

CHAPTER XXI : MINISTRY OF TOURISM

Dr. Ambedkar Institute of Hotel Management Catering and Nutrition

21.1 Excess payment of departmental charges

Incorrect application of CPWD rate for departmental charges resulted in excess payment of ₹ 61.46 lakh.

As per section 12.1 of CPWD Works Manual, no departmental charges are levied for the government works and those of autonomous bodies fully funded by the Central Government. For other works, departmental charges as prescribed in the CPWD Works Manual are levied¹.

Dr. Ambedkar Institute of Hotel Management Catering and Nutrition (Institute) is an autonomous body constituted by the Government of India. The Institute receive grants for capital works from Government of India whereas day to day expenses are met from its own resources. Hence, departmental charges as prescribed by CPWD ought to be levied on works taken up by the Institute.

Audit noticed that the Institute accorded (January 2010) administrative approval for construction of an additional block at ₹ 9.91 crore. Scrutiny of the cost estimate revealed that the executing agency of this work, i.e. Engineering Department, UT Chandigarh, had charged departmental charges at 14.30 *per cent* as against the seven *per cent* stipulated in the CPWD Works Manual. This resulted in excess payment of departmental charges amounting to ₹ 61.46 lakh².

¹ Departmental charges at 12 *per cent* of estimated cost for works costing up to ₹ 200 lakh, at eight *per cent* for works costing between ₹ 200 lakh and ₹ 500 lakh and at seven *per cent* for works costing above ₹ 500 lakh.

² (a) Estimated cost: ₹ 841.89 lakh (b) Departmental charges at 14.30 *per cent*: ₹ 120.39 lakh. (c) Departmental charges at seven *per cent*: ₹ 58.93 lakh (d) Excess payment: ₹ 120.39 lakh - ₹ 58.93 lakh = ₹ 61.46 lakh.

The Institute stated (April 2017) that the matter has been taken up with the Engineering Department of UT Chandigarh.

The matter was referred to the Ministry in May 2017; its reply was awaited (December 2017).

New Delhi
Dated: 23 February 2018



(MAMTA KUNDRA)
Director General of Audit
Central Expenditure

Countersigned



New Delhi
Dated: 01 March 2018

(RAJIV MEHRISHI)
Comptroller and Auditor General of India