कार्यालय, महालेखाकार (लेखापरीक्षा), बिहार,
सामाजिक प्रक्षेत्र –I, स्थानीय लेखापरीक्षा शाखा,
वीरचन्द पटेल मार्ग, पटना - 800001

सं0.एल0ए0 / एस0एस0–1 / श0स्था0नि0 /

दिनांक–

सेवा में,

कार्यपालक अभियंता
जिला शहरी विकास अभिकरण (DUDA), नवादा
जिला– नवादा

महाशय,

जिला शहरी विकास अभिकरण, नवादा के मई 2010 से दिसम्बर 2016 तक के लेखाओं पर आधारित निरीक्षण प्रतिवेदन सं0 1181 / 16–17 आपके सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित है। अनुरोध है कि इस लेखापरीक्षा प्रतिवेदन की कंडिकाओं का अनुपालन, निरीक्षण प्रतिवेदन प्राप्ति के 3 माह के अन्दर अभिप्रमाणित साक्ष्य सहित जिला स्तरीय समिति के समीक्षोपरान्त प्रेषित किया / करवाया जाय जिससे लेखापरीक्षा के उद्देश्यों की पूर्ति हो सके।

यह निरीक्षण प्रतिवेदन लेखापरीक्षित इकाई द्वारा समर्पित एवं उपलब्ध करायी गयी सूचनाओं / विवरणों के आधार पर तैयार किया गया है। महालेखाकार (लेखापरीक्षा), बिहार पटना का कार्यालय लेखा परीक्षित इकाई द्वारा किसी भी गलत सूचना देने अथवा सही तथ्य छिपाने की जवाबदेही का दावा नहीं करता है।

संलग्नकः यथोपरि

भवदीय,

वरीय लेखापरीक्षा अधिकारी
श0स्था0नि0 / सामाजिक प्रक्षेत्र–1
स्थानीय लेखापरीक्षा शाखा, पटना

सं0–एल0ए0 / एस.एस.–1 / श0स्था0नि0 / 14656 / 501

दिनांक– 30/3/17

प्रतिलिपि सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषितः–

1. सचिव, नगर विकास एवं आवास विभाग, बिहार सरकार, पटना
2. जिलाधिकारी, नवादा

वरीय लेखापरीक्षा अधिकारी
श0स्था0नि0 / सामाजिक प्रक्षेत्र–1
स्थानीय लेखापरीक्षा शाखा, पटना

महालेखाकर कार्यालय (लेखापरीक्षा),बिहार, पटना

निरीक्षण प्रतिवेदन सं.– 1181/16-17

भाग- I

प्रस्तावना

1.	निरीक्षित कार्यालय का नाम	जिला शहरी विकास अभिकरण, नवादा
2.	लेखापरीक्षा का कार्य क्षेत्र	मई 2010 से दिसम्बर 2016 तक संबन्धित रोकड़ पंजी, बैंक पासबुक, योजना पंजी एबं योजना अभिलेखों की नमूना जांच।
3.	लेखापरीक्षा की अवधि	09/01/2017 से 17/01/17 तक
4	विस्तृत जांच के माह	मार्च 2014, मार्च 2015 एवं मार्च 2016
5	कार्यालय प्रधान का नाम	श्री कमल किशोर प्रसाद , कार्यपालक अभियंता
6	लेखापरीक्षा दल के सदस्यगण	श्री धीरेन्द्र सिंह, लेखा परीक्षक श्री अभिषेक राज , वरीय लेखा परीक्षक श्री अजय कुमार III, स.ले.प.अ. श्री विमलेश रंजन एस.पी. भारती, स०ले०प०अ०
7	निरीक्षण अधिकारी के नाम	श्री दिलीप प्रसाद , ले.प.अ.
8	क्या विभागीय उच्चाधिकारी वित्त विभाग द्वारा विभाग लेखा अभिलेख का निरीक्षण किया गया था?	नहीं, लेखापरीक्षा अवधि में उच्चाधिकारी द्वारा कोई निरीक्षण नहीं किया गया।
9	सामान्य अभियुक्तियाँ	जिन आपत्तियों का निष्पादन लेखा परीक्षा के दौरान नहीं हो पाया उन्हें प्रतिवेदन मे शामिल कर लिया गया
10.	क्या कार्यालय प्रधान के साथ आपत्तियों पर विचार-विमर्श किया गया ?	हाँ, सभी आपत्तियों पर विचार विमर्श किया गया एवं उनके जवाब प्राप्त किये गए।

दावा अस्वीकरण प्रमाण पत्र

(DISCLAIMERCERTIFICATE)

यह निरीक्षित प्रतिवेदन कार्यालय जिला शहरी विकास अभिकरण, नवादा द्वारा उपलब्ध कराई गई सूचनाओं के आधार पर तैयार किया गया है। कार्यालय, महालेखाकर (लेखापरीक्षा), बिहार, पटना निरीक्षित इकाई द्वारा उपलब्ध करायी गयी अपूर्ण/गलत सूचना के लिए उत्तरदायी नहीं होगा।

PART II (A)- Nil

PART II (B)

Para No. 1. (a) Non deduction of penalty: Rs 28.24 lakh

As per clause 2 of condition of contract Bihar Public Works Department compensation is to be deducted from the payments of bills for delay in completion of schemes @1/2 % per day of estimates maximum of 10% of the estimated cost.

During test check of files and records it was noticed that there had been inordinate delay in completion of work ranging from 180 days to 1275 days. Penalty was to be recovered by the Executive Engineer DUDA, Nawada from the contractor's bills during payment as per rule mentioned above. But 10% penalty was either not recovered or partiallly recovered.

