

298 Email

F.No. 13011-9/2016-Vig.
Government of India
Ministry of Culture
Vigilance Section

New Delhi, Dated 28th June, 2016

To

The Director,
Kalakshetra Foundation,
Chennai


Sub: Execution of Kothambalam Project for upgradation and renovation of Auditorium of Kalakshetra Foundation, Chennai – Intensive examination done by CVC – report regarding.

Madam,

I am directed to forward herewith a copy of the Intensive Examination Report on the above subject sent by the CVC with the request to offer your comments inter alia on the following points:-

- (i) Statement regarding correctness of facts stated in the report. In case, some of the facts are not correct, this should be clearly brought out and the correct facts be indicated.
- (ii) Detailed reply for the acts of commission and omissions brought out in the report.

2. It is requested to submit your reply to the Inspection Team which will be visiting KF during 30th June to 1st July. The relevant reports, files, minutes of the meetings of GB, FC and all other related documents may be provided to the Inspection Team.

Yours faithfully,

(Vasantha Nair)
Section Officer (Vigilance)

3(1)

Confidential

Annexure - I

4267
30.6.2016

016/EDN/007/315753
31575
25/05/2016

OFFICE MEMORANDUM

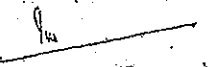
Sub: Koothambalam Project of Kalakshetra Foundation, Chennai.

The above work was technically examined during April, 2016 by a team of the Commission. The Intensive Report is being referred to you for a detailed vigilance investigation. It is requested that the detailed Investigation Report may be submitted to the Secretary, CVO under intimation to the CTE Unit of the Commission within a period of 1 months.

3. For the purpose of investigation, CVO, M/o Culture may refer to the instructions contained in the publication of the Commission namely "Intensive Examination of Works (Guidelines)" issued vide Commission's letter No.OFF-1-CTE-2 dated 02/11/2001. CVO, M/o Culture may appoint an independent and reliable Engineer (only if any technical issue is involved and if considered necessary) to assist you in identifying and seizing the relevant records, preparing scrutiny notes thereon, fixing responsibilities, calling for the explanations of the indicated officials and preparing scrutiny notes on the validity of the explanation received. The report may conclude with comments and recommendations of CVO, M/o Culture in respect of each lapses referred for investigation. All the above notes and explanation may be included in the investigation report.

4. Receipt of this letter may be acknowledged.

Yours faithfully,

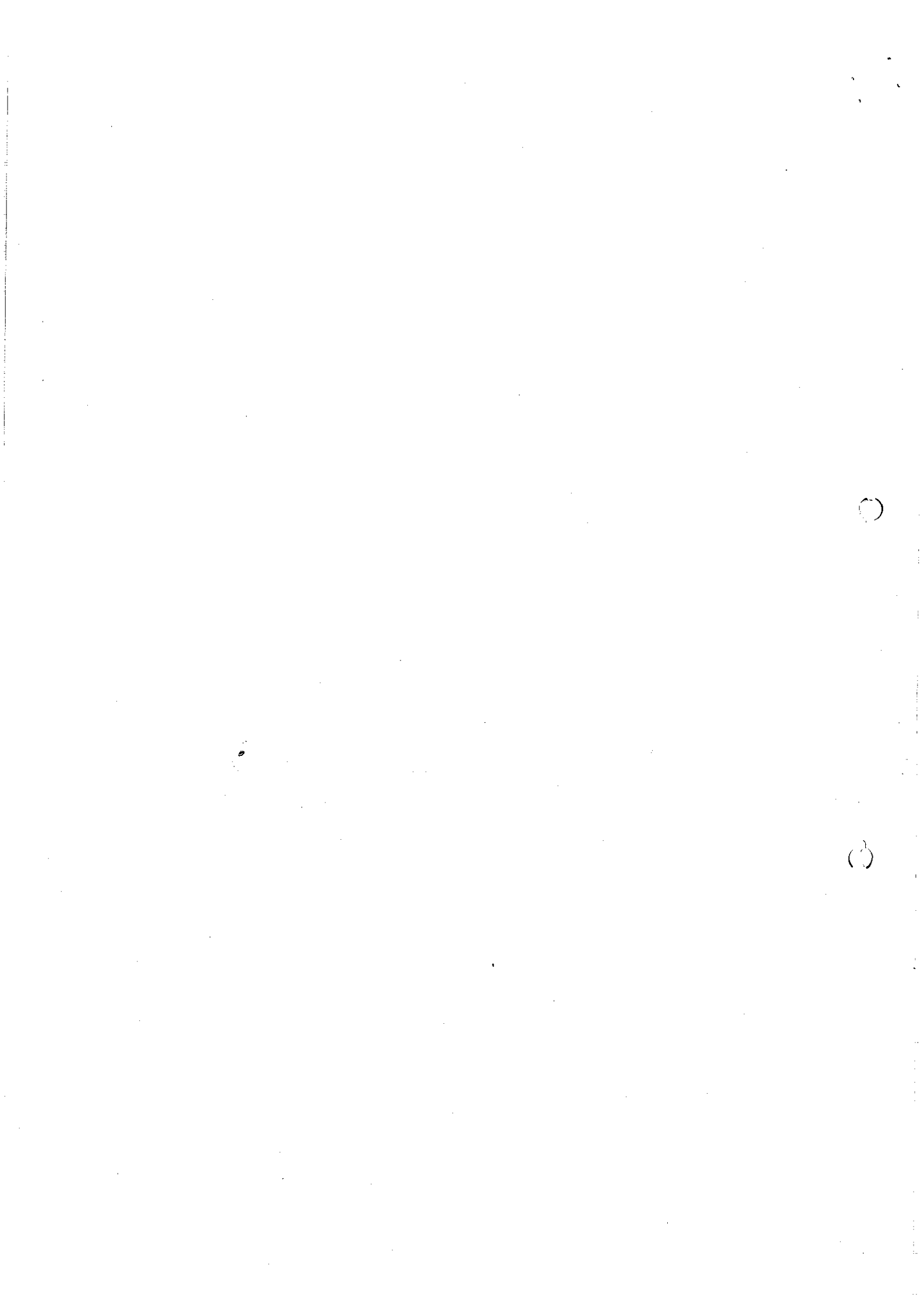

(Ashok Kumar)
Director

Ministry of Culture,
(Sh M L Srivastava, CVO),
R.No. 202, Purathatav Vibhag,
INA, New Delhi

Encl: As above.

Copy to: (i) The Secretary, M/o Culture, C-wing, Shastri Bhawan, New Delhi. 110001 for information and further necessary action.
(ii) TG (SH) for information w.r.t. F. No. 04-16-A-25-ESW-10.

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This document is confidential. Ensure that confidentiality is maintained.
016/EDN/007/315753 / 30/5/2016 - 10.00AM
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CTE F.NO. 24-16-A-25-E.SW-10
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गोपनीय
CONFIDENTIAL

भारत सरकार
केन्द्रीय सतर्कता आयोग
मुख्य तकनीकी परीक्षक संगठन
GOVERNMENT OF INDIA
CENTRAL VIGILANCE COMMISSION
CHIEF TECHNICAL EXAMINER'S ORGANISATION

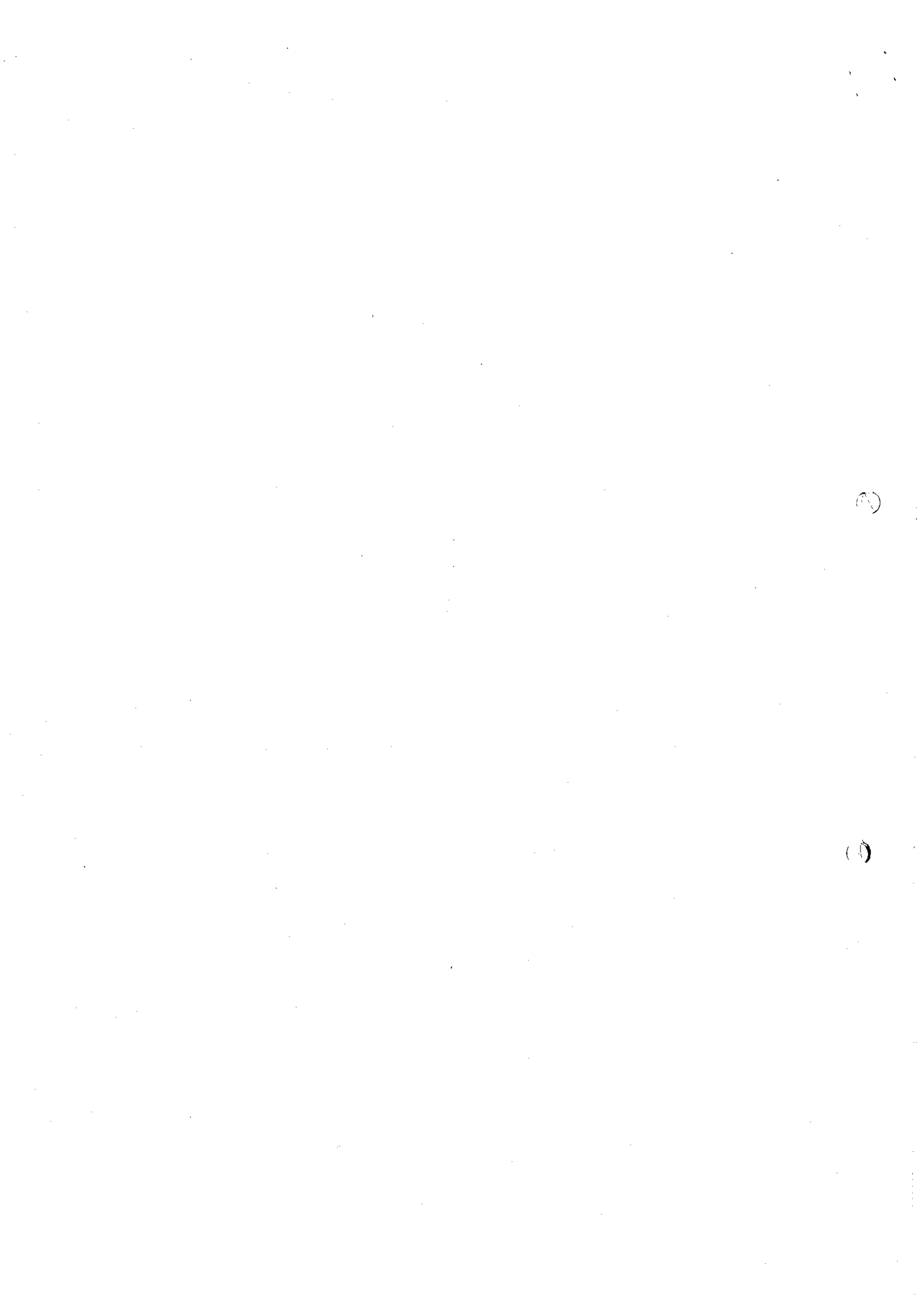


सत्यमेव जयते

कार्य की गहन जांच पर रिपोर्ट
A REPORT ON
THE INTENSIVE EXAMINATION OF WORK

द्वारा/By:
श्री/Shri. SP GAUTAM

तकनीकी परीक्षक/Technical Examiner
केन्द्रीय सतर्कता आयोग/Central Vigilance Commission
'सतर्कता भवन' / 'Satarkta Bhavan'
ब्लॉक-ए, जी.पी.ओ. कॉम्प्लेक्स, आई.एन.ए./ Block-A, GPO Complex, INA,
नई दिल्ली/ New Delhi-110023



