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CAG pulls up MCD for tardy project planning, execution

Staff Reporter

'No time frames fixed for award of works after opening of tenders'

'Files did not reveal any reasons for the delays in issuing work orders to contractors'

'An amount of Rs.24.40 crore diverted from Plan head to non-Plan head'

NEW DELHI: The report of the Comptroller and Auditor General of India for the year ended March 2009 has indicted the Municipal Corporation of Delhi for inadequate supervision of its projects and tardy planning and execution besides inefficient utilisation of funds provided to it by the Delhi Government.

The report states that no time frames were fixed for award of works after opening of tenders and work orders were issued by the civic body with significant delays ranging from 46 days to 340 days for almost 82 per cent of the development works undertaken by the civic body in regularised unauthorised colonies.

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According to the report, there were inordinate delays in award of works even after identifying the lowest bidder. Moreover, scrutiny of work files also did not reveal any reasons for delay in issuing work orders to the contractor thus works got unduly delayed depriving the beneficiaries of the facilities intended to be provided, the report pointed out.

Due inspection for quality checks of projects was also a problem area, the report pointed out. "The MCD was not carrying out quality checks of works to the desired extent as 70 per cent of works had not been inspected," the report quoted.

It also stated that there were no follow ups on inspection reports to see if the rectifications had been carried out. Other issues pointed in the report were incomplete works in the MCD, non-execution of contract agreements with contractors on award of works in the MCD and undue benefit to contractors by giving them time extension without levying compensation for delay in completing works.

According to the CAG report, the MCD also diverted an amount of Rs.24.40 crore from Plan head to non-Plan head in the form of supervision and establishment charges during the period 2004-05 to 2008-09 without obtaining the approval of the Finance Department as mandated by the General Financial Rules. The fact was also not depicted in the utilisation certificates subsequently submitted by the MCD to the Delhi Government's Urban Development Department.

The Delhi Government specifically stipulates that the funds would not re-appropriated.