Details are given below:

Sl no	Agreement No	Name of scheme	Name of contractor	Estimated cost	Date of work order	Due date of completion	Actual date of completion	Delay in days	penalty deducted	penalty to be deducted @10%	Difference
1	18f2/12-13	Infrastructure Development	Bidyacharan Singh	2153371	31.08.12	28.02.13	22.07.14	507	7990	215337	207347
2	121f2/15-16	Construction of guide wall	Premsila	4247235	07.09.15	06.12.15	25.06.16	180	0	424724	424724
3	13f2/13-14	Beautification of Surya Mandir and chhat ghat	Vinay kr Sinha	3941361	04.03.14	03.09.14	20.06.15	280	0	394136	394136
4	29f2/10-11	Construction of footpath and beautification of Harischandra stadium	M/S Vinay cons.	3343076	02.02.11	01.05.11	29.01.14	940	0	334308	334308
5	37f2/10-11	Construction of road from nh 31 Tobinoba nagar	Umesh Pd singh	3763167	22.02.11	21.05.11	12.01.13	595	34257	376317	342060
6	19f2/10-11	Construction of pcc road and drain with cover	Md. Raish khan	4199469	22.02.11	21.05.11	16.12.14	1275	0	419947	419947
7	16f2/10-11	Construction of Road, drain, Slab and PCC work	Anaadi Nath Ghosh	4292270	21.05.11	20.08.11	02.06.14	1020	184408	429227	244819
8	1f2/13-14	Beutification of Town Hall	Dhananjay Kr	5572600	21.05.13	20.11.13	12.06.15	570	172460	557260	384800
9	8f2/13-14	Electrification of Town Hall	Arvind kumar	2110491	04.03.14	03.03.14	21.04.15	390	139414	211049	71635
										Total	**2823776**

Hence, undue favour to the contractors was given by DUDA, Nawada, which resulted into loss of Govt Revenue.

The Executive Engineer (EE) DUDA replied that the penalty amount will be deducted from the contractor's bill. The excess payment made to the contractor may be realised from the responsible person/persons.

1(b) Undue favour to contractors in granting time extension: Rs 9.31 lakh

As per Clause 5 of condition of contract, If the contractor shall desire any extension of the time for completion of the work on the ground of his having been unavoidably hindered in its execution or any other ground other then those mentioned in clause 12 (a) he shall apply in writing to the Executive Engineer within 40 days from the date of starting of the hindrance.

Scrutiny of files relating to grant of time extension to different contractor for execution of work revealed that time extension was granted irregularly in the following cases.

Name of Work	Construction of Library cum Citizen Centre in Sirdala Block	Construction of Library cum Citizen Centre in Rajauri Block	Construction of Library cum Citizen Centre in Nardiganj Block	Construction of Library cum Citizen Centre in Kaukaul Block
Agreement no	06f2/2012-13	07f2/2012-13	05f2/2012-13	05f2/2012-13
Name of the Contractor	Awadh Kishore Singh	Surendra Kumar	M/s Sanjana Construction	M/s Sanjana Construction
Estimated Cost	2208446	2408218	2341307	2350278
Date of work order	25.05.2012	26.05.2012	26.05.2012	26.05.2012
Contract Date of completion	24.08.2012(3 months)	25.08.2012(3 months)	25.08.2012(3 months)	25.08.2012(3 months)
Total value of work done	2208446	2222720	2248902	2195901
Actual date of completion(as per MB)	19.06.2014	30.08.2013	30.05.2013	16.09.2013
Actual date of completion shown by Executive Engineer	20.08.2013	30.08.2013	14.09.2013	16.09.2013
Date of Applicaton received from Contractor for time extension	16.07.2013	20.08.2013	13.09.2013	10.09.2013
Application forwarded by Executive Engineer, Duda	23.11.2016	17.11.2016	02.12.2016	02.12.2016
Time extension granted by Chief Engineer	22.12 2016	23.12.2016	19.12.2016	19.12.2016
Period for which time extension granted	24.08.2012 to 20.08.2013	25.08.2012 to 30.08.2013	25.08.2012 to 14.09.2013	25.08.2012 to 16.09.2013
Penalty for time extension deducted	144628	110754	117540	118821
Penalty for time extension to be deducted	220845	240821	234131	235027
Less deduction of time extension	76217	130067	116591	116206
Refund of time extension	144628	110754	117540	118821
Total amount of time extension irregularly refunded/not deducted	**220845**	**240821**	**234131**	**235027**

Audit Comments:

1. Application of contractors was received during the year 2013 and they were forwarded by Executive Engineer, DUDA Nawada to Chief Engineer UD&HD, Bihar Govt. in Nov/Dec 2016 i.e. after lapse of three years.
2. Reason for delay in execution of work was stated as "Due to rainy season". Span of rainy season is almost three months, however time extension was recommended by Executive Engineer for the period of one year.

3. Applications for time extension was submitted by the contractors almost after completion of work, however they were to be submitted during the execution of work and within 40 days of hindrance.
4. In case of Sirdala Block work was executed and payment made beyond the period for which time extension was granted by Chief Engineer.
5. In case of Nardiganj Block actual date of completion was wrongly shown as 14.09.2013 however, it was 30.05.2013 as per MB.
6. Period of time extension granted by Chief Engineer was 400% of the actual period of time given to contractor for completion.

Hence, it clearly shows that time extension was granted to contranctors for which they were not entitled.

Thus Rs 930824/- was released to contractors and undue favour was given.

In reply to the above the E.E. DUDA stated that in the light of the sanction for the time extension given by Chief Engineer the amount was refunded to the contractors.

The reply is far from satisfactory as the applications for time extension were submitted by the contractors almost after completion of work, however it was to be received during the execution of work and within 40 days of hindrance. In case of Sirdala Block work was executed and payment made beyond the period for which time extension was granted by Chief Engineer. Hence it is clear that undue favour was given to the contractor leading to the loss of the Government Revenue amounting to Rs. 930824/-.

