1997. Moreover, the construction of a Steel Trussed Bridge across the River Punarbhava was also completed in June 1999 at a total cost of Rs 282.93 lakh. Since the roadwork was abandoned, construction of bridge also became injudicious.

The Executive Engineer stated in August 2001 that as per the decision taken in 48th Technical Committee Meeting held in September 2000, the BSF agreed to patrol the area. However, it was noticed in audit that as decided by the BSF and the Technical Committee in September 2000 the earthen embankment and bridge would be used only for foot patrolling in fair weather. The Executive Engineer in October 2001 stated that the work has not been abandoned and was still under consideration. However, his contention is also not tenable in view of the Technical Committee's decision not to approve the revised preliminary estimate for continuance of the work.

Thus, improper planning resulted in abandonment of road work despite an expenditure of Rs 438.05 lakh towards acquisition of land, earthwork and construction of bridge.

The matter was referred to the Ministry in September 2001; their reply was awaited as of November 2001.

18.5 Irregularities in execution of deposit works

The Executive Engineers of Central Public Works Department, Kolkata did not follow rule provisions in execution of deposit works, which resulted in incurring expenditure of Rs 509.95 lakh in excess of deposit apart from non-utilisation and consequent retention of funds amounting to Rs 321.64 lakh.

The term 'Deposit work' is applied to work of construction or repair, the cost of which is not met out of Government funds, but is financed by non-government sources. The amount involved may either be deposited in cash or otherwise placed at the disposal of the Divisional officer. Further as per Central Public Works Department (CPWD) code, whenever a deposit work is to be carried out, the contribution should be realized before any liability is incurred on account of the work. However, in cases where the Ministry is satisfied that the money will be forthcoming when required, it may authorize the recovery from the contributor in suitable instalments on fixed dates. No advance of Government money for this purpose is permitted.

Test check in audit revealed that as of June 2001, the Executive Engineers of seven Civil and three Electrical Divisions of CPWD, Kolkata incurred expenditure of Rs 509.95 lakh in excess of the deposits received by them from the client departments, for execution of deposit works, in violation of the codal provision. Of this, Rs 299.86 lakh remained outstanding for more than six years, which included Rs 132.55 lakh recoverable from National Airport Authority for works executed on their behalf by CPWD between 1986-87 and 1991-92. Excess expenditure on these deposit works was made either from CPWD's own budget grant or from funds available with other deposit works, violating the codal provision.

It was also noticed that the Divisional officers did not settle accounts with client departments immediately on completion of the respective deposit works. The Divisional officers, without refunding the amount to the respective client departments, continued to hold Rs 321.64 lakh upto January 2001. Out of this, Rs 65.57 lakh was retained in divisional accounts for more than six years.

In respect of expenditure incurred from CPWD's budget grant, the Executive Engineer stated in July 2001 that in order to avoid litigation the excess expenditure was incurred under Miscellaneous Public Works Advances (MPWA). No recovery has, however, been made as of July 2001 to clear the amount booked under MPWA as envisaged in CPWD rules. Similarly, for utilization of funds available with other deposit works, the divisional officers stated in July 2001 that the expenditure was incurred out of the total deposits

available with the Division as per the letter of credit available. No approval was, however, obtained from the client departments for utilisation of such funds. Due to delay in settlement of accounts of the client departments, the unutilised funds continued to remain in Civil Deposits with CPWD since January 1984.

Thus, failure of Divisional Officers of CPWD, Kolkata to observe manualised provisions on receiving of deposit contribution in full before taking up of work, continuance of work despite delays in making payment of instalment and non-settlement of accounts of client department on completion of work, resulted in short realization of Rs 509.95 lakh from client departments, apart from non-utilisation and consequent unauthorized retention of Rs 321.64 lakh received from other client departments.

The matter was referred to the Ministry in August 2001; their reply was awaited as of November 2001.

18.6 Negligence in acquisition of land

Failure of Central Public Works Department to check the status of land before making the payment of its cost of Rs 3.15 crore, resulted in non-achievement of the objectives for which land was required besides avoidable payment of Rs 76.43 lakh towards delay in payment of land costs.

Ministry of Urban Development accorded administrative and financial sanction of Rs 2.64 crore in March 1995 for acquisition of land for construction of general pool office accommodation at Vidhyadhar Nagar, Jaipur. The expenditure was to be met from the sanctioned budget grant or by reappropriation during 1994-95 and by making specific budget provision in subsequent years.