ORGANIZATION

Kalakshetra Foundation

INSPECTION PERIOD

11.04.2016 to 13.04.2016

Inspected By

Sangh Priya Gautam,
Technical Examiner

Assisted By:

P. Vijay Kumar, Junior Technical Examiner

1. Introduction

- CVO , Ministry of Culture vide DO letter dated 04.02.2016 had stated that a project of Kalakshetra Foundation named " Koothambalam Project" for the up-gradation and renovation of Koothambalam Auditorium was initiated in 2005-06 and so far an expenditure of about Rs. 7 crores has been incurred upon it.
- Ministry requested Commission to appoint experts to carry out Technical Examination of the work.
- Subsequently on the direction of the Commission, Intensive Examination of the said work has been carried out from 11.04.2016 to 13.03.2016.

2. Facts of Project:

a) In 2005-06, the up-gradation and renovation of Kothambalam Auditorium was initiated at Kalakshetra Foundation, Chennai. However the project was not implemented till the constitution of Civil Works Committee in May, 2009 by the Governing Board. Following were the members of Work Committee:

- Shri P.T. Krishnan, an eminent Architect and Member of Governing Board, as Chairman of Work Committee
- Ms. Leela Samson, Director, Kalakshetra Foundation
- Ms. Madhavai Mudgal, Governing Board Member

b) The Works Committee decided to call limited Expression of Interest (EoI) for appointment of Architect. Accordingly Limited EoI were issued to five agencies in July 2009 and only two of them responded. M/s CARD (Centre for Architectural Research & Design) represented by Shri Ravi Nilakantan, was finally selected based on the power point presentation in August 2009. The Works Committee accorded approval to engage M/s CARD as architect as per the Council of Architecture Norms, 1972.

c) Management, based on the recommendation of Works Committee, appointed M/s CARD as Architect.

d) As per the agreement between KF and M/s CARD the powers to receive, analyse and advise KF on the appointment of Contractors were delegated to M/s CARD.

e) Total work was divided in eight parts, which were as below:

- Civil Work
- Electrical
- Lighting
- Sound
- HVAC
- Slab Cooling
- Roof Work
- Sculpture

Summary of above eight parts is tabulated as below:

Work	Contract Value (Rs.)	Additional Work awarded	Sub-consultant	Contractor
Civil Work	21909505/- (except item no. 71,72 & 76)	7760767.84/-		M/s Chennai Engineers
Electrical	4908773.27/-	673177/-	M/s Madras Electrical Consultant	M/s Kevin Electricals Private Limited
Lighting	6652244/-	195426/-	M/s Gautam Bhattacharya, Delhi	M/s Modern Stage Service, Delhi
Sound	17749145/-		M/s Sound Wizard	Supply work awarded to many contractors as per annexure-A
HVAC	11800000/-		M/s Air Treatment Engineering Private Limited	M/s Uaimtech System
Slab Cooling	1297449.40/-		M/s Air Treatment Engineering Private Limited	M/s Cauvery Agro Agencies
Roof Work	3271750/-			M/s Chennai Engineers
Roof Work (Supply)	2669293/-			M/s Anutone
Sculpture	695000/-	410000/-	Satpathy Sri K.P. Umopathy	M/s Bhagvan Subudhi

3. OBSERVATIONS

a) Open Tender procedures were not followed, by Works Committee, for appointment of Architect as Consultant. EoI were issued to five agencies which were as below:

- Mr. Durganand, Artes, Chennai.
- Ms. Lekha Antony, Chennai
- Mr. Elias Koshy, Chennai
- M/s CARD
- Mr. N. Manikandan, Madras Design Works, Chennai

Ms. Lekha Antony did not respond. Mr. Elias Koshy and Mr. Durganand expressed their inability to participate. Based on the presentation before Works Committee, on 04th August 2009, M/s CARD was finally selected as Architect consultant. Thus appointment of Architect consultant, without calling their price bid even, was in violation of Commission's guidelines, i.e. No. OFF 1 CTE 1 dated 25/11/2002 as per which appointment of consultant should be made in a transparent manner through competitive bidding.

b) As per the agreement between KF and M/s CARD the powers to receive, analyse and advise KF on the appointment of Contractors were delegated to M/s CARD. It was again in violation of above said guidelines of the Commission as per which role of consultant should be advisory & recommendatory and final authority & responsibility should be with the departmental officers only.

c) As M/s CARD further appointed sub-consultants for various specific works like sound, lighting, electrical, HVAC, Slab Cooling, and Sculpture etc. Thus KF had to pay double payment i.e. one to M/s CARD and secondly to specific field consultant. The total expenditure, so far, on account of Consultancy Charge is Rs. 5104230.88/-.

More-over no criteria was fixed for appointment of sub-consultants by M/s CARD. They were arbitrarily appointed as sub-consultants without observing GFR and Commission's guidelines.

d) None of the above works tabulated in Para 2(e) above were awarded through open tenders. No press publicity was given for these works. Modus-operandi by Architect consultant was simply calling the quotations from limited firms and then awarding the work to any particular firm. It was in total violation of transparency which is essential to be maintained as per clause 14 of the Constitution. As per the scope of work of Architect consultant, as mentioned in Para (b) above, Works Committee simply gave approval to recommendation of M/s CARD regarding appointment of contractors for various works, without ensuring whether necessary guidelines by the Commission or General Financial Rules were being followed or not.

e) M/s CARD provided the estimate of Rs. 18535585/- for civil work but L-1 revised offer was accepted @ Rs. 21909505/- (except item no. 72, 73 & 76). There was no basis of estimate prepared by M/s CARD. Thus L-1 accepted offer can't be said to be justified. More-over L-1 accepted rates are on much higher side (18.2% higher) than estimated rate.

f) M/s Chennai Engineers did not quote for item no. 72, 73 and 76 of Schedule of Rate. Thus it was a conditional offer by M/s Chennai Engineers. Even then its offer was considered valid. M/s CARD later on evaluated other offers also deducting rates for these three items from their total quote.

g) M/s Chennai Engineers EMD was accepted in the form of cheque which was later on dishonored by the bank. It was only after M/s Chennai was declared as L-1 that they submitted the proper EMD. Thus at the time of evaluation of bids, M/s Chennai Engineers offer was not valid as its EMD was not with KF.

h) No requirement of PBG was there in any of the work awarded for the Koothambalam project. Thus it was totally in violation to laid down practices, keeping the interest of Government Exchequer aside.

i) Lot of cross-cutting/ overwriting is there on the revised bids submitted by M/s Chennai Engineers and that too without accompanying proper signatures. It seems as if rates quoted by M/s Chennai Engineers are tempered so as to facilitate it to be L-1.

j) Interest free Advances were paid to various firms as tabulated below which is in clear cut violation of Commission's guidelines on the subject matter i.e. No. 4CC-1-CTE-2 dated 10.04.2007. Moreover the recovery of these was not time based but milestone based and that is the reason recovery is still pending various firms. The summary is tabulated as below:

Name of work	Advance paid	Amount yet to be recovered
M/s Chennai Engineers	32,00,000.00	12,24,294.00
M/s.CARD	75,000.00	75,000.0
M/s Anutone	7,05,724.00	0.00
M/s Kevin Electricals Private Limited	7,36,316.00	4,86,516.00
M/s Bhagvan Subudhi	2,85,000.00	0.00
M/s Modern Stage Service, Delhi	14,36,038.00	0.00
Consultant Shri.Gautam Bhattacharya	20,000.00	20,000.00

k) Additional work awarded in civil work was to the tune of Rs. 7760767.84/- which is approximately 33.33% of total awarded cost. Thus it is very clear that favor was extended to M/s Chennai Engineers by M/s CARD, by awarding high value of additional work, without justifying the rate of these additional items by market rate analysis, just accepting the rate given by M/s Chennai Engineers. Same is the case in other area where additional work has been awarded e.g. Electrical, Lighting, Roof work and sculpture.

l) EMD for Electrical Work was kept to be 1% of Quoted Value. Thus during the opening of bids and their Technical Evaluation itself, it was known that who would be L-1.

m) For Electrical work, EMD submitted by L-1 M/s Kevin Electricals Private Limited was less than 1 % of their quoted rate. Even then its offer was considered valid and it was finally awarded the work.

n) For Electrical work, B.G. for Mobilization advance was valid up to 17.02.2011 and its renewal was done on 03.03.2011. Thus considerable period of 14 days was left uncovered without any B.G. for Mobilization Advance. Thus it was a mistake on part of KF that they did not forfeit the already submitted B.G. in case renewed B.G. was not received by them. Later on also, renewed B.G. was submitted after the expiry of validity period.

o) For HVAC Work, six bids were originally received from the Bidders as below:

- M/s ETA
- M/s Blue Star
- M/s VK HVAC
- M/s Chill Tech
- M/s Unimech
- M/s Laxmi Aircon

M/s ETA was L-1 as per original offer. However revised bids were called for this work, by M/s CARD, without assigning any reason. These revised bids were called only from three firms, bypassing Blue Star, VK HVAC and Laxmi Aircon, on ground that they didn't quote for all items. (M/s VK HVAC & M/s Blue Star didn't quote for HVLS Fan and M/s Laxmi Aircon did not quote for those items which were "0" in SOR). Thus without giving any further opportunity, it was made sure to reduce the competition and reducing the possibility of competitive rate.

p) In Slab Cooling work, as per comparative statement, two offers were received. one from M/s Cauvery and another from M/s Vibrant. However the quotation submitted by M/s Vibrant is not available. Quotation which is claimed to be submitted by M/s Vibrant doesn't have any name or signature of any representative of M/s Vibrant. Thus it seems to be forged.

q) M/s Modern Stage Supply has supplied their own make PAR Light in the packing of other make i.e. M/s PR Make while the make had to be of M/s PR as per P.O. placed upon them. Also there is no mention of wattage on these lights. Thus it is difficult to ascertain whether the supply received is same as ordered or otherwise. Same need to be checked for other supply items also.