Para No. 2(a) Non deduction of Labour Cess : Rs 3.60 lakh

As per "Building and other construction worker's welfare cess act-1996" as adopted by the Bihar Govt. vide Notification No.4/F1&302&2006&865 dated 18.06.2008, labour cess @ 1% of the estimated cost is to be deducted by the executing agencies from the bills of the executing agent. However, labour cess was not deducted in the following cases:-

Sr. No.	Name of Work	Agreement no	MB No	Contractor Name	Estimated Cost as per agreement	Work done as per MB	Labour cess
1	Cost. Of PCC Road and drain with cover	19f2/10-11	20	Md. Raish Khan	4199469	3912445	39124
2	Const. Of road	37f2/10-11	11	Umesh Prasad	3763167	3729417	37294
3	Const. Of PCC Road	4f2/10-11	8	Anandi Nath Ghosh	1432222	1393020	13930
4	Const. Of pcc road and brick soling	22f2/10-11	29	Mithilesh Kumar	1214202	1092781	10928
5	Const. Of pcc road and drain	2f2/10-11	7	Yogendra Singh	975010	687249	6872
6	Cost. Of PCC Road and drain with cover	33f2/10-11	13	Santosh Kumar	2710458	2473037	24730
7	Const. Of PCC Road	23f2/10-11	16	Ram Shyam Sharma	1217594	1217594	12176
8	Const. Of drain	25f2/10-11	5	Bipin Kumar	1538757	1023660	10237
9	Const. Of PCC Road	9f2/10-11	17	Md. Raish Khan	507515	507515	5075
10	Const. Of pucca drain	10f2/10-11	9	Md. Raish Khan	1083308	1083308	10833

11	Const. Of PCC Road	39f2/10-11	37	Jyotendra Kumar	1619524	1619524	16195
12	Const. Of drain and pucca road	31f2/10-11	27	Ram Shyam sharma	2171999	1954791	19548
13	Const. Of pcc road and brick soling	21f2/10-11	42	Mithilesh Kumar Singh	623512	386449	3864
14	Const. Of pcc road, brick drain with cover	6f2/10-11	4	Victor const.	1676636	1599655	15997
15	Const. Of PCC Road	37f2/10-11	28	Jyotendra Kumar	1915460	1724853	17249
16	Const. Of guide wall	1f2/10-11	2	Sanjay kr. Singh	913917	913917	9139
17	Const. Of pcc road and brick soling	34f2/10-11	21	Santosh Kumar	373426	373426	3734
18	Const. Of pcc road and brick soling	36f2/10-11	35	Pankaj Kumar	1940872	1746784	17468
19	Const. Of PCC Road	5f2/10-11	1	Md. Raish Khan	333569	333569	3336
20	Const. Of Matkodra pond	8f2/10-11	30	Bishmbhar Nath Pd.	570094	486361	4864
21	Const. Of PCC Road	40f2/10-11	45	Ram Shyam Sharma	40471	40471	405
22	Const. Of guide wall	14f2/10-11	10	Ashok Kumar	817687	817687	8177
23	Const. Of brick soling and pcc	32f2/10-11	14	Ram Shyam Sharma	2702947	2513592	25136
24	Const. Of pcc road slab	3f2/10-11	3	Md. Raish Khan	1693951	1526500	15265
25	Const. Of pcc road and brick soling	13f2/10-11	39	Jyotendra Kumar Singh	596099	434895	4349
26	Const. Of pcc road with cover	24f2/10-11	24	Akhilendra Kumar	2622700	2402814	24028
						Total	**359953**

In reply to above the E.E. DUDA replied that reply will be given after the examination of the matter.

Hence, the excess payment made to the contractor may be realised from the responsible person and deposited to the concerned Government Head.

Para No. 2(b) Less deduction of sale tax recoverable amount: Rs 1.03 lakhs

During test check of scheme files and payment voucher it was found that during payment to contractors deduction of sale tax was not made as per rule which resulted into excess payment to contractor. Details are given below:

Sl. No.	Name of Scheme	Name of Contractor	Estimated Cost	Amount paid	Date of payment	Sale tax Deducted @5%	Sale tax deductible @ 8%	Excess payment
1.	PCC Road from Pitambar Yadaw Lodge to house of Dwarika Pd in Navin Nagar(MB No.268)	Sri Ranjan Kr	1971397	792270	04.10.2016	39614	63382	23768
2.	PCC Road from Kishore Yadav path to house of Lal Babu Pd. in Mirjapur street (MB no. 261)	Smt Savitri Devi	742006	357003	06.10.2016	17850	28560	10710
3.	Laying of Paver block and slab in officers colony Nawada(MB No. 260)	Sri Saroj Kr.	3468200	1328973	06.10.2016	66449	106318	39869
4	Const. Of pcc road	PremSila	720600	84165	14.10.16	4208	6733	2525
5	Const. Of pcc road and brick soling	Dharmendra Kumar	709600	241313	14.10.16	12066	19305	7239
6	Const. Of pcc road	Ravish Kumar	2663300	211764	03.10.16	10588	16941	6353
7	Const. Of pcc road and brick soling	premSila	619800	172815	14.10.16	8641	13825	5184
8	Const. Of pcc road	Rakesh	2771400	253179	03.10.16	12659	20254	7595
							Total	103243

In reply to above it was stated that after examination, the excess payment amount will be recovered from the contactor's bill and security deposit of the contractor. The amount of Rs. 103243/-may be realized from the individual concerned.

