

Chapter - VI Compliance Audit - ULBs

Urban Development and Housing Department

6.1 Unfruitful expenditure

Non-construction of full length of drain and leaving missing links between partially constructed part of the drain by the Bihar Rajya Jal Parshad (BRJP) resulted in unfruitful expenditure of ₹ 1.33 crore.

The Bihar Rajya Jal Parshad (BRJP) prepared (August 2005) an estimate of ₹ 3.76 crore for construction of drain from Chowk Shikarpur (Railway Line) to Patna - Fatuha Bye-pass road to check the spread of sewage between Fatuha-Patna railway line and New Bye-pass area. Technical sanction of the work was accorded (August 2005) by the Chief Engineer, BRJP and administrative approval of ₹ 3.73 crore was given (February 2006) by the Urban Development and Housing Department (Department), Government of Bihar (GoB). The Department released (2006 - 09) a sum of ₹ 3.73 crore as grants-in-aid to the BRJP through the Patna Municipal Corporation.

Test check of records (September 2014) of the Office of the Executive Engineer (EE), Ganga Project Division - 4 (Division) of BRJP, Karmalichak Division, Patna revealed that during 2006-11, the BRJP released ₹ 2.25 crore to the Division for construction of the drain. As per detailed estimate, the work was to be executed in three parts³⁸ within a year of getting fund. However, out of total 2815 m length, the work was completed only in 2205 m length during June 2006 to May 2010 after which the work was abandoned. The work was executed in parts and there were many missing links in between as detailed in *Appendix – 6.1*.

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(i) Construction of drain from City chowk to Railway Station (ii) Construction of branch line from Mangal Talab area to Guru Govind Singh lane (iii) Construction of drain from Railway line to New Bye-pass road and New Bye-pass road to Pahari – Punpun drain

As per original estimate, first part of the drain³⁹ was to be constructed in 1260 m length (₹ 1.26 crore) but, the estimate was revised for 'renovation and construction of RCC drain' only in 500 m length⁴⁰ due to technical reasons. The work was allotted (May 2009) to an agency for ₹ 1.40 crore with due date of completion in one year. The contractor constructed RCC drain in 435 m only with expenditure of ₹ 71.02 lakh and left the work in remaining portion unexecuted. The contractor cited (December 2010) damage of diversion by public and rain at work site as reasons for non-completion of the work.

The work of second part⁴¹ of the drain was allotted (June 2006) to the agency for ₹ 40.56 lakh with due date of completion in May 2007. The work was completed (March 2009) with an expenditure of ₹ 38.41 lakh.

Third part of the drain (City chowk to Railway Line - 1700 m) was divided into three segments⁴² for early completion of the work and agreements were executed separately with different agencies. The work of first segment (0 - 550 m) only was completed (September 2010) with an expenditure of ₹ 62.05 lakh. The work of second segment (550 - 1100 m) was allotted (June 2006) to the agency for ₹ 67.36 lakh with due date of completion as 31 May 2007. Against the entrusted work of construction of drain in 550 m, work of 275 m only was completed (May 2008) with the expenditure of ₹ 29.51 lakh. The work of third segment (1100 - 1700 m) was allotted (September 2006) to the agency for ₹ 61.65 lakh with due date of completion in February 2007. A length of 330 m of the drain was only constructed till May 2008 with an expenditure of ₹ 32.01 lakh. The contractor expressed (September 2009) his inability to continue the work due to hindrance in carriage of materials at work site.

During joint physical verification (October 2014) of the work, it was found that the drain was not constructed as per estimate and the sewage was spreading between residential area and Patna – Fatuha railway line. Besides, there were many missing links and unconstructed parts of drain between the works executed by the different agencies.

³⁹ *From City chowk to Railway Station*

⁴⁰ *Estimated cost - ₹1.36 crore*

⁴¹ *Branch line from Mangal Talab area to Guru Govind Singh lane*

⁴² *First Segment - Near Patna City Railway line (0 - 550 m); Second Segment - From Punpun Nala towards Railway line (550-1100 m); Third Segment - From Patna City Railway line towards By Pass (1100-1700 m)*

On this being pointed out, the EE of the Division accepted (November 2014) the existence of missing links and stated that at present there was no plan to complete the drain as per original estimate. He further replied (May 2015) that the drain was connected to the Pahari – Punpun drain in 0-550 m segment and it was functioning well. The reply was not acceptable as the objective of checking the spread of sewage between Fatuha – Patna railway line and New Bye-pass area was not fulfilled due to non-completion of drain in 550 – 1100 m, 1100 – 1700 m and Patna City Chowk to Railway Station (500 m) segment and existence of missing links between the parts of constructed drain. Thus, the entire expenditure of ₹ 1.33 crore⁴³ made on the construction of drain (partially) did not serve the intended purpose and became unfruitful.

