

EXECUTIVE SUMMARY

I Introduction

1. This Report includes important audit findings noticed as a result of test check of accounts and records of Ministries/ Departments and their Central Autonomous Bodies conducted by the officers of the Comptroller and Auditor General of India as per the provisions of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (Act).

2. The Report contains 24 individual observations relating to seven Ministries. The draft observations were forwarded to the concerned Ministries providing them an opportunity to furnish their replies/comments in each case within a period of six weeks. Replies to eight observations were not received even as this Report was being finalised as indicated in para 3 below.

3. The paragraphs included in this Report relate to the following Ministries of the Government of India and their Central Autonomous Bodies:

Sl. No.	Ministry/Department	Number of paragraphs	Number of paragraphs in respect of which Ministry/ Department's reply was awaited
1.	Chemicals and Fertilizers	1	0
2.	Corporate Affairs	1	0
3.	Housing And Urban Affairs	12	7
4.	Power	1	0
5.	Road Transport And Highways	1	0
6.	Shipping	6	1
7.	Tourism	2	0
Total		24	8

II Highlights of some significant paragraphs included in the Report are given below:

Board of Governors (BoG) were not constituted in the six new NIPERs till March 2019 and the Steering Committee was discharging the functions of the BoG. The BoG at NIPER, Mohali was reconstituted after a delay of two years. In the absence of a dedicated governing body, permanent academic staff and adequate infrastructure facilities, the Institutes have been unable to achieve their objective to further pharmaceutical education in the country in a significant way. This adversely impacted performance in terms of research papers published and patents awarded and poor placement of students. The Institutes were largely financed by grants from Ministry and only a very small portion of the expenditure was met through their own revenue.

(Para 2.1)

The National Capital Region Planning Board (NCRPB) was established (28 March 1985) under the NCRPB Act, 1985 (the Act). The National Capital Region (NCR) is a coordinated planning region encompassing the National Capital Territory of Delhi (NCTD) and several districts belonging to the bordering states of Haryana, Uttar Pradesh (UP) and Rajasthan. Audit observed that there was delay of more than three and half years in notifying the Regional Plan (RP) 2021 and first review of RP 2021 was initiated after a delay of one and half years. There was delay in formulation of Sub-Regional Plans for NCR constituent areas, non-formulation of Functional Plans, and delay in delineation of Natural Conservation Zone (NCZ) in NCR. It was observed that the Board was not approving the Master Plans submitted by the participating states and change in land use was being done by the respective NCR participating State under the relevant statutes in that State and not by the Board. There was inadequate coordination and monitoring of the implementation of RP at different levels.

(Para 4.1)

Star rating label of Bureau of Energy Efficiency (BEE) is a trusted government-backed symbol for energy efficiency of the models of 'appliances and equipment (products)', which encourages consumers to save money and environment. Audit noticed that BEE had not implemented this scheme effectively as negligible check testing (0.16 per cent) of registered models was done during 2012 to 2018. In first check testing 63 per cent models failed and name of models and equipment were not published due to non provision in the Energy Conservation Act. The permittees had marketed 4,16,503 Room Air Conditioners (Room ACs) and 3,93,678 Frost Free Refrigerators (FFRs) of these models at the estimated market value of ₹2,238 crore till December 2018 for models failed in 2013-14 and 2017-18. Audit found that BEE had calculated excess energy savings by 23,624.96 MUs (equivalent to 61.50 per cent) in respect of three appliances (Room AC including cassette and floor standing, DCR and FFR.), which contributed about 55 per cent of the total energy saving, in five years i.e. 2012 to 2017. Star label verifications were also not done and QR code technology for ensuring that non-compliant models are not sold in the market was not implemented by BEE.

(Para 5.1)

Visakhapatnam Port Trust (VPT) entered into (June 2010 to August 2010) concession agreements with three private parties (concessionaires) for development of cargo berths at Visakhapatnam Port. As per the Model Concession Agreement, liquidated damages were leviable if the Projects did not meet the Performance Standards, such as Gross Berth Output, Turnaround time, etc. VPT didn't collect month-wise information on performance parameters, and no liquidated damages were levied on the concessionaires for under-performance. Audit evaluated the performance with regard to Gross Berth Output and worked out the liquidated damages to be levied on the three concessionaires to the tune of ₹21.67 crore for the years 2013-14 to 2017-18. On being pointed out by Audit (June 2018), VPT started (November/ December 2018/ February 2019) evaluating the performance standards and sent demand notices to the concessionaires for recovery of liquidated damages amounting to ₹25.30 crore.

(Para 7.2)

Indian Maritime University (IMU), Visakhapatnam awarded (November 2013) construction work of its new campus at Visakhapatnam to NBCC on Project Management Consultancy (PMC) basis at a cost of ₹54.21 crore. After making deposits/advances of ₹27.06 crore, the project was terminated by IMU due to slow progress of work. As part of settlement with NBCC, expenditure of ₹5.95 crore was deducted and balance ₹21.11 crore refunded by NBCC. The deducted amount included ₹4.12 crore towards PMC charges at the rate of seven per cent on awarded cost of ₹54.21 crore and service tax thereon. However, as per agreement, PMC charges were to be levied on cost of actual work done. PMC charges based on actual cost worked out to ₹0.15 crore only. Thus, there was excess payment of ₹3.97 crore.

(Para 7.4)

A scheme for setting up of Inspection and Certification (I & C) Centre each in nine States was initiated (XI Five Year Plan/August 2009) by the Ministry of Road Transport and Highways (MoRTH) on a pilot basis with an objective to ensure safety and security of the in-service transport vehicles besides enhancing cleaner environment. Audit observed that delay in finalisation of the equipment supplier, poor planning and ineffective monitoring of the scheme led to delayed completion/non-operational of I & C Centres planned during August 2009 to till date (September 2019). Consequently, the purpose of implementing the scheme i.e. implementation of an effective vehicle inspection system, improvement of roadworthiness and further replicating such model I & C Centres in the rest of the States could not be fully realised yet.

(Para 6.1)

Employees of Government of India Press, Minto Road claimed higher amount of LTC claims than they actually paid by forging the documents and misrepresentation of the facts which led to reimbursement of non-entitled amount of ₹56.98 lakh to 87 employees test checked in audit. After being pointed out by Audit,

an amount of ₹55.59 lakh (including penal interest of ₹13.19 lakh) was recovered from 64 employees out of 87 cases pointed out by Audit. Further a recovery of ₹1.01 crore was made by Department from 143 other employees working in five GoI Presses after re-verifying LTC claims at the instance of Audit.

(Para 4.7)