Para No. 2 (c) Excess payment to contractor: Rs 10000

During scrutiny of file related to construction of Road, drain, Slab and PCC work from the house of Shri Kishaori Chaudhary to Shri Vinay Yadav, it was found that, the amount of work done was of Rs. 726206/- as per the second running bill but total amount paid for the same work was Rs. 736206/-, Hence an excess amount of Rs. 10000/- was paid to the contractor,

Details of payment are as under:

Contractor	Vat	Royalty	SD	IT	Labour cess	Fine for delay	Total
640553	29048	10978	36310	19317	00	00	736206

In reply to above it was stated that excess payment amount will be recovered from the security deposit of the contractor. The amount of Rs. 10000/-may be realized from the individual concerned.

Para No. 3 Wasteful Expenditure: Rs.1.35 lakh

Name of Scheme: - In Nagar Parishad, Nawada, Ward N0. 06 construction of drain, brick soling and PCC work from the Railway Gumti to Dariyapur Bypass road.

Estimate: Rs. 3179497.00
Agreement No. 25 F2 of 2010-11
Agreement below 0.15%,
Value of work 3174727.00
Name of Agency : Shri Bipin Kumar
Date of work order : 01.03.11
Due date of work completion: 31.05.11 (3 months)
Actual Completion of work: 02.06.14

The test check of the Scheme file, Measurement Book and other records produced in Audit revealed that work on concerned scheme was stopped/abandoned after completion of only 3.12% of work incorporated in BOQ. Details are as under:

Item no. as per BOQ	Item of Work	As per BOQ	As per MB	% of work done
1	Earth work excavation in foundation	2717.00 M^3	84.95 M^3	3.12
2	Filling in foundation trenches with local sand	226.38 M^3	7.07M^3	3.12
3	Brick flat Soling	2228.62 M^2	69.70 M^2	3.12
4	Providing and laying cement concrete (1:2:4)	226.38 M^3	7.07 M^3	3.12
5	Brick work in foundation and plinth (1:4)	459.16 M3	26.56 M^3	5.78
6	Plastering with cement mortar (1:4)	2453.16 M^3	00 M^3	00

From the facts mentioned above it is clear that the negligible work was done in the scheme which will have no utility. On scrutiny of file it has been observed that the work was stopped as there were electrical wires on both sides of road and telephone wire is installed on road. If the drainage is constructed on both sides of road, then road will be very narrow, hence it is not possible to construct drainage. It seems that no proper survey was done before preparing the estimate. Had proper care been taken in survey/estimate preparation, this problem would have been detected and DUDA would have been saved of wasteful expenditure amounting to Rs. 134833/- incurred on this scheme.

In reply to the above the E.E.DUDA stated that after the examination of the matter, reply will be forwarded. The reply is far from satisfactory, it seems that no proper survey was done before preparing the estimate.

Para No. 4 Irregualar award of multiple work to Single contractor: Rs 62.81 lakh

According to Rule 16 of Bihar Enlistment of Contractors Rules, 1992, contractors should not be allotted a second work, even if their bid is lowest unless previously allotted work is 75 *per cent* complete.

During test check of file and related document in DUDA office Nawada it was noticed that at a time many works were allotted to a contractor and work order was issued to start multiple work on the same date. Details are given below:

Sl. No.	Agreement No	Name of work	Name of contractor	Estimated Cost	Date of work order	Due date of Completion
1.	81F2,15-16	Construction of PCC road from road to house of Vikash Singh	Sri Ravi Ranjan	609853	7.9.2015	3 months
2.	80F2,15-16	Construction of PCC road from Gorelal Singh to house of Mukesh Singh, Hisua	Sri Ravi Ranjan	593800	7.9.2015	3 months
3.	82F2,15-16	Construction of PCC Road from Pool Karmath of Kurmi Tola	Sri Ravi Ranjan	706395	7.9.2015	3 months
4.	91F2, 15-16	Construction of PCC Road and Puccca Drain from Kanchanbag Nala to Karmath Sthan	Sri Ravi Ranjan	436383	7.9.2015	3 months
5.	92F2, 15-16	Construction of PCC Road house of Sadhu Singh to Phulwariya Main Road	Sri Ravi Ranjan	703663	7.9.2015	3months
6.	89F2, 15-16	Construction of PCC Road from house of Rakshak singh to house of Awtar Singh	Sri Ravi Ranjan	223060	7.9.2015	3months
7.	88F2, 15-16	Construction of PCC Road from Kalisthan to Sabita Talkies	Sri Ravi Ranjan	700214	7.9.2015	3months
8.	87F2, 15-16	Construction of Brick Soling work from TVS Show Room Rajiv Bigha to Sachidanand House.	Sri Ravi Ranjan	701714	7.9.2015	3months
9.	86F2, 15-16	Construction of Puccca Drain from Khet of Chhote Singh to Soat	Sri Ravi Ranjan	572667	7.9.2015	3 months
10.	85F2, 15-16	Construction of PCC Road from Nala to Main Road	Sri Ravi Ranjan	295007	7.9.2015	3 months
11.	84F2, 15-16	Construction of PCC Road from House of Ajay Mastar to Main Road	Sri Ravi Ranjan	156895	7.9.2015	3 months
12.	83F2, 15-16	Construction of PCC Road from Garo Bigha Narhat Main Road to Kanchanbag	Sri Ravi Ranjan	581786	7.9.2015	3 months
			Sri Ravi Ranjan	6281437		

Above details shows that Contractor Sri Ravi Ranjan was allotted twelve works at a time and all works were started on 07.09.2015. It is not possible to monitor and make available plants and machinery for such a number of works by a contractor at a time. Hence execution of substandard work may not be ruled out. In reply Ex. Engineer DUDA stated that it will not be repeated in future.

Para No. 5 Irregular award of tender, without Technical Bid: 82.25 lakh

As per Bihar Public Works Account Code, all schemes which are to be executed through open tender, must be called through two bid system i.e. Technical Bid and Financial Bid.

