

BY FAX

GOVERNMENT OF ODISHA
DEPARTMENT OF WATER RESOURCES

No. IAW-30/14.

10478 /WR., Dated 11/5/15

From,

Sri N. R. Swain,
F.A.-cum-Joint Secretary to Government.

To

The Chief Engineer, Mechanical, Bhubaneswar/
The S.E., Mech., Mechanical Circle, Hirakud/
The Stores & Mech. Division, Bhubaneswar/
The Stores & Mech. Division, Rourkela/
The Stores & Mech. Division, Hirakud/
The Stores & Mech Division, Ambaguda.

Sub: Forwarding of copy of proceedings of the meeting to review compliance to Special Audit Conducted in respect of 4(four) stores & Mech. Division by Internal Audit Wing (IAW) of Deptt. of Water Resources held on 04.05.2015 at 3.30 P.M. in the Conference Hall.

Sir,

In inviting a reference to the subject cited above, I am directed enclosed here-with the copy of proceedings of meetings to review compliance on Special Audit in respect of 4(four) Stores & Mechanical Divisions held on 04.05.2015 at 3.30 P.M. and you are requested to take immediate action on the points from I to XIII as per decisions taken in the meeting presided over by the Principal Secretary.

Yours faithfully,

Encl: As above.

Memo No. 10479 /WR Dated 11/5/15
F.A.-cum-Joint Secretary to Government.
Copy forwarded to the E.I.C., Water Resources, Odisha, Bhubaneswar for information and immediate necessary action..

Encl: As above.

Memo No. 10480 /WR Dated 11/5/15
F.A.-cum-Joint Secretary to Government.
Copy forwarded to E.I.C., (P & D), Bhubaneswar for information and immediate necessary action.

Encl: As above.

Memo No. 10481 /WR Dated 11/5/15
F.A.-cum-Joint Secretary to Government.
Copy forwarded to the C.E., M.I., Bhubaneswar for information. He is requested to inform the E.E., M.I. Division, No.II, Ganjam for immediate action.

Encl: As above.

F.A.-cum-Joint Secretary to Government.

PROCEEDINGS OF THE MEETING TO REVIEW COMPLIANCE TO SPECIAL AUDIT CONDUCTED IN RESPECT OF 4 (FOUR) STORES & MECHANICAL DIVISIONS BY INTERNAL AUDIT WING (IAW) OF DEPARTMENT OF WATER RESOURCES HELD ON 4.05.2015 AT 3.30 PM IN THE CONFERENCE HALL.

Meeting on review of compliances submitted by officials of Mechanical Divisions under DoWR on Paras relating to Special Audit conducted was held under the Chairmanship of Principal Secretary, DoWR. EIC, Water Resources, EIC (P&D), Chief Engineer (Mechanical), FA-cum-Joint Secretary, DoWR, FA&CAO, Office of the EIC, WR, Superintending Engineer (Mechanical), Hirakud and the concerned Divisional Officers attended the meeting.

Initiating the discussion, FA-cum-Joint Secretary informed that on the basis of allegations submitted before the Principal Secretary and published in local newspapers, a Special Audit of Accounts/Records was conducted by the IAW of DoWR. The audit was conducted in respect of S&M Divisions Bhubaneswar, Hirakud and Rourkela pertaining to the years from 2010 to 2014 and in respect of S&M Divisions Ambaguda and M.I. Mechanical Sub-Division under M.I. Division Ganjam-II pertaining to the years from 2012 to 2014. The Special Audit detected some of the common violation of codal provisions and resulting financial losses such as;

- 1) RIDF loan funds spent without actual execution of works at site Rajua Diversion Weir,
- 2) Submission of final bill for payment to the Agency by SDO, Munduli Sub-Division to the Divisional officer without actual execution of work of Simili Mahara under Aul Embankment Division,
- 3) Irregular and unauthorized split up of both Plan and Non-Plan funds by Mechanical Divisions without prior approval of the competent authority,
- 4) Purchase of goods without immediate requirement to execute works awarded by Divisional Engineers.

Principal Secretary perused the para-wise objections raised by the IAW and the compliance submitted by the Divisional Officials and discussed each and every issue with the senior officials present in the meeting. EIC, Water Resources, EIC (P&D), CE (Mechanical) and FA-cum-Joint Secretary expressed their views on different issues and gave valuable suggestions to eradicate some of the serious codal violations leading to loss of Government money.

After detailed discussion and deliberations, the following decisions were taken.

- (i) Regarding Rajua Diversion Weir, the Executive Engineer reported that goods were purchased by utilizing funds amounting to Rs.65.29 lakh which the audit alleged that the amount has been misappropriated. It was decided that a list of materials available in physical stock shall be furnished by the Executive Engineer within 3 days.
- (ii) Principal Secretary expressed serious displeasure over the manner in which misutilisation of huge sum of money has taken place in case of Rajua Diversion Weir and directed the Chief Engineer to take stringent action against the Junior Engineer concerned, who has not handed over the charge of the stock of Government materials. Steps may be taken to institute criminal action against the persons responsible in this fraudulent activity. CE shall ensure that FIR is filed against the JE forthwith.
- (iii) Regarding raising of final bills without verification of actual execution of work, the SDO, Munduli Sub-Division is solely responsible along with the Junior Engineer in-charge of the works. The CE and the EE have to take stringent departmental action against the officials responsible for this illegal preparation and submission of final bills to the Divisional Office. Besides criminal case may be filed forthwith.
- (iv) Regarding splitting up of work in case of Upper Indravati Irrigation Project, the Executive Engineer informed that 90 estimates are prepared for Non-Plan works at 90 different sites. This was countered by the Audit officials present in the meeting. The IAW shall verify whether these estimates are prepared on the basis of works to be executed in different sites.
- (v) Principal Secretary directed that no allotment for works shall be given for Mechanical Divisions after 31st December every year. No work can be split up. In case of emergency works, for expeditious execution, works may be taken up without resorting to elaborate tender process, only with the express written approval of the next higher authority not below the rank of Superintending Engineer.
- (vi) Identification of work to be awarded to the Mechanical Divisions shall be done by July every year and allotment shall be given not later than 31st December of every year.

- (vii) Action including criminal shall be taken against defaulting officers in respect of Paras where clear loss/defalcation has taken place.
- (viii) Splitting up of work in case of site specific condition and time limitation should be submitted with justification to comply the paras in this regard.
- (ix) Unadjusted amount in case of losses / defalcation shall be recovered. Disciplinary proceedings against erring officials should be initiated and wherever necessary, criminal action may be taken.
- (x) Strict adherence to open tendering process shall be adopted avoiding splitting up of work by all Mechanical Divisions.
- (xi) Annual maintenance plan of gate works to be carried out jointly by the Executive Engineer, Mechanical Divisions along with Executive Engineer of the Major, Medium and Minor Irrigation sectors, who is the owner of the asset. The Chief Engineer and the Superintending Engineer has to identify the immediate short-term, medium-term and long-term repair schedule.
- (xii) The meeting expressed serious displeasure over the lack of supervision, guidance and control in respect of the Chief Engineer and Superintending Engineer of Mechanical Wing as per the provisions in the OPWD Code.
- (xiii) The owner of the assets are primarily responsible for timely execution of all mechanical works with proper quality. EEs (Civil) must be also held accountable in case works by Mechanical Divisions are taken up violating the codal provisions, without adequate quality assurance.

The meeting ended with vote of thanks to the Chair.


FA-cum-Joint Secretary to Government
11/05/15