Test check of records of Superintending Engineer, CPWD, Jaipur disclosed in January 2000 that Jaipur Development Authority (JDA) allotted 7310 sqm. land in February 1995 at the rate of Rs 3180 per sqm at a total cost of Rs 2.38 crore. According to the terms and conditions of the allotment, the amount was to be deposited with JDA within one month from the date of allotment letter. CPWD deposited the amount in two instalments i.e. Rs 100 lakh on 30 January 1996 and Rs 138.27 lakh on 9 April 1996, without surveying/seeing the location of the land. Meanwhile, JDA increased the rate of land from Rs 3180 to Rs 4200 per sqm. with effect from 1 November 1995 and issued a revised allotment letter on 22 February 1996 and demanded a total amount of Rs 3.15 crore at the revised rate. The additional amount of Rs 76.43 lakh was also deposited by CPWD in March 1998. Thus, CPWD had to incur an avoidable expenditure of Rs 76.43 lakh on account of revision in the cost of land due to delay in payment.

The possession of the land had not been obtained as of February 2001 as part of the allotted land was a nallah. JDA, therefore, allotted 7481 sqm. land in other areas and demanded an additional amount of Rs 11.04 lakh for increased

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area of 171 sqm. at the rate of Rs 6300 per sqm., but CPWD was not ready to take possession of additional land. As the land has not been taken over, Rs 3.15 crore remained unutilised for more than four years.

Executive Engineer, CPWD (JCD-I) intimated in February 2001 that the payment of Rs 2.38 crore could not be made to JDA due to non-availability of funds during 1994-95 as administrative and financial sanction from the Ministry of Urban Development was received in March 1995. The reply was not tenable as the allotment letter was issued by JDA on 1 February 1995 according to which the amount was to be deposited within a period of one month. CPWD demanded the funds as late as in September 1995. The payment to the JDA was made in the last quarter of the financial year of 1995-96 and in the first month of financial year 1996-97. Had the payment been made after proper and timely survey of the land, excess payment of Rs 76.43 lakh could have been avoided.

Thus, not only was the main objective of construction of general pool office accommodation defeated but negligence in timely deposit of cost of land by the Executive Engineer to JDA, led to incurring of extra expenditure of Rs 76.43 lakh. Funds to the tune of Rs 3.15 crore remained unutilised since possession of the land was not taken.

The matter was referred to the Ministry in April 2001; their reply was awaited as of November 2001.

18.7 Financial package for reconstruction of houses damaged by cyclone/floods in Karnataka

Poor monitoring of the scheme resulted in blocking of funds and non-recovery of the unutilized central subsidy.

Ministry approved in 1993-94 a financial package for reconstruction of houses completely damaged in cyclone/floods in Tamil Nadu, Karnataka and Kerala in October/November 1992. The package consisted of Central and State subsidy each of 30 *per cent* of the unit cost of Rs 15000 and balance 40 *per cent* as loan at the rate of 13.5 *per cent* from HUDCO. According to the package, 33428 dwelling units with Central and State shares of Rs 15.04 crore each were to be reconstructed within two years i.e. upto March 1996 in Karnataka.

HUDCO sanctioned 28449 dwelling units in Karnataka and released Rs 3.20 crore as Central Subsidy in advance to the State implementing agency viz. Karnataka Housing Board in September 1994 to enable the beneficiary to start work. A scrutiny of the records of the Ministry during October 1996 revealed that no construction work was even taken up in Karnataka. In view of the non-implementation of the scheme, Ministry decided to recover the subsidy already drawn by the implementing agency and issued directions to the effect to HUDCO in August 1995. Out of Rs 3.20 crore of subsidy drawn by

Karnataka Housing Board, Rs 2.10 crore was refunded by them as of February 2001. The balance Rs 1.10 crore of subsidy was recoverable as of July 2001.

Poor monitoring of the scheme by the Ministry resulted in blocking of funds of Rs 3.20 crore for more than five years. The objective of reconstructing the damaged houses also remained unachieved.

Ministry in their reply in July 2001 accepted the audit observation and stated that they were pursuing the matter with Chief Secretary, Government of Karnataka.

18.8 Failure to construct earthquake resistant demonstration houses in Uttaranchal

The lack of planning and coordination coupled with administrative indecision reflected the absence of sense of urgency in the construction of demonstration houses resistant to earthquake in the district of Uttaranchal

Himalayan region is an earthquake prone area where earthquakes of magnitude 5 on the Richter scale are not un-common. Garhwal circle of Uttaranchal state suffered an earthquake with a magnitude of 6.6 on the Richter Scale on 20th October 1991. 20,000 homes were destroyed and thousands more were partially damaged apart from loss of human and animal life. Uttarkashi, Tehri Garhwal and Chamoli districts were the worst affected.

In the wake of the earthquake, the Ministry of Urban Development (now Urban Development & Poverty Alleviation) and the Government of Uttar Pradesh (now Uttaranchal) decided in November 1991 to construct earthquake resistant demonstration houses at different places in the earthquake affected districts of Uttarkashi, Tehri Garhwal and Chamoli under the National Building Organisation's (NBO) Experimental housing scheme. The main objective of this project was demonstration of innovative techniques and earthquake resistant measures through the right type of construction of earthquake proof houses in sensitive areas of Uttarkashi and Garhwal. It also aimed to provide on-the-site training to the rural artisans and workers in new technologies.