During test check of some scheme files in DUDA office, Nawada, it was noticed that two bid system was not adopted and tender was awarded through single bid. All relevent documents attached by the contractors were not available in the concerned file, hence basis of comparative statement prepared could not be verified.

Details are given below:

Sr. No	Name of scheme	Name of contractor	Estimated cost	Amount Paid	Diff
1	Construction of link road from Badesra village to Gaytriyugal High School in Nardiganj Block	Surendra Kumar	4798343	4860611	62268
2	Construction of link road from Sarpeteya village main road to Kasi Bigha village in Nardiganj Block	Anil Kumar Sinha	3426821	2798353	
			8225164		

Here excess payment of Rs 62268 was made to Sri Surendra Kumar for the work beyond the estimated cost.

Lack of transparency in lottery for selection among valid tenderers:

1. Personal notice was not issued to valid contractors to be present in the office during lottery. Only a letter was prepared and shown signed by either contractors or their representative.
2. Lottery was held only in the presence of Executive Engineer and no any other higher authority or members of committee were present.

The E.E., DUDA replied that procedure of lottery is conducted among the bidders in presence of officers and employees of the DUDA which is then mentioned in lottery register. Reply is far from satisfactory as no answer was given as to why both technical bid and financial bid were opened together. As per rule first technical bid should be opened then financial bids those contractor who comply with all the terms and conditions of technical bid should be opened and the best suitable among them should be chosen for the execution of work.

In scheme mentioned at S.No. 1, it is clear that the contractor was paid an excess of Rs. 62268/- which may be recovered from responsible person.

Para No. 6 Irregular splitting of one project into parts: Rs 33.67 lakh

Rule 130 of BFR envisages that for purpose of approval and sanctions, a group of works which forms one project, shall be considered as one work. The necessity for obtaining approval or sanction of higher authority to a project which consists of such group of work should not be avoided because of the fact that the cost of each particular work in the project is within the powers of such approval or sanction of a lower authority.

During scrutiny of files made available by DUDA office, Nawada to audit relating to beautification of Chhath Ghat in Khuri River at Mangar Bigha in Nawada, revealed that Chhath

Ghat was one project which includes boundary wall, pumping set, chhath Ghat etc was splitted into parts. Details of splitted projects are mentioned below:

Sl. No.	Name of one project	Spliting of project into two parts	Name of Contractor	Estimated Cost (in lakh)	Date of Completion as per MB	Actual Expenditure as per MB
1.	Beautification of Chhath Ghath in Khuri River in Nawada Sadar	Construction of Chhath Ghat in Khuri River in Nawada Sadar	Sri Sanjay Kumar	1777000	15/10/2016	1739185
		Construction of Boundary Wall and Pumping set of Chhath Ghat in Khuri River in Nawada Sadar	Smt Madhuri Devi	1684100	17/11/2016	1628578
					Total	**3367763**

Above details shows that one project of Chhath Ghathwas splitted into two parts as mentioned above. These schemes (part wise) were technically sanctioned/accorded by Executive Engineer, DUDA, Nawada.

The E.E., DUDA replied that the scheme is chosen by the governing board whose chairman is Minister in charge of the District has the right to recommend the scheme lies with the Hon'ble MLA. Reply is far from satisfactory because as per the Bihar Financial Rule a single work cannot be splited into two or more works just to avoid the sanction from the competent /higher authority.

Para No. 7 Execution of Agreement without availability of land: Rs 45.60 lakh

Before execution of agreement with contractor availability of undisputed land must be ensured.

During test check of works executed by DUDA, Nawada it was noticed that agreements were executed with contractors and work order was issued, during execution of work land dispute arised and work was stopped. Finally the works were abandoned and funds were surrendered to DM, Nawada.

Details of such schemes are given below:

Sl. No.	Name of Scheme	Fund surredered
1.	Construction of Meeting Hall in Shakuntlam Nagar	447395
2.	Construction of Community Hall in Ward no. 32	447395
3.	Construction of Community Hall in Ward no. 24	447395
4.	Construction of Drinking water post in Nawada	368680
5.	Construction of Public Toilet in Shakuntlam Nagar	473850
6.	Construction of Community Hall in Warsliganj	447395
7.	Construction of Vivah Mandap in Mirjapur	484575
8.	Construction of Community Hall in Hisua	347450
9.	Construciton of bridge from Nardiganj Bajar to Padriya Road	354734
10.	Construction of PCC Road in Haifarpur	742056
	Total	**4560925**

Surrender of amount of above ten schemes shows that estimate of these schemes were prepared without visiting the site. Hence, due to lapses of DUDA Nawada, beneficiaries were deprived of the benefit of Govt. schemes.

In reply to the above it was stated by DUDA that on the basis of model estimate the administrative approval was given. After executing the process of tendering was awarded to the concerned contractors. But in the light of non-availability of land and the decision of the head quarter in the monthly meeting the amount of the above schemes were returned to the District Magistrate. The reply is far from satisfactory as surrender of amount of above ten schemes shows that estimate of these schemes were prepared without visiting the site. Hence, due to lapses of DUDA Nawada, beneficiaries were deprived of the benefit of Govt. schemes.

Para No. 8 Irregular payment on carriage: Rs 98.40 lakh

As per rule 40(10) of Bihar Minor Mineral Concession Rule 1972, to prevent evasion of royalty it has been provided that works contractor shall purchase the minerals from lessee/permit holder and authorised dealers only and no Works Department shall receive the bill for which the works contractor submits to recover cost etc. of mineral used by them in completion of the works under any agreement if the said bill is not accompanied by an affidavit in Form 'M' and Form 'N'.