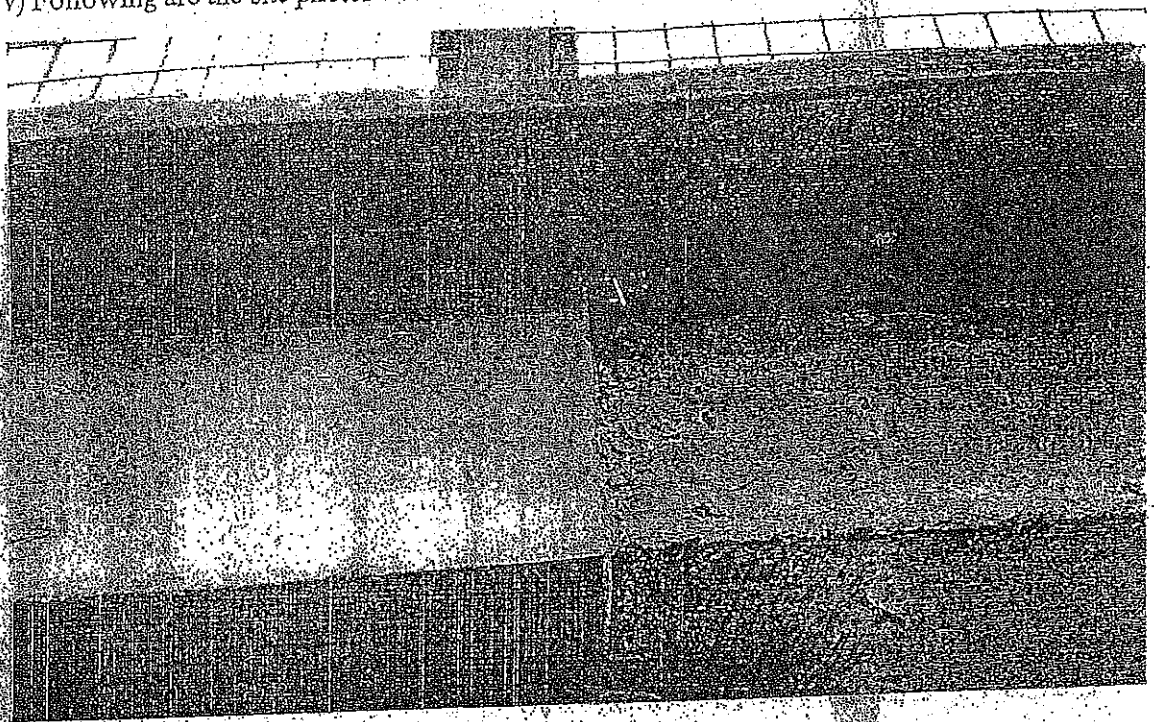
r) Sound system equipments have been supplied but there is no coverage for fixing of these equipments, under any contract. All these equipments are lying in very pathetic condition in non-ac room where they may absorb moisture and catch dust, finally becoming useless. Their warranty period has also already expired. More-over it is also surprising why only supply part was kept in the scope of vendor and why not commissioning also in spite of the fact that supplier may be best familiar with their product and they are best for Commissioning of their products. For the time being, these products need to be urgently put in AC rooms.

s) Samples have been taken from site for concrete/ wooden/ anutone board. The report may be pursued by Ministry.

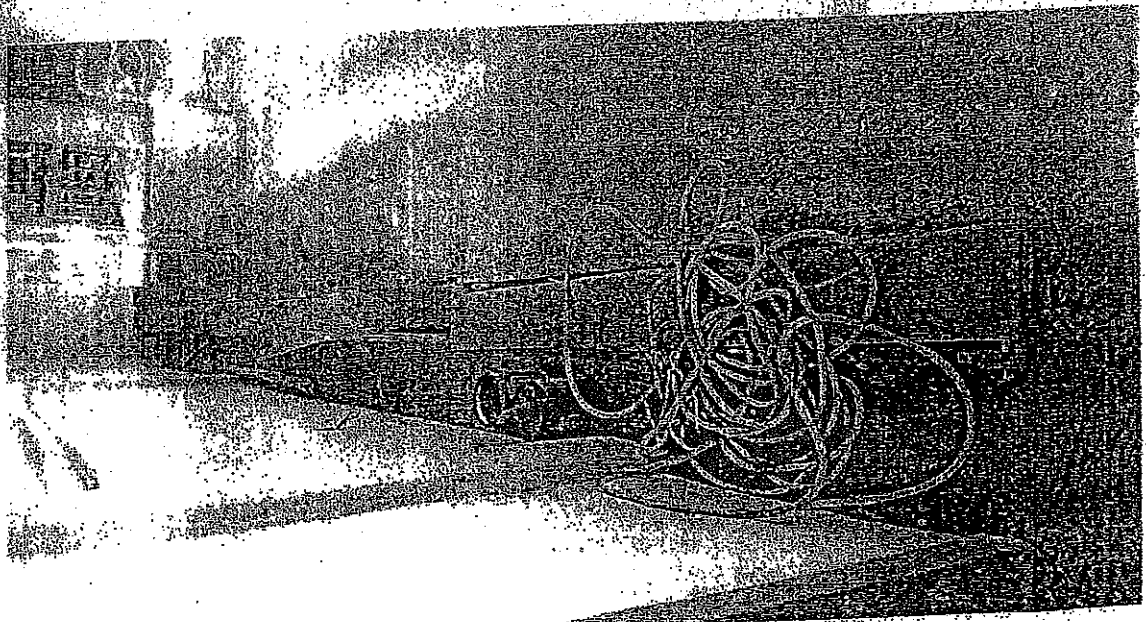
t) No estimates have been provided by the M/s CARD for Electrical, Sound, Lighting, Slab Cooling and sculpture. Due to this, justification of the rates on which these works have been awarded is questionable.

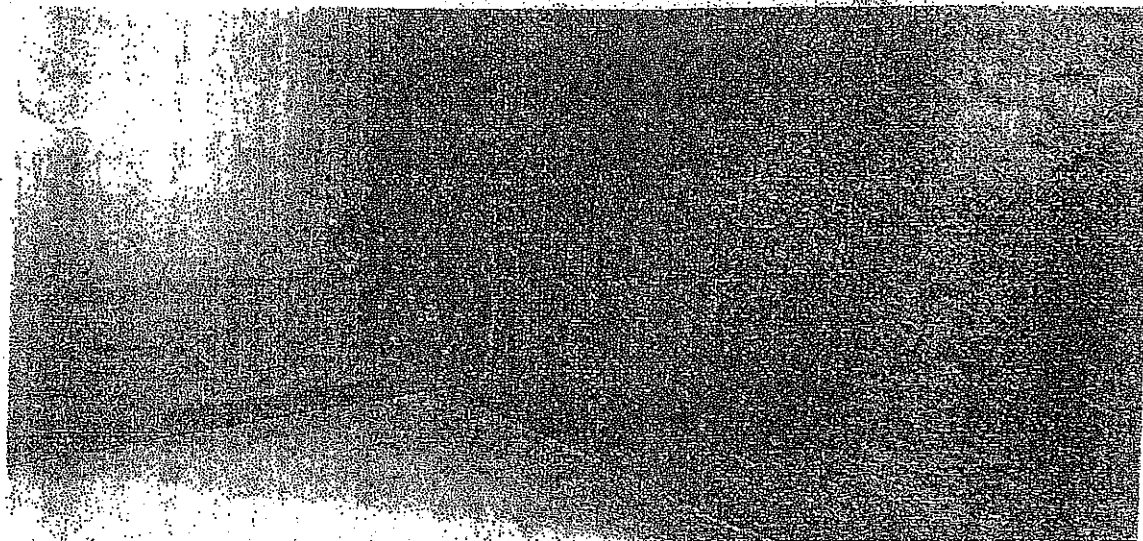
u) Finance Committee and Governing Board of KF kept on passing the payment to Architect, Consultants and Contractors without questioning the genuineness of these payments and also without ensuring whether all requirements as per GFR and Commission's circular are being followed or not. Thus their role is also questionable.

v) Following are the site photos taken from the sites.

