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**CHAPTER – IV**  
**WORKS EXPENDITURE**

**SECTION – B : PARAGRAPHS**

**ROAD CONSTRUCTION DEPARTMENT**

**4.1 Unfruitful expenditure on incomplete bridge works for 12 Years**

*Abandonment of works by an agency resulted in unfruitful expenditure of Rs 36.94 lakh on incomplete bridges*

Work of construction of 4 bridges (3 high level and one culvert) in Chandwa-Mahua Milan-Makluskiganj road in Jharkhand was technically sanctioned (between December 1985 and August 1988) for Rs 87.60 lakh by Chief Engineer, Central Design Organisation, Road Construction Department, Bihar, Patna. The work of construction of 3 bridges was allotted between August 1989 and August 1990 to an agency at a value of Rs 69.57 lakh for completion between February 1991 and July 1992. The agency after receiving payment of Rs 36.94 lakh stopped the work between September 1993 and October 1995 without assigning any reason. The work was not resumed as of February 2003.

Scrutiny of records of Executive Engineer, Road Construction Division, Latehar revealed (May 1999) that 782.27 tonnes of steel rods of different dia (6 mm to 28 mm) valuing Rs 51.91 lakh were procured by the division between November 1986 and September 1989 for construction of the above works. Of 782.27 tonnes of steel rods 464.70 tonnes valued at Rs 30.84 lakh were issued to different sections (334.858 tonnes) and other divisions (129.841 tonnes) between March 1987 and August 1999. Balance 317.57 tonnes valued at Rs 21.07 lakh were lying unutilised in stores as of February 2003.

Further, 9403 bags of cement and 48 bearings were issued to the agency between April 1990 and May 1994 for use in the construction of high level bridge. The agency utilised 6910 bags of cement and 12 bearings in the work and remaining 2493 bags of cement valued at Rs 2.74 lakh and 36 bearings valued at Rs 2.25 lakh were neither utilised in works nor were returned by the agency as of February 2003.

Executive Engineer, Road Construction Division, Latehar, failed to invoke penal clauses of contract against the agency and did not recover cost of unutilised material for Rs 4.99 lakh (cement: Rs 2.74 lakh; bearing: Rs 2.25 lakh). Reasons for the failure was not communicated to audit though called for (between November 2000 and February 2003). This has resulted in unfruitful

expenditure of Rs 36.94 lakh on incomplete construction of bridges besides locking up of Rs 26.06 lakh on unused steel rods, cement and bearings.

The matter was referred to Government (July 2002 and April 2003); their reply had not been received (December 2003).

## **WATER RESOURCES DEPARTMENT**

### **4.2 Avoidable payment of interest on cost of acquisition of land**

*Delay in payment of Land Compensation amount resulted in avoidable payment of interest of Rs 49.65 lakh*

Special Land Acquisition Officer (SLAO), Subernrekha Project (SR Project), Chaliama-4 acquired 713.30 acre of land of village Kulaburu of Singhbhum district at a compensation price of Rs 2.10 crore payable to land owners and delivered possession of the land (January 1994) to the Executive Engineer, Kharkai Dam No 2, Icha-Chaliama for construction of Kharkai Dam. As the compensation for the land acquired was not paid by the Water Resources Department, 3 land owners filed a writ petition (CWJC No. 2138/95 R) in Ranchi Bench of Patna High Court. The Court delivered (3 September 1996) judgement to make payment of compensation together with all statutory relief admissible under Land Acquisition Act within 3 months failing which interest at the rate of 18 per cent per annum on the compensation amount would be payable from the date of award of land to the date of payment. Since no payment was made, the petitioners filed a contempt case (M JC 91/99 R). As per the direction (20 January 2000) in the contempt case, the SLAO finally paid Rs 75.27 lakh (compensation: Rs 25.62 lakh; interest: Rs 49.65 lakh) in April 2000.

It was observed in audit (August 2001) that the S.L.A.O. did not take any action to obtain fund from government in time and discharge the committed liability as per judgement of the Court resulting in avoidable payment of interest of Rs 49.65 lakh.

The matter was referred to Government (July 2002 and April 2003); their reply has not been received (December 2003).

**4.3 Loss due to non-reduction of contracted load of electricity**

*Negligence and lack of initiative evinced by the Divisional Officer, Mechanical Division, Chandil for supply of electricity at reduced load resulted in loss of Rs 6.40 crore during 1994-2003 (February 2003).*

Mechanical Division, Chandil had contracted load of 1500 KVA for consumption of electricity. The division assessed (January 1991) its required load of electricity for 500 KVA and accordingly requested the Electric Supply Division, Jamshedpur in January 1991 to reduce the load of electricity.

The Electric Supply Division, Saraikela (formerly Supply Division, Jamshedpur) sanctioned the reduction of load to 500 KVA and asked (March 1994) the Mechanical Division, Chandil to install a transformer of reduced capacity and furnish details of connected load in its premises. The Division did not make arrangement to get the same installed nor did it furnish details of connected load to the Electric Supply Division. The Mechanical Division did not also promptly deposit (deposited in May 2000) requisite fee (Rs 50) for reduction of power load to the Electric Supply Division and the electricity was being supplied to the division at the contract demand of 1500 KVA.

Thus, failure of the Divisional Officer, Mechanical Division, Chandil to execute the contract with the Electric Supply Division for supply of electricity at the reduced load resulted in payment of electric charges at Rs 6.21 lakh per month instead of Rs 1.85 lakh per month. The accumulated loss to the division on account of excess payment of electricity charges (including fuel surcharge) during April 1994 to February 2003 aggregated Rs 6.40 crore.

The matter was referred to Government (July 2002 and April 2003); their reply has not been received (December 2003).