The matter has been reported to the Government (June 2015); their replies were awaited.

6.2 Idle vehicles/equipment

Non-handing over of vehicles and equipment worth ₹ 2.51 crore by Concessionaire to Nagar Parishads at the end of the contract period not only resulted in non – utilisation of these vehicles/equipment for over two years but also caused their damage/deterioration by passage of time.

The Urban Development and Housing Department (UD&HD), Government of Bihar approved Solid Waste Management (SWM) scheme in Patna agglomeration area (Danapur, Khagaul and Phulwarisharif Nagar Parishads) under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for creating an efficient and effective garbage collection and transportation system in the designated area.

The State Government decided (December 2009) to execute the scheme through Bihar Urban Infrastructure Development Corporation (BUIDCO) and released ₹ 5.20 crore⁴⁴ in January 2010 to May 2013. The BUIDCO awarded the work for all the three Nagar Parishads (NPs) to a Concessionaire and a tripartite agreement was executed between December 2011 and January 2012⁴⁵ with the Executive Officer of the NPs and the Concessionaire who commenced the work in May 2012. Of the total amount of grant, the BUIDCO spent ₹ 3.09 crore during July – October 2012 over purchase of vehicles/equipment needed for SWM.

⁴³ ₹ 71.02 lakh + ₹ 29.51 lakh + ₹ 32.01 lakh

⁴⁴ Central share - ₹ 2.31 crore and State share - ₹ 2.89 crore

⁴⁵ Danapur NP – 25 January 2012; Khagoul NP – 5 December 2011 and Phulwarisharif NP – 6 January 2012

As per the agreement, BUIDCO shall procure vehicles/equipment through Concessionaire and hand over the same to NPs for further transfer to the Concessionaire for use by them for performing services. However, the ownership of the vehicles and equipment would rest with the NPs. At the end of the contract period, the Concessionaire should handover these vehicles and equipment to the NPs in working condition. Further, the Concessionaire had to deposit Bank Guarantee⁴⁶ (BG) for an initial period of one year and renewable every year, until the contract is completed.

Audit scrutiny (July 2014 - July 2015) of the accounts of NPs Danapur, Phulwarisharif and Khagaul revealed that 1020 vehicles and equipment⁴⁷ worth ₹ 3.09 crore⁴⁸ were handed over to the Concessionaire during July to September 2012 (*Appendix - 6.2*). But, stock entry of the vehicles and equipment was not made by the NPs. As the services provided by the Concessionaire was not satisfactory, the NPs terminated the contracts during April to August 2013. However, the Concessionaire failed to hand over the vehicles and equipment to the NPs concerned.

The Concessionaire left 397 equipment and 4 vehicles in NPs premises and one vehicle in the Irrigation Department campus. Out of this, NPs Khagaul and Phulwarisharif utilised 78 vehicle/equipment⁴⁹. The remaining, 324 equipment worth ₹ 1.58 crore were in damaged condition (*Appendix - 6.3*) and lying in the NPs campus. The balance 618 equipment out of 1020 vehicles/equipment handed over to concessionaire worth ₹ 93.41 lakh were not traceable (*Appendix - 6.4*).

Audit further observed that the NPs failed to encash the BG worth ₹ 76 lakh deposited by the Concessionaire. Though, the conditions of the agreement were not adhered to by the Concessionaire, the NPs authorities did not take effective steps to take over the entire vehicles and equipment. Despite the vehicles/equipment being damaged/non-traceable, the NPs failed to encash the BGs also. As a result, the NPs could not recover the cost of the damaged and non-traceable equipment costing ₹ 2.51 crore from the Concessionaire and the NPs were deprived of an effective garbage transportation system.

⁴⁶ Danapur - ₹39 lakh; Khagaul - ₹18 lakh and Phulwarisarif - ₹21 lakh

⁴⁷ Danapur - 583, Khagaul - 205 and Phulwarisharif - 232

⁴⁸ Danapur - ₹1.42 crore, Khagaul - ₹0.82 crore and Phulwarisharif - ₹0.86 crore

⁴⁹ Phulwarisharif - 25 equipment (₹ 6.95 lakh) and one vehicle (₹ 24.18 lakh); Khagaul - 51 equipment (₹ 1.79 lakh) and one vehicle (₹ 24.18 lakh)

On this being pointed out, the Executive Officers of the NPs replied that the Concessionaire was directed (July 2013 to July 2014) to hand over the vehicles and equipment but the same were not handed over till August 2015.

The matter was reported to the Government (July 2015); reminder issued (November 2015), their reply was awaited.

Patna
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Countersigned



New Delhi
The 11 March 2016

(SHASHI KANT SHARMA)
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