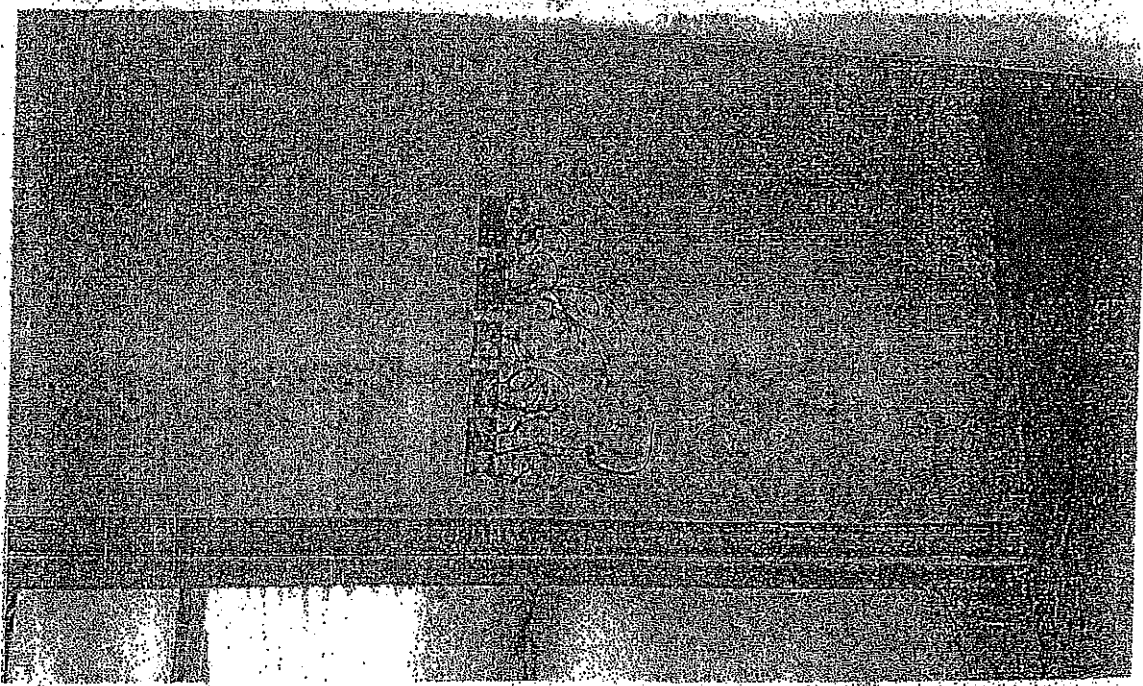


(Poor Quality of Civil Work)

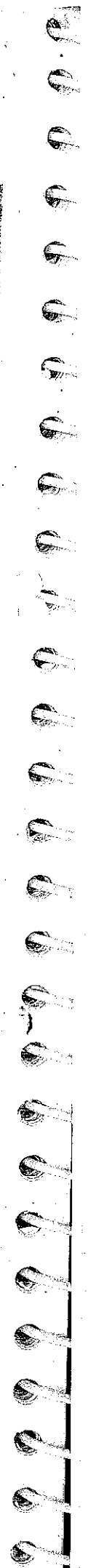


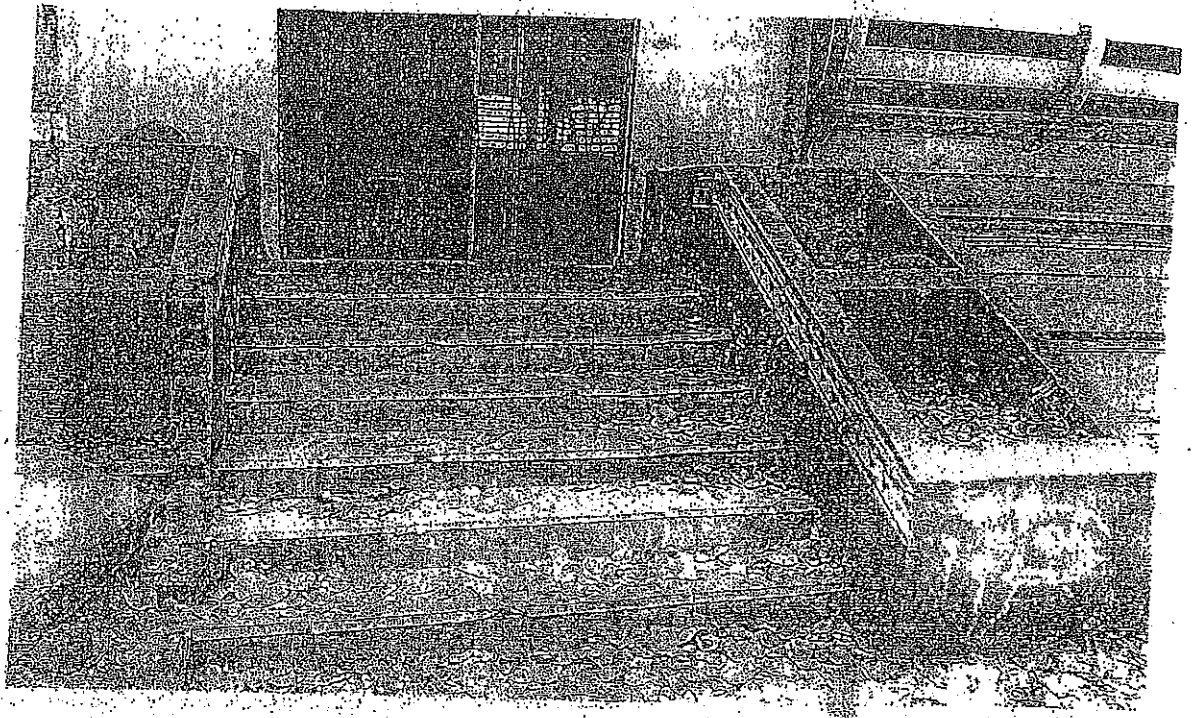


(Poor Quality of Civil Work)



(Poor Quality of Electrical Connection)





(Poor Quality of Civil Work)

These site pictures show poor quality of Civil Work as well as Electrical Work in spite of huge spending of Rs. 7 crores by KF.

w) The Estimated rates have been worked out by CPWD, Chennai and the summary is as below:

Work	Awarded Value	Estimated Value of awarded work as per CPWD	% Variation
Civil	21909505/-	17506135/-	Plus 25.15%
Roof Insulation	3271750/-	2578180/-	Plus 26.90%
Electrical Installation	4908773/-	5976901/-	Minus 17.87%
HVAC	11800000/-	10492252/-	Plus 12.46%
Total	41890028/-	36553468/-	Plus 14.60%

The percentage below or above, for executed value of work vis-à-vis Estimate given by CPWD is also tabulated as below:

Work	Executed Value of Contract	Estimated Value of Executed Work as per CPWD	% Variation
Civil	14377973/-	10596194/-	Plus 35.67%
Additional Civil Work	7760768/-	6952845/-	Plus 11.62%
Roof Insulation	3271750/-	2578180/-	Plus 29.22%
Electrical Installation	1878510/-	2050450/-	Minus 08.39%
Additional Electrical Work	673177/-	552041/-	Plus 21.94%
HVAC	9373149/-	8385263/-	Plus 11.78%
Total	37335327/-	31114973/-	Plus 16.97%

Thus it can be concluded that rate at which contract awarded/ payment made to contractor is higher than estimated rate given by CPWD.

More-over after going through records, it appears as if contractors executed only those parts of their scope of work which were financially suiting to them and rest they disowned and never operated. Finally it resulted in non-operational condition of Kothambalam Theatre.

x) It was informed by Director, KF that roof was leaking heavily in rainy days in spite of huge expenses on roof work to the tune of approx. Rs. 59.40 lacs. However there was no means to verify the same by inspecting officials. This again shows the poor quality of works by M/s Chennai Engineers.

y) Supervision of execution, inspection and measurement of work before releasing the payment, was in the scope of M/s CARD (or its representative i.e. Clerk of Works). But no records of inspection have been found during Intensive Examination. The measurement has been directly entered in Measurement Book itself. The role of KF Engineer Officer was totally neglected in this case and this was the over-dependency on Architect Consultant, in violation to Commission's guidelines on the subject.

z) In Civil work, SOR item No. 131 & 132(i.e. "Providing & Fixing Mangalore" tiles and "Fixing Mangalore tiles" respectively) were in quantity of 200 sqm and 2500 sqm respectively. Item 131 was to be executed with new tiles and item 132 was to be executed with old removed tiles. There was no record kept for old removed tiles. Finally quantity executed actually is 1016.93 sqm and 995.32 sqm for item 131 & 132 respectively. The rate of item 131 was Rs. 910 per unit and rate of item 132 was Rs. 350. Thus it seems as if quantity which was supposed to be executed in item 132 was actually shown to be executed in item 131, with using old tiles. Hence it was an undue financial favor to civil contractor M/s Chennai Engineers.

aa) For item no. 104 unit rate was Rs. 3700 per cubic meter. Thickness of floor screeding was 75 mm as per drawing. However payment were made with thickness of 80 mm. Thus it was an attempt made purposely to give undue advantage to M/s Chennai Engineers.

bb) As on date, status of various works under Koothambalam Project is tabulated as below:

S.No.	Name of work	Letter of Award	Date of stop	% of work completed approx -w.r.t awarded value
1	Civil work	17.6.2010	10.04.2012	65%
2	M/s.CARD	11.9.2009	10.04.2012	-
3	Roof insulation work	08.18.2010	10.04.2012	80%
4	Amutone board supply	18.8.2010	20.10.2010	100%
5	Electrical work	28.9.2010	10.04.2012	45%
6	HVAC work	08.10.2010	10.04.2012	75%
7	Slab cooling work	24.2.2011	10.04.2012	75%
8	Sculpture work	28.3.2011	13.10.2011	100%
9	Sound	Supply part already completed; No coverage for installation & Commissioning		

Considering the status of work already done in Koothambalam Project and huge investment of about seven crores already done in this but auditorium not being operational yet, Management of KF had decided to make the theatre just operational and for this they, with the help of CPWD and other consultants, prepared an estimate of Rs. 46341000/- . The abstract of above estimate is as below:

Civil & Electrical Work	32305000/-	Estimate by CPWD
HVAC and Slab Cooling	6500000/-	Estimate by earlier Consultant M/s Air Treatment Engineering Private Limited
Sound System	3086000/-	Estimate by earlier Consultant M/s Sound Wizard
Lighting	2550000/-	Estimate by earlier Consultant M/s Gautam Bhattacharya, Delhi
Sculpture	500000/-	Estimate by earlier Consultant M/s Bhagvan Subudhi
Consultancy Fee- PMC and HVAC	1400000/-	
Total	46341000/-	

Thus it is clear that estimates for HVAC, Slab Cooling, Sound, Lighting, Sculpture have been provided by those agencies who have been consultants in earlier Part-A also. It would be better that first appropriate detailing of the work, with complete detailing of design is done and then estimate be prepared based on any SOR or market rate analysis, for the purpose of approval of competent authority and fund provision. More-over a competent technical agency may be engaged for supervision of the execution and inspection, before releasing the payment.