Out of Rs 16.27 lakh approved for the project, Rs 14.42 lakh was released in April 1992 as first instalment to the Commissioner, Uttar Pradesh Rural Housing Board.

The project, however, is yet to commence (as of August 2001) on grounds of non availability of matching/balance funds with the Uttar Pradesh Rural Housing Board and also non-operationalisation of Building centres by HUDCO in that region. Audit scrutiny of records of NBO and Ministry revealed that this case was not pursued after February 1995.

On being pointed out by Audit in January 1997 NBO asked the Board in May 1997 to refund the grant of Rs 14.42 lakh released to them. The unutilised grant of Rs 14.42 lakh had not been refunded as of May 2001. NBO stated in

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February 2001 that the State Government was being pursued to refund the grant at the earliest.

Thus, total lack of planning, co-ordination and administrative indecision on the part of Central/State Government has already resulted in delay of nearly 10 years in implementing the project and, resultantly, has defeated the very objective of demonstration of innovative techniques and earthquake resistant measures in housing in the earthquake-prone areas of Himalayan region. It reflected the absence of a sense of urgency in addressing a problem with such grave implications.

The matter was referred to the Ministry in June 2001; their reply was awaited as of November 2001.

18.9 Delay in completion of jobs

Poor monitoring by the Forms Unit of Government of India Press led to inordinate delay in completion of jobs resulting in loss of Rs 74.51 lakh with risk of further loss of Rs 38.56 lakh.

The Government of India Press undertakes printing jobs for the Ministries and departments of the Government of India. The cost incurred on printing is recovered from them on the basis of the cost of materials, labour and overheads. The Managers of the Press are responsible for timely completion of the jobs and for realisation of the cost. The Press Hand Book provides for maintenance of Work Docket, Daily Work Progress Book and monthly Arrears List to monitor progress of work.

Test check of records relating to jobs received in the Forms Unit of the Press between August 1987 and September 1998 revealed that for 29 jobs, completion dates were neither fixed nor recorded in the Work Docket. The Press recorded entries in the Work Progress Book only in respect of five jobs. Of the balance 24 jobs, the Press recorded no entries in the Daily Work Progress Book in respect of 14 jobs and part entries in respect of the remaining 10 jobs. The Press also did not prepare any monthly arrear list upto July 2000, while between August 2000 and March 2001, it had prepared the list on four occasions. Thus failure to monitor the progress of work by the Manager and Director of Printing delayed the completion of jobs as detailed below:

- (i) Nine out of the 29 printing jobs received from various indentors between March 1988 and January 1992 were completed between April 1991 and October 1997 i.e. after 16 to 68 months. Resultantly, the indentors refused to accept the printed matter, as the concerned forms had become obsolete. In one case the Press erroneously printed 2 crore forms against the order for 2 lakh forms with consequent excess expenditure of Rs 24.02 lakh.

The delay in printing and excess printing resulted in loss of Rs 73.15 lakh.

- (ii) In respect of the balance 20 jobs, eight jobs, for which paper worth Rs 32.83 lakh was issued, were closed between April 2001 and June

2001 after partial despatch. A sizeable part of these jobs involving paper worth Rs 16.21 lakh could not be completed till July 2001 even after 34 to 167 months.

Similarly, in case of the remaining 12 jobs, the major portion of the work for which paper worth Rs 23.71 lakh was issued remained incomplete till July 2001, 39 to 138 months after receipt of indent.

This invites the risk of rejection of these jobs too by the indentors and probable loss of Rs 38.56 lakh besides loss of paper valuing Rs 1.36 lakh damaged by rainwater.

Thus, the poor control over the functioning of the Press resulted in loss of Rs 74.51 lakh and also involved the risk of further loss of Rs 38.56 lakh.

The Manager of the Press stated in April 2001 that in order to avoid further criticism from the indentors as well as loss to Government, the press had kept all the jobs above 3 years in abeyance to ascertain the requirement from the department concerned. The inefficiency of the press was responsible for delay in completion of work and consequent loss to the Government.

The matter was referred to the Ministry in June 2001; their reply was awaited as of November 2001.

18.10 Follow up on Audit Reports

Despite repeated instructions/recommendations of the Public Accounts Committee, the Ministry did not submit remedial Action Taken Notes on two Audit Paragraphs.

Review of outstanding Action Taken Notes (ATNs) on paragraphs included in the Report of the Comptroller and Auditor General of India, Union Government (civil) as of September 2001 revealed that the Ministry has failed to submit ATNs in respect of two Paragraphs included in the Audit Report for the year ended March 1999 as detailed below:

Number and year of the Audit Report	Paragraph Number	Subject
2 of 2000	5.1	Functioning of Land and Development Office
2 of 2000	19.2	Retention of rented premises beyond requirement

The matter was referred to the Ministry in October 2001; their reply was awaited as of November 2001.