It shall be the duty of the officer who receives or on whose behalf the said bill is received to send the photocopy of the affidavit and particulars to the District Mining Officer/Assistant Mining Officer for verification within whose jurisdiction the mineral was purchased. If contents of the said affidavit on verification by the concerned District Mining Officer/Assistant Mining Officer is found to be false either wholly or partially it shall be presumed that the concerned mineral was obtained by illegal mining and in that event the said District Mining Officer/Assistant Mining Officer shall take action as prescribed in these rules against the maker of the said affidavit.

During test check of works files it was observed that form 'M' & 'N' were not obtained from the contractors for minor minerals used in the work. In absence of aforesaid forms possibility of lifting of minor minerals from places other than the specified quarries cannot be ruled out.

Details of payment on carriage of minor minerals was as follows:-

Sr. No.	Agreement No	Year	Name of Scheme	Locality	Name of contractor (S/Shri)	Estimated Cost	Expense on Carriage
1.	12	15-16	Link Road	---	Sita ram	4247235	1197742
2.	53	15-16	Link road	Akbar block	Sita ram	4062025	1088967
3.	3	15-16	Link Road	---	Sita ram	4269110	919432
4.	5	15-16	Link Road	Kashi bigha	Sita ram	3084139	823929
5.	7	15-16	Link Road	Rajambha	Ambuj kumar	2496505	819386
6.	4	15-16	Link Road	Bhelu bhigha	Sita ram	2671001	636717
7.	1	15-16	Pcc road	Dina bigha village	Sunil bharti	1945927	369480
8.	54	15-16	pucca drain and pcc road	Warsali ganj	Santosh kumar	2565236	367801
9.	8	15-16	guide wall	Thauie river	Kiran devi	2779394	348748

10.	50	15-16	pcc road	Kashi chak block	Krishna murari pd	1391990	264477
11.	128	15-16	pcc road	Govind pur block	Birendra kumar	1928610	259549
12.	51	15-16	pucc adrain n pcc road	Warsali ganj	Mukesh kumar	1848843	254517
13.	12	16-17	pcc road & pucca drain	Manas bharti school	Sakal deo pd	2369482	109424
14.	126	15-16	pcc road	Warsali ganj, ward 16	Dharmendra kumar	732077	102573
15.	06	15-16	Construction of link road	Nadriganj	Surendra Kumar	4798343	1399756
16.	19	10-11	pcc road & pucca drain	Nagar parishad Nawada	Md. Raish Khan	4196448	424811
17.	16	10-11	pcc road & pucca drain	Nagar parishad Nawada	Annadi Nath Ghosh	4292270	452501
						Total	**9839810**

Neither challans nor M&N forms were attached in any of the files test checked in audit. The reason for making payment on account of carriage of materials without submission of the above, was not explained.

In reply the E.E., DUDA stated that since the schemes are of small value, the form M & N are not produced by the contractors and after deducting the royalty the same is deposited to the concerned government head at the end of the financial year. The reply is far from satisfactory since without submission of form M&N it could not be ascertained that the minerals were brought from the authorised mines, Hence the possibility of mines being brought from illegal mines can't not be ruled out.

Para No. 9(a) Execution of substandard work (not as per estimate): Rs 19.96 lakh

Large scale deviation was noticed in execution of the following schemes:-

(i) Name of Scheme:-Construciton of road from village Badesara to Gayatri Yugal High School (pacca road)

Estimated cost:	Rs. 4904422/-
Estimate as per theBOQ	Rs. 4798343.00
Amount of Agreement:	Rs. 4318509.00
Agreement No.	06 F-2 of 20015-16
Agreement	below 10%,
Agreement value of work	4798343.00
Name of Agency:	Shri Surendra Kumar
Date of work order:	22.04.15
Due date of work completion:	21.10.15 (6 months)
Actual Completion of work:	20.05.16

Sl No. as per BOQ	Item of Work	As per BOQ	As per MB	Deviation in work	Rate	Amount
1.	Construction of Embankment	2368.75 M^3	2427.98 M^3	59.23 M^3	235.33/ M^3	13938
2.	Construction of granular sub	688.08 M^3	714.87 M^3	26.79 M^3	721.14/ M^3	13319
3	Providing laying, spreading and compacting with motor radar	344.04 M^2	368.53 M^2	24.49 M^2	1015.05/ M^2	24859
8	Providing and laying cement concrete (1:1.5:3)	80.11 M^3	89.94 M^3	9.83 M^3	3741.30 M^3	36776
9	Earth work excavation in foundation	42.00 M^3	46.20 M^3	4.20 M^3	205.20/ M^3	861
14	M.S Reinforcement					00
(i)	8 mm	2100.00 kg	1129.52 kg	970.48 kg	67.15/kg	65167
(ii)	12 mm	2625 kg	2397.98 kg	227.02 kg	64.55/kg	14645
(iii)	16 mm	372.40 kg	309.68 kg	62.72 kg	57.62/kg	3614
15	Centring and shuttering					00
(i)	Walls	240.50 M^2	230.44 M^2	10.06	248.10/ M^2	2496
(ii)	Suspended floors, roots, roots etc	62.79 M^2	62.79 M^2	00	275.60	00
					Total	175675

(ii) Name of Scheme:- In Nagar Parishad, Nawada, Ward no. 26 construction of Road, drain and slab and PCC work from NH 31 Gaya Road and Khatal Gali to Badi Dargah kabristan.