4. Summary of Irregularities:

- No open tender for appointment of Consultant, sub-consultants and contractors. Consultant was appointed on basis of EoI called from five firms. Sub-consultants were engaged by consultant M/s CARD on its own. The contractors were engaged by sub-consultants for different work, on quotation basis, for works valuing as high as 2.19 crores.
- No basis of estimate for civil work, given by M/s CARD.
- No estimate of Electrical, Sound, Lighting, Sculpture work, by M/s CARD or sub-consultants.
- Higher payment to contractors vis-à-vis estimate by CPWD for executed work.
- Poor quality of Civil/Electrical work.
- Conditional offer of M/s Chennai Engineers (as they did not quote for some items) was accepted by M/s CARD.
- M/s Chennai Engineers (L-1 for Civil Work) submitted cheque as EMD which was dishonoured; even then its offer was considered and finally it was awarded the work.
- No PBG was taken in any of the work.
- Interest free advances were given to various firms; Amount of Rs. 1805810/- yet to be recovered.
- Additional works awarded at rates decided without market rate analysis.

- EMD for Electrical work was fixed 1% of Quoted Value.
- Offer of M/s Kevin in electrical work was considered in spite of the fact that their EMD was not 1% of their quote and later on it became L-1.
- Irregular renewal of B.G.'s for Mobilisation Advances.
- In slab cooling work, L-2 offer by M/s Vibrant is without any signature or seal of firm.
- Items supplied by M/s Modern Stage Service are not of make mentioned in P.O.; only the cover of them is of that make which is mentioned in P.O.; No embossing of power rating in wattage is there over these equipments.
- Excess payment for Item No. 104, 131 & 132 to M/s Chennai Engineers.
- There were no proper record of measurement; in spite of that payment was made to firm.

5. Conclusion:

There appears to be lack of Technical expertise in the execution of this project. If work would have been awarded to any competent Government Technical body, like Public Work Organizations, for supervision of execution and inspection, then Kothambalam Theatre would have been in better shape today.

S.P. Gautam
27/04/20

(Sangh Priya Gautam)

Technical Examiner (ESW)

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Annexure A

EVALUATION CRITERIA (BEC) FOR SOUND EQUIPMENT IN KOOTHAMBALAM

DESCRIPTION OF WORK AND MATERIALS	NAME OF THE SUPPLIERS	QUOTED VALUE in Rs.	POSITION	TOTAL COST AWARDED -L1
1 Supplying of EAW & Audix products	M/s.Aditya InfoTech - Chennai.15	6186336.00	L 1	6186336.00
	M/s.Sriram Studio - Chennai.26	7159260.00	L 2	
	M/s.Prosper Business - Chennai.83	7476100.00	L 3	
2 For Digidesign products	M/s.Anasta computers - Bangalore.	3353951.25	L 1	3353951.25
	M/s.Audio Care - Chennai.116	3699292.50	L 2	
	M/s.Media Link Concepts - Chennai.26	3857625.00	L 3	
3 For supplying of QSC Products	M/s.MRH Digital systems-Mumbai. 7	844771.50	L 1	844771.50
	M/s.Calibre -Mumbai. 7	862425.00	L 2	
	M/s.Ankur electronics - Mumbai. 34	874912.50	L 3	

Annexure - A

DESCRIPTION OF WORK AND MATERIALS	NAME OF THE SUPPLIERS	QUOTED VALUE In Rs.	POSITION	TOTAL COST AWARDED - L1
4 For Denon & Pioneer Products	M/s. RIVERA International-Mumbai 4	189187.50	L1	189187.50
	M/s. Trump - Mumbai .18	200496.88	L2	
	M/s. Audio control - Navi Mumbai.703	206082.50	L3	
5 For Samson & Alesis Products	M/s. Pro. Musicals- Chennai .8	228685.00	L1	228685.00
	M/s. i Media international - Chennai.8	240110.00	L2	
	M/s. Susan Electronics-Chennai:8	254080.00	L3	
6 For Cabling products	M/s. Sun Media Ventures Pvt ltd, Mumbai101	762651.00	L1	762651.00
	M/s. Frontiertech consultancy - Thane.603	843138.00	L2	
	M/s. Envoy Marketing and Distributors- Mumbai 28.	900547.00	L3	

Annexure - A

Annexure - A

Sp6

Replies of the Management in Annotated Form

Sl.No. as per Report	Introduction	Remarks of the management	Reference and page
1.	<ul style="list-style-type: none"> • CVO, Ministry of Culture vide DO letter dated 04.02.2016 had stated that a project of Kalakshetra Foundation named "Koothambalam Project" for the up-gradation and renovation of Koothambalam Auditorium was initiated in 2005-06 and sofar an expenditure of about Rs.7 crores has been incurred upon it. • Ministry requested Commission to appoint experts to carry out Technical Examination of the work. • Subsequently on the direction of Commission, Intensive Examination of the said work has been carried out from 11.04.2016 to 13.03.2016 	<p>Being factual. Hence no comments.</p> <p>The actual date of intensive examination was erroneously written as 13.03.2016 instead of 13.04.2016.</p>	
	2.Facts of Project		
a)	<p>In 2005-06, the up-gradation and renovation of Koothambalam Auditorium was initiated at Kalakshetra Foundation, Chennai. However, the project was not implemented till constitution of Civil Works Committee in May, 2009 by the Governing Board -- following were the members of Works Committee.</p> <ul style="list-style-type: none"> • Shri.P.T.Krishnan, an eminent Architect and Member of Governing Board, as Chairman of Works committee. • Ms.Leela Samson, Director, Kalakshetra Foundation. • Ms.Madhavi Mudgal, Governing Board Member. 	<p>Being factual. However it is submitted that subsequent to the appointment of Sh. Karunakar K. Menon, IRAS officer on deputation to Kalakshetra Foundation as Dy. Director in 25th November 2010, he was included as a part of the said works Committee in 40th GB held on Friday 14th Dec 2012.</p>	
b)	<p>The Works Committee decided to call limited Expression of Interest (EoI) for appointment of Architect. Accordingly, Limited EoI were issued to five agencies in July 2009 and only two of them responded/s.CARD (Centre for Architectural Research & Design) represented by Shri Ravi Nilakantan, was finally selected based on the power point presentation in August 2009. The Works Committee accorded approval to engage M/s.CARD as architect as per the Council of Architecture Norms, 1972.</p>	<p>The observation is correct as per the records available in the office.</p>	
c)	<p>Management, based on recommendation of Works Committee, appointed M/s.CARD as Architect.</p>	- Do -	
d)	<p>As per agreement between KF and M/s.CARD the powers to receive, analyse and advise KF on the appointment of Contractors were delegated to M/s. CARD.</p>	- Do -	

e)

Total work was divided in eight parts which were as below:

- Civil Work
- Electrical
- Lighting
- Sound
- HVAC
- Slab Cooling
- Roof Work
- Sculpture

The nomenclature of 'Lighting' may be corrected as stage lighting.

Work	Contract Value (Rs.)	Additional Work awarded	Sub-Consultants	Contractor
Civil work	21909505/- (except item no. 71, 72 & 76)	7760767.84 /-	-	M/s.Chennai Engineers
Electrical	4908773.27/-	673177/-	M/s.Madras Electrical Consultant	M/s.Kevin Electricals Private Limited
Lighting	6652244/-	195426/-	M/s.Gautam Bhattacharya, Delhi	M/s.Modem Stage service, Delhi.

The figures, name of the consultants and contractor for each work as mentioned in the tabulation is verified and found to be correct.

Sound	17749145/-	-	M/s.Sound Wizard	Supply work awarded to many contractors as per Annexure (A)	<p>The name of contractor was erroneously written as M/s.Unimech system instead of M/s.Unimech system (Chennai) pvt ltd.</p> <p>The name of contractor was erroneously written as M/s.Cauvery agro agencies instead of M/s.Caauvery agro agencies.</p> <p>The name of contractor was erroneously written as M/s.Bhagvan Subudhi instead of M/s.Bhagaban subudhi</p>
HVAC	11800000/-	-	M/s.Air Treatment Engineering private limited	M/s.Unimech System	
Slab Cooling	1297449.40/-	-	M/s.Air Treatment Engineering private limited	M/s.Cauvery Agro Agencies	
Roof Work	3271750/-	-	-	M/s.Chennai Engineers	
Roof work (Supply)	2669293/-	-	-	M/s.Anutone	
Sculpture	695000/-	410000/-	Satpathy Sri.K.P.Umapathy	M/s.Bhagvan Subudhi	
3.OBSERVATIONS					

a)	<p>Open Tender procedure were not followed by Works Committee, for appointment of architect as Consultant, BoI were issued to five agencies which were as below:</p> <ul style="list-style-type: none"> • Mr.Durganand, Artes,Chennai • Ms.Lekha Antony, Chennai • Mr. Elias Koshy, Chennai • M/s.CARD • M/s.N.Manikandan, Madras Design Works, Chennai <p>Ms.Lekha Antony did not respond. Mr. Elias Koshy and Mr.Durganand expressed their inability to participate. Based on the presentation before Works Committee, on 04th August 2009, M/s.CARD was finally selected as Architect consultant. Thus appointment of Architect consultant, without calling their price bid even, was in violation of Commission's guidelines, i.e. No. OFF 1 CTE 1 dated 25 / 11 / 2002 as per which appointment of consultant should be made in transparent manner through competitive bidding.</p>	<p>Verified as per the records/files and the observation by CVC found to be correct.</p>	
b)	<p>As per the agreement between KF and M/s.CARD, the powers to receive, analyse and advise KF on the appointment of Contractors were delegated to M/s.CARD. It was again in violation of above said guidelines of the Commission as per which role of consultant should be advisory & recommendatory and final authority & responsibility should be with the departmental officers only.</p>	<p>The observation raised by CVC is contrary to the records available. As per the agreement entered with M/s CARD, his power was advisory in nature.</p> <p>As per the M/s.CARD award letter, he has to associate and co-ordinate with works committee.</p> <p>His recommendations for appointment of contractors were placed in the works committee and on the approval of the works committee; the works were awarded to various contractors.</p>	
c)	<p>As M/s.CARD further appointed sub- consultants for various specific works like sound, lighting, electrical, HVAC, Slab cooling and Sculpture etc. Thus KF had to pay double payment i.e one to M/s.CARD and secondly to specific field consultant. The total expenditure, so far, on account of Consultancy Charge is Rs.5104230.88</p>	<p>The observation by CVC is incorrect. M/s.CARD appointed the sub consultants for Electrical work, Heating Ventilation</p>	

