

CHAPTER-III: COMPLIANCE AUDIT OBSERVATIONS

Water Resources Department

3.1 Unfruitful Expenditure

Construction of headwork without ensuring the availability of land for canal work for four diversion schemes resulted in unfruitful expenditure amounting to ₹ 6.13 crore, as the diversion schemes remained incomplete even after eight years

As per note 3 of para 2.006 of Works Department Manual, in exceptional cases where it is desirable to commence work on a project before the detailed estimate for the whole project has been sanctioned, it is permissible for the competent authority to sanction the final technical estimate as a whole to accord sanction to detailed estimates for component parts of the project subject to the conditions: 3(a) for each such work or component part, there must be a fully prepared detailed estimate, and in the expenditure sanction as a whole, there must be a clear and specific amount corresponding to the work or component part in question, and 3(c) the sanctioning authority must be satisfied before according sanction, that no material deviations from the whole project as prepared for the purpose of expenditure sanction are to be anticipated and that the amount of the technical sanction for the whole project is not likely to exceed the amount of the expenditure sanction.

With the objective of creating irrigation potential for 695 hectare¹ land in tribal areas, the Government of Chhattisgarh accorded (October 2012) Administrative Approval (AA) for ₹ 13.47 crore² for four diversion schemes viz., Chandoka (Chandabeda), Jondhra (Chhataudi), Bhainsabeda and Bangaon (Pare) under Accelerated Irrigation Benefit Programme (AIBP) for minor irrigation. The Scheduled Tribe and Scheduled Caste Development Department consented to the diversion schemes, subject to the condition that the work be started only after paying compensation to the owners of affected land. The diversion schemes consisted of head work and canal work i.e. distribution channel. Technical Sanction (TS) of ₹ 7.37 crore³ for headworks was granted by the Chief Engineer (CE) during November-December 2012. The estimates for canal works were, however, not included in the detailed estimates.

Scrutiny of records (October 2018) of the office of the Executive Engineer, Water Resource Division, Kondagaon (EE), revealed that the construction of head works in all the four diversion schemes was completed in March 2014 after incurring an expenditure

¹ 120 hectare through Chandoka (Chandabeda) Diversion Scheme; 130 hectare through Jondhra (Chhataudi) Diversion Scheme; 95 hectare through Bhainsabeda Diversion Scheme and 350 hectare through Bangaon (Pare) Diversion Scheme.

² ₹ 227.42 lakh for Chandoka Diversion Scheme; ₹ 245.24 lakh for Jondhra Diversion Scheme; ₹ 182.18 lakh for Bhainsabeda Diversion Scheme and ₹ 692.60 lakh for Bangaon Diversion Scheme.

³ ₹ 137.73 lakh (Bhainsabeda), ₹ 161.17 lakh (Jondhra), ₹ 163.28 lakh (Chandoka) and ₹ 274.60 lakh (Bangaon).

of ₹ 6.13 crore⁴. The construction work of canal for all the four schemes was not taken up (November 2020) as the owners of the land refused to provide their land for the construction of canal. Thus, the diversion schemes could not be completed even after eight years of the administrative approval and the objective of creating irrigation potential for 695 hectare land could not be fulfilled due to non-execution of canal work. The expenditure of ₹ 6.13 crore incurred on headworks was thus rendered unfruitful.

The EE stated (November 2020) that due to non-acquisition of land, detailed estimate for canal work was not prepared. It was also mentioned that headworks were in proper condition and stored water was being used by the farmers for irrigation purpose through their own means and water was also being used by the villagers for their daily use.

The reply is not acceptable, as the construction of head works was taken up without acquiring the land and finalizing estimates of canal works required for the completion of diversion schemes. Thus, the expenditure of ₹ 6.13 crore incurred on head works remains unfruitful in the absence of construction of canal and the objective of creation of irrigation potential for 695 hectare land was not achieved.

The matter was brought (September 2019) to the notice of the Government; reply is awaited (February 2021).

3.2 Undue advantage to contractor

Issue of hard rock excavated at construction site of Jonk Barrage in Mahasamund district to contractor at lower rate resulted in undue advantage of ₹ 78.36 lakh to him

As per Rule 58 of the Chhattisgarh Minor Mineral Rules, 2015, (CMM Rules, 2015) the Collector shall grant Quarry Permit for extraction, removal and transportation of any minor mineral specified in Part-C of Schedule-I and Part-A of Schedule-II from any specified land which may be required for the works of any department or undertaking of the Central Government or State Government. It was further specified under Rule 59 of CMM Rules, 2015 that the Collector shall grant permission for disposal of minor minerals obtained during excavation work on payment of amount equivalent to royalty of such mineral in advance.

The work of construction of head work and RBC main canal of lower Jonk Barrage, Basna Block in Mahasamund district was awarded (September 2016) to a contractor⁵ at a contracted amount of ₹ 46.32 crore with a completion period of 24 months (September 2018). The work was under progress as of January 2021, and payment of ₹ 46.14 crore has been made to the contractor.

Audit scrutiny (March 2019) of records at the office of Executive Engineer (EE), Water Resources Division, Mahasamund, revealed that—as per agreement, the issue rate of hard

⁴ ₹141.61 Lakh for Chandoka; ₹ 123.74 Lakh for Jondhra (chhataudi); ₹ 123.61 Lakh for Bhaisabeda and ₹ 224 Lakh for Bangaon (Pare).

⁵ M/s Sunil Kumar Agrawal vide Agreement No. 05 DL/2016-17 at the rate 3 per cent below the estimated rate. Stipulated period of completion was 24 month including rainy seasons i.e. up to September 2018.

rock of each work was to be decided and mentioned in Annexure-L of the agreement, which was not done. During execution of work, 50,231.43 cum⁶ of hard rock was excavated, and was issued to contractor (February 2016 to June 2018) for use in the work at a rate ₹ 88.40 per cum. This issue rate of ₹ 88.40 per cum was decided by the Superintending Engineer, Ground Water Survey Circle, Raipur in June 2014 i.e. two years prior to tender date (March 2016) of this work. The issue rate of ₹ 88.40 per cum did not include royalty charges notified from time to time by the Mineral Resources Department.

Audit compared the issue rate of hard rock fixed by another Division in 2018 (Water Resource Division Dhamtari Code No. 90) which was ₹ 244.40 per cum⁷ arrived at by taking rate for item 505 of the SOR 2010 of WRD, supervision and royalty charges. Thus, the lower issue rate of hard rock of ₹ 88.40 per cum fixed by the office of EE, Water Resources Division, Mahasamund resulted in undue favour to the contractor amounting to ₹ 78.36 lakh⁸.

Department accepted the observation and replied (February 2020) that the difference of recoverable amount at the rate of ₹ 156 per cum (₹ 244.40 per cum - ₹ 88.40 per cum) shall be deducted from the next running bill of the contractor. However, the recovery is yet to be made by the Department (January 2021) even after a lapse of 21 months.

Matter was brought to the notice of the Government in January 2020. Reply is awaited (February 2021).

⁶ 47,350.53 cum. in head work and 2880.90 in canal work.

⁷ ₹ 104 per cum (item 505 of SOR) + supervision charges ₹ 10.40 per cum + royalty charges ₹ 130 per cum.

⁸ 50231.43 cum X (₹ 244.40 – ₹ 88.40)= ₹ 78.36 lakh.