Estimated cost : Rs. 4259600/-
Estimate as per theBOQ Rs. 4196448.00
Agreement below 15%,
Agreement value of work 3783167.00
Name of Agency: Shri Raish Khan
Agreement No. 19 F-2 of 2010-11
Date of work order : 22.02.11
Due date of work completion: 21.05.11 (3 months)
Actual Completion of work : 16.12.14

Sl No.	Item of Work	As per BOQ	As per MB	Deviation in work	Rate	Amount
1	Earth work excavation in foundation	459.11 M^3	505.00 M^3	45.89 M^3	109.45/ M^3	5025
2	Earth work in filling in foundation	364.60 M^3	309.33 M^3	55.27 M^3	76.70 /M^3	4239
3	Filling in foundation trenches	281.21 M^2	266.04 M^3	15.17 M^3	117.60/ M^3	1784
4	Providing 100 A brick flat soling	640.72 M^2	704.79 M^2	64.07 M^2	157.10/ M^2	10065
5	Providing 100 A brick edge soling	1501.22 M^2	1651.34 M^2	150.12 M^2	253.95 /M^2	38123
6	Providing and laying cement concrete	355.31 M^3	390.85 M^3	35.34 M^3	3279.20/ M^3	116542
7	Providing and laying in position specified grade of cement concrete (1:1.5:3)	130.81 M^3	129.20 M^3			00
8	Birck work in foundation and plinth (1:4)	317.57 M^3	239.927 M^3	77.643M^3	3345.25/ M^3	259735
9	Plastering with cement mortar (1:4) 12 mm thick	1494.88 M^2	1381.47 M^2	113.41 M^2	88.40/ M^2	10025
10	Providing M.S reinforcement	9228.28 kg	4920.77 kg	4307.51 kg	47.95/kg	206545
11	Centring and shuttering	758.62 M^2	617.04 M^2	141.58 M^2	77.45/ M^2	10965
					Total	663048

(iii) Name of Scheme:-In Nagar Parishad, Nawada, construction of Road, drain, and slab and PCC work from NH 31 bypass to Vinovaanagar, Manjhi Tola

Estimated cost:	Rs. 4474000/-
Estimate as per theBOQ	Rs. 4427255.00
Agreement below	15%,
Agreement value of work	3783167.00
Name of Agency:	Shri Umesh Prasad Singh
Agreement No.	37 F-2 of 2010-11
Date of work order:	22.02.11
Due date of work completion:	21.05.11 (3 months)
Actual Completion of work:	12.01.13

Part A construction of PCC road						
Sl No. as per BOQ	Item of Work	As per BOQ	As per MB	Deviation in work	Rate	Amount
5	Providing brick work (1:4)	732.665 M^3	758.53 M^3	25.685 M^3	3024.60/ M^3	77687
Part B construction of RCC culvert						
8	Centring & shuttering	23.4003 M^2	19.00 M^2	5.4003 M^2	135.10	730
11	Providing 12 mm thick cement plaster (1:4)	68.0529 M^3	109.83 M^3	41.7771 M^3	88.40/ M^3	3693
Construction of Hume Pipe Culvert						
1	Earth work excavation in foundation	23.895 M^3	12.99 M^3	10.905 M^3	109.45/ M^3	1193
2	Supplying and filling of plinth with local sand	6.85249M^3	3.47 M^3	3.38M^3	117.60/ M^3	397
3	Providing 100 A brick flat soling	43.1811 M^2	22.79 M^2	20.39 M^2	157.10/ M^2	3203
4	Providing PCC (1:3:6)	7.6467 M^3	4.08 M^3	3.5667 M^3	2120.05/ M^3	7561
5	Providing brick work (1:4)	16.2006 M^3	8.88 M^3	7.3206 M^3	3345.25/ M^3	21142
6	Providing 12 mm thick plaster (1:4)	45.6388 M^3	21.86 M^3	23.7788 M^3	67.40/ M^3	1603
Total						117209

(iv) Name of the Scheme:-In Nagar Parishad, Nawada, Ward N0. 21 construction of Road, drain, Slab and PCC work from the house of Shri Kishaori Chaudhary to Shri Vinay Yadav.

Estimated cost: Rs. 4346800/-
Estimate as per the BOQ Rs. 4292270.00
Agreement below 0.01%,
(Agreement value of work) Rs. 4346800.00
Name of Agency: Shri Anaadi Nath Ghosh
Date of work order: 22.02.11
Due date of work completion: 21.05.11 (3 months)
Actual date of Completion: 02.06.14

Sl No.	Item of Work	As per BOQ	As per MB	Deviation in work	Rate	Amount
1.	Earth work excavation in foundation	410.64 M^3	285.64 M^3	124.80 M^3	109.45/ M^3	13659
2.	Filling in foundation with local sand	263.24 M^3	138.73 M^3	124.51 M^3	117.60/ M^3	14642
3.	Brick Edge Soling	2044.60 M^2	1602.76 M^2	441.84 M^2	253.95/ M^2	112205
4.	Providing and laying cement concrete (1:1.5:3)	488.12 M^3	616.89 M^3	128.77 M^3	3279.20/ M^3	422263
5.	Providing and laying in position specified grade of cement concrete (1:1.5:3)	138.31 M^3	119.415 M^3	18.895 M^3	3345.25/ M^3	63208
6.	Brick work with 100 A in foundation with plinth	193.25 M^3	181.04 M^3	12.21 M^3	3024.60/ M^3	36390
7.	Plastering with cement mortar (1:4)	1566.54 M^2	1223.67 M^2	342.87 M^2	88.40/ M^2	30309
8.	Providing M.S reinforcement as per approved design	9767.00 Kg	4232.09 kg	5534.91 kg	47.95/kg	265399
9.	Centring and shuttering	761.10 M^2	505.56 M^2	255.54 M^2	77.45/ M^2	19792
					Total	977867

It is clear from the above table that there was huge deviation of work from the BOQ and hence execution of sub-standard work may not be ruled out.

