



Arc

To,

Sh. V. S. Malik
Administrator, Ashadeep CGHS Ltd.,
Plot-3B, Sector-2, Dwarka ,
(Opposite to Manipal Hospital),
New Delhi-110075

Sub: Discrepancy in work and payment regarding Building Extension Project at Ashadeep CGHS, New Delhi.

Dear Sir,

This letter is to formally address concerns regarding discrepancies in both quality and cost associated with the contractor on the Ashadeep CGHS Extension project.

As you know, you have selected Hadisco Constructions Private Limited based on their cost based on Area basis and proposal aligned with the project specifications. However, after the virtual completion of the project, along with the client and our observation there are several instances of discrepancies:

- Unapproved structural drawings
- Deviations from DDA approved
- Delay in Project
- Claim for additional work
- Cost escalation
- Unauthorized payment to contractor without Architect's approval
- Unfinished and low quality workmanship
- Disposal of dismantled items which having commercial value

Furthermore, Hadisco Cons P Ltd, has recently submitted a change order requesting a cost increase due to reasons not mentioned in the work order dated 29th June, 2019. This request appears to be a result of potential underestimation during bidding, additional items introduced by the contractor, unforeseen delay in schedule due to COVID & Delhi Govt Constuction Ban due to Pollution complications].

It is crucial to address these discrepancies promptly to ensure the project's closure. We recommend a multi-pronged approach:

1. Quality Discrepancies:

- List of all work value as specified in the work order, which has been left unfinished by Hadisco. This value to be deducted from the final bill.
- Additional items of Stainless Steel Railing with Toughened glass was added, but to deduce cost difference between estimated MS railing and Stainless Steel railing is below market rate. The square feet rate of the SS railing need to be recalculated. Moreover, there is no approval from the Architect's side on this. To ensure the quality of SS , please send a sample for 304 grade steel.

2. Cost Discrepancies: We will thoroughly review the change order request and compare it against the original contract and project specifications. We will then provide you with a detailed analysis of the cost increase and explore alternative solutions to minimize budgetary impact.

- As the work has been awarded to Hadisco on rate rate basis, no additional work due to site condition discovered on later date should be billed if not approved by client or Architect.



- In case of any payment from the clients side without the Architect's approval, the architect is not responsible. The client's Authorized signatory is answerable to this.
- The architect was neither contacted or informed regarding the payment of Rs 51 lakhs to Hadisco.
- During inspection, it was observed that in B block (wing 2 & 3)- rear side, both towers have only 8 slabs but contractor M/s Hadiso Construction had claimed wrongly for 11 slabs & surprisingly, the payment were made to M/s Hadiso by erstwhile MC for 11 slabs best known to them. The payment should be made for 8 slabs only as per actual measurements.
- Regarding additional square footage due to roof construction, it was not specifically described in the work order, item no 7.1 Mode of Measurement. Moreover, it is not fair on the Hadisco's part to claim for additional payment based on predecided square feet rate.
- Any additional rate escalation due to project delay is Hadisco's fault due to delay in work. Only 4 months delay due to Covid in 2020 can be considered, accordingly the inflation percentage can be worked out. But the client also had to bear loss due to delay in delivery of the finished product and incur loss.

As per contract with the architect, due payment has not been released even after repeated reminders. Please release the due payment.

Our primary objective is to achieve a high-quality project within the agreed-upon budget. We are confident that through open communication and collaboration, we can resolve these discrepancies with the contractor.

Thanking you,

for **Designers' Guild**, Noida



Chanakya Bora
B. Arch
CA/96/20577

Chanakya Bora, Partner

Date: 23rd May, 2024