	<p>More-over no criteria was fixed for appointment of sub-consultants by M/s.CARD. They were arbitrarily appointed as sub – consultants without observing GFR and Commission’s guidelines.</p>	<p>and Air conditioning (HVAC) and Slab cooling works. More-over no payment was made by KF to above Sub- consultants engaged by M/s.CARD.</p> <p>As regards, the consultants for Sound system, Stage lighting and Stone carving works (Sculpture), their appointment was done directly by Works Committee / KF. Hence, the payment was made by KF.</p> <p>The total expenditure as on date, on account of consultancy charges is Rs.5195664.88 and not Rs.5104230.88. The details is enclosed as Annexure (V)</p>	
d)	<p>None of the above works tabulated in Para 2(e) above were awarded through open tenders. No press publicity was given for these works. Modus – operandi by Architect consultant was simply calling the quotations from limited firms and then awarding the work to any particular firm. It was in total violation of transparency which is essential to be maintained as per clause 14 of Constitution. As per the scope of work of Architect consultant, as mentioned in Para (b) above, Works Committee simply gave approval to recommendation of M/s.CARD regarding appointment of contractors for various works, without ensuring whether necessary guidelines by Commission or General Financial Rules were being followed or not.</p>	<p>The observation by CVC is correct.</p>	
e)	<p>M/s.CARD provided the estimate of Rs.18535585 /- for civil work but L 1 revised offer was accepted @ Rs.21909505/- (except item no.72, 73 & 76). There was no basic of estimate prepared by M/s.CARD. Thus L – 1 accepted offer can’t be said to be justified. More – over L – 1 accepted rates are on much higher side (18.20 % higher) than estimated rate.</p>	<p>Verified as per records & the observation by CVC is correct.</p> <p>The except item was erroneously written as 72,73 & 76 instead of 71,72 & 76</p>	

f)	M/s.Chennai Engineers did not quote for item no.72, 73 and 76 of Schedule of Rate. Thus it was conditional offer by M/s.Chennai Engineers. Even then its offer was considered valid. M/s.CARD later on evaluated other offers also deducting rates for these three items from their total quote.	- Do -																						
g)	M/s.Chennai Engineers EMD was accepted in the form of cheque which was later on dishonored by bank. It was only after M/s.Chennai Engineers declared as L - 1 that they submitted the proper EMD. Thus at the time of evaluation of bids, M/s.Chennai Engineers offer was not valid as its EMD was not with KF	- Do -																						
h)	No requirement of PBG was there in any of the work awarded for the Koothambalam project. Thus it was totally in violation to laid down practices, keeping the interest of Government Exchequer aside.	No performance bank guarantee was submitted. Whereas, security deposit Rs.5.00 lakh for the civil work by M/s.Chennai Engineers, Rs73650/- for the electrical work by M/s.Kevin electricals and Rs.2.95 lakh for the HVAC work by M/s.Unimech system (Chennai) pvt ltd was deposited as directed by M/s.CARD -consultant Architect. (ledger copies enclosed)																						
i)	Lot of cross-cutting / over writing is there on the revised bids submitted by M/s.Chennai Engineers and that too without accompanying proper signatures. It seems as if rates quoted by M/s.Chennai Engineers are tempered so as to facilitate it to be L- 1	Verified as per records & the observation raised by CVC is found to be correct.																						
j)	Interest free Advances were paid to various firms as tabulated below which is in clear cut violation of Commission's guidelines on the subject matter i.e No.4CC-1-CTE-2 dated 10.04.2007. Moreover the recovery of these was not time based but milestone based and that is the reason recovery is still pending various firms. The summary is tabulated as below	Verified and found to be correct except sculpture work as being specialized nature of work. Revised tabulation sheet be enclosed as Annexure (VI)																						
<table border="1"> <thead> <tr> <th>Name of work</th> <th>Advance paid</th> <th>Amount yet to be recovered</th> </tr> </thead> <tbody> <tr> <td>M/s.Chennai Engineers</td> <td>32,00,000.00</td> <td>12,24,294.00</td> </tr> <tr> <td>M/s.CARD</td> <td>75,000.00</td> <td>75,000.00</td> </tr> <tr> <td>M/s.Anutone</td> <td>7,05,724.00</td> <td>0.00</td> </tr> <tr> <td>M/s.Kevin Electricals. Pvt Ltd</td> <td>7,36,316.00</td> <td>4,86,516.00</td> </tr> <tr> <td>M/s.Bhagaban subudhi</td> <td>2,85,000.00</td> <td>0.00</td> </tr> <tr> <td>M/s.Modern</td> <td>14,36,038.00</td> <td>0.00</td> </tr> </tbody> </table>		Name of work	Advance paid	Amount yet to be recovered	M/s.Chennai Engineers	32,00,000.00	12,24,294.00	M/s.CARD	75,000.00	75,000.00	M/s.Anutone	7,05,724.00	0.00	M/s.Kevin Electricals. Pvt Ltd	7,36,316.00	4,86,516.00	M/s.Bhagaban subudhi	2,85,000.00	0.00	M/s.Modern	14,36,038.00	0.00		
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M/s.Modern	14,36,038.00	0.00																						

	Stage Service, Delhi.				
	Consultant Shri.Gautam Bhatacharya	20,000.00	20,000.00		
k)	Additional work awarded in civil work was to the tune of Rs.7760767.84/- which is approximately 33.33% of total awarded cost. Thus it is very clear that favour was extended to M/s.Chennai Engineers by M/s.CARD, by awarding high value of additional work, without justifying the rate of these additional items by market rate analysis, just accepting the rate given by M/s. Chennai Engineers. Same is the case in other area where additional work has been awarded e.g. Electrical, Lighting, Roof work and Sculpture.			Verified the observation raised by CVC is found to be correct.	
l)	EMD for Electrical Work was kept to be 1% of Quoted Value. Thus during the opening of bids and their Technical Evaluation itself, it was known that who would be L - 1.			- Do -	
m)	For Electrical work, EMD submitted by L - 1 M/s.Kevin Electricals Private Limited was less than 1% of their quoted rate. Even then its offer was considered valid and it was finally awarded the work.			- Do -	
n)	For Electrical work, B.G. for Mobilisation advance was valid up to 17.02.2011 and its renewal was done on 03.03.2011. Thus considerable period of 14 days was left uncovered without any B.G.for Mobilisation Advance, Thus it was a mistake on part of KF that they did not forfeit the already submitted B.G. in case renewed B.G. was not received by them. Later on also, renewed B.G. was submitted after the expiry of validity period.			- Do -	
o)	<p>For HVAC Work, six bids were originally received from the Bidders as below:</p> <ul style="list-style-type: none"> • M/s.ETA • M/s.Blue Star • M/s.VK HVAC • M/s.Chill Tech • M/s.Unimech • M/s.Laxmi Aircon <p>M/s. ETA was L - 1 as per original offer. However revised bids were called for this work, by M/s.CARD without assigning any reason. These revised bids were called only from three firms, by passing Blue Star, VK HVAC and Laxmi Aircon, on ground that they didn't quote for all items. (M/s.VK HVAC & M/s. Blue Star didn't quote for HVLS Fan and M/s. Laxmi Aircon did not quote for those items which were "0" in SOR). Thus without giving any further opportunity, it was made sure to reduce the competition and reducing the possibility of competitive rate.</p>			Verified the observation raised by CVC is found to be correct.	
p)	In Slab Cooling work, as per comparative statement, two offers were received. One from M/s.Cauvery and another from M/s.Vibrant. However the quotation submitted by M/s.Vibrant is			Verified the observation raised by CVC is found to be	

	not available. Quotation which is claimed to be submitted by M/s.Vibrant doesn't have any name or signature of any representative of M/s.Vibrant. Thus it seems to be forged.	correct.	
q)	M/s.Modern Stage Supply has supplied their own make PAR Light in the packing of other make i.e M/s.PR Make while make had to be of M/s.PR as per P.O placed upon them. Also there is no mention of wattage on these lights. Thus it is difficult to ascertain whether the supply received is same as ordered or otherwise. Same need to be checked for other supply items also.	Verified all the items as per the bill claimed by M/s.Modern stage service and found to be correct except item under sl.No.9 -SOR, Type -PRO Stage-Make - PR lighting - 6 Nos. not traceable.	
r)	Sound system equipments have been supplied but there is no coverage for fixing of these equipments, under any contract. All these equipments are lying in very pathetic condition in non AC room where they may absorb moisture and catch dust. Finally becoming useless. Their warranty period has also already expired. More - over it is also surprising why only supply part was kept in the scope of vendor and why not commissioning also in spite of the fact that supplier may be best familiar with their product and they are best for commissioning of their products. For the time being, these products need to be urgently put in AC rooms.	The procuring of sound equipments was effected without coverage of fixing as suggested by the sound consultant, except item no. 11 - Revised tabulation sheet be enclosed as Annexure (A) Draper products - M/s. Office 2000). The integration of sound system will be undertaken at the finishing stage. Hence scope of the vendor is limited to supply only. All the supplied sound equipments were now placed and stored in Air conditioned room immediately as observation raised by CVC for compliance.	
s)	Samples have been taken from site concrete / wooden / anutone board. The report may be pursued by Ministry.	Yes, the action from MoC is awaited.	
t)	No estimate have been provided by the M/s.CARD for Electrical, Sound, Lighting, Slab cooling and Sculpture. Due to this, justification the rates on which these works have been awarded is questionable.	No estimates have been provided by M/s.CARD for the Electrical work, Slab cooling work. The justification of rates was vested with M/s.CARD as per clause For other works sound	

		equipment, stage lighting work & stone sculpture works, no estimates have been given by M/s.Sound wizard, Sh Gautam Bhattacharya and Stapathy.K.P.Umpathy Acharya. The estimated cost was arrived based on their market enquiry after receiving the quote from the agencies by respective consultants.	
u)	The Finance Committee and Governing Board of KF on passing the payment to Architect, Consultants and Contractors without questioning the genuineness of these payments and also without ensuring whether all requirements as per GFR and Commission's circular are being followed or not. Thus their rule is also questionable.	Though it is correct that the FC and GB during the meetings approved the payments under the Koothambalam Project, However, it is submitted that the proposals for the works undertaken under part-A of the Koothambalam Project were not placed in a proper manner by the management and on being asked in the meetings, the management ensured that the norms of GFR were being adhered.	
v)	Following are the site photos taken from the sites Photo image. (Poor Quality of Civil Work) Photo image (Poor Quality of Civil work) Page No.7	It is based on inspection at site, as per site condition photos taken by CVC during inspection	

