

**CHAPTER III : MINISTRY OF HEALTH AND FAMILY
WELFARE**

Department of Health

3 All India Institute of Medical Sciences

3.1 Short recovery of water charges

Non installation of water meters in staff quarters of AIIMS resulted in short recovery of Rs. 95.68 lakh.

The All India Institute of Medical Sciences (AIIMS) has six bulk water connections which cater to 2049 staff quarters. The water consumption of these staff quarters is charged by DJB² and NDMC³ on the basis of bulk meters at commercial rates. However, AIIMS had been charging for water consumption from the occupants at rates ranging from Rs. 6 to Rs. 52 per month during 2004-05 to 2008-09. The Institute authorities did not get separate meters installed in the staff quarters.

The Institute paid Rs. 1.08 crore to DJB and NDMC towards actual water consumption charges during 2004-05 to 2008-09 (up to December 2008). AIIMS recovered only Rs. 12.58 lakh from the occupants of staff quarters towards water charges resulting in short recovery of Rs. 95.68 lakh as consumption charges from April 2004 to December 2008.

AIIMS, thus, extended unintended benefit to the occupants of the staff quarters by recovering water charges at lower rates than what would have been paid by the employees directly to the DJB/NDMC on the basis of domestic connection rates, the amount of which could not be quantified as separate meters were not installed.

The documents containing the basis of approval of water rate of Rs. 6 to Rs. 52 per month were not provided to Audit.

The Institute intimated the Ministry (September 2009) that revision of water charges recoverable from the occupants was under consideration and the short recovery pointed out by audit would be effected accordingly.

² Delhi Jal Board (Ayurvigyan Nagar and Masjid Moth)

³ New Delhi Municipal Council {Ansari Nagar (Eastern) and Ansari Nagar (Western Campus)}

The Institute should get separate meters installed at the individual staff quarters with immediate effect and recover water charges with reference to the charges paid to DJB and NDMC.

The matter was referred to the Ministry in August 2009; their reply was awaited as of February 2010.

3.2 Non-recovery of cess

The All India Institute of Medical Sciences, Delhi did not recover Cess of Rs. 34.75 lakh from the bills of Contractors as required under the Building and Other Construction Workers' Welfare Cess Act, 1996 and pay to the Delhi Building and other Construction Workers Welfare Board. Due to non-payment of Cess, AIIMS was also liable to pay interest and penalty.

The Building and Other Construction Workers' Welfare Cess Act 1996 provides for levy of a Cess at a rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer engaged in any construction work. The Cess is to be paid to the Building and Other Construction Workers Welfare Board constituted under the Act. The Act also provides for payment of interest at the rate of two *per cent* for every month in case of delay (Section-8) and levy of penalty not exceeding the amount of Cess due on the employer in case of non-payment of Cess within the specified time (Section-9). In pursuance of this central legislation, the Government of NCT⁴ of Delhi notified the Delhi Building and Other Construction Workers (RE&CS) Rules in January 2002 and subsequently constituted the Delhi Building and other Construction Workers Welfare Board in September 2002. In August 2005, Government of NCT of Delhi directed the Government bodies carrying out any activity covered under the provisions of the Act to get themselves registered with the Labour department and deduct one *per cent* of the approved cost of the work as Cess from the bills of the contractors at the time of making payment. The amount so collected was to be paid within 30 days to the Delhi Building and Other Construction Workers Welfare Board.

Scrutiny of records (January 2009) of the Engineering department of the All India Institute of Medical Sciences (AIIMS), revealed that it carried out different construction works by engaging various contractors during the period from April 2005 to January 2009 and paid Rs. 34.75 crore . Cess aggregating Rs. 34.75 lakh @ one *per cent* of the total amount of the works was to be deducted from the contractors' bills. AIIMS failed to deduct Cess from the

⁴ National Capital Territory

bills of the contractors. Non-payment of Cess within the specified time attracted interest and penalty as per provisions of the Act.

AIIMS stated (May 2009) that it had started deducting Cess at the prescribed rate from the bills of the contractors by inserting an appropriate clause in the NIT/Agreement with effect from 1 February 2009, after Audit raised the point. AIIMS admitted that it was not feasible to recover Cess with retrospective effect from the contractors in the absence of relevant clause in NIT/Agreement.

Thus, failure on the part of AIIMS to deduct Cess and pay the same to the designated authority resulted in non-compliance with the mandatory provision of an Act. No responsibility had been fixed by AIIMS for the lapse.

The matter was referred to the Ministry in June 2009; their reply was awaited as of February 2010.