Para No. 9(b) Execution of work without provision in estimate:

In scheme mentioned at S.No. 4 (In Nagar Parishad, Nawada, Ward N0. 21 construction of Road, drain, Slab and PCC work from the house of Shri Kishaori Chaudhary to Shri Vinay Yadav) it was noticed that there was no provision of flat soling in the BOQ, however on the perusal of MB it was observed that 396.19 sq.m of work was executed, details are as under

Running Account bill	Work	Amount of work	Rate	Amount
5/28.10.13	Birick flat soling	290.01 M^2	157.10/ M^2	45561/-
6/12.11.13	Birick flat soling	106.18 M^2	157.10/ M^2	16680/-
	Total	396.19 M^2	Total	62241/-

Hence an irregular payment amounting to Rs. 62241/- was made to the contractor due to the work done which was not incorporated in BOQ/Estimate.

The E.E., DUDA replied that on the basis of availability of land and the work done the measurement is booked in MB and accordingly payment is made. The reply is far from satisfactory because as per the government direction 10% of the maximum deviation is allowed, but the DUDA did not adhare to the government's instructions thus leading to the substandard work.

Para No. 10 Loss of Interest: Rs 16.10 lakh

During scrutiny of cash book and pass book maintained in DUDA office, Nawada it was noticed that amount of different funds were kept in three accounts which were current accounts, consequently no interest were credited by banks on deposits.

Sl. No.	Name of the Bank	A/c No.	Amount	Date	Period in months	Interest at 4% Accrued(appr)
1	PNB, Nawada	..00012950	2941750	12.06.2010		
			15606469	30.06.2011	12	117670
			9296939	30.06.2012	12	624259
			45900	30.06.2013	12	371878
			45900	30.06.2014	12	1836
			44350	30.09.2014	3	459
2	PNB, Nawada	...00013080	157500	28.02.2011		0
			539500	30.04.2012	13	6825
			214572	31.01.2013	10	17983
			114572	30.04.2013	3	2146
			63178	30.04.2014	12	4583
			320951	30.09.2014	5	1053
			365118	30.06.2015	9	9629
			561690	30.06.2016	12	14605
3	SBI, Nawada	33668365878	6250000	21.02.2014		0
			6250000	02.12.2015	21	437500
					Total	**1610426**

Again balance of one account no- 00012950 of PNB, Nawada was not updated and entered into cash book hence actual figure could not be drawn.

Hence, due to this lapse, loss of interest was incurred by DUDA. The loss of interest as case allotted in audit was Rs. 1610426.

In reply to the above the E.E., DUDA stated that the balance amount has to be returned to the sanctioning authority and the bank account has to be closed. The reply is far from satisfactory as due to keeping the money in current account the DUDA has to incur a loss of Rs. 1610426 as interest.

Para No. 11 Blockade of Interest amount: Rs 32.79 lakh

During scrutiny of cash book and pass book maintained in DUDA office, Nawada it was noticed that total interest earned up to August 2016 was Rs 5742094. Out of this only Rs. 2462300 was refunded to DM Nawada and balance amount Rs 3279794 is still lying unused and kept out of Govt. account.

Again accrued interest in different banks were not accounted and taken into cashbook upto January 2017, hence this amount may increase.

In reply to the audit objection, the E.E., DUDA stated that the amount of interest along with the remaining amount of the schemes will be refunded to the District Magistrate, Mukhyamantri Nagar Vikas Yojna is being closed. The reply is far from satisfactory as the blockage of huge amount is restricting the development work.

PART III (TAN)

Comment 1. Irregular Maintenance of Cash Books

As per Rule 86 of Bihar Treasury Code Vol-I, all monetary transactions should be entered in the Cash Book as soon as they occur and attested by head of the office in token of check;

Scrutiny of cash book and pass book maintained in DUDA office, Nawada revealed that some cash books were not maintained for the period from Feb 2016 to date of audit i.e. January 2017, however financial transaction were noticed during this period.

Again, as per Rule 86 of Bihar Treasury Code Vol-I, the Cash Book should be closed and balanced each day regularly and completely checked. The head of the office should verify the totalling of the Cash Book or have this done by some responsible subordinate other than the writer of the Cash Book and initial it as correct.

But Cashbook was not detailed and closed hence, it could not be ascertained as to how much amounts are lying unused under scheme, interest, contingency etc.

In reply to the above it was stated by E.E., DUDA that due non posting of Account Officer, the cash book could not be maintained properly.

Comment 2. VAT and Roylaty not deposited/delayed deposit

As per section 40 and 41 of the Bihar Value Added Tax 2005, any person responsible for paying sale price or any amount purporting to be the full or part payment of sale price in respect of sales or supplies of taxable goods exceeding rupees two lakh fifty thousands during a year made to the State Government or the Central Government or a company, corporation, Board, authority, undertaking or any other body owned, financed or controlled either wholly or partly by the State Government or the Central Government, shall, at the time of payment, subject to such conditions and restrictions as may be prescribed, deduct an amount at the rate as may be specified by the State Government, by a notification, on account of tax on the amount of such payment.

On the basis of the records made avialble by DUDA, Nawada the following facts were observed.

(1) VAT deducted from 20.09.2010 to 20.09.2014 amounting to Rs. 3890294/- was deposited to the concerned government head after 74 to 522 days.
(2) From May 2016 to September 2016 an amount of Rs. 656534/- was deducted as royalty but same was not deposited to the concerned Govt. Head.
(3) Royalty deducted from 20.09.2011 to 02.03.2015 amounting to Rs. 1615699/- was deposited to the concerned government head after 87 to 530 days.

In reply to the above the E.E., DUDA replied that in future VAT and Royalty will be deposited to the concerned Government Heads on time.

-sd-
(Dilip Prasad)
A.O.
-Approved-
Dy. A.G. (S.S.-I/LB)