M/s Ernst & Young Pvt. Ltd working as Internal Auditor of this mega project has pointed out some common deficiencies in their Audit reports for audit being conducted during last one year. Some of the important observations are given below which may be gone through by all consortia leaders/partners to ensure that these are not done in their respective projects.

**Procurement observations**

1. Procurement of raw materials, consumables without sanction.
2. Insufficient number of bids evaluated & delay in delivery.
3. Prescribed procurement method not followed Procurement made under Direct Contracting Method like Personal Computer.
4. Price negotiations with selected vendor.
5. Minimum bidding period not provided, comparative sheet not prepared as per Project guidelines.
6. Eligibility criteria not met by vendors
7. Incomplete purchases orders.
8. RFQ not prepared etc.

**Financial observations**

1. Assets procured not in conformity with the Sanction letter.
2. Interest earned on STD not remitted.
3. Institutional expenses claimed in excess of sanctioned limits.
4. No supporting vouchers against hiring of vehicle/POL.
5. Receipts from sale of bid documents not deposited in Project account.
6. Incorrect classification of expenses in SOE
7. Custom duty exemption not availed, etc.

DIRECTOR (FINANCE), NAIP