	<p>Photo image (Poor Quality of Civil Work)</p> <p>Photo image (Poor Quality of Electrical Connection) Page No.8</p>	<p>It is based on inspection at site, as per site condition photos taken by CVC during inspection</p>																																									
	<p>Photo image (Poor Quality of Civil Work) Page No.9</p> <p>These site pictures show poor quality of Civil Work as well as Electrical Work in spite of huge spending of Rs. 7 crores by KF.</p>	<p>Photo taken on page No.9, regarding poor quality civil work is pertaining to the old structure of koothambalam.</p>																																									
<p>w)</p>	<p>The Estimate rates have been worked out by CPWD, Chennai and the summary is as below:</p> <table border="1" data-bbox="295 1070 853 1527"> <thead> <tr> <th>Work</th> <th>Awarded Value</th> <th>Estimated Value of awarded work as per CPWD</th> <th>% Variation</th> </tr> </thead> <tbody> <tr> <td>Civil</td> <td>21909505/-</td> <td>17506135/-</td> <td>Plus 25.15%</td> </tr> <tr> <td>Roof Insulation</td> <td>3271750/-</td> <td>2578180/-</td> <td>Plus 26.90%</td> </tr> <tr> <td>Electrical Installation</td> <td>4908773/-</td> <td>5976901/-</td> <td>Minus 17.87%</td> </tr> <tr> <td>HVAC</td> <td>11800000/-</td> <td>10492252/-</td> <td>Plus 12.67%</td> </tr> <tr> <td>Total</td> <td>41890028/-</td> <td>36553468/-</td> <td>Plus 14.60%</td> </tr> </tbody> </table> <p>The percentage below or above, for executed value of work vis-à-vis Estimate given by CPWD is also tabulated as below:</p> <table border="1" data-bbox="295 1780 880 2114"> <thead> <tr> <th>Work</th> <th>Executed Value of Contract</th> <th>Estimated Value of Executed Work as per CPWD</th> <th>% Variation</th> </tr> </thead> <tbody> <tr> <td>Civil</td> <td>14377973/-</td> <td>10596194/-</td> <td>Plus 35.67%</td> </tr> <tr> <td>Additional Civil Work</td> <td>7760768/-</td> <td>6952845/-</td> <td>Plus 11.62%</td> </tr> <tr> <td>Roof Insulation</td> <td>3271750/-</td> <td>2578180/-</td> <td>Plus 29.22%</td> </tr> </tbody> </table>	Work	Awarded Value	Estimated Value of awarded work as per CPWD	% Variation	Civil	21909505/-	17506135/-	Plus 25.15%	Roof Insulation	3271750/-	2578180/-	Plus 26.90%	Electrical Installation	4908773/-	5976901/-	Minus 17.87%	HVAC	11800000/-	10492252/-	Plus 12.67%	Total	41890028/-	36553468/-	Plus 14.60%	Work	Executed Value of Contract	Estimated Value of Executed Work as per CPWD	% Variation	Civil	14377973/-	10596194/-	Plus 35.67%	Additional Civil Work	7760768/-	6952845/-	Plus 11.62%	Roof Insulation	3271750/-	2578180/-	Plus 29.22%	<p>The figures mentioned in the tabulation is verified and found to be correct.</p> <p>Revised tabulation</p>	
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	Electrical Installation	1878510/-	2050450/-	Minus 08.39%		sheet be enclosed as Annexure (I)
	Additional Electrical work	673177/-	552041/-	Plus 21.94%		
	HVAC	9373149/-	8385263/-	Plus 11.78%		
	Total	37335327/-	31114973/-	Plus 16.97%		
	<p>Thus it is can be concluded that rate at which contract awarded / payment made to contractor is higher than estimated rate given by CPWD.</p> <p>More-over after going through records, it appears as if contractors executed only those parts of their scope of work which were financially suiting to them and rest they disowned and never operated. Finally it resulted in non -operational condition of Koothambalam theatre.</p>					Based on the records, the observation is derived by CVC.
x)	It was informed by Director; KF that roof was leaking heavily in rainy days in spite of huge expenses on roof work to the tune of approx. Rs.59.40 lacs. However there was no means to verify the same by inspecting officials. This again shows the poor quality of works by M/s.Chennai Engineers.					The statement is based on the present status / condition of the Koothambalam and observation by CVC officials.
y)	Supervision of execution, inspection and measurement of work before releasing the payment was in the scope of M/s.CARD (or its representative i.e Clerk of Works). But no records of inspection have been found during Intensive Examination. The measurement has been directly entered in Measurement Book itself. The role of KF Engineer Officer was totally neglected in this case and this was the over - dependency on Architect Consultant, in violation to Commission's guidelines on the subject.					
z)	In Civil work, SOR item No.131& 132 (i.e "Providing & Fixing Mangalore "tiles and "Fixing Mangalore tiles" respectively) were in quantity 200 sqm and 2500 sqm respectively. Item 131 was to be executed with new tiles and item 132 was to be executed with old removed tiles. There was no record kept for old removed tiles. Finally quantity executed actually is 1016.93 and 995.32 sqm from item 131 & 132 respectively. The rate of item 131 was Rs.910 per unit and rate of item 132 was Rs.350. Thus it seems as if quantity which supposed to be executed in item 132 was actually shown to be executed in item 131, with using old tiles. Hence it was an undue financial favour to civil contractor M/s. Chennai Engineers.					Verified and found to be correct.. (copies enclosed) Annexure (II)
aa)	For item no. 104 unit rate was Rs.3700 per cubic meter. Thickness of floor screeding was 75 mm thick as per drawing. However payments were made with thickness of 80 mtn. Thus it was an attempt made purposely to give undue advantages to M/s.Chennai Engineers.					Verified and found to be correct. (copies enclosed) Annexure (III)

bb)

As on date, status of various works under Koothambalam project is tabulated as below:

S. No.	Name of work	Letter of Award	Date of stop	% of work completed approx - w.r.t awarded value
1	Civil work	17.6.2010	10.04.2012	65%
2	M/s.CARD	11.9.2009	10.04.2012	
3	Roof insulation work	08.18.2010	10.04.2012	80%
4	Anutone board supply	18.8.2010	20.10.2010	100%
5	Electrical work	28.9.2010	10.04.2012	45%
6	HVAC work	08.10.2010	10.04.2012	75%
7	Slab cooling work	24.2.2011	10.04.2012	75%
8	Sculpture work	28.3.2011	13.10.2011	100%
9	Sound	Supply part already completed; No coverage for installation & Commissioning		

Considering the status of work already done in Koothambalam Project and huge investment of about seven crores already done in this but auditorium not being operational yet, Management of KF had decided to make the theatre just operational and for this they, with help of CPWD and other consultants, prepared an estimate of Rs.46341000/-. The abstract of above estimate is as below:

Civil & Electrical work	32305000/-	Estimate by CPWD
HVAC and Slab Cooling	6500000/-	Estimate by earlier Consultant M/s.Air Treatment Engineering Pvt Ltd
Sound System	3086000/-	Estimate by earlier Consultant M/s.Sound Wizard
Lighting	2550000/-	Estimate by earlier Consultant M/s.Gautam Bhattacharya Delhi
Sculpture	500000/-	Estimate by earlier Consultant M/s.Bhagvan Subudhi
Consultancy Fee- PMC and HVAC	1400000/-	-

Revised tabulation sheet be enclosed as Annexure (IV)

The Civil & Electrical estimate provided by the CPWD.

However for HVAC, Slab Cooling, Stage lighting, Sound System & Sculpture works, being specialized in nature, they advised to take the services of the original consultants as they were aware of the intricacies of the works. Based on their advice, this office took the services of the original consultants for the said works in order to work out the estimated cost to complete the said works.

	<table border="1"> <tr> <td>Total</td> <td>46341000/-</td> <td>-</td> </tr> </table>	Total	46341000/-	-	<p>It is ensured that GFR norms be adhered in award and execution of the said works.</p> <p>As regard observation by CVC for appointment of technical agency for supervision of execution and inspection of works, it is submitted that this office initiated the process of appointment of Project Management Consultant. However the Finance Committee disapproved the appointment of Project Management Consultant citing that CPWD office would be competent to handle this Project.</p>
Total	46341000/-	-			
<p>4. Summary of irregularities</p>					
	<ul style="list-style-type: none"> • No open tender for appointment of Consultant, sub-consultants and contractor. Consultant was appointed on basis of EoI called from five firms. Sub-consultants were engaged by consultant M/s.CARD on its own. The contractors were engaged by sub consultants for different work, on quotation basis, for works valuing as high as 2.19 crores. • No basis of estimate for civil work, given by M/s.CARD. • No estimate of Electrical, Sound, Lighting, Sculpture work by M/s.CARD or sub-consultants. • Higher payment to contractors vis-à-vis estimate by CPWD for executed work. • Poor quality of Civil / Electrical work. • Conditional offer of M/s.Chennai Engineers (as they did not quote for some items) was accepted by M/s.CARD. • M/s.Chennai Engineers (L - 1 for Civil Work) submitted cheque as EMD which was dishonoured: even then its offer was considered and finally it was awarded the work. 	<p>No comments</p>			

	<ul style="list-style-type: none"> • No.PBG was taken in any of the work. • Interest free advances were given to various firms; Amount of Rs.1805810 yet to be recovered. • Additional works awarded at rates decided without market rate analysis. • EMD for Electrical work was fixed 1% of Quoted Value. • Offer of M/s.Kevin in electrical work was considered in spite of the fact that their EMD was not 1% of their quote and later on it became L - 1. • Irregular renewal of B.G's for Mobilisation Advances. • In slab cooling work, L - 2 offer by M/s.Vibrant is without any signature or seal of firm. • Items supplied by Modern Stage Service are not of make mentioned in P.O.; No embossing of power rating in wattage is there over these equipments. • Excess payment for Item No.104, 131 & 132 to M/s.Chennai Engineers. • There were no proper record of measurement; in spite of that payment was made to firm. 		
	<p>5. Conclusion:</p>		
	<p>There appears to be lack of Technical expertise in the execution of this project. If work would have been awarded to any competent Government Technical body, like Public work Organisations, for supervision of execution and inspection, then Koothambalam Theatre would have been in better shape today.</p>	<p>No comments</p>	

Annexure (I)

Work	Executed Value of Contract	Estimated Value of Executed Work as per CPWD	% Variation
Civil	14105756/-	10596194/-	Plus 33.12%
Additional Civil Work	7760768/-	6952845/-	Plus 11.62%
Roof Insulation	3271750/-	2578180/-	Plus 26.90%
Electrical Installation	1878510/-	2053205/-	Minus 8.51%
Additional Electrical work	673177/-	552041/-	Plus 21.94%
HVAC	8837379.90/-	8379323/-	Plus 5.47%
Total	36527341.00	31111788/-	Plus 15.09 %

Annexure (II)

		Tender qty				Executed qty			
			QTY	unit	rate	Total	qty	Rate	Amount
104	29	Providing and laying plain cement concrete 1:3:6 with coarse sand, laid to required thickness (not exceeding 50mm) and slopes, in roof screedings, floor screedings and similar locations, laid in panels not exceeding 4 sqm., consolidated, finished fair and cured complete : Floor screedings	57	Cum	3700	210900	115.55	3700	427535
		difference in plus				216635			

Annexure (III)

			Tender qty				Executed qty			plus	minus	Total	Total
			QTY	unit	rate	Total	qty	Rate	Amount			Plus	minus
13 1	4 4	Providing and fixing Mangalore tiles of size 400 x 240 mm, so as to cover an area of 320 x 210 mm, the lap should be not less than 75 mm.	200	Sqm	910	182000	1016.9	910	925406.3	816.93		74340 6.3	
13 2	4 5	Fixing mangalore tiles of size 400x240mm so as to cover an area of 320x210mm. The lap should be not less than 75mm. Provide for necessary mortar jointing, chasing in walls, tile cutting, tile wastage etc.	2500	Sqm	350	875000	995.32	350	348362		1504. 68		526638
						1057000			1273768. 3			21676 8.3	
		Plus							216768.3				

Annexure (IV)

S.No	Name of work	Letter of Award	Date of stop	% of work completed approx... w.r.to awarded value
1	Civil work	17.6.2010	10.04.2012	65%
2	M/s.CARD	11.9.2009	10.04.2012	-
3	Roof insulation work	18.8.2010	10.04.2012	80%
4	Anutone board supply	18.8.2010	20.10.2010	100%
5	Electrical work	28.9.2010	10.04.2012	45%
6	HVAC work	08.10.2010	10.04.2012	75%
7	Slab cooling work	24.2.2011	10.04.2012	75%
8	Stage lighting	19.10.2010	10.04.2012	90%
9	Sand stone carving (sculpture work)	28.3.2011	13.10.2011	100%
10	Sound	Supply part already completed: No coverage for installation & Commissioning		

Annexure (V)

Name of work: Additions, Alterations and civil work in Koothambalam in Kalakshetra Foundation.			
Summary of Consultancy Fees as on date			
SNo	Details of Sub Head / Consultant		Total Amount
1	Dr.Mono Doctor Pingel towards Architect for upgradation of theatre		47,550.00
2	Sub Head I -Civil work Towards Consulting Architect M/s.CARD / Ar.Ravi Nilakantan		30,84,095.88
3	Towards cost of Clerks of Works		12,67,185.00
4	Towards cost of Consultant charges		2,65,513.00
5	Sub Head II -Sound System Towards consultant fee to M/s.Sound Wizard		1,67,556.00
6	Sub Head III - Stage lighting work Towards Stage lighting consultant Shri.Bhattacharya		20,000.00
7	Sub Head IV- Stone sculpure work Towards Vaastu Stone sculpture consultant Shri.Umapathy Archarya		20,000.00
8	Sub Head V- Other consultant Towards Design & implementation		32,836.00
9	Sub Head- Travel expenditure Towards travel expenditure payable to the above Consultant (M/s.CARD, M/s.Sound Wizard,		
a	To M/s.CARD	1,39,105.00	
b	To M/s.Sound Wizard	87,325.00	
c	To M/s.Stage Consultant Shri. Bhattacharya	58,854.00	
d	To others	5,645.00	
			2,90,929.00
	Grand Total		51,95,664.88

Annexure (VI)

Name of work	Advance paid	Amount yet to be recovered
M/s.Chennai Engineers	32,00,000.00	12,24,294.00
M/s.CARD	75,000.00	75,000.00
M/s.Anutone	7,05,724.00	0.00
M/s.Kevin Electricals Pvt Ltd	7,36,316.00	4,86,516.00
M/s.Bhagaban subudhi	2,85,000.00	0.00
M/s.Modern Stage Service, Delhi.	14,36,038.00	0.00
Consultant Shri.Gautam Bhattacharya	20,000.00	20,000.00
M/s.Chennai civil tech research Foundation pvt ltd	42,700.00	0.00
M/s.S.U.N.Media ventures pvt ltd	1,68,788.00	0.00
M/s.Ansata computer Systems	7,45,300.00	0.00
M/s.Pro Musicals	68,600.00	0.00

Annexure (A)

1	M/s.Sound Wizard - Auroville - appointed by Kalakshetra (for Acoustics study)	EAW & Audix products -	M/s.Aditya infotech	9-Nov-09	29-Nov-09	6170870
2		Speaker and Stand products	M/s.E & E Systems (India) Pvt Ltd	24-Mar-10	11-Aug-10	1927488
3		MIC and Stand products	M/s.Senheiser Electronics India pvt Ltd /M/s.Telerad	24-Mar-10	31-Mar-10	673047
4		QSC products	M/s.MRH Digital systems private Ltd	7-Dec-10	15-Dec-10	496465
5		Digidesign products	M/s.Anasata computer systems private Limited / Bangalore.	9-Nov-09	3-Dec-10	3100542
6		Tele products	M/s.Sasi Enterprises	9-Nov-09	15-Feb-10	293382
7		Tele products	M/s.Sasi Enterprises	9-Nov-09	8-Mar-10	
8		Projector products	M/s.Projection Design	24-Nov-09	5-May-10	
9		Projector products	M/s.Tempest lighting Inc	9-Mar-11	28-Mar-11	314630
10		Samson and Alesis products	M/s.Pro Musicals	25-Nov-09	31-May-10	226685
11		Draper products	M/s.Office 2000	16-Nov-09	25-Feb-10	512891
12		Denon & Pioneer products	M/s.Rivera international	28-Jan-10	27-Mar-10	202125
13		Denon & Pioneer products	M/s.Rivera international	28-Jan-10	12-Feb-10	
14		Denon & Pioneer products	M/s.E & E Systems (India) Pvt Ltd	28-Jan-10	8-Feb-10	43796
15		QSC products	M/s.MRH Digital systems private Ltd	17-Nov-09	19-Dec-09	750908
16		QSC products	M/s.MRH Digital systems private Ltd	17-Nov-09	29-Dec-09	
17		Accessories products	M/s.Reynolds INC	3-Feb-10	25-Feb-10	638213
18		Cable products	M/s.S.U.N. Media Ventures Pvt Ltd.,	18-Nov-09	21-Jan-10	675151
19		Cable products	M/s.S.U.N. Media Ventures Pvt Ltd.,	19-Jan-10	15-Feb-10	76866
20		Cable products	M/s.S.U.N. Media Ventures Pvt Ltd.,	7-Oct-10	28-Jan-11	461489
	Total					17749145

Kalakshetra Foundation - Central Office
Kalakshetra Road
Tiruvanmiyur
Chennai

Retn Chennai Engineers - Security Deposit
Ledger Account

1-Apr-2010 to 13-Jul-2016

Date	Particulars	Vch Type	Vch No.	Debit	Credit
15-7-2010	Dr Canara Bank 2649101001719 Plan A/c Being Security deposit recd from M/s Chennai Engineers for Koothambalam work vide Bank of Baroda BPO No:584869/07.07. 2010	BR - Plan	BR-B-10		5,00,000.00
					5,00,000.00
	Cr Closing Balance			5,00,000.00	
				5,00,000.00	5,00,000.00

Kalakshetra Foundation - Central Office
 Kalakshetra Road
 Tiruvanmiyur
 Chennai

Retn Unimech Systems - Security Deposit
 Ledger Account

1-Apr-2010 to 13-Jul-2016

Date	Particulars	Vch Type	Vch No.	Debit	Cr
9-12-2010	Dr Canara Bank 2649101001719 Plan A/c Ch. No. :266762/11.11.2010 IOB, Aminjikarai Br. chennai being amount received from M/s. U nimech Systems (Chennai) Pvt. Ltd., towards Retn. & EMD for HVAC Work in Koothambalam Vide Rt. No. 311/9.12.2010.	BR - Plan	BR-B-24		2,95,000.00
					2,95,000.00
	Cr Closing Balance			2,95,000.00	2,95,000.00

Kalakshetra Foundation - Central Office

Kalakshetra Road
Tiruvanmiyur
Chennai

Retn Kevin Electricals - Security Deposit
Ledger Account

1-Apr-2004 to 13-Jul-2016

Page 1

Date	Particulars	Vch Type	Vch No.	Debit	Credit
3-12-2010	Dr Canara Bank 2649101001719 Plan A/c Ch. No. :795355/1.12.2010, City Union Bank, Sr.Br. Chennai towards Security Deposit for Theatre Electrical Installation for Koothambalam received from M/s. Kevin Electricals Pvt. Ltd., Vide Rt. No.198/3.12. 2010.	BR - Plan	BR-B-23		73,650.00
					73,650.00
Cr	Closing Balance			73